LIFELINK INVESTMENTS

Annual Fund Report

Report and statement of the managers for the period **1 January 2012 to 31 December 2012**

PRUDENTIAL

Always Listening. Always Understanding.

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FUND MANAGER'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2012

PERFORMANCE OF LIFELINK ASIA FUND

Fund Performance

For the year ended 31 December 2012, the net asset value of the Fund rose 13.6%, compared with a 15.3% increase in the benchmark MSCI AC Asia ex-Japan index[1] in Singapore dollar terms.

After a weak start to the year, performance generally picked up through the balance of the year, following a few minor enhancements to investment process. Over the entire period under review sector allocation proved to be a drag on performance.

The Fund had an overweight position in the consumer sector which underperformed the market and underweight in the real estate sector, which was the best-performing sector, and this detracted from performance.

The Fund benefitted from favorable securities selection, most notably in the consumer staples, consumer discretionary, financial services and materials sectors. This was slightly off-set by adverse selection effects in information technology (IT).

Key contributors to performance include: *CP All* (consumer staples), *HDFC Bank* (financials), *Kasikornbank* (financials), *ITC Ltd* (consumer staples) and *Metropolitan Bank* (financials).

Key detractors include: *Comba Telecom* (IT), *Baidu Inc.* (IT), *GS Engineering* (industrials), *China Shenhua Energy* (energy), and *Compal Electronics* (IT).

The Fund has made significant changes to its holdings in the IT and industrials sectors. While the fund continues to run its most active overweight position in the consumer sector, the fund has also increased exposure to more cyclical sectors.

As at end December 2012, the fund had the following regional asset allocation: China (28.3%), South Korea (19.8%), Hong Kong (15.2%), India (10.6%), Taiwan (7.2%), Thailand (6.0%), Singapore (4.9%), Indonesia (4.5%), Philippines (2.2%), Malaysia (1.1%) and the remainder in cash/net liquidity (0.2%).

[1] *The benchmark was changed to MSCI AC Asia ex-Japan from Jan 12. Previously (April 92 – Dec 11) the benchmark was MSCI AC Far East ex-Japan.*

Market Review

Equity markets chalked up strong gains for the year despite trading in a volatile environment. Asia ex-Japan was the best-performing region. After a sharp rally in the first two months of the year, markets took a tumble as growth concerns and Euro woes took hold. Coordinated monetary easing helped stabilize economic activity. Improving economic indicators helped drive a strong fourth quarter equity market rally.

The year 2012 can be characterized as a continued transition to the "new normal", or below potential growth. Deleveraging of households and fiscal consolidation in the developed world is a constraint on final demand. The Euro zone continued to face daunting challenges. Weakness in the developed world conspired to dampen Asia's exports, with North Asia being more adversely impacted.

Weak economic data, including exports, industrial production and Purchasing Managers' Index (PMIs), sparked fears of a hard landing in China, and created volatility across the Asian markets. Heightened political tension between China and Japan over the ownership of the Diaoyu/Senkaku islands, and uncertainty ahead of China's leadership transition further dampened sentiment.

Lower food prices and moderating oil prices helped reduce inflation pressures and enabled monetary policy easing in Asia. China cut rates, as did Korea, Taiwan, India and several Asean countries. The Asian central banks' monetary easing coincided with easing elsewhere. The US Fed launched a third round of quantitative easing and pledged to keep rates low till the labour market improves, while the European Central Bank embarked on an open-ended purchase of sovereign debt to contain the Euro crisis.

ASEAN equity markets generally outperformed, led by the Philippines and Thailand. Improved terms of trade is driving an increase in foreign direct investment and boosting productivity. Meanwhile, rising wages and a growing middle class continues to drive domestic demand. Strong corporate earnings drove a re-rating of the domestic equity markets. Indonesia was a key exception as policy uncertainty, concerns over its external position and currency volatility created uncertainty for the market.

In terms of sector performance, real estate, technology, industrials and healthcare were the best performing sectors. Materials, energy and consumer were the weaker sectors.

Fund Strategy and Outlook

The growth outlook for Asia is still relatively positive. Most Asian economies are in good shape. External debt is below 20% of GDP, down from a high of 35% in the aftermath of the Asian financial crisis. The corporate sector is more disciplined, with lower debt, and banking systems are mostly healthy. China remains a wild card as the implementation of financial sector and factor market reforms remains a key challenge.

Economic indicators in Asia point to an improvement in the outlook with recent data out of China in particular looking encouraging. However, the longer term growth trajectory for the region will continue to be influenced by developments in Europe and the US where headwinds remain. The economic environment for Asia in 2013 will likely be one of slower growth. Against this backdrop, the Fund's strategy is to focus on structural opportunities and companies that generate strong cash flows and pay out sustainable high dividends.

Asian equities are attractively valued. Equity yields in Hong Kong, Singapore and Taiwan compare favourably to risk-free alternatives. The fund manager believes dividend yielding equities will continue to perform strongly into 2013.

Asia is undergoing a key transition from export driven (mercantilist) economic model to more income/consumption driven growth strategies. This transition is creating challenges and opportunities. Higher wages, which is a centrepiece of this strategic shift, is putting pressure on traditional business models. However, higher wages and rising purchasing power are creating unique opportunities for consumer product and services companies. The fund manager continues to seek to exploit this opportunity.

Valuations are attractive. The region now trades at close to one standard deviation below historic mean on both forward price-to-earnings and price-to-book measures. Meanwhile, earnings expectations for 2013 have moderated considerably, leaving room for upside surprises as economic recovery continues. The Fund's current position is to maintain a defensive stance, and as always, the fund manager's focus on high quality growth stocks.

The above information on the LifeLink Asia Fund is provided by UOB Asset Management Ltd.

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PERFORMANCE OF LIFELINK GROWTH FUND

Fund Performance

For the year ended 31 December 2012, the net asset value of the Fund rose 22.0%, compared with a 23.4% increase in the benchmark Straits Times Index in Singapore dollar terms.

The Fund started the year on a strong note, rising in line with the overall market which was boosted by fund inflows given Singapore's attractive dividend yields, strong currency and sound fundamentals. Moreover investors were reassured by Singapore's AAA credit rating, which remained one of a select few globally.

However in the second quarter, market volatility increased on heightened macro economic concerns which adversely impacted the Singapore market. Accordingly the Fund's performance suffered from its overweight position in the industrial cyclical stocks which underperformed the more defensive sectors.

In the second half, the Fund benefitted from favorable securities selection, most notably in the industrials and real estate sectors, particularly the real estate investment trusts (REITs). This was slightly off-set by adverse selection effects in commodities and energy.

Key contributors to performance include: *DBS Group* (financials), *CapitaLand*, *Hongkong Land*, *CapitamallsAsia & CDL Hospitality* (real estate), *Ezion Holdings* (industrials) and *Jardine Matheson* (conglomerates).

Key detractors include: *Wilmar*, *Golden Agri* (commodities) and *Sembcorp Marine*, *Noble* (industrials).

As at end December 2012, the fund had the following sector allocation: Financials (48.01%), Industrials (24.68%), Telecommunications (9.45%), Consumer Staples (7.33%), Consumer Discretionary (6.80%), Energy (3.71%) and the remainder in cash/net liquidity (0.02%).

Market Review

Equity markets registered strong gains for the year despite trading in a volatile environment. After a sharp rally in the first two months of the year, markets corrected sharply as growth concerns intensified and Euro woes took hold. Coordinated monetary easing helped stabilize economic activity. Improving economic indicators drove a strong fourth quarter equity market rally.

The year 2012 can be characterized as a continued transition to the "new normal", or below potential growth. Deleveraging of households and fiscal consolidation in the developed world is a constraint on final demand. The Euro zone continued to face daunting challenges. Weakness in the developed world conspired to dampen Asia's exports. Weak economic data sparked fears of a hard landing in China, and created volatility across the Asian markets, with the Singapore market not spared.

Monetary easing by central banks enabled markets to recover lost ground. The US Fed launched a third round of quantitative easing and pledged to keep rates low till the labour market improves, while the European Central Bank embarked on an open-ended purchase of sovereign debt to contain the Euro crisis.

The weakness in global growth has clearly impacted the Singapore economy. The government narrowed its 2012 GDP growth forecast to 1.5% (from 1.5-2.5%) and trimmed its 2013 GDP growth projection to 1-3%. Despite the weak economic backdrop, the Singapore equity market outperformed the broader MSCI Asia ex-Japan index.

The Singapore market found favour with investors for its relatively high dividend yield as well as companies with solid, visible earnings growth prospects. In particular, the Real Estate Investment Trust (REITs) were highly sought after as investors gravitated towards companies providing stable recurring income. Coupled with a strong Singapore dollar, the Singapore market was a safe haven in the midst of global economic uncertainty.

Fund Strategy and Outlook

Economic indicators in Asia point to an improvement in the outlook with recent China data looking encouraging. However, the longer term growth trajectory for the region will continue to be influenced by developments in Europe and the US, where headwinds remain. The economic environment for Asia in 2013 will likely be one of slower growth. Against this backdrop, our strategy is to focus on structural opportunities and companies that generate strong cash flows and pay out sustainable high dividends.

The fund manager expects the Singapore market to continue to appeal to investors. Sectors like REITs and offshore and marine should continue to attract interest. The Singapore REITs offer attractive dividend yields. The offshore & marine sector is benefiting from new order wins and the outlook remains positive as capital expenditure in oil exploration is expected to remain buoyant. With the smooth leadership transition in China and a pick-up in economic activity in the Chinese economy, the fund manager is increasing the Fund's positions in companies with China exposure such as real estate developers with developments in China.

As the outlook for the Asian markets improve, the region will likely remain an important destination for investors in the years ahead. The Fund's investment market of Singapore, given its well established trade links and strategic geographical location, is well positioned to benefit from these long term positive factors driving Asia's growth. Moreover, the Republic benefits from being part of ASEAN where the regional grouping has been relatively resilient in the current economic turmoil given the robust levels of domestic demand.

The above information on the LifeLink Growth Fund is provided by UOB Asset Management Ltd.

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PERFORMANCE OF LIFELINK GLOBAL FUND

Fund Performance

For the year ended 31 December 2012, the net asset value of the Fund increased by 7.0%, compared with a 9.4% gain in the benchmark MSCI AC World Free index in Singapore dollar terms.

The Fund's underperformance was due mainly to asset allocation in the US and to a lesser extent, stock selection in Europe. The Fund's biggest overweight position was the US market, which underperformed the broader market in 2012 during the last three months of the year. The MSCI USA Index rose by 6.9% in Singapore dollar terms. The Fund was also hurt by stock selection in the European market as the focus on high-quality and defensive growth companies did not work out given the risk-on rally during the later part of the financial year.

On the other hand, the markets that contributed positively to performance were Asia (Ex-Japan) and Latin America, in which the Fund had overweight positions. The positive stock selection in Latin America more than offset the adverse allocation effects. Positive contributions from stock selection and attribution in Asia (Ex-Japan) also aided performance. The Fund was nearly fully invested during the period under review, with cash levels at 0.01%.

Notable contributors to performance included : Visa Inc (US), Apple Inc (US), Gilead Sciences Inc (US), PT Bank Danamon (Indonesia), Grupo Financiero Banorte SAB D (Mexico), Aberdeen Asset Management PLC (UK), HSBC Holdings PLC (UK), Davita Inc (US), Samsung Electronics (Korea) and Newell Rubbermaid Inc (US).

Principle detractors from performance included: Intel Corp (US), Occidental Petroleum (US), Freeport-McMoran Copper & Gold (US), Banco Bilbao Vizcaya S.A. (Spain), McDonalds (US), Baidu Inc. ADS (China), EMC Corp (US), BG Group PLC (UK), Anglo American PLC (UK) and Tesco PLC (UK).

As at 31 December 2012, the Fund was positioned as follows:

By Country

United States (48.65%), Europe (21.33%), Asia ex-Japan (12.39%), Latin America (6.05%), Japan (5.49%), Canada (2.97%), Australia (1.79%), EMEA (1.32%) and the remainder in cash/net liquidity (0.01%).

By Sector

Consumer Discretionary (14.06%), Consumer Staples (10.73%), Energy (9.58%), Financials (17.66%), Healthcare (10.04%), Industrials (10.82%), Information Technology (15.75%), Materials (5.84%), Telecom Services (3.00%), Unit Trust (0.46%), Utilities (2.05%) and the remainder in cash/net liquidity (0.01%).

Market Review

Despite mixed economic and corporate earnings data, global equity markets ended the year higher driven mainly by liquidity and politics. The bulk of the gains were in the last quarter of the year. The MSCI AC World Free Index rose by 9.4% in Singapore dollar terms with emerging markets outpacing developed markets. The top performing markets were Asia (ex-Japan) and EMEA delivering returns of 12.5% and 10.9% respectively in 2012. Within Asia, Philippines and Thailand equities generated the highest returns of 35.5% and 23.3% respectively while Indonesia and Malaysia equities were laggards.

Despite episodes of "risk-on" rally during the year, there was mixed performance amongst the cyclical sectors. In fact, Materials and Energy ranked among the two worst performing sectors in the year under review while the outperformers were the Financials, Consumer Discretionary and Healthcare sectors. Investors, generally preferred to hold quality companies with sustainable rather than volatile earnings.

Global equities enjoyed a strong start in 2012 buoyed by a combination of on-going quantitative easing by global central banks in the US, Euro zone and Japan, improving economic data and better-than-expected corporate earnings. The global manufacturing Purchasing Manager Index (PMI) rose to a seven-month high of 51.2 in January as new orders rose for the first time since August 2011. Meanwhile, investor sentiment benefited from a broadly positive 4th Quarter 2011 earnings results. Equities rallied especially in the European and Emerging Equities markets.

However, by mid-March, a growing mismatch between investor optimism and economic fundamentals dampened investor sentiment. There was a marked economic deterioration across the global economies including the US which had been holding up well thus far. The latter saw growth moderate further to 1.3% in the second quarter from 2.0% in the first quarter of 2012. This represented a below-potential growth rate for the US, thus implying continued high unemployment rate and weak income generation ahead.

In Europe, the recession worsened as reflected in the European Composite PMI Index which fell further below the critical 50-mark in the second quarter of the year. The uncertain Greek election outcome in July and the bumpy Greek debt restructuring negotiations coupled with a growing Spanish contagion risk rekindled fresh worries over the European sovereign debt. In Asia, growth indicators also slowed, dragged in part by a rapidly decelerating China. The MSCI AC World Free Index fell by 5.5% in Singapore dollar terms over the period March to June 2012.

Markets sentiment improved slightly towards end June on expectations that the EU Leaders Summit scheduled for month end would result in credible long term solutions for Europe's debt problems. Eventually, the promise of a European banking union and the prospects of more aggressive liquidity support from the ECB through the

Open Market Transaction (OMT) programme helped global equity markets recover. The programme involves ECB buying bonds on the 1-year to 3-year segment of the yield curve upon the bail-out request from a member.

In September 2012, the US Federal Reserve's announcement of a third round of open-ended quantitative easing provided further impetus to the rally. This was also joined by Japan's JPY10 trillion asset purchase programme in the same month. China and several Asian countries were also on an easing monetary mode. The release of the delayed EUR 34.4 billion tranche of bailout funding to Greece by the Troika (the European Central Bank (ECB), International Monetary Fund and the European Commission) in November further stoked risk appetite.

The rally, which started in the third quarter of the year, strengthened especially in the last two months of the year. The strongest gains were recorded in Asia (ex-Japan), Europe and Australia during the second half of the financial year. But, the US and Japan fared the worst over the same period, despite a sharp rally in Japanese equities during the last two months of the year.

Towards the year-end, the US equity market was hit by the political gridlock between the Democratic-controlled Senate and a Republican-controlled House of Representatives which could have push the economy over the fiscal cliff. In turn, this weakened both consumer confidence and capital spending with the Conference Board's index of consumer confidence falling to 65.1 in December or a five-month low. The fiscal cliff uncertainty was underscored by the high-profile earnings misses and negative earnings outlook especially in the Technology and Industrial Sectors during the third quarter results release.

The Japanese market was generally lackluster in the year until the final quarter when the MSCI Japan Index was up by 5.2% in Singapore dollar terms compared with a fall of -0.4% in 2012. In turn, this was prompted by the Liberal Democratic Party's (LDP) resounding victory in the country's December election. The new Prime Minister, Shinzo Abe, ignited reflation hopes in Japan with his calls for more aggressive monetary and fiscal intervention including a 2% inflation target by the Bank of Japan. Such actions weakened the Yen and bolstered market sentiment towards the Japanese exporters. But Japanese equities hefty 18.9% gain in yen terms in the final quarter was also largely erased by the weakening currency.

Asian markets followed a similar pattern. After rallying at the start of the year, they lost ground by mid-March as weak external demand adversely impacted the region's export performance. Exports slowed sharply, and concurrently so did industrial production. This shift was most evident in data out of North Asia (Taiwan, S. Korea and China). Market performance reflected this divergence, with Southeast Asia market performing strongly and North Asia markets generally weaker. China was one of the weakest markets after Indonesia due to fears of a hard landing and corporate earnings disappointment. But, Asian equities rallied towards year-end supported by liquidity and positive economic data from China.

The Latin America market was the worst performing market in 2012 due mainly to Brazil and Chile. In turn, this was due to the weakness in global growth, declines in resource prices (the Brazil market continues to be heavily weighted towards the material and energy sectors), and generally slowing domestic growth amidst ongoing inflation pressure. The MSCI Latam Index fell by -0.7% in Singapore dollar terms.

Fund Strategy and Outlook

The fund manager expects modest global growth in 2013 at around 2.5%-3.0% versus 3.2% in 2012. The differences in the economic growth prospects between developed and emerging markets will become more sizeable this year as Europe and the US have to contend with fiscal austerity and continued deleveraging. Moreover, their high public debt further constrains fiscal policy flexibility. But growth prospects also differ between developed countries with the US enjoying a better growth backdrop owing to an improving transmission mechanism, healthier private sector balance sheet and falling energy costs. Europe and Japan, on the other, hand, continue to grapple with more serious structural problems. Monetary policy actions in the developed countries will remain supportive of global equities.

Among the emerging markets, China is the growth locomotive. China's transition to a consumption-led economy from an investment-led one will take many years and it remains risky. So we expect the Chinese economic growth to moderate to around 7%+ from around 14% in 2007. Meanwhile, other emerging markets such as Asia (Ex-Japan) and the Latin America continue to have healthier fiscal fundamentals and better demographics. This has important investment implications. For example, Citi Research expects Asia's consumer spending to double in six years.

In terms of asset allocation, the fund manager continues to favour Large Cap growth stocks, as well as more stable regions and sectors. As such, the Fund is overweight in the US and has also allocated more weight to the Emerging Markets viz., Asia ex-Japan, the Latin America and EMEA at the expense of Australia and Canada. Bottom up stock selection remains critical in the current slow-growth environment where we focus on high quality growth companies across sectors. In particular, the bias is towards companies with competitive business models, strong cash generation and proven management team that are able to gain market share at the expense of the weaker companies. They are also less vulnerable to cost pressures and have resilient operating margins.

Regional Outlooks

US

The US economy is set to slow further in 2013 on fiscal tightening that is estimated at around 1.5%-2.0% of GDP from 2012's 2.3% expansion. Despite Congress' hastily enacted legislation at the turn of the year which has avoided pushing the economy over the cliff, tax uncertainties remain given the outstanding decisions on the automatic spending cuts and the debt ceiling (deadline is now 18 May). If the US lawmakers can successfully navigate through this period with a reasonable solution to the fiscal problem, then the US is well-positioned to see a resumption of corporate spending and hiring again. Hence, the private sector can help generate sufficient momentum to help offset the fiscal drags. Indeed, the economy offers some bright spots viz., a repairing credit cycle, recovering housing market (inventories are at 5-year low), fairly positive demographics and an abundant cheap shale gas discovery. The latter is starting to encourage "reshoring" of US multinational companies back to America. And in general US corporations continue to stand apart in terms of leaders in terms of innovation, operating efficiency and financial returns. The Fund continues to have many such companies as core holdings. Monetary policy is also likely to stay supportive of equities for an extended period of time as US's structurally embedded unemployment rate is not likely to fall below 6.5% in the medium terms, which is monitored by the Fed as one of the indicators. The Fund continues to overweights the US, with preference on the Large Cap companies.

Europe

The collective challenges faced by the Euro zone remain daunting despite progress. The actions taken so far to resolve the debt crisis continue to fall short of earlier agreements. In November 2012, the European Commission President, Jose Manuel Barroso unveiled a detailed plan that contains the blueprint towards an European fiscal and monetary union that will facilitate transfer payments from creditor to debtor nations. But this has since been watered down significantly to the extent of excluding the important fiscal integration issue altogether. Hence this poor track record of policy execution makes the prospect of a short-term fix unlikely. The Euro zone needs to implement quickly the needed structural reforms, effect monetary transfers, and surrender political independence soon. Otherwise, the sovereign debt problem will remain a serious overhang for Europe. Meanwhile, fundamentals continue to deteriorate as the austerity-reform fatigue peripheral European countries and bailout-fatigue core European countries find it increasingly difficult to meet each other's goals. We remain concern that any move to a full fiscal union will only occur after a significant crisis involving Spain and/or Italy, and that may well be too late. While the ECB's OMT programme have helped arrest the crisis by helping to keep sovereign bond spreads in a range of up to 300 basis points relative to Bunds, it is not a permanent solution. The central bank intervention has not eased the fiscal and structural reforms burden for Europe which continues to see a worrying trend of rising unemployment rates and further labour strikes and demonstrations. Spain's unemployment rate hit a record high of 26% in the final quarter of 2012. Therefore, despite improving valuation in Europe, the Fund continues to underweights the region.

Asia

Asia offers one of the best combination of growth trajectory, demographic profile, leverage and fiscal health, with external debt below 20% of GDP, down from a high of 35% in the aftermath of the Asian financial crisis. The corporate sector, likewise, have relatively lower debt, and the banking systems are mostly healthy. China remains a wild card as the implementation of financial sector and factor market reforms remains a key challenge. Asia's transition from export driven economic model to more income/ consumption driven growth strategies creates challenges and opportunities. Higher wages, and rising purchasing power, for instance, are creating investment opportunities for consumer product and services companies. Asian equities are attractively valued. Equity yields in Hong Kong, Singapore and Taiwan compare favourably to risk free alternatives. In addition, the region now trades at close to one standard deviation below historic mean on both forward price-to-earnings and price-to-book measures. The Fund's current position is to increase its overweight in Asia (Ex-Japan).

Japan

In contrast, Japan's negative demographic profile, poor growth trajectory and high public debt level are growth drags. Indeed, there is little evidence that this is likely to improve in the future but should worsen over time as the country's Aggregate Savings/GDP ratio is expected to drop dramatically into dissaving over the next 15 to 30 years while its borrowing needs continue to balloon. The strong mandate given to the recently elected Japanese Prime Minister Shinzo Abe is a positive development for Japan but the government needs to have a comprehensive structural reform strategy to restore Japan's lost competitiveness, repair the impaired banking system and revive inflation after decades of deflation. If the government relies solely on expansionary monetary policy and wasteful fiscal spending, any resulting recovery from such a stimulus will be short-lived and worsen the country's debt outlook significantly. The Fund remains underweight.

Latin America

Latin America is expected to see improving growth in 2013 due mainly to a rebound in Brazil, which is expected to grow by 3.0% in 2013 from 2012's 1.0%. Other economies, such as Mexico, are also likely to do well on the back of improving investment and consumption trends. While the region still faces challenges due to economic rigidities and shortfalls in factor inputs (capital and labour), there has been some significant improvements achieved in recent years. The region also has favorable demographics and healthy fiscal positions but faces challenges due to poorer levels of education and historical dependencies on social transfers that has been a constraint on capital formation. The flipside of these constraints is that capital in the region can be deployed in very productive manners, achieving both high returns and high rates of growth. Brazil best epitomized the transition, but Mexico too is experiencing significant transformation, becoming a more critical production base for businesses seeking to supply manufactured goods into North America. The Fund remains positive on the region.

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Fund Performance

The performance of the Funds based on the net asset value basis are as follows:

	3 month	6 month	1 year	3 year^	5 year^	10 year^	Since Inception^
LifeLink Asia Fund	4.55	11.37	13.63	(3.12)	(6.92)	7.80	7.59
MSCI AC Asia ex-Japan Index+	5.25	11.35	15.27	2.71	(2.47)	10.46	5.58

	3 month	6 month	1 year	3 year^	5 year^	10 year^	Since Inception^
LifeLink Growth Fund	3.56	11.59	21.96	5.08	0.67	9.86	7.42
Straits Times Index@	3.91	11.68	23.37	6.12	1.46	10.81	5.01

	3 month	6 month	1 year	3 year^	5 year^	10 year^	Since Inception^
LifeLink Global Fund	(0.26)	2.96	7.00	(0.60)	(6.83)	3.41	3.15
MSCI AC World Free Index#	2.45	5.99	9.40	1.79	(4.35)	4.38	1.61

^ Annualised

+ The benchmark is the Morgan Stanley Capital International (MSCI) All Countries Asia ex-Japan Index. Prior to 1 January 2012, the benchmark was the MSCI AC Far East Free ex-Japan Index.

@ The benchmark is the Straits Times Index (STI). Prior to 1 December 2001, the benchmark was the DBS 50 Index.

For the financial year 2001, the benchmark return was computed by summing the return of the DBS 50 Index for the period January to November 2001 and the return of the STI for the month of December 2001.

The benchmark is the Morgan Stanley Capital International (MSCI) AC World Free Index. Prior to 1 January 1998, the benchmark was the MSCI AC Far East Index.

Past performance is not necessarily indicative of future or likely performance of the LifeLink Funds.

Investments Classified by Asset Class and Country

	LifeLink Asia Fund		LifeLink Growth Fund		LifeLink Global Fund	
	Market Value (S$)	% of NAV	Market Value (S$)	% of NAV	Market Value (S$)	% of NAV
Investments in funds in Singapore	928,818	99.77	449,857	99.98	900,443	99.99
Other net assets	2,169	0.23	108	0.02	132	0.01
Total	**930,987**	**100.00**	**449,965**	**100.00**	**900,575**	**100.00**

Investments in Collective Investment Schemes

LifeLink Asia Fund		LifeLink Growth Fund		LifeLink Global Fund	
Market Value (S$)	% of NAV	Market Value (S$)	% of NAV	Market Value (S$)	% of NAV
United Asia Fund		United Singapore Growth Fund (formerly known as United Growth Fund)*		United International Growth Fund	
928,818	99.77	449,857	99.98	900,443	99.99

** The Investments in Collective Investment Schemes changed its name from United Growth Fund to United Singapore Growth Fund with effect from 1st June 2012.*

Top Ten Holdings as at 31 December 2012

	United Asia Fund	
At 31 December 2012	**Market Value (S$)**	**% of NAV**
SAMSUNG ELECTRONICS COMPANY LIMITED	6,877,485	5.63
CNOOC LTD	4,347,483	3.56
GOLDEN EAGLE RETAIL GROUP	4,033,817	3.30
HYUNDAI MOTOR COMPANY	3,578,996	2.93
CHINA LIFE INSURANCE CO LTD	3,407,777	2.79
KASIKORNBANK PCL – FOREIGN	3,322,487	2.72
HUTCHISON WHAMPOA LTD	3,198,143	2.62
AAC TECHNOLOGIES HOLDINGS LTD	3,084,934	2.53
HDFC BANK LIMITED	3,077,965	2.52
BAIDU INC ADR	3,062,606	2.51

At 31 December 2011

SAMSUNG ELECTRONICS COMPANY LIMITED	5,358,811	4.12
TAIWAN SEMICONDUCTOR MFG CO LTD	4,292,858	3.30
SHINHAN FINANCIAL GROUP	3,694,279	2.84
HYUNDAI HOME SHOPPING NETWORK CORPORATION	3,579,294	2.75
HON HAI PRECISION INDUSTRY	3,426,877	2.64
CHINA TELECOM CORP LTD	3,230,723	2.48
HYUNDAI MOTOR COMPANY	3,204,913	2.46
ITC LTD	3,190,028	2.45
LG HOUSEHOLD & HEALTH CARE LTD	3,017,564	2.32
CHINATRUST FINANCIAL HOLDINGS	2,827,875	2.17

At 31 December 2012	United Singapore Growth Fund	
	Market Value (S$)	% of NAV
DBS GROUP HOLDINGS LIMITED	13,338,000	9.64
SINGAPORE TELECOMMUNICATIONS LIMITED	12,870,000	9.30
OVERSEA-CHINESE BANKING CORPORATION LIMITED	10,946,250	7.91
UNITED OVERSEAS BANK LIMITED	10,697,400	7.73
KEPPEL CORPORATION LIMITED	9,341,500	6.75
CAPITALAND LIMITED	9,065,000	6.55
JARDINE MATHESON HOLDINGS LIMITED	6,815,970	4.92
HONGKONG LAND HOLDINGS LIMITED	5,115,642	3.70
EZION HOLDINGS LIMITED	5,055,000	3.65
FRASER AND NEAVE LTD	4,646,400	3.36

At 31 December 2011

SINGAPORE TELECOMMUNICATIONS LIMITED	13,332,578	10.19
OVERSEAS-CHINESE BANKING CORPORATION LIMITED	11,246,777	8.60
DBS GROUP HOLDINGS LIMITED	10,718,346	8.19
UNITED OVERSEAS BANK LIMITED	8,670,657	6.63
JARDINE MATHESON HOLDINGS LIMITED	8,539,218	6.53
WILMAR INTERNATIONAL LIMITED	8,250,000	6.31
KEPPEL CORPORATION LIMITED	8,184,000	6.26
GENTING SINGAPORE PLC	5,156,650	3.94
GOLDEN AGRI-RESOURCES LTD	4,251,390	3.25
JARDINE STRATEGIC HOLDINGS LIMITED	4,222,930	3.23

	United International Growth Fund	
	Market Value (S$)	% of NAV
At 31 December 2012		
VISA INC – CLASS A SHARES	3,700,412	2.82
EXXON MOBIL CORPORATION	2,961,893	2.26
US BANCORP	2,809,059	2.14
OCCIDENTAL PETROLEUM CORPORATION	2,620,215	2.00
MICROSOFT CORPORATION	2,284,694	1.74
APPLE INC	2,278,794	1.74
QUALCOMM INC	2,272,723	1.73
MERCK N CO	2,100,858	1.60
PHILIP MORRIS INTERNATIONAL INC	2,043,570	1.56
COLGATE-PALMOLIVE COMPANY	2,043,521	1.56
At 31 December 2011		
OCCIDENTAL PETROLEUM CORPORATION	3,523,763	2.75
APPLE INC	2,888,217	2.25
VISA INC – CLASS A SHARES	2,633,237	2.06
MICROSOFT CORPORATION	2,288,950	1.79
CISCO SYSTEMS INC	2,109,909	1.65
MILLICOM INTERNATIONAL CELLULAR SA-SDR	2,086,654	1.63
MCDONALDS	2,080,034	1.62
DOMINION RESOURCES INC	2,064,396	1.61
SCHLUMBERGER	2,036,907	1.59
PHILIP MORRIS INTERNATIONAL INC	2,034,703	1.59

Expense Ratios

LifeLink Asia Fund		LifeLink Growth Fund		LifeLink Global Fund	
2012	2011	2012	2011	2012	2011
1.60%	1.63%	1.13%	1.28%	1.27%	1.34%

Note: *The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.*

United Asia Fund		United Singapore Growth Fund		United International Growth Fund	
2012	2011	2012	2011	2012	2011
1.59%	1.65%	1.11%	1.26%	1.25%	1.34%

Note: *The expense ratio does not include (where applicable) brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other schemes and tax deducted at source or arising out of income received.*

Turnover ratios

LifeLink Asia Fund		LifeLink Growth Fund		LifeLink Global Fund	
2012	2011	2012	2011	2012	2011
2.24%	2.93%	7.97%	7.02%	2.67%	2.03%

United Asia Fund		United Singapore Growth Fund		United International Growth Fund	
2012	2011	2012	2011	2012	2011
76.38%	117.11%	43.79%	47.18%	69.77%	108.74%

Note: *The turnover ratio is calculated in accordance with the formula stated in the "Code on Collective Investment Schemes".*

Amount of redemptions and subscriptions

	LifeLink Asia Fund		LifeLink Growth Fund		LifeLink Global Fund	
	2012	2011	2012	2011	2012	2011
Total amount of redemptions	19,826	29,304	35,100	32,475	24,044	18,598
Total amount of subscriptions	–	–	–	–	–	–

Soft Dollar Comissions/Arrangements

The fund manager, UOB Asset Management, has entered into soft dollars arrangements with selected brokers from whom products and services are received from third parties. The product and services relate essentially to computer hardware and software to the extent that they are used to support the investment decision making process, research and advisory services, economic and political analyses, portfolio analyses including performance measurements, market analyses, data and quotation services, all of which are believed to be helpful in the overall discharge of UOB Asset Management's duties to clients. As such services generally benefit all of UOB Asset Management's clients in terms of input into the investment decision making process, the soft credits utilised are not allocated on a specific client basis. The fund manager confirm that trades were executed on the best available terms and there was no churning of trades. The said brokers have also executed trades for other schemes managed by the Investment Manager.

INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

		LifeLink Asia Fund	
	Note	31 DECEMBER 2012 $	31 DECEMBER 2011 $
Gross dividends on equities		–	–
Gains from sale of investments		2,438	9,683
Unrealised appreciation/(depreciation) in value of investments		111,709	(330,733)
		114,147	(321,050)
Management fees		1,029	4,576
		(1,029)	(4,576)
PROFIT/(LOSS) BEFORE TAXATION		113,118	(325,626)
TAXATION	3	–	–
NET PROFIT/(LOSS) FOR THE YEAR		113,118	(325,626)

The accompanying notes form an integral part of these financial statements.

LifeLink Growth Fund		LifeLink Global Fund	
31 DECEMBER 2012	31 DECEMBER 2011	31 DECEMBER 2012	31 DECEMBER 2011
$	$	$	$
16,662	2,920	–	–
3,715	6,129	7,820	8,580
68,746	(87,707)	58,785	(97,902)
89,123	(78,658)	66,605	(89,322)
3,115	3,435	6,444	6,489
(3,115)	(3,435)	(6,444)	(6,489)
86,008	(82,093)	60,161	(95,811)
–	–	–	–
86,008	(82,093)	60,161	(95,811)

BALANCE SHEET
AS AT 31 DECEMBER 2012

		LifeLink Asia Fund	
CAPITAL ACCOUNT	**Note**	**31 DECEMBER 2012 $**	**31 DECEMBER 2011 $**
Issue of units		–	–
Cancellation of units		(19,826)	(29,304)
		(19,826)	(29,304)
Net profit/(loss) for the year		113,118	(325,626)
Value of Fund at beginning of the year		837,695	1,192,625
Value of Fund at end of the year		930,987	837,695
Represented by:			
CURRENT ASSETS			
Investments in funds	4	928,818	836,282
Accounts receivable		571	2,031
Bank balances		1,598	670
		930,987	838,983
Less:			
CURRENT LIABILITIES			
Other liabilities		–	1,288
NET ASSETS		930,987	837,695

The accompanying notes form an integral part of these financial statements.

LifeLink Growth Fund		LifeLink Global Fund	
31 DECEMBER 2012	31 DECEMBER 2011	31 DECEMBER 2012	31 DECEMBER 2011
$	$	$	$
–	–	–	–
(35,100)	(32,475)	(24,044)	(18,598)
(35,100)	(32,475)	(24,044)	(18,598)
86,008	(82,093)	60,161	(95,811)
399,057	513,625	864,458	978,867
449,965	399,057	900,575	864,458
449,857	399,068	900,443	865,283
40	787	412	1,809
108	91	132	225
450,005	399,946	900,987	867,317
40	889	412	2,859
449,965	399,057	900,575	864,458

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2012

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

The LifeLink Funds comprise the following Funds:

(i) LifeLink Asia Fund;

(ii) LifeLink Growth Fund; and

(iii) LifeLink Global Fund.

2. Significant accounting policies

(a) Basis of accounting

The financial statements, expressed in Singapore dollars, are prepared in accordance with the historical cost convention, modified by the valuation of investments at fair value.

(b) Investments

All purchases of investments in funds are recognised on their trade dates, i.e. the date the commitment exists to purchase the investments. The investments are initially recorded at cost, being fair value of the consideration given. The attributable transaction costs are recognised in the Income Statement when incurred. After initial recognition, the investments are subsequently measured at fair value and the unrealised gains or losses on re-measurement to fair value are taken to the Income Statement. The fair value is determined by using open market valuation at the year-end date. All investments of the Funds are valued at the last known transacted prices on 31 December 2012.

(c) Issue of units

Issue of units comprises the gross premiums received by the Company (after deducting charges which include bid-offer spread) and switches by the policyholders from other funds.

(d) Cancellation of units

Cancellation of units comprise of the sale of units in the Funds for the payment of death claims or surrenders and for switches by the policyholders to the other funds.

(e) Gains/losses from sale of investments

All sales of investments are recognised on their trade date, the date the Fund commits to sell the investments. The cost of disposal of investments is determined on the weighted-average cost basis. Realised gains/losses from the sale of investments are taken to the Income Statement.

(f) Income and expense recognition

Income and expenses are accounted for on an accrual basis. Dividend income is recognised in the Income Statement when the right to receive payment is established. Interest income from investments is recognised on an accrual basis, using the effective interest method.

(g) Foreign currencies

Transactions in foreign currencies are translated into Singapore dollars at the exchange rate at the date of the transaction. Financial assets and liabilities denominated in foreign currencies at the reporting date are retranslated into Singapore dollars at the exchange rate at the reporting date. Foreign currency differences arising on retranslation are recognised in the Income Statement.

3. Taxation

The funds are not subject to Singapore income tax.

Taxation, if any, is in respect of unrecoverable tax deducted at source from foreign-sourced dividends.

	LifeLink Asia Fund	
	31 DECEMBER 2012	31 DECEMBER 2011
	$	$
4. Investments in funds		
Unit trusts, at cost	546,059	565,232
Appreciation/ (Depreciation) in value	382,759	271,050
Unit trusts, at market value	928,818	836,282
5. Net assets attributable to unitholders		
The number of units in issue	319,049	326,096
Net asset attributable to unitholders per unit	$2.918	$2.568

LifeLink Growth Fund	
31 DECEMBER 2012	31 DECEMBER 2011
$	$
221,301	239,258
228,556	159,810
449,857	399,068
157,919	170,780
$2.849	$2.336

LifeLink Global Fund	
31 DECEMBER 2012	31 DECEMBER 2011
$	$
845,988	869,613
54,455	(4,330)
900,443	865,283
589,173	605,047
$1.528	$1.428

INDEPENDENT AUDITORS' REPORT

PRUDENTIAL ASSURANCE COMPANY SINGAPORE (PTE) LIMITED

We have audited the accompanying financial statements of the LifeLink Funds of Prudential Assurance Company Singapore (Pte) Limited (the Company) which comprise the Income Statement for the year from 1 January 2012 to 31 December 2012, the Balance Sheet as at 31 December 2012 and a summary of significant accounting policies and other explanatory information as set out on pages 22 to 29. The financial statements have been prepared by management based on the accounting policies set out in Note 2 to the financial statements (the stated accounting policies).

Management's responsibility for the financial statements

Management is responsible for the preparation of these financial statements in accordance with the stated accounting policies. This includes determining that the stated accounting policies are an acceptable basis for the preparation of the Statement in the circumstances, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements of the LifeLink Funds of the Company for the year from 1 January 2012 to 31 December 2012 are prepared, in all material respects, in accordance with the stated accounting policies.

Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to Note 2 to the financial statements of the LifeLink Funds, which describe the basis of accounting. Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the financial statements which are prepared to assist the Company to comply with paragraph 15(a) of the MAS Notice 307 Investment-Linked Life Insurance Policies and for no other purpose. As required by paragraph 36 of the MAS Notice 307, this report shall be sent by the Company to its policyholders for their information. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report. This report relates solely to the financial statements of the LifeLink Funds of the Company and does not extend to the financial statements of the Company taken as a whole.

KPMG LLP
Public Accountants and
Certified Public Accountants

Singapore
19 March 2013

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PRUDENTIAL
Always Listening. Always Understanding.