

CIMB-PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND

UNAUDITED INTERIM REPORT FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018

Investments that stand the test of time

FORWARD  Your Investments



CIMB-PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND

UNAUDITED FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018

CONTENTS	PAGE(S)
INVESTORS' LETTER	1
MANAGER'S REPORT	2 - 11
Fund Objective and Policy	
Performance Data	
Market Review	
Fund Performance	
Portfolio Structure	
Market Outlook	
Investment Strategy	
Unit Holdings Statistics	
Soft Commissions and Rebates	
STATEMENT BY MANAGER	12
TRUSTEE'S REPORT	13
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME	14
UNAUDITED STATEMENT OF FINANCIAL POSITION	15 - 16
UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	17
UNAUDITED STATEMENT OF CASH FLOWS	18
NOTES TO THE FINANCIAL STATEMENTS	19 - 47
DIRECTORY	48

INVESTORS' LETTER

Dear Valued Investor,

Thank you for your continued support and for the confidence that you have placed in us. We are pleased to share that CIMB-Principal Asset Management Berhad ("CIMB-Principal") Malaysia has achieved RM54.02 billion in Asset under Management ("AUM") as at September 2018.

The Edge| Thomson Reuters Lipper Malaysia Fund Awards 2018

- Best Fund Over 5 Years, Equity Global - Malaysia : CIMB-Principal Global Titans Fund
- Best Fund Over 5 Years, Equity Asia Pacific ex Japan - Malaysia : CIMB-Principal Asian Equity Fund
- Best Fund Over 5 Years, Equity Asia Pacific ex Japan - Malaysia : CIMB Islamic Asia Pacific Equity Fund
- Best Fund Over 5 Years, Equity Malaysia Diversified - Malaysia : CIMB-Principal Equity Growth & Income Fund
- Best Fund Over 5 Years, Mixed Asset MYR Bal - Malaysia : CIMB-Principal Income Plus Balanced Fund
- Best Fund Over 3 Years, Equity Global - Malaysia : CIMB-Principal Global Titans Fund

In addition, we received recognition from Fundsupermart.com for 'Fund House of the Year' award and Recommended Unit Trust 2018/2019 awards for the following funds:

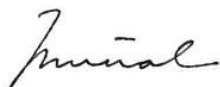
- CIMB-Principal Global Titans Fund
- CIMB-Principal Asia Pacific Dynamic Income Fund
- CIMB Islamic Asia Pacific Equity Fund
- CIMB-Principal Greater China Equity Fund
- CIMB-Principal PRS Plus Conservative
- CIMB-Principal PRS Plus Growth

Our latest accomplishment is The Asset Triple A Private Banking, Wealth Management, Investment and Exchange-Traded Fund ("ETF") Awards 2018 where we have been recognized for the Best Wealth Manager in Malaysia.

These prestigious awards are a celebration of the trust that you have placed in us and testament to our capability in bringing potential value to your financial goals and needs. We look forward to serving you for many years to come and to the best of our ability.

Thank you.

Yours faithfully,
for **CIMB-Principal Asset Management Berhad**



Munirah Khairuddin
Chief Executive Officer

MANAGER'S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long term.

Has the Fund achieved its objective?

The Fund has met its objective of capital appreciation over the medium to long term.

What are the Fund investment policy and principal investment strategy?

The Fund will be managed with the aim of achieving a stable and positive investment returns over the medium to long term through investments in Asia Pacific ex Japan region regardless of market conditions. The companies invested in must be domiciled in, listed in, and/or have significant operations in the Asia Pacific ex Japan. For listed securities, the investment must be traded in an exchange that is a member of World Federation of Exchanges ("WFE"). 'Significant operations' means major businesses of the company. For example, the Fund can invest in a company with significant business/operations in Thailand but listed on the New York Stock Exchange ("NYSE"). The threshold for 'significant operations' would be if more than 30% of total group revenue derives from countries in the Asia Pacific ex Japan. The calculation would be based on the most recent financial reports released by the companies (e.g. interim and annual reports). The term "medium to long term" refers to a period of three (3) years and more.

Under general market conditions, the Fund's investment will focus on high dividend yielding equities of companies, which the Sub-Manager believes will offer attractive yields, sustainable dividend payments and will exhibit above average growth potential when compared to its industry or the overall market. In addition, the Fund may also invest in companies with good growth potential, which the Sub-Manager foresees may adopt a strong dividend payout policy. The Fund may also invest up to 15% of the Fund's Net Asset Value ("NAV") in debt securities to be in line with the Fund's objective. The Fund's debt securities' investments will generally be restricted to securities rated at least a minimum credit rating of "BBB" by Fitch or its equivalent rating by Standard & Poor's ("S&P") and Moody's.

However, the Sub-Manager may take temporary defensive positions that may detract from the Fund's prescribed asset allocation when the Sub-Manager believes that the equity markets that the Fund invests in are experiencing excessive volatility, expects prolonged declines, or when there are other adverse conditions, such as political instability. Under these circumstances, the Fund may invest all or a substantial portion of its assets in money market instruments to achieve the Fund's investment objective in bearish or non-performing equity markets. The Sub-Manager may from time to time reduce its proportion of high risk assets, such as equities and increase its asset allocation to liquid assets such as money market instruments and/or Deposits to safeguard the Fund.

In response to these adverse conditions, the Manager or its fund management delegate may also utilise derivative instruments such as futures contracts to hedge the portfolio. The use of derivatives is subject to the prevailing Securities Commission Malaysia ("SC") regulations.

As the investment universe of this Fund will be in Asia Pacific ex Japan, the countries where the regulatory authority is an ordinary or associate member of International Organisation of Securities Commissions ("IOSCO") which include but not limited to Australia, the People's Republic of China ("PRC"), Hong Kong Special Administrative Region ("SAR"), India, Indonesia, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and Vietnam. If the investment is a listed security, the investment must be traded in an exchange that is a member of WFE.

The Fund will generally invest between 70% to 98% (both inclusive) of the Fund's NAV in equities and up to 15% of the Fund's NAV may be invested in debt securities. A minimum of 2% of its NAV will be invested in liquid assets for liquidity purpose.

FUND OBJECTIVE AND POLICY (CONTINUED)

Fund category/type

Equity/Income & Growth

How long should you invest for?

Recommended three (3) years or more

Indication of short-term risk (low, moderate, high)

Moderate

When was the Fund launched?

Class MYR

25 April 2011

Class USD

9 September 2015

Class SGD

9 September 2015

What was the size of the Fund as at 30 September 2018?

USD1,065.58 million (10,381.27 million units)

What is the Fund's benchmark?

The performance of this Fund cannot be compared directly with any specific publicly available benchmark. However, the Fund has a target return of eight percent (8%) per annum.

This is not a guaranteed return and is only a measurement of the Fund's performance. The Fund may not achieve the target return in any particular financial year but targets to achieve this growth over the medium to long term.

What is the Fund distribution policy?

Depending on the level of income (if any) the respective Class generates, the Class aims to distribute part or all of its distributable income on quarterly basis*. The payment of distributions, if any, from the respective Class will vary from period to period depending on interest rates, market conditions and the performance of the respective Class.

* With effect from 1 July 2016.

What was the net income distribution for the six months financial period ended 30 September 2018?

The Fund distributed a total net income of USD21.36 million to unit holders for the six months financial period ended 30 September 2018.

FUND OBJECTIVE AND POLICY (CONTINUED)

The Fund's NAV per unit are as follows:

Date	NAV per unit (before distribution) USD	NAV per unit (after distribution) USD
26.04.2018		
Class MYR	0.3728	0.3690
Class SGD	1.3384	1.3248
Class USD	1.4412	1.4265
26.07.2018		
Class MYR	0.3709	0.3672
Class SGD	1.3184	1.3052
Class USD	1.3843	1.3704

PERFORMANCE DATA

Details of portfolio composition of the Fund for the last three unaudited financial periods are as follows:

	30.09.2018	30.09.2017	30.09.2016
	%	%	%
Quoted securities			
- Basic Materials	9.59	7.40	3.34
- Consumer Products	7.86	18.72	9.36
- Energy	6.77	0.98	5.13
- Finance	30.94	25.24	25.10
- Health Care	3.76	2.72	10.28
- Industrials	6.87	22.29	15.37
- Real Estate Investment Trusts ("REITs")	7.35	-	4.48
- Technology	13.99	11.20	15.22
- Telecommunications	3.25	3.72	3.71
- Utilities	-	1.72	5.99
Cash and other net assets	9.62	6.01	2.02
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund for the last three unaudited financial periods are as follows:

	30.09.2018	30.09.2017	30.09.2016
NAV (USD Million)			
- Class MYR	901.64	557.98	482.34
- Class SGD	54.04	20.01	114.77
- Class USD	109.91	45.91	59.85
Units in circulation (Million)			
- Class MYR	10,241.08	6,456.48	6,415.39
- Class SGD	57.87	21.82	144.62
- Class USD	82.33	35.18	52.76
NAV per unit (USD)			
- Class MYR	0.0880	0.0864	0.0751
- Class SGD	0.9338	0.9169	0.7936
- Class USD	1.3349	1.3050	1.1343

PERFORMANCE DATA (CONTINUED)

Performance details of the Fund for the last three unaudited financial periods are as follows (continued):

	01.04.2018 to 30.09.2018	01.04.2017 to 30.09.2017	01.04.2016 to 30.09.2016
Highest NAV per unit (USD)			
- Class MYR	0.0987	0.0883	0.0759
- Class SGD	1.0452	0.9341	0.8020
- Class USD	1.4943	1.3356	1.1464
Lowest NAV per unit (USD)			
- Class MYR	0.0848	0.0757	0.0668
- Class SGD	0.9000	0.7998	0.7062
- Class USD	1.2867	1.1437	1.0095
Total return (%)			
- Class MYR	(0.85)	9.70	15.53
- Class SGD	(3.18)	11.86	10.31
- Class USD	(7.30)	15.15	8.86
Capital growth (%)			
- Class MYR	(2.89)	7.61	15.53
- Class SGD	(5.16)	10.20	10.31
- Class USD	(9.20)	12.94	8.86
Income distribution (%)			
- Class MYR	2.06	1.84	-
- Class SGD	2.05	1.91	-
- Class USD	2.06	1.91	-
Date of distribution	26.04.2018	-	-
Gross/Net distribution per unit (cent)			
- Class MYR	0.10	-	-
- Class SGD	1.03	-	-
- Class USD	1.47	-	-
Date of distribution	26.07.2018	-	-
Gross/Net distribution per unit (cent)			
- Class MYR	0.09	-	-
- Class SGD	0.97	-	-
- Class USD	1.39	-	-
Date of distribution	-	06.04.2017	-
Gross/Net distribution per unit (cent)			
- Class MYR	-	0.07	-
- Class SGD	-	0.78	-
- Class USD	-	1.10	-
Date of distribution	-	27.07.2017	-
Gross/Net distribution per unit (cent)			
- Class MYR	-	0.08	-
- Class SGD	-	0.86	-
- Class USD	-	1.23	-

PERFORMANCE DATA (CONTINUED)

	01.04.2018 to 30.09.2018	01.04.2017 to 30.09.2017	01.04.2016 to 30.09.2016
Management Expense Ratio ("MER") (%) ^	0.95	0.98	1.00
Portfolio Turnover Ratio ("PTR") (times) #	0.46	0.59	0.65

^ The Fund's MER decreased from 0.98% to 0.95% mainly due to increase in average NAV during the financial period under review.

The Fund's PTR decreased from 0.59 times to 0.46 times due to increase in average NAV during the financial period under review.

	30.09.2018 %	30.09.2017 %	30.09.2016 %	30.09.2015 %	30.09.2014 %
Annual total return					
- Class MYR	3.89	19.36	5.67	18.62	17.27

(Launch date: 25 April 2011)

	30.09.2018 %	30.09.2017 %	30.09.2016 %	Since inception to 30.09.2015 %
Annual total return				
- Class SGD	7.08	16.60	7.60	-
- Class USD	6.29	17.28	12.20	-

(Launch date: 9 September 2015)

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures for the financial period have been extracted from Lipper.

MARKET REVIEW (1 APRIL 2018 TO 30 SEPTEMBER 2018)

During the six months financial period, the Asia Pacific ex Japan Index fell by 6.75% in USD term. After peaking in January 2018, the stock markets of Asia Pacific have taken a decidedly negative stance on the back of several factors. The escalating and increasingly bitter trade war between the US and China, less accommodative US/Europe Central Banks, the weakening Chinese/Asian economies were the major factors cited. This has resulted in massive foreign selling of stocks and bonds in the region. Asian equities, bonds, and currencies have weakened significantly. The oil price also increased from high USD60 per barrel to more than USD80 per barrel on the back of geopolitical tensions in the Middle East and talks of sanctions on Iran. This has led to selloff in the equity markets and currencies of oil importing countries like India and Association of Southeast Asian Nations ("ASEAN").

The China economy is showing signs of slowing. The September 2018 manufacturing Purchasing Managers' Index ("PMI") came at 50 compared to 50.6 in August 2018 and new loan creation slowed further to Chinese Yuan Renminbi ("CNY") 1,280 billion in August 2018. The CNY also depreciated to close to CNY7 to the USD. US additional 10% tariff on USD200 billion of Chinese goods started on 24 September 2018 and China retaliated with an additional 5% to 10% tariff on USD60 billion of US goods. There is a possibility of tariff rates imposed by the US increasing to 25% on 1 January 2019. The Chinese regulators have made various announcements to cushion the negative impact of the trade friction. Nevertheless, the market sentiment remained sluggish amid the ongoing US-China trade conflict.

FUND PERFORMANCE

	6 months to 30.09.2018			1 year to 30.09.2018		
	Class	Class	Class	Class	Class	Class
	MYR	SGD	USD	MYR	SGD	USD
	%	%	%	%	%	%
Income	2.06	2.05	2.06	3.95	3.93	3.94
Capital	(2.89)	(5.16)	(9.20)	0.06	2.62	2.30
Total Return	(0.85)	(3.18)	(7.30)	3.89	7.08	6.29
Benchmark	3.92	3.92	3.92	8.00	8.00	8.00
Average Total Return	N/A	N/A	N/A	3.89	7.08	6.29

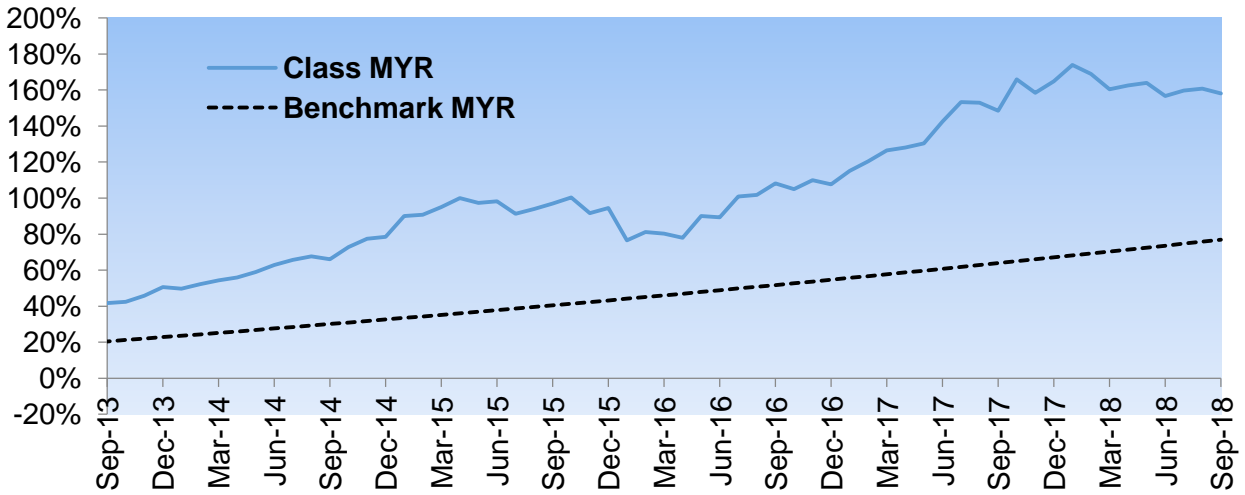
	3 years to 30.09.2018			5 years to 30.09.2018		
	Class	Class	Class	Class	Class	Class
	MYR	SGD	USD	MYR	SGD	USD
	%	%	%	%	%	%
Income	5.86	5.92	5.92	60.48	N/A	N/A
Capital	23.79	30.03	32.03	13.53	N/A	N/A
Total Return	31.04	34.34	39.86	82.29	N/A	N/A
Benchmark	25.97	25.97	25.97	46.93	N/A	N/A
Average Total Return	9.43	10.34	11.83	12.76	N/A	N/A

	Since inception to 30.09.2018		
	Class	Class	Class
	MYR	SGD	USD
	%	%	%
Income	76.88	5.92	5.92
Capital	45.84	30.03	32.03
Total Return	158.20	35.31	41.41
Benchmark	76.97	26.02	26.02
Average Total Return	13.60	10.58	12.21

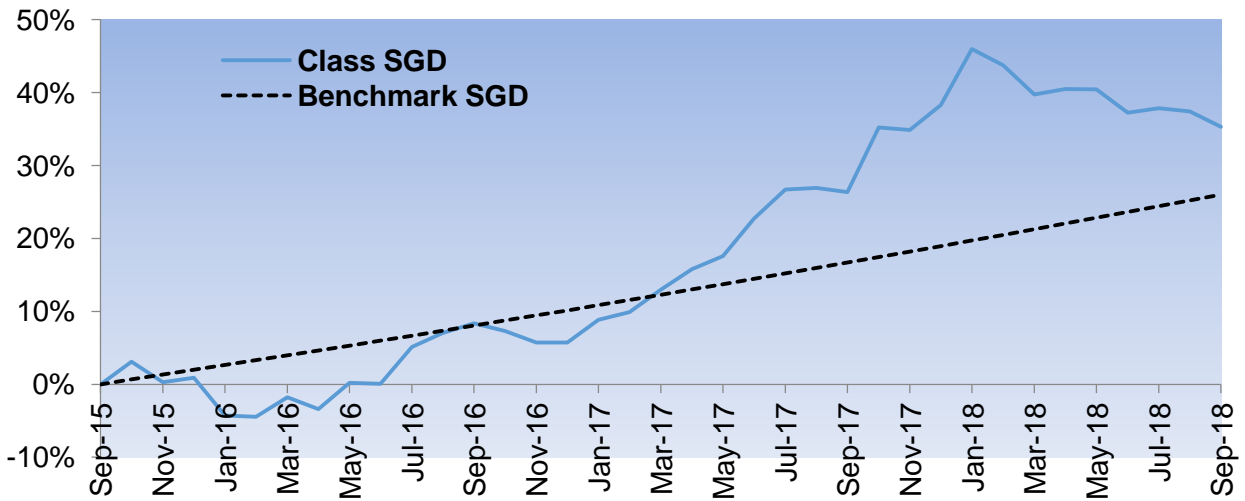
The Fund has provided an annual return of 3.89%, 7.08% and 6.29% in MYR, SGD and USD terms respectively. For the 3 years investment period, the Fund has exceeded the respective benchmark returns in MYR, SGD and USD terms.

FUND PERFORMANCE (CONTINUED)

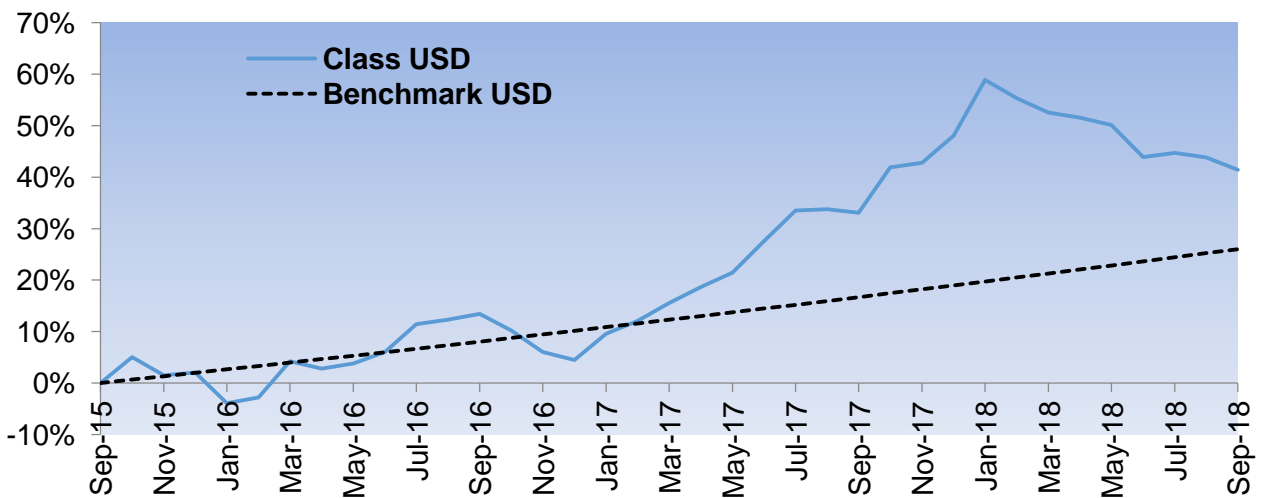
Class MYR



Class SGD



Class USD



FUND PERFORMANCE (CONTINUED)

Changes in NAV

CLASS MYR

	30.09.2018	30.09.2017	Changes %
NAV (USD Million)	901.64	557.98	61.59
NAV/Unit (USD)	0.0880	0.0864	1.85

CLASS SGD

	30.09.2018	30.09.2017	Changes %
NAV (USD Million)	54.04	20.01	>100.00
NAV/Unit (USD)	0.9338	0.9169	1.84

CLASS USD

	30.09.2018	30.09.2017	Changes %
NAV (USD Million)	109.91	45.91	>100.00
NAV/Unit (USD)	1.3349	1.3050	2.29

The Fund's NAV and NAV per unit have risen over the past year in MYR, USD and SGD terms. This was a result of the rise in the underlying assets and new units creation in the Fund.

Performance data represents the combined income and capital return as a result of holding units in the Fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the Fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures for the financial period have been extracted from Lipper.

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	30.09.2018	30.09.2017
Quoted securities	90.38	93.99
Cash and other net assets	9.62	6.01
TOTAL	100.00	100.00

As at 30 September 2018, the Fund held 90.38% in quoted securities, and the rest in cash and other net assets. The slightly higher cash is a function of the market volatility and deteriorating stock fundamentals.

MARKET OUTLOOK*

In the near term, the stock market outlook in Asia is clouded by the escalating trade war and the deleveraging exercise undertaken by China which is causing the economy to slow and the tightening cycle of the US monetary policy. This is likely to cause more episodes of volatile currencies and other financial assets in Asia which will dampen investor enthusiasm for Asian equities.

However, we remain positive on the outlook for the Asian stock markets in the longer run. We expect the trade tensions to be resolved eventually while we also expect the growth in China to be stable and on a better footing once the deleveraging exercise is complete. The Asian stock markets remain attractive due to the numerous growth opportunities available to the investors. Asia remains a fast growing region supported by a young, growing population with increasing urbanisation and innovations.

* This market outlook does not constitute an offer, invitation, commitment, advice or recommendation to make a purchase of any investment. The information given in this article represents the views of CIMB-Principal or based on data obtained from sources believed to be reliable by CIMB-Principal. Whilst every care has been taken in preparing this, CIMB-Principal makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook.

INVESTMENT STRATEGY

As we expect growth in Asia to resume over the long term due to the strong underlying fundamentals, the Fund shall remain well invested. The Fund will continue to have an income focus as part of the total return strategy. In the short term, capital preservation is our focus given the volatility in the market. At the same time, we are also looking out for opportunities to accumulate quality stocks which have strong fundamentals in the long term during this market downturn. This is to position the portfolio to benefit from strong capital gain when recovery takes place.

UNIT HOLDINGS STATISTICS

Breakdown of unit holdings by size as at 30 September 2018 are as follows:

CLASS MYR

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	2,245	5.98	0.06
5,001-10,000	2,113	15.06	0.15
10,001-50,000	8,471	214.44	2.09
50,001-500,000	9,131	1,342.93	13.11
500,001 and above	943	8,662.67	84.59
Total	22,903	10,241.08	100.00

CLASS SGD

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	2	0.00	0.00
5,001-10,000	-	-	-
10,001-50,000	3	0.08	0.14
50,001-500,000	3	0.49	0.83
500,001 and above	9	57.30	99.03
Total	17	57.87	100.00

UNIT HOLDINGS STATISTICS (CONTINUED)

CLASS USD

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	0.00	0.00
5,001-10,000	1	0.01	0.01
10,001-50,000	1	0.05	0.06
50,001-500,000	6	1.35	1.64
500,001 and above	9	80.92	98.29
Total	18	82.33	100.00

SOFT COMMISSIONS AND REBATES

CIMB-Principal Asset Management Berhad (the “Manager”) and the Trustee (including their officers) will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Funds unless the soft commission received is retained in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds. All dealings with brokers are executed on best available terms.

During the financial period under review, the Manager and the Trustee did not receive any rebates from the brokers or dealers but have retained soft commission in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds.

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
CIMB-PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND**

We, being the Directors of CIMB-Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 14 to 47 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2018 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the Manager
CIMB-Principal Asset Management Berhad
(Company No.: 304078-K)

MUNIRAH KHAIRUDDIN
Chief Executive Officer/Executive Director

ALEJANDRO ECHEGORRI
Executive Director

Kuala Lumpur
16 November 2018

**TRUSTEE'S REPORT TO THE UNIT HOLDERS OF
CIMB-PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND**

We have acted as Trustee of CIMB-Principal Asia Pacific Dynamic Income Fund (the "Fund") for the financial period ended 30 September 2018. To the best of our knowledge, CIMB-Principal Asset Management Berhad, (the "Manager"), has operated and managed the Fund in accordance with the following:

- (a) limitations imposed on the investment powers of the Manager and the Trustee under the Deeds, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) valuation/pricing is carried out in accordance with the Deeds and any regulatory requirements; and
- (c) creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirements.

During this financial period, a total distribution of 0.19 cent per unit (gross) for MYR class, 2.00 cent per unit (gross) for SGD class and 2.86 cent per unit (gross) for USD class have been distributed to the unit holders of the Fund respectively. We are of the view that the distributions are not inconsistent with the objective of the Fund.

For **HSBC (Malaysia) Trustee Berhad**

Tan Bee Nie
Head, Trustee Operations

Kuala Lumpur
16 November 2018

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	Note	01.04.2018 to 30.09.2018 USD	01.04.2017 to 30.09.2017 USD
INVESTMENT (LOSS)/INCOME			
Dividend income		20,987,487	35,973,362
Interest income from deposits with licensed financial institutions		163,582	64,278
Net (loss)/gain on financial assets at fair value through profit or loss	8	(86,257,174)	57,497,221
Net foreign exchange loss		<u>(3,588,221)</u>	<u>(258,142)</u>
		<u>(68,694,326)</u>	<u>93,276,719</u>
EXPENSES			
Management fee	4	9,306,261	5,467,445
Trustee's and custodian fees	5	514,965	271,054
Audit fee		2,684	(850)
Tax agent's fee		3,903	1,431
Transaction costs		2,599,255	1,873,838
Other expenses		249,580	372,402
		<u>12,676,648</u>	<u>7,985,320</u>
(LOSS)/PROFIT BEFORE FINANCE COST AND TAXATION		(81,370,974)	85,291,399
Finance cost (excluding increase in net assets attributable to unit holders):			
- Class MYR		(18,080,866)	(7,758,318)
- Class SGD		(1,116,305)	(2,511,632)
- Class USD		<u>(2,165,385)</u>	<u>(766,562)</u>
	7	<u>(21,362,556)</u>	<u>(11,036,512)</u>
(LOSS)/PROFIT BEFORE TAXATION		(102,733,530)	74,254,887
Taxation	6	<u>(2,388,477)</u>	<u>(1,711,044)</u>
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>(105,122,007)</u>	<u>72,543,843</u>
(Decrease)/Increase in net assets attributable to unit holders are made up as follows:			
Realised amount		(13,284,613)	42,429,370
Unrealised amount		<u>(91,837,394)</u>	<u>30,114,473</u>
		<u>(105,122,007)</u>	<u>72,543,843</u>

The accompanying notes to the financial statements form an integral part of the unaudited financial statements.

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2018**

		30.09.2018	31.03.2018
	Note	USD	Audited USD
ASSETS			
Cash and cash equivalents	9	96,750,091	36,250,319
Financial assets at fair value through profit or loss	8	963,069,787	966,241,428
Amount due from stockbrokers		-	7,442,181
Amount due from Manager		7,419,683	24,340,693
Dividends receivable		3,120,638	1,479,231
TOTAL ASSETS		<u>1,070,360,199</u>	<u>1,035,753,852</u>
LIABILITIES			
Amount due to stockbrokers		-	12,197,585
Amount due to Manager		3,207,665	5,252,939
Accrued management fee		1,512,425	1,504,064
Amount due to Trustee		43,124	42,827
Other payables and accruals		12,260	149,637
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>4,775,474</u>	<u>19,147,052</u>
NET ASSET VALUE OF THE FUND		<u>1,065,584,725</u>	<u>1,016,606,800</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>1,065,584,725</u>	<u>1,016,606,800</u>

The accompanying notes to the financial statements form an integral part of the unaudited financial statements.

**UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2018 (CONTINUED)**

	Note	30.09.2018	31.03.2018
		USD	Audited USD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS (USD)			
- Class MYR		901,642,406	865,320,149
- Class SGD		54,036,353	51,555,099
- Class USD		109,905,966	99,731,552
		<u>1,065,584,725</u>	<u>1,016,606,800</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)			
- Class MYR		10,241,078,522	8,901,629,746
- Class SGD		57,866,775	50,126,198
- Class USD		82,329,594	67,829,162
	10	<u>10,381,274,891</u>	<u>9,019,585,106</u>
NET ASSET VALUE PER UNIT (USD) (EX-DISTRIBUTION)			
- Class MYR		0.0880	0.0972
- Class SGD		0.9338	1.0285
- Class USD		1.3349	1.4703
		<u>1.3349</u>	<u>1.4703</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES (EX-DISTRIBUTION)			
- Class MYR		MYR0.3641	MYR0.3754
- Class SGD		SGD1.2774	SGD1.3470
- Class USD		USD1.3349	USD1.4703
		<u>USD1.3349</u>	<u>USD1.4703</u>

The accompanying notes to the financial statements form an integral part of the unaudited financial statements.

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	01.04.2018 to 30.09.2018 USD	01.04.2017 to 30.09.2017 USD
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>1,016,606,800</u>	<u>540,997,341</u>
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- Class MYR	208,258,483	243,781,541
- Class SGD	17,768,727	17,538,171
- Class USD	33,603,084	31,536,675
	<u>259,630,294</u>	<u>292,856,387</u>
Creation of units from distribution		
- Class MYR	17,945,909	7,682,173
- Class SGD	1,093,381	2,502,281
- Class USD	972,197	103,364
	<u>20,011,487</u>	<u>10,287,818</u>
Cancellation of units		
- Class MYR	(101,025,116)	(112,035,027)
- Class SGD	(10,866,479)	(136,780,409)
- Class USD	(13,650,254)	(43,974,640)
	<u>(125,541,849)</u>	<u>(292,790,076)</u>
(Decrease)/Increase in net assets attributable to unit holders during the financial period	<u>(105,122,007)</u>	<u>72,543,843</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD	<u>1,065,584,725</u>	<u>623,895,313</u>

The accompanying notes to the financial statements form an integral part of the unaudited financial statements.

**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018**

	01.04.2018 to 30.09.2018 USD	01.04.2017 to 30.09.2017 USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from disposal of quoted securities	447,072,162	377,128,675
Purchase of quoted securities	(536,834,450)	(372,162,565)
Dividend income received	17,427,101	33,412,275
Interest income received from deposits with licensed financial institutions	163,582	64,278
Management fee paid	(9,297,900)	(6,819,452)
Trustee's and custodian fees paid	(514,668)	(311,204)
Payments for other fees and expenses	(393,544)	(448,543)
Net realised exchange loss	(6,231,205)	(302,503)
Tax (paid)/refunded	(519,188)	1,054
Net cash (used in)/generated from operating activities	<u>(89,128,110)</u>	<u>30,562,015</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	276,737,313	281,488,567
Payments for cancellation of units	(127,333,362)	(293,642,125)
Distributions paid	(2,322,023)	(748,694)
Net cash generated from/(used in) financing activities	<u>147,081,928</u>	<u>(12,902,252)</u>
Net increase in cash and cash equivalents	57,953,818	17,659,763
Effect of foreign exchange differences	2,545,954	115,633
Cash and cash equivalents at the beginning of the financial period	<u>36,250,319</u>	<u>16,166,956</u>
Cash and cash equivalents at the end of the financial period	<u>96,750,091</u>	<u>33,942,352</u>
<u>Cash and cash equivalents comprised of:</u>		
Bank balances	<u>96,750,091</u>	<u>33,942,352</u>
Cash and cash equivalents at the end of the financial period	<u>96,750,091</u>	<u>33,942,352</u>

The accompanying notes to the financial statements form an integral part of the unaudited financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2018****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES**

CIMB-Principal Asia Pacific Dynamic Income Fund (the “Fund”) was constituted pursuant to a Deed dated 15 May 2008 and is now governed by a Principal Master Deed dated 10 April 2015 (collectively referred to as the “Deeds”), between CIMB-Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund will be managed with the aim of achieving a stable and positive investment returns over the medium to long term through investments in Asia Pacific ex Japan region regardless of market conditions. The companies invested in must be domiciled in, listed in, and/or have significant operations in the Asia Pacific ex Japan. For listed securities, the investment must be traded in an exchange that is a member of WFE. ‘Significant operations’ means major businesses of the company. For example, the Fund can invest in a company with significant business/operations in Thailand but listed on the NYSE. The threshold for ‘significant operations’ would be if more than 30% of total group revenue derives from countries in the Asia Pacific ex Japan. The calculation would be based on the most recent financial reports released by the companies (e.g. interim and annual reports). The term “medium to long term” refers to a period of three (3) years and more.

Under general market conditions, the Fund’s investment will focus on high dividend yielding equities of companies, which the Sub-Manager believes will offer attractive yields, sustainable dividend payments and will exhibit above average growth potential when compared to its industry or the overall market. In addition, the Fund may also invest in companies with good growth potential, which the Sub-Manager foresees may adopt a strong dividend payout policy. The Fund may also invest up to 15% of the Fund’s NAV in debt securities to be in line with the Fund’s objective. The Fund’s debt securities’ investments will generally be restricted to securities rated at least a minimum credit rating of “BBB” by Fitch or its equivalent rating by S&P and Moody’s.

However, the Sub-Manager may take temporary defensive positions that may detract from the Fund’s prescribed asset allocation when the Sub-Manager believes that the equity markets that the Fund invests in are experiencing excessive volatility, expects prolonged declines, or when there are other adverse conditions, such as political instability. Under these circumstances, the Fund may invest all or a substantial portion of its assets in money market instruments to achieve the Fund’s investment objective in bearish or non-performing equity markets. The Sub-Manager may from time to time reduce its proportion of high risk assets, such as equities and increase its asset allocation to liquid assets such as money market instruments and/or Deposits to safeguard the Fund.

In response to these adverse conditions, the Manager or its fund management delegate may also utilise derivative instruments such as futures contracts to hedge the portfolio. The use of derivatives is subject to the prevailing SC regulations.

As the investment universe of this Fund will be in Asia Pacific ex Japan, the countries where the regulatory authority is an ordinary or associate member of IOSCO which include but not limited to Australia, the PRC, Hong Kong SAR, India, Indonesia, South Korea, Malaysia, New Zealand, the Philippines, Singapore, Taiwan, Thailand and Vietnam. If the investment is a listed security, the investment must be traded in an exchange that is a member of WFE.

The Fund will generally invest between 70% to 98% (both inclusive) of the Fund’s NAV in equities and up to 15% of the Fund’s NAV may be invested in debt securities. A minimum of 2% of its NAV will be invested in liquid assets for liquidity purpose.

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITY (CONTINUED)

All investments are subjected to the SC Guidelines on Unit Trust Funds, SC requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund's objective.

The Manager, a company incorporated in Malaysia, is jointly owned by CIMB Group Sdn Bhd and Principal International (Asia) Limited. The principal activities of the Manager are the establishment and management of unit trust funds and fund management activities.

2. 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 statements:

(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS and International Financial Reporting Standards ("IFRS").

The financial statements have been prepared under the historical cost convention, as modified by financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period.

It also requires the Manager to exercise their judgment in the process of applying the Fund's accounting policies. Although these estimates and assumptions are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(m).

Standards, amendments to published standards and interpretations to existing standards that are effective:

The Fund has applied the following amendments for the first time for the financial period beginning 1 April 2018:

- MFRS 9 "Financial Instruments" (effective from 1 January 2018) will replace MFRS 139 "Financial Instruments: Recognition and Measurement".

The adoption of these amendments did not have any impact on the current financial period or any prior period and is not likely to affect future periods.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(b) Financial assets and financial liabilities**Classification

The Fund designates its investment in quoted securities as financial assets at fair value through profit or loss at inception.

Financial assets are designated at fair value through profit or loss when they are managed and their performance evaluated on a fair value basis.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and have been included in current assets. The Fund's loans and receivables comprise cash and cash equivalents, amount due from stockbrokers, amount due from Manager and dividends receivable.

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

The Fund classifies amount due to stockbrokers, amount due to Manager, accrued management fee, amount due to Trustee, and other payables and accruals as other financial liabilities.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the financial period which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund's right to receive payments is established.

Quoted securities in Malaysia are valued at the last done market price quoted on Bursa Malaysia Securities Bhd ("Bursa Securities") at the date of the statement of financial position.

Foreign quoted securities are valued at the last traded market price quoted on the respective foreign stock exchanges at the close of the business day of the respective foreign stock exchanges.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(b) Financial assets and financial liabilities (continued)**Recognition and measurement (continued)

If a valuation based on the market price does not represent the fair value of the quoted securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the investments for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the investments are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

Deposits with licensed financial institutions are stated at cost plus accrued interest calculated on the effective interest method over the period from the date of placement to the date of maturity of the respective deposits.

Loans and receivables and other financial liabilities are subsequently carried at amortised cost using the effective interest method.

Impairment for assets carried at amortised cost

For assets carried at amortised cost, the Fund assesses at the end of the reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in statement of comprehensive income. If 'loans and receivables' has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the Fund may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent financial period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in statement of comprehensive income.

When an asset is uncollectible, it is written off against the related allowance account. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(c) Income recognition**

Dividend income is recognised on the ex-dividend date when the right to receive payment is established.

Interest income from deposits with licensed financial institutions is recognised on a time proportionate basis using effective interest rate method on an accrual basis.

Realised gain or loss on disposal of quoted securities is accounted for as the difference between the net disposal proceeds and the carrying amount of quoted securities, determined on a weighted average cost basis.

(d) Foreign currencyFunctional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”).

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in USD primarily due to the following factors:

- i) Significant portion of the Fund’s expenses are denominated in USD.
- ii) Significant portion of the cash is denominated in USD for the purpose of making settlement of foreign trades.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

(e) Cash and cash equivalents

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balances which are subject to an insignificant risk of changes in value.

(f) Taxation

Current tax expense is determined according to Malaysian tax laws at the current rate based upon the taxable profit earned during the financial period.

Tax on dividend income from foreign quoted securities is based on the tax regime of the respective countries that the Fund invests in.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(g) Creation and cancellation of units**

The unit holders' contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in three classes of units, known respectively as the Class MYR, Class SGD and Class USD, which are cancelled at the unit holder's option and do not have identical features subject to restrictions as stipulated in the Prospectus and SC Guidelines on Unit Trust Funds. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the member exercises the right to put back the unit to the Fund.

Units are created and cancelled at the unit holders' option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to members of respective classes with the total number of outstanding units of respective classes.

(h) Transaction costs

Transaction costs are costs incurred to acquire or dispose financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

(i) Increase/Decrease in net assets attributable to unit holders

Income not distributed is included in net assets attributable to unit holders.

(j) Distribution

A distribution to the Fund's unit holders is accounted for as a finance cost in the statement of comprehensive income. A proposed distribution is recognised as a financial liability in the financial period in which it is approved.

(k) Amount due from/to stockbrokers

Amount due from and amount due to stockbrokers represent receivables for quoted securities sold and payables for quoted securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment for amount due from stockbrokers. A provision for impairment of amount due from stockbrokers is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant stockbroker. Significant financial difficulties of the stockbroker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from stockbrokers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Segment information

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

(m) Critical accounting estimates and judgments in applying accounting policies

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Funds' results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgment are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC Guidelines on Unit Trust Funds.

However, the Manager is of the opinion that in applying this accounting policy, no significant judgment was required.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund aims to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long term.

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk, interest rate risk and currency risk), credit risk and liquidity risk.

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated in the Deeds and SC Guidelines on Unit Trust Funds.

(a) Market risk

(i) Price risk

Price risk is the risk that the fair value of an investment in quoted securities will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk). The value of quoted securities may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

The price risk is managed through diversification and selection of quoted securities and other financial instruments within specified limits according to the Deeds.

(ii) Interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Interest rate is a general economic indicator that will have an impact on the management of the Fund.

The Fund's exposure to fair value interest rate risk arises from investment in money market instruments. The interest rate risk is expected to be minimal as the Fund's investments comprise mainly short term deposits with approved licensed financial institutions.

As at the end of each financial period, the Fund is not exposed to a material level of interest rate risk.

The Fund is not exposed to cash flow interest rate risk as the Fund does not hold any financial instruments at variable interest rate.

(iii) Currency risk

Currency risk is associated with investments that are quoted and/or priced in foreign currency denomination. Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Manager will evaluate the likely directions of a foreign currency versus USD based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels, and technical chart considerations.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation resulting in financial loss to the Fund.

The credit risk arising from placements of deposits with licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by respective stock exchanges. The credit risk is minimal as all transactions in quoted securities are settled/paid upon delivery using approved stockbrokers.

For amount due from Manager, the settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC Guidelines on Unit Trust Funds.

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances and other instruments, which are capable of being converted into cash within 7 business days. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

(d) Capital risk management

The capital of the Fund is represented by net assets attributable to unit holders of USD1,065,584,725 (31.03.2018: USD1,016,606,800). The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**(e) Fair value estimation**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
30.09.2018				
Financial assets at fair value through profit or loss:				
- Quoted securities	<u>963,069,787</u>	<u>-</u>	<u>-</u>	<u>963,069,787</u>
31.03.2018				
Audited				
Financial assets at fair value through profit or loss:				
- Quoted securities	<u>966,241,428</u>	<u>-</u>	<u>-</u>	<u>966,241,428</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

- (ii) The carrying values of cash and cash equivalents, amount due from stockbrokers, amount due from Manager, dividends receivable and all current liabilities are a reasonable approximation of their fair values due to their short term nature.

4. MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a maximum management fee of 3.00% per annum for each unit class, calculated daily based on the NAV of the Fund.

For the six months financial period ended 30 September 2018 and 30 September 2017, the management fee for the respective classes is recognised at the following rates:

Class MYR	Class SGD	Class USD
1.80%	1.50%	1.50%

There is no further liability to the Manager in respect of management fee other than the amount recognised above.

5. TRUSTEE'S AND CUSTODIAN FEES

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.08% per annum, calculated daily based on the NAV of the Fund. The trustee's fee includes local custodian fee but excludes the foreign sub-custodian fee (if any). The foreign sub-custodian fee is dependent on the country invested and is charged monthly in arrears. For the six months financial period ended 30 September 2018, the foreign sub-custodian fee amounted to USD249,605 (30.09.2017: USD171,064).

For the six months financial period ended 30 September 2018, the Trustee's fee is recognised at the rate of 0.05% per annum (30.09.2017: 0.05% per annum).

There is no further liability to the Trustee and custodian in respect of Trustee's and custodian fees other than the amount recognised above.

6. TAXATION

	01.04.2018 to 30.09.2018 USD	01.04.2017 to 30.09.2017 USD
Tax charged for the financial period:		
- Capital gains tax	519,188	-
- Withholding tax	1,869,289	1,711,044
	<u>2,388,477</u>	<u>1,711,044</u>

A numerical reconciliation between the (loss)/profit before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund is as follows:

	01.04.2018 to 30.09.2018 USD	01.04.2017 to 30.09.2017 USD
(Loss)/Profit before taxation	<u>(102,733,530)</u>	<u>74,254,887</u>
Taxation at Malaysian statutory rate of 24% (30.09.2017: 24%)	(24,656,047)	17,821,173
Tax effects of:		
Investment loss not deductible for tax purposes/(Investment income not subject to tax)	16,486,638	(22,386,413)
Expenses not deductible for tax purposes	5,889,693	3,194,633
Restriction on tax deductible expenses for Unit Trust Funds	2,279,716	1,370,607
Investment income subject to capital gains tax	519,188	-
Investment income subject to withholding tax	1,869,289	1,711,044
Taxation	<u>2,388,477</u>	<u>1,711,044</u>

7. FINANCE COST

Distributions to unit holders are derived from the following sources:

	01.04.2018 to 30.09.2018	01.04.2017 to 30.09.2017
	USD	USD
Dividend income	5,191,697	6,124,061
Interest income	31,190	85,287
Net realised gain from disposal of quoted securities	<u>18,191,504</u>	<u>5,517,404</u>
	23,414,391	11,726,752
Less:		
Expenses	<u>(2,051,835)</u>	<u>(690,240)</u>
Net distribution amount	<u>21,362,556</u>	<u>11,036,512</u>

Distribution on 26 April 2018

Gross/Net distribution per unit (cent)

- Class MYR	0.10	-
- Class SGD	1.03	-
- Class USD	<u>1.47</u>	<u>-</u>

Distribution on 26 July 2018

Gross/Net distribution per unit (cent)

- Class MYR	0.09	-
- Class SGD	0.97	-
- Class USD	<u>1.39</u>	<u>-</u>

Distribution on 6 April 2017

Gross/Net distribution per unit (cent)

- Class MYR	-	0.07
- Class SGD	-	0.78
- Class USD	<u>-</u>	<u>1.10</u>

Distribution on 27 July 2017

Gross/Net distribution per unit (cent)

- Class MYR	-	0.08
- Class SGD	-	0.86
- Class USD	<u>-</u>	<u>1.23</u>

Gross distribution is derived using total income less total expenses. Net distribution above is sourced from current financial period's realised income.

Gross distribution per unit is derived from gross realised income less expenses, divided by the number of units in circulation. Net distribution per unit is derived from gross realised income less expenses and taxation, divided by the number of units in circulation.

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30.09.2018	31.03.2018
	USD	Audited USD
Designated at fair value through profit or loss at inception:		
- Quoted securities	<u>963,069,787</u>	<u>966,241,428</u>
	01.04.2018 to 30.09.2018	01.04.2017 to 30.09.2017
	USD	USD
Net (loss)/gain on financial assets at fair value through profit or loss:		
- Realised gain on disposals	7,604,454	27,427,109
- Unrealised fair value (loss)/gain	<u>(93,861,628)</u>	<u>30,070,112</u>
	<u>(86,257,174)</u>	<u>57,497,221</u>

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
30.09.2018				
QUOTED SECURITIES				
AUSTRALIA				
Basic Materials				
BHP Billiton Ltd	1,678,874	31,867,271	41,956,780	3.94
BlueScope Steel Ltd	1,237,874	12,584,135	15,168,606	1.42
Boral Ltd	<u>4,797,677</u>	<u>23,227,897</u>	<u>23,924,375</u>	<u>2.25</u>
	<u>7,714,425</u>	<u>67,679,303</u>	<u>81,049,761</u>	<u>7.61</u>
Consumer Products				
Aristocrat Leisure Ltd	947,510	17,056,944	19,446,657	1.82
Treasury Wine Estates Ltd	<u>1,336,073</u>	<u>16,791,391</u>	<u>16,863,649</u>	<u>1.58</u>
	<u>2,283,583</u>	<u>33,848,335</u>	<u>36,310,306</u>	<u>3.40</u>
Energy				
Oil Search Ltd	<u>3,318,652</u>	<u>21,426,939</u>	<u>21,626,240</u>	<u>2.03</u>
Health Care				
CSL Ltd	<u>170,010</u>	<u>19,507,537</u>	<u>24,674,007</u>	<u>2.32</u>
Industrials				
Cimic Group Ltd	350,710	12,360,847	12,998,844	1.22
Cleanaway Waste Management Ltd	10,878,744	12,241,749	14,759,382	1.39
Transurban Group	<u>3,375,058</u>	<u>29,396,128</u>	<u>27,327,861</u>	<u>2.56</u>
	<u>14,604,512</u>	<u>53,998,724</u>	<u>55,086,087</u>	<u>5.17</u>
TOTAL AUSTRALIA	<u>28,091,182</u>	<u>196,460,838</u>	<u>218,746,401</u>	<u>20.53</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
30.09.2018 (CONTINUED)				
QUOTED SECURITIES (CONTINUED)				
CHINA				
Basic Materials				
Anhui Conch Cement Co Ltd - A ⁴	3,933,032	15,276,342	21,058,078	1.98
Technology				
Hangzhou Hikvision Digital Technology Co Ltd	3,764,436	14,810,437	15,745,199	1.48
TOTAL CHINA	7,697,468	30,086,779	36,803,277	3.46
HONG KONG				
Consumer Products				
Galaxy Entertainment Group Ltd	3,295,000	27,573,914	20,903,370	1.96
Techtronic Industries Co Ltd	846,500	5,321,699	5,408,024	0.51
	4,141,500	32,895,613	26,311,394	2.47
Energy				
CNOOC Ltd	14,884,000	24,437,137	29,477,659	2.77
PetroChina Co Ltd	14,000,000	10,380,865	11,341,198	1.06
	28,884,000	34,818,002	40,818,857	3.83
Finance				
AIA Group Ltd	5,146,000	38,199,297	45,960,908	4.31
HSBC Holdings PLC	1,628,000	16,096,236	14,394,684	1.35
Industrial & Commercial Bank of China Ltd	53,681,000	40,141,793	39,233,609	3.68
Ping An Insurance Group Co of China Ltd - H ¹	3,346,500	32,123,381	33,993,791	3.19
	63,801,500	126,560,707	133,582,992	12.53
REITs				
Link REIT	2,196,500	21,223,426	21,624,471	2.03
Technology				
Tencent Holdings Ltd	473,700	14,005,930	19,562,141	1.84

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
30.09.2018 (CONTINUED)				
QUOTED SECURITIES (CONTINUED)				
HONG KONG (CONTINUED)				
Telecommunications				
China Unicom (Hong Kong) Ltd	19,372,000	26,627,350	22,821,649	2.14
TOTAL HONG KONG	118,869,200	256,131,028	264,721,504	24.84
INDIA				
Consumer Products				
Maruti Suzuki India Ltd	55,940	7,708,307	5,673,346	0.53
Energy				
Reliance Industries Ltd	558,490	9,445,915	9,696,821	0.91
Finance				
HDFC Bank Ltd	752,032	21,754,992	20,822,298	1.95
Housing Development Finance Corp Ltd	725,297	17,354,819	17,563,855	1.65
	1,477,329	39,109,811	38,386,153	3.60
Industrials				
Larsen & Toubro Ltd	1,031,983	20,883,145	18,119,424	1.70
TOTAL INDIA	3,123,742	77,147,178	71,875,744	6.74
INDONESIA				
Finance				
Bank Central Asia Tbk PT	14,189,200	18,508,978	22,993,707	2.16
Telecommunications				
Telekomunikasi Indonesia Persero Tbk PT	23,278,800	6,184,640	5,685,857	0.53
TOTAL INDONESIA	37,468,000	24,693,618	28,679,564	2.69

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
30.09.2018 (CONTINUED)				
QUOTED SECURITIES (CONTINUED)				
MALAYSIA				
Finance				
CIMB Group Holdings Bhd	6,261,522	9,265,514	9,096,386	0.85
Malayan Banking Bhd	6,940,280	18,259,863	16,423,819	1.54
Public Bank Bhd	3,380,100	19,438,172	20,426,033	1.92
	<u>16,581,902</u>	<u>46,963,549</u>	<u>45,946,238</u>	<u>4.31</u>
TOTAL MALAYSIA	<u>16,581,902</u>	<u>46,963,549</u>	<u>45,946,238</u>	<u>4.31</u>
SINGAPORE				
Consumer Products				
ComfortDelGro Corp Ltd	<u>8,768,800</u>	<u>16,277,460</u>	<u>15,576,555</u>	<u>1.46</u>
Finance				
DBS Group Holdings Ltd	1,383,600	25,011,614	26,388,191	2.48
United Overseas Bank Ltd	<u>871,600</u>	<u>18,198,243</u>	<u>17,254,043</u>	<u>1.62</u>
	<u>2,255,200</u>	<u>43,209,857</u>	<u>43,642,234</u>	<u>4.10</u>
REITs				
Ascendas Real Estate Investment Trust	9,588,500	18,851,791	18,504,595	1.74
CapitaLand Mall Trust	12,717,700	19,966,414	20,638,900	1.94
Mapletree Commercial Trust	<u>14,885,300</u>	<u>17,512,747</u>	<u>17,518,965</u>	<u>1.64</u>
	<u>37,191,500</u>	<u>56,330,952</u>	<u>56,662,460</u>	<u>5.32</u>
Technology				
Venture Corp Ltd	<u>765,000</u>	<u>16,361,215</u>	<u>9,859,133</u>	<u>0.93</u>
TOTAL SINGAPORE	<u>48,980,500</u>	<u>132,179,484</u>	<u>125,740,382</u>	<u>11.81</u>
SOUTH KOREA				
Technology				
Samsung Electronics Co Ltd	<u>914,114</u>	<u>37,868,082</u>	<u>38,272,012</u>	<u>3.59</u>
TOTAL SOUTH KOREA	<u>914,114</u>	<u>37,868,082</u>	<u>38,272,012</u>	<u>3.59</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
30.09.2018 (CONTINUED) QUOTED SECURITIES (CONTINUED)				
TAIWAN				
Finance				
CTBC Financial Holding Co Ltd	28,941,188	19,155,140	21,785,992	2.04
Technology				
Taiwan Semiconductor Manufacturing Co Ltd	5,614,000	40,211,195	48,231,954	4.53
TOTAL TAIWAN	34,555,188	59,366,335	70,017,946	6.57
THAILAND				
Finance				
Bangkok Bank PCL	3,475,900	23,345,092	23,441,411	2.20
Health Care				
Bangkok Dusit Medical Services PCL - NVDR ²	19,501,300	15,231,061	15,383,803	1.44
TOTAL THAILAND	22,977,200	38,576,153	38,825,214	3.64
UNITED STATES				
Technology				
Nvidia Corp	61,396	13,958,762	17,253,504	1.62
Telecommunications				
Autohome Inc - ADR ³	79,938	5,539,011	6,188,001	0.58
TOTAL UNITED STATES	141,334	19,497,773	23,441,505	2.20

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
30.09.2018 (CONTINUED)				
QUOTED SECURITIES (CONTINUED)				
TOTAL QUOTED SECURITIES	<u>319,399,830</u>	918,970,817	<u>963,069,787</u>	<u>90.38</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>44,098,970</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>963,069,787</u>		
31.03.2018				
Audited				
QUOTED SECURITIES				
AUSTRALIA				
Basic Materials				
Ancor Ltd	467,595	4,714,102	5,101,471	0.50
BHP Billiton Ltd	1,678,874	31,867,271	36,465,054	3.59
BlueScope Steel Ltd	1,323,884	11,998,360	15,381,364	1.51
Boral Ltd	<u>3,856,242</u>	<u>18,390,958</u>	<u>22,089,856</u>	<u>2.17</u>
	<u>7,326,595</u>	<u>66,970,691</u>	<u>79,037,745</u>	<u>7.77</u>
Consumer Products				
Aristocrat Leisure Ltd	<u>947,510</u>	<u>17,056,944</u>	<u>17,552,343</u>	<u>1.73</u>
Health Care				
CSL Ltd	<u>123,060</u>	<u>13,743,087</u>	<u>14,729,610</u>	<u>1.45</u>
Industrials				
Cleanaway Waste Management Ltd	<u>10,878,744</u>	<u>12,241,749</u>	<u>12,103,258</u>	<u>1.19</u>
TOTAL AUSTRALIA	<u>19,275,909</u>	<u>110,012,471</u>	<u>123,422,956</u>	<u>12.14</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
31.03.2018 (CONTINUED)				
Audited (Continued)				
QUOTED SECURITIES				
(CONTINUED)				
CAYMAN ISLANDS				
Technology				
NetEase INC	66,095	21,970,536	18,532,377	1.82
TOTAL CAYMAN ISLANDS	66,095	21,970,536	18,532,377	1.82
CHINA				
Basic Materials				
Anhui Conch Cement Co Ltd - A ⁴	5,911,232	22,959,895	30,290,391	2.98
Consumer Products				
Midea Group Co Ltd - A ⁴	3,143,430	16,169,841	27,303,298	2.69
Technology				
Hangzhou Hikvision Digital Technology Co Ltd	4,705,614	18,513,318	30,955,810	3.05
Shenzhen Kstar Science And Technology Co Ltd - A ⁴	4,825,567	12,892,235	12,621,103	1.24
	9,531,181	31,405,553	43,576,913	4.29
TOTAL CHINA	18,585,843	70,535,289	101,170,602	9.96
HONG KONG				
Basic Materials				
Xinyi Glass Holdings Ltd	17,930,000	20,739,081	27,004,669	2.66
Consumer Products				
China Mengniu Dairy Co Ltd	3,238,000	8,638,593	11,098,652	1.09
Galaxy Entertainment Group Ltd	2,374,000	19,504,455	21,552,948	2.12
GuangZhou Automobile Group Co Ltd	8,804,000	21,383,146	16,221,441	1.60
	14,416,000	49,526,194	48,873,041	4.81

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
31.03.2018 (CONTINUED)				
Audited (Continued)				
QUOTED SECURITIES (CONTINUED)				
HONG KONG (CONTINUED)				
Finance				
AIA Group Ltd	4,712,200	34,482,814	39,868,775	3.92
Industrial & Commercial Bank of China Ltd	50,240,000	36,306,126	43,082,985	4.24
Ping An Insurance Group Co of China Ltd - H ¹	3,485,500	33,215,024	35,441,254	3.49
	<u>58,437,700</u>	<u>104,003,964</u>	<u>118,393,014</u>	<u>11.65</u>
Technology				
Sunny Optical Technology Group Co Ltd	380,000	7,616,870	7,016,057	0.69
Tencent Holdings Ltd	1,065,700	31,509,648	55,620,644	5.47
	<u>1,445,700</u>	<u>39,126,518</u>	<u>62,636,701</u>	<u>6.16</u>
TOTAL HONG KONG	<u>92,229,400</u>	<u>213,395,757</u>	<u>256,907,425</u>	<u>25.28</u>
INDIA				
Finance				
HDFC Bank Ltd	716,032	20,655,454	20,736,696	2.04
Housing Development Finance Corp Ltd	951,861	22,522,766	26,682,197	2.62
	<u>1,667,893</u>	<u>43,178,220</u>	<u>47,418,893</u>	<u>4.66</u>
Industrials				
Larsen & Toubro Ltd	1,321,527	26,696,115	26,600,391	2.62
TOTAL INDIA	<u>2,989,420</u>	<u>69,874,335</u>	<u>74,019,284</u>	<u>7.28</u>
INDONESIA				
Consumer Products				
Astra International Tbk PT	30,611,600	18,690,539	16,276,700	1.60
Finance				
Bank Central Asia Tbk PT	10,720,600	12,769,218	18,194,180	1.79
TOTAL INDONESIA	<u>41,332,200</u>	<u>31,459,757</u>	<u>34,470,880</u>	<u>3.39</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
31.03.2018 (CONTINUED)				
Audited (Continued)				
QUOTED SECURITIES (CONTINUED)				
MALAYSIA				
Finance				
CIMB Group Holdings Bhd	13,476,738	20,008,129	25,090,043	2.47
Malayan Banking Bhd	6,562,300	17,275,671	18,011,491	1.77
Public Bank Bhd	3,380,100	19,438,172	21,005,282	2.07
	<u>23,419,138</u>	<u>56,721,972</u>	<u>64,106,816</u>	<u>6.31</u>
TOTAL MALAYSIA	<u>23,419,138</u>	<u>56,721,972</u>	<u>64,106,816</u>	<u>6.31</u>
SINGAPORE				
Finance				
DBS Group Holdings Ltd	<u>1,012,700</u>	<u>16,969,919</u>	<u>21,264,078</u>	<u>2.09</u>
Technology				
Venture Corp Ltd	<u>764,000</u>	<u>16,346,087</u>	<u>16,397,863</u>	<u>1.61</u>
TOTAL SINGAPORE	<u>1,776,700</u>	<u>33,316,006</u>	<u>37,661,941</u>	<u>3.70</u>
SOUTH KOREA				
Basic Materials				
Lotte Chemical Corp	44,657	18,295,287	18,175,892	1.79
Posco	50,977	13,399,030	15,597,089	1.53
	<u>95,634</u>	<u>31,694,317</u>	<u>33,772,981</u>	<u>3.32</u>
Energy				
SK Innovation Co Ltd	<u>62,799</u>	<u>12,347,750</u>	<u>12,455,279</u>	<u>1.23</u>
Technology				
Samsung Electronics Co Ltd	<u>13,995</u>	<u>27,601,696</u>	<u>32,374,480</u>	<u>3.18</u>
TOTAL SOUTH KOREA	<u>172,428</u>	<u>71,643,763</u>	<u>78,602,740</u>	<u>7.73</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
31.03.2018 (CONTINUED)				
Audited (Continued)				
QUOTED SECURITIES (CONTINUED)				
TAIWAN				
Finance				
CTBC Financial Holding Co Ltd	28,941,188	19,155,140	21,066,067	2.07
CTBC Financial Holding Co Ltd - Preference Share	235,825	470,740	493,914	0.05
	<u>29,177,013</u>	<u>19,625,880</u>	<u>21,559,981</u>	<u>2.12</u>
Technology				
Hon Hai Precision Industry Co Ltd	3,210,000	10,292,787	10,073,549	0.99
Parade Technologies Ltd	811,000	12,953,882	16,150,282	1.59
Taiwan Semiconductor Manufacturing Co Ltd	3,388,000	22,190,333	28,790,543	2.83
	<u>7,409,000</u>	<u>45,437,002</u>	<u>55,014,374</u>	<u>5.41</u>
TOTAL TAIWAN	<u>36,586,013</u>	<u>65,062,882</u>	<u>76,574,355</u>	<u>7.53</u>
THAILAND				
Consumer Products				
CP ALL PCL	6,462,600	12,715,065	18,229,311	1.79
Energy				
PTT PCL	1,187,000	17,702,096	21,002,457	2.07
Finance				
Bangkok Bank PCL	2,523,000	17,314,529	17,468,327	1.72
Thanachart Capital PCL	160,200	204,306	276,008	0.03
TMB Bank PLC - NVDR ²	98,527,500	8,764,404	8,084,957	0.80
	<u>101,210,700</u>	<u>26,283,239</u>	<u>25,829,292</u>	<u>2.55</u>
TOTAL THAILAND	<u>108,860,300</u>	<u>56,700,400</u>	<u>65,061,060</u>	<u>6.41</u>
UNITED STATES				
Telecommunications				
Autohome Inc - ADR ³	415,534	27,587,662	35,710,992	3.51
TOTAL UNITED STATES	<u>415,534</u>	<u>27,587,662</u>	<u>35,710,992</u>	<u>3.51</u>

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
31.03.2018 (CONTINUED)				
Audited (Continued)				
QUOTED SECURITIES (CONTINUED)				
TOTAL QUOTED SECURITIES	<u>345,708,980</u>	828,280,830	<u>966,241,428</u>	<u>95.06</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>137,960,598</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>966,241,428</u>		

¹ H shares refer to the shares of companies incorporated in the Chinese mainland that are listed on the Hong Kong Stock Exchange or other foreign exchange. H shares are still regulated by Chinese law, but they are denominated in Hong Kong dollars and trade the same as other equities on the Hong Kong Stock exchange.

² NVDR, or non-voting depository receipt, is a trading instrument issued by Thai NVDR Company Limited, a subsidiary wholly owned by the Stock Exchange of Thailand (“SET”). It is a valid security as specified by the United States Securities and Exchange Commission (“SEC”) and is automatically regarded as a listed security by the SET. The underlying security is a listed security in the SET.

³ ADR, or American depository receipt, is a negotiable certificate issued by a U.S. bank representing a specified number of shares (or one share) in a foreign stock that is traded on a U.S. exchange. ADRs are denominated in U.S. dollars, with the underlying security held by a U.S. financial institution overseas. ADRs help to reduce administration and duty costs that would otherwise be levied on each transaction.

⁴ A-shares trade on the two Chinese stock exchanges, the Shanghai Stock Exchange and the Shenzhen Stock Exchange. A-shares are shares of mainland China-based companies, and are available for purchase to select foreign institutions through the Qualified Foreign Institutional Investor (“QFII”) system.

9. CASH AND CASH EQUIVALENTS

	30.09.2018	31.03.2018
	USD	Audited USD
Bank balances	<u>96,750,091</u>	<u>36,250,319</u>

The weighted average effective interest rate per annum is as follows:

	30.09.2018	31.03.2018
	%	Audited %
Deposits with licensed financial institutions	<u>-</u>	<u>-</u>

Deposits with licensed financial institutions of the Fund have an average maturity of Nil days (31.03.2018: Nil days).

10. NUMBER OF UNITS IN CIRCULATION (UNITS)

	01.04.2018 to 30.09.2018	01.04.2017 to 31.03.2018
	No. of units	Audited No. of units
Class MYR (i)	10,241,078,522	8,901,629,746
Class SGD (ii)	57,866,775	50,126,198
Class USD (iii)	82,329,594	67,829,162
	<u>10,381,274,891</u>	<u>9,019,585,106</u>

(i) Class MYR

	01.04.2018 to 30.09.2018	01.04.2017 to 31.03.2018
	No. of units	Audited No. of units
At the beginning of the financial period/year	8,901,629,746	4,812,109,337
Add: Creation of units from applications	2,245,465,660	6,869,163,518
Add: Creation of units from distributions	194,485,894	226,870,161
Less: Cancellation of units	<u>(1,100,502,778)</u>	<u>(3,006,513,270)</u>
At the end of the financial period/year	<u>10,241,078,522</u>	<u>8,901,629,746</u>

(ii) Class SGD

	01.04.2018 to 30.09.2018	01.04.2017 to 31.03.2018
	No. of units	Audited No. of units
At the beginning of the financial period/year	50,126,198	146,768,182
Add: Creation of units from applications	17,861,464	57,488,833
Add: Creation of units from distributions	1,118,561	3,457,540
Less: Cancellation of units	<u>(11,239,448)</u>	<u>(157,588,357)</u>
At the end of the financial period/year	<u>57,866,775</u>	<u>50,126,198</u>

10. NUMBER OF UNITS IN CIRCULATION (UNITS) (CONTINUED)

(iii) Class USD

	01.04.2018 to 30.09.2018	01.04.2017 to 31.03.2018 Audited
	No. of units	No. of units
At the beginning of the financial period/year	67,829,162	46,163,248
Add: Creation of units from applications	23,646,244	74,827,554
Add: Creation of units from distributions	695,650	461,191
Less: Cancellation of units	(9,841,462)	(53,622,831)
At the end of the financial period/year	<u>82,329,594</u>	<u>67,829,162</u>

11. MANAGEMENT EXPENSE RATIO (“MER”)

	01.04.2018 to 30.09.2018	01.04.2017 to 30.09.2017
	%	%
MER	<u>0.95</u>	<u>0.98</u>

MER is derived based on the following calculation:

$$\text{MER} = \frac{(A + B + C + D + E) \times 100}{F}$$

- A = Management fee
- B = Trustee’s and custodian fees
- C = Audit fee
- D = Tax agent’s fee
- E = Other expenses excluding Goods and Services Tax (“GST”) on transaction costs
- F = Average NAV of the Fund calculation on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is USD1,059,083,395 (30.09.2017: USD617,402,783)

12. PORTFOLIO TURNOVER RATIO (“PTR”)

	01.04.2018 to 30.09.2018	01.04.2017 to 30.09.2017
PTR (times)	<u>0.46</u>	<u>0.59</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period}) \div 2}{\text{Average NAV of the Fund for the financial period calculated on a daily basis}}$$

where:

- total acquisition for the financial period = USD524,525,900 (30.09.2017: USD380,337,474)
- total disposal for the financial period = USD441,440,366 (30.09.2017: USD350,678,728)

13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

The related parties and their relationship with the Fund are as follows:

<u>Related parties</u>	<u>Relationship</u>
CIMB-Principal Asset Management Bhd	The Manager
Principal Financial Group, Inc.	Ultimate holding company of shareholder of the Manager
Principal International (Asia) Ltd	Shareholder of the Manager
Subsidiaries and associates of Principal Financial Group Inc., other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager
CIMB Group Holdings Bhd	Ultimate holding company of shareholder of the Manager
CIMB Group Sdn Bhd	Shareholder of the Manager
Subsidiaries and associates of CIMB Group Holdings Bhd, other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager
CIMB Investment Bank Bhd	Fellow related party to the Manager
CIMB-GK Securities Pte Ltd	Fellow related party to the Manager
CIMB Securities (Singapore) Pte Ltd	Fellow related party to the Manager

Units held by the Manager and parties related to the Manager

	30.09.2018		31.03.2018	
	<u>No. of units</u>	<u>USD</u>	<u>No. of units</u>	<u>Audited USD</u>
Manager				
CIMB-Principal Asset Management Bhd				
- Class MYR	1,205,014	106,041	204,433	19,871
- Class SGD	265	247	365	375
- Class USD	1,927	2,572	755	1,110

In the opinion of the Manager, the above units were transacted at the prevailing market price.

The units are held beneficially by the Manager for booking purposes. Other than the above, there were no units held by the Directors or parties related to the Manager.

In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

	01.04.2018 to 30.09.2018 USD	01.04.2017 to 30.09.2017 USD
<u>Significant related party transactions</u>		
Interest income from deposits with licensed financial institutions:		
- CIMB Bank Bhd	7,540	30,612
Cash placements with licensed financial institutions		
- CIMB Bank Bhd	9,563,361	9,601,853

There were no significant related party balances for the financial period/year.

14. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the top 10 brokers/dealers for the six months financial period ended 30 September 2018 are as follows:

Brokers/Dealers	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of brokerage fees %
Citigroup Global Markets Ltd	195,646,202	20.26	261,431	13.99
Credit Suisse Securities (Hong Kong) Ltd	94,978,880	9.84	192,178	10.29
CLSA (Hong Kong) Ltd	83,833,028	8.68	231,169	12.37
J.P. Morgan Securities LLC CICC (Hong Kong) Securities Ltd	75,777,967	7.85	22,733	1.22
JP Morgan Securities Singapore Pte Ltd	63,751,043	6.60	163,020	8.73
Macquarie Capital Securities (Singapore) Pte Ltd	63,575,724	6.58	184,530	9.88
Sanford C. Bernstein & Co., LLC	56,998,995	5.90	153,627	8.22
Instinet Singapore Services Pte Ltd	38,231,642	3.96	66,939	3.58
Bloomberg Tradebook, LLC	35,208,229	3.65	82,797	4.43
Others #	33,327,492	3.45	49,991	2.68
	<u>224,278,904</u>	<u>23.23</u>	<u>459,731</u>	<u>24.61</u>
	<u>965,608,106</u>	<u>100.00</u>	<u>1,868,146</u>	<u>100.00</u>

14. TRANSACTIONS WITH BROKERS/DEALERS (CONTINUED)

Details of transactions with the top 10 brokers/dealers for the six months financial period ended 30 September 2017 are as follows :

Brokers/Dealers	Value of trades USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage fees %
Citigroup Global Markets Ltd	150,763,924	20.65	203,371	15.92
Credit Suisse Services (Hong Kong) Ltd	70,118,657	9.60	152,853	11.97
CLSA (Singapore) Pte Ltd	64,147,389	8.79	70,868	5.55
China International Capital Corporation Ltd	63,964,921	8.76	124,098	9.71
Macquarie Capital Securities (Singapore) Pte Ltd	59,851,035	8.20	177,400	13.89
CLSA (Hong Kong) Ltd	54,036,517	7.40	140,675	11.01
JP Morgan Securities Singapore Pte Ltd	50,012,807	6.85	73,498	5.75
PT J.P. Morgan Securities Indonesia	47,579,097	6.52	18,370	1.44
Samsung Securities Co Ltd	31,603,460	4.33	57,759	4.52
Instinet Singapore Services Pte Ltd	31,301,102	4.29	82,039	6.42
Others	106,774,072	14.61	176,550	13.82
	<u>730,152,981</u>	<u>100.00</u>	<u>1,277,481</u>	<u>100.00</u>

Included in the transactions are trades conducted with CIMB Investment Bank Bhd, CIMB-GK Securities Pte Ltd and CIMB Securities (Singapore) Pte Ltd, fellow related parties to the Manager amounting to USD20,849,285 (30.09.2017: USD2,265,357), Nil (30.09.2017: USD10,177,041) and Nil (30.09.2017: USD70,315) respectively. The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

15. SEGMENT INFORMATION

The internal reporting provided to the chief operating decision-maker for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS. The chief operating decision-maker is responsible for the performance of the Fund and considers the business to have a single operating segment located in Malaysia. Asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The investment objective of the Fund is to provide regular income by investing primarily in the Asia Pacific ex Japan region and at the same time aims to achieve capital appreciation over the medium to long term. The reportable operating segment derives its income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within the portfolio. These returns consist of interest income and dividend income earned from investments and gains on the appreciation in the value of investments, which are derived from Ringgit-denominated deposits with licensed financial institutions in Malaysia, quoted securities listed on the Bursa Securities, Malaysia, and foreign equities of companies domiciled in, listed in, and/or have significant operations in Asia Pacific ex Japan.

There were no changes in reportable operating segment during the financial period.

DIRECTORY

Head office of the Manager

CIMB-Principal Asset Management Berhad (Company No.: 304078-K)
10th Floor, Bangunan CIMB,
Jalan Semantan,
Damansara Heights,
50490 Kuala Lumpur, MALAYSIA.
Tel: (03) 2084 8888

Postal address

CIMB-Principal Asset Management Berhad (Company No.: 304078-K)
P.O.Box 10571,
50718 Kuala Lumpur, MALAYSIA.

Website

www.cimb-principal.com.my

E-mail address

service@cimb-principal.com.my

General investment enquiries

(03) 7718 3100

Trustee for the CIMB-Principal Asia Pacific Dynamic Income Fund

HSBC (Malaysia) Trustee Berhad (Company No. 001281-T)
13th Floor, HSBC South Tower,
No. 2, Lebu Ampang,
50100, Kuala Lumpur, MALAYSIA.
Tel: (03) 2075 7800
Fax: (03) 2179 6511

CIMB-Principal Asset Management Berhad (304078-K)

Enquiries:

Customer Care Centre
(603) 7718 3100

Email
service@cimb-principal.com.my

Website
www.cimb-principal.com