

# CIMB-Principal Asia Pacific Dynamic Income Fund

Unaudited Interim Report

For The Six Months Financial Period Ended 30 September 2019

**CIMB-PRINCIPAL ASIA PACIFIC DYNAMIC INCOME FUND**

**UNAUDITED INTERIM REPORT**

**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

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**INVESTORS' LETTER**

Dear Valued Investors,

We have recently launched two new funds – Principal Global Real Estate Fund and Principal Greater Bay Fund in our effort to help you diversify your investments portfolios. These funds will enable you to have the opportunity to increase your investment potential in generating income and capital appreciation with diversified global portfolios.

The Principal Greater Bay Fund seeks investment opportunities in equities of companies which benefit from the development of the Greater Bay Area which includes Hong Kong, Macau, Shenzhen, and Guangdong to achieve capital appreciation over the medium to long term. It provides a variety of asset classes, namely the China A and H shares, focusing on large and/or mid-capitalisation companies in equities from sectors under the Benchmark Index, which includes but not limited to technology, financials and consumer sector.

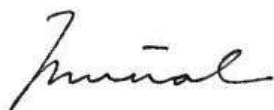
Principal Global Real Estate Fund, the dynamic real estate strategy is different from anything currently available in the market. The unique combination of real estate equity and fixed income securities helps cushion the impact of any unforeseen eventualities.

The Principal Global Real Estate Fund intends to increase investor investment potential, while limiting their downside exposure. This unique combination allows investors to benefit from the growing popularity of Real Estate Investment Trusts (“REITs”) have experienced in recent years for their strong performance in low interest rate and volatile global market conditions; and from Commercial Mortgage-backed Securities (“CMBS”), historically known for strong yields without additional risk exposure. Talk to your consultant today to know more how you can further diversify your portfolios with these funds.

As of September 2019, our Assets under Management (“AUM”) stood at RM57.06 billion. Thank you for your continuous support and allowing us to help you achieve your financial goals and live your best life.

Thank you.

Yours faithfully,  
for **Principal Asset Management Berhad**  
*(formerly known as 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?**

Yes, the Fund has achieved 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"), China, 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 2019?**

USD1,006.11 million (10,098.06 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 2019?**

The Fund distributed a total net income of USD7.36 million to unit holders for the six months financial period ended 30 September 2019.

The Fund's NAV per unit are as follows:

<b>Date</b>	<b>NAV per unit (before distribution) USD</b>	<b>NAV per unit (after distribution) USD</b>
09.07.2019		
Class MYR	0.0893	0.0887
Class SGD	0.9486	0.9418
Class USD	1.3586	1.3492

**PERFORMANCE DATA**

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

	<b>30.09.2019</b>	<b>30.09.2018</b>	<b>30.09.2017</b>
	%	%	%
Quoted securities			
- Communication Services	9.85	5.09	8.90
- Consumer Discretionary	9.12	4.31	8.52
- Consumer Staples	-	1.58	3.53
- Energy	3.79	6.77	0.98
- Financials	14.54	30.94	24.00
- Health Care	1.25	3.76	2.72
- Industrials	11.11	8.84	10.82
- Information Technology	11.45	12.15	19.07
- Materials	3.65	9.59	13.73
- Real Estate	18.56	7.35	-
- Utilities	1.76	-	1.72
Cash and other net assets	14.92	9.62	6.01
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Note: The Fund had applied the Global Industry Classification Standard ("GICS") sectors classification.

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

	<b>30.09.2019</b>	<b>30.09.2018</b>	<b>30.09.2017</b>
NAV (USD Million)			
- Class MYR	855.80	901.64	557.98
- Class SGD	41.20	54.04	20.01
- Class USD	109.11	109.91	45.91
Units in circulation (Million)			
- Class MYR	9,969.38	10,241.08	6,456.48
- Class SGD	45.17	57.87	21.82
- Class USD	83.51	82.33	35.18
NAV per unit (USD)			
- Class MYR	0.0858	0.0880	0.0864
- Class SGD	0.9120	0.9338	0.9169
- Class USD	1.3065	1.3349	1.3050
Highest NAV per unit (USD)			
- Class MYR	0.0910	0.0987	0.0883
- Class SGD	0.9669	1.0452	0.9341
- Class USD	1.3848	1.4943	1.3356
Lowest NAV per unit (USD)			
- Class MYR	0.0832	0.0848	0.0757
- Class SGD	0.8844	0.9000	0.7998
- Class USD	1.2668	1.2867	1.1437
Total return (%)			
- Class MYR	1.18	(0.85)	9.70
- Class SGD	0.71	(3.18)	11.86
- Class USD	(1.23)	(7.30)	15.15

**PERFORMANCE DATA (CONTINUED)**

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

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 30.09.2018</b>	<b>01.04.2017 to 30.09.2017</b>
Capital growth (%)			
- Class MYR	0.48	(2.89)	7.61
- Class SGD	0.02	(5.16)	10.20
- Class USD	(1.91)	(9.20)	12.94
Income distribution (%)			
- Class MYR	0.70	2.06	1.84
- Class SGD	0.71	2.05	1.91
- Class USD	0.70	2.06	1.91
Date of distribution	09.07.2019	-	-
Gross/Net distribution per unit (cent)			
- Class MYR	0.06	-	-
- Class SGD	0.67	-	-
- Class USD	0.94	-	-
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
Management Expense Ratio ("MER") (%) ^	0.93	0.95	0.98
Portfolio Turnover Ratio ("PTR") (times) #	0.37	0.46	0.59



**PERFORMANCE DATA (CONTINUED)**

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

^ The Fund's MER decreased from 0.95% to 0.93% mainly due to decrease in expenses during the financial period under review.

# The Fund's PTR decreased from 0.46 times to 0.37 times due to lesser trading activities during the financial period under review.

	<b>30.09.2019</b>	<b>30.09.2018</b>	<b>30.09.2017</b>	<b>30.09.2016</b>	<b>30.09.2015</b>
	%	%	%	%	%
Annual total return					
- Class MYR	0.44	3.89	19.36	5.67	18.62

(Launch date: 25 April 2011)

	<b>30.09.2019</b>	<b>30.09.2018</b>	<b>30.09.2017</b>	<b>30.09.2016</b>	<b>Since inception to 30.09.2015</b>
	%	%	%	%	%
Annual total return					
- Class SGD	0.55	7.08	16.60	7.60	-
- Class USD	(0.46)	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 2019 TO 30 SEPTEMBER 2019)**

For the financial period under review, the Asia Pacific ex-Japan stock markets declined after a relatively strong start to the year. It lost 5.1% as measured by the Morgan Stanley Capital International ("MSCI") Asia Pacific Ex-Japan Index in US Dollar ("USD") terms. The stock markets started the year on a positive note as investors were relieved to see stabilising economic data from China, easing trade tensions between the US and China and easing monetary policies among the Asian Central Banks. However, the markets peaked in April 2019 and positive investor sentiment soon dissipated. Equity markets fell in May 2019 as trade tensions flared up with US accusing China of attempting to renegotiate certain terms, culminating in additional taxes on Chinese exports to US and blacklisting of Huawei Technologies Co Ltd by the Trump administration. The tensions between the two countries temporarily stabilised in June 2019 after an agreement to resume trade talks post the Group of Twenty ("G20") meeting, which caused equity markets to rebound. However, US surprised investors in August 2019 announcing it would place more tariffs on additional Chinese goods, suggesting that negotiations have not gone smoothly. Other issues such as an inverted yield curve in the US which historically tend to be associated with recessions as well as geopolitical risks around Middle East and civil unrest in Hong Kong SAR, China, added to investors' wall of concerns. Moreover, in recent months, the economic data were not encouraging with the manufacturing sector suffering contraction and exports slowing. This was compounded by lower investments as investors delayed their investment decisions with a series of elections across Asia. On a positive note, the weak economic growth has prompted more assertive fiscal policies from certain countries such as that seen in India on top of accommodative monetary policies by various countries. US and China toned down their trade war rhetoric in September 2019 too. These led to a small recovery in markets in September 2019.

**FUND PERFORMANCE**

**Class MYR**

	<b>6 months to 30.09.2019 %</b>	<b>1 year to 30.09.2019 %</b>	<b>3 years to 30.09.2019 %</b>	<b>5 years to 30.09.2019 %</b>	<b>Since inception to 30.09.2019 %</b>
Income	0.70	1.81	7.78	57.08	80.08
Capital	0.48	(1.34)	15.55	(0.62)	43.89
Total Return	1.18	0.44	24.55	56.13	159.34
Benchmark	3.92	8.00	25.97	46.93	91.12
Average Total Return	N/A	0.44	7.59	9.32	11.95

**Class SGD**

	<b>6 months to 30.09.2019 %</b>	<b>1 year to 30.09.2019 %</b>	<b>3 years to 30.09.2019 %</b>	<b>Since inception to 30.09.2019 %</b>
Income	0.71	1.93	7.96	7.96
Capital	0.02	(1.34)	16.30	28.29
Total Return	0.71	0.55	25.54	36.05
Total Return (inclusive of application fee)*	(3.89)	(4.52)	19.05	25.38
Benchmark	3.92	8.00	25.97	36.11
Average Total Return	N/A	0.55	7.88	7.98

**Class USD**

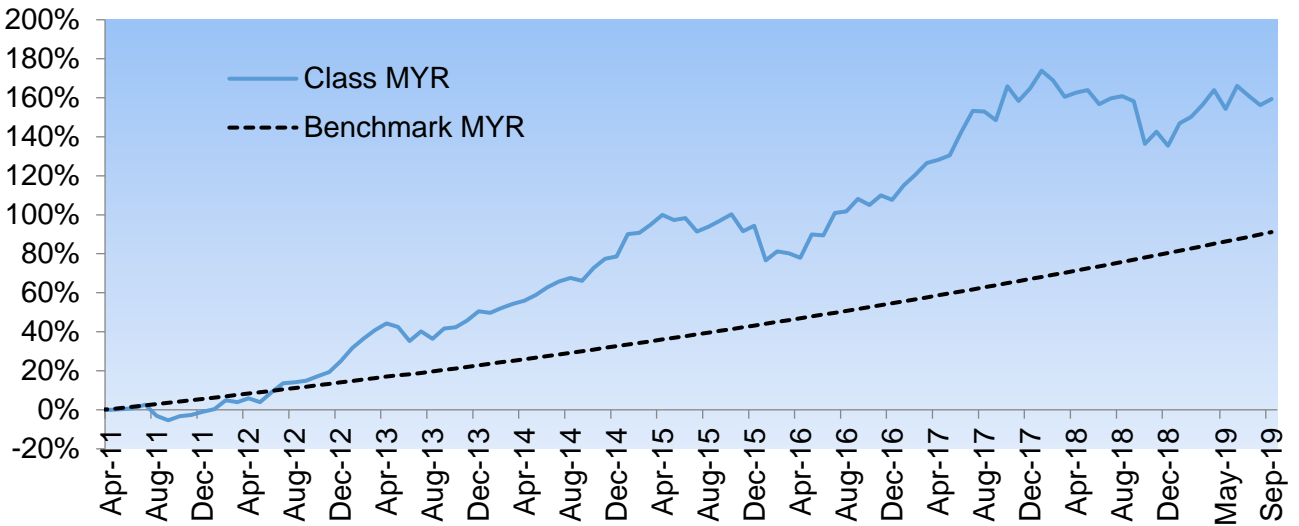
	<b>6 months to 30.09.2019 %</b>	<b>1 year to 30.09.2019 %</b>	<b>3 years to 30.09.2019 %</b>	<b>Since inception to 30.09.2019 %</b>
Income	0.70	1.72	7.74	7.74
Capital	(1.91)	(2.13)	15.16	29.22
Total Return	(1.23)	(0.46)	24.08	40.76
Total Return (inclusive of application fee)*	(5.29)	(5.84)	17.46	23.66
Benchmark	3.92	8.00	25.97	36.11
Average Total Return	N/A	(0.46)	7.46	8.90

During the financial period under review, the Fund has provided a return of 1.18%, 0.71% and -1.23% in Class MYR, Class SGD and Class USD respectively, which underperformed against the benchmark return of 3.92% due to weak market conditions.

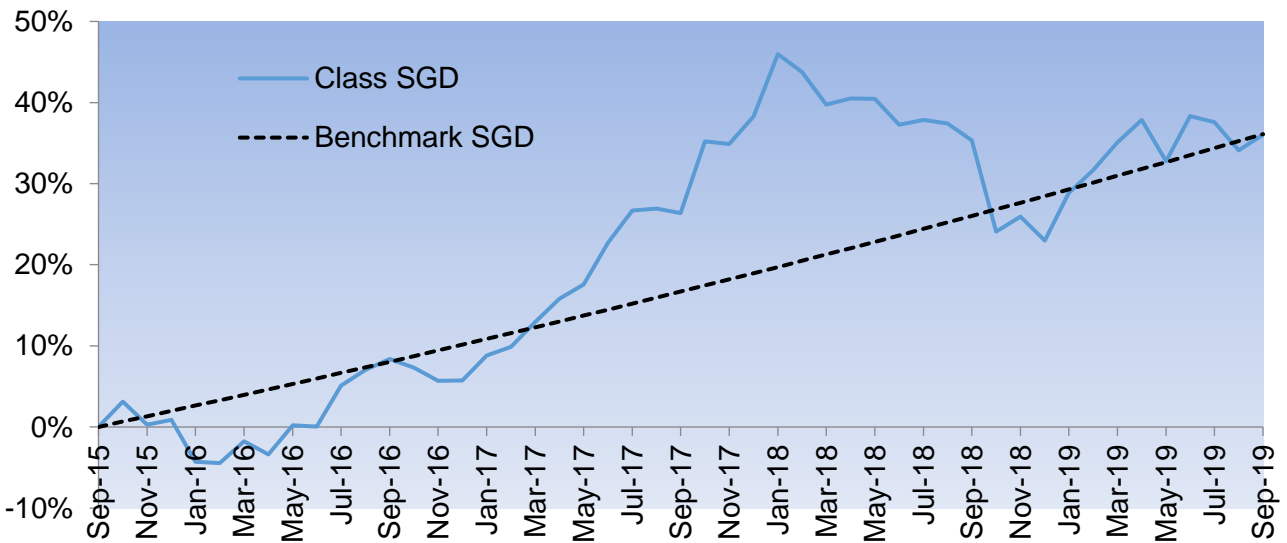
\*The performance of the Class SGD and Class USD is computed on a single pricing basis (NAV-NAV) (taking into account the maximum Application Fee of up to 5% and Withdrawal Fee / Redemption Fee (if any)) and with dividends and distributions (if any) reinvested. Note that a lower Application Fee may be charged when subscribing for Units.

FUND PERFORMANCE (CONTINUED)

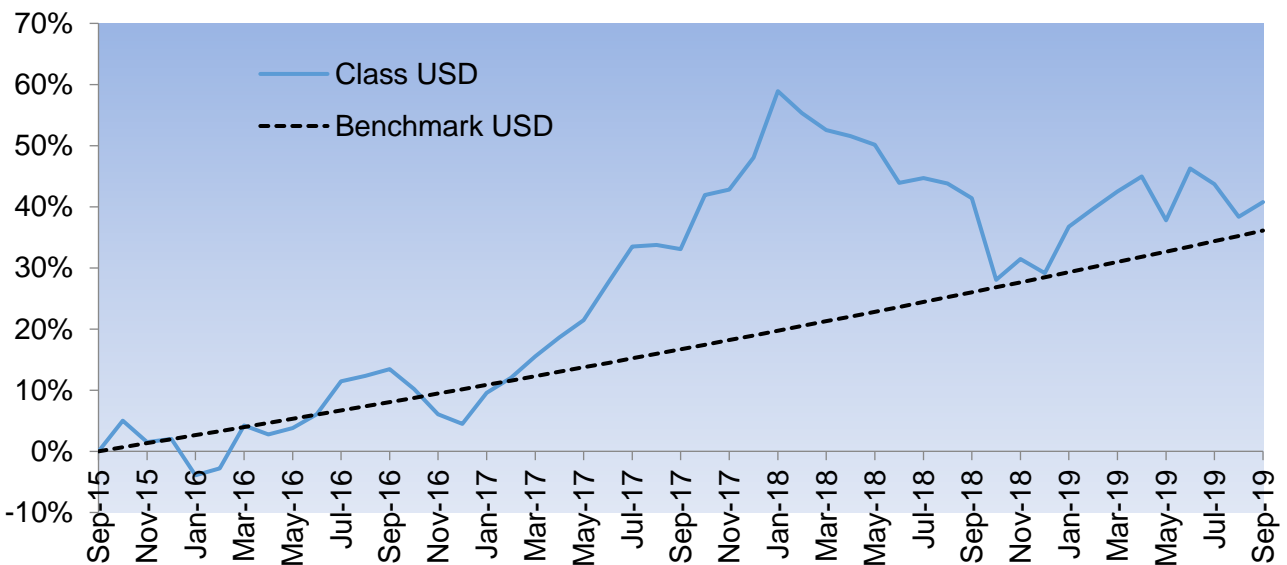
Class MYR



Class SGD



Class USD



**FUND PERFORMANCE (CONTINUED)**

**Changes in NAV**

**CLASS MYR**

	<b>30.09.2019</b>	<b>31.03.2019 Audited</b>	<b>Changes</b>
			<b>%</b>
NAV (USD Million)	855.80	919.11	(6.89)
NAV/Unit (USD)	0.0858	0.0876	(2.05)

**CLASS SGD**

	<b>30.09.2019</b>	<b>31.03.2019 Audited</b>	<b>Changes</b>
			<b>%</b>
NAV (USD Million)	41.20	49.39	(16.58)
NAV/Unit (USD)	0.9120	0.9298	(1.91)

**CLASS USD**

	<b>30.09.2019</b>	<b>31.03.2019 Audited</b>	<b>Changes</b>
			<b>%</b>
NAV (USD Million)	109.11	112.93	(3.38)
NAV/Unit (USD)	1.3065	1.3317	(1.89)

The NAV has declined over the past 6 months by 6.89%, 16.58% and 3.38% in Class MYR, Class SGD and Class USD respectively. This is mainly due to redemption of units.

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**

<b>(% of NAV)</b>	<b>30.09.2019</b>	<b>31.03.2019 Audited</b>
Quoted securities	85.08	94.44
Cash and other net assets	14.92	5.56
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

As at 30 September 2019, the Fund held 85.08% in quoted securities, and the rest in cash and other net assets. The higher cash is a function of deteriorating stock fundamentals.

**MARKET OUTLOOK\***

The key uncertainty for Asia rests in the trajectory of economic growth in the coming quarters. The upcoming meeting between officials from US and China would set the tone for trade and economic outlook for the next year. While global growth continues to slow as evidenced in the Purchasing Manager Index (“PMI”) readings, Central Banks in developed markets and Asia have been able to cut interest rates in the absence of inflation. Furthermore, several Asian Governments, including China, India and Thailand are putting in place fiscal stimulus to provide downside support to their economies. We expect Asian currencies to be stable in the next few months. Pressure from a higher USD is likely to recede with slowing momentum in the US economy and expectations that the Fed would ease by another 50 basis points (“bps”) within the next 4 months. All these should help to mitigate downside pressure for Asian equities.

Over the longer term, we remain positive on the outlook for Asian equities due to the young and growing population, growing middle class and strong economic growth potential.

\* 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 Principal Malaysia or based on data obtained from sources believed to be reliable by Principal Malaysia. Whilst every care has been taken in preparing this, Principal Malaysia 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**

The Fund will continue to have an income focus as part of the total return strategy. The current environment requires equity investors to focus on capital preservation and prudent allocation. Hence, the Fund will have a barbell strategy to hold high dividend yielding stocks and quality growth stocks. We like companies with sustainable high yield as we expect the interest rates to head lower and to subsequently stay low for an extended period of time. At the same time, we expect quality growth stocks with relatively high visibility to see strong investor interest as quality growth becomes scarce as the economic growth slows in the region.

**UNIT HOLDINGS STATISTICS**

Breakdown of unit holdings by size as at 30 September 2019 are as follows:

**CLASS MYR**

<b>Size of unit holdings (units)</b>	<b>No. of unit holders</b>	<b>No. of units held (million)</b>	<b>% of units held</b>
5,000 and below	2,117	5.97	0.06
5,001-10,000	2,217	15.98	0.16
10,001-50,000	8,727	221.50	2.22
50,001-500,000	7,162	982.70	9.86
500,001 and above	431	8,743.23	87.70
<b>Total</b>	<b>20,654</b>	<b>9,969.38</b>	<b>100.00</b>

**CLASS SGD**

<b>Size of unit holdings (units)</b>	<b>No. of unit holders</b>	<b>No. of units held (million)</b>	<b>% of units held</b>
5,000 and below	1	0.00	0.00
5,001-10,000	-	-	-
10,001-50,000	5	0.13	0.29
50,001-500,000	6	1.27	2.81
500,001 and above	8	43.77	96.90
<b>Total</b>	<b>20</b>	<b>45.17</b>	<b>100.00</b>

**CLASS USD**

<b>Size of unit holdings (units)</b>	<b>No. of unit holders</b>	<b>No. of units held (million)</b>	<b>% of units held</b>
5,000 and below	2	0.01	0.01
5,001-10,000	1	0.01	0.01
10,001-50,000	3	0.10	0.12
50,001-500,000	5	1.04	1.25
500,001 and above	11	82.35	98.61
<b>Total</b>	<b>22</b>	<b>83.51</b>	<b>100.00</b>

**SOFT COMMISSIONS AND REBATES**

Principal Asset Management Berhad (*formerly known as CIMB-Principal Asset Management Berhad*) (the "Manager") and the Trustee 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 the Manager has 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 Principal Asset Management Berhad (*formerly known as 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 48 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 2019 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

**Principal Asset Management Berhad (Company No.: 304078-K)**  
(*formerly known as CIMB-Principal Asset Management Berhad*)

**MUNIRAH KHAIRUDDIN**  
Chief Executive Officer/Executive Director

**JUAN IGNACIO EYZAGUIRRE BARAONA**  
Director

Kuala Lumpur  
14 November 2019

**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 six months financial period ended 30 September 2019. To the best of our knowledge, Principal Asset Management Berhad (*formerly known as 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 0.06 cent per unit (gross) for MYR class, 0.67 cent per unit (gross) for SGD class and 0.94 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  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
14 November 2019



**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2019**

	<b>Note</b>	<b>01.04.2019 to 30.09.2019 USD</b>	<b>01.04.2018 to 30.09.2018 USD</b>
<b>LOSS</b>			
Dividend income		20,673,938	20,987,487
Interest income from deposits with licensed financial Institutions at amortised cost		901,191	163,582
Net loss on financial assets at fair value through profit or loss	<b>8</b>	(20,833,011)	(86,257,174)
Net foreign exchange loss		<u>(1,238,841)</u>	<u>(3,588,221)</u>
		<u>(496,723)</u>	<u>(68,694,326)</u>
<b>EXPENSES</b>			
Management fee	<b>4</b>	9,217,575	9,306,261
Trustee's and custodian fees	<b>5</b>	503,958	514,965
Audit fee		2,472	2,684
Tax agent's fee		764	3,903
Transaction costs		1,359,125	2,599,255
Other expenses		<u>1,699,833</u>	<u>249,580</u>
		<u>12,783,727</u>	<u>12,676,648</u>
<b>LOSS BEFORE FINANCE COST AND TAXATION</b>		<b>(13,280,450)</b>	<b>(81,370,974)</b>
Finance cost (excluding increase in net assets attributable to unit holders):			
- Class MYR		(6,223,650)	(18,080,866)
- Class SGD		(341,476)	(1,116,305)
- Class USD		<u>(792,511)</u>	<u>(2,165,385)</u>
	<b>7</b>	<u>(7,357,637)</u>	<u>(21,362,556)</u>
<b>LOSS BEFORE TAXATION</b>		<b>(20,638,087)</b>	<b>(102,733,530)</b>
Taxation	<b>6</b>	<u>-</u>	<u>(2,388,477)</u>
<b>DECREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<b><u>(20,638,087)</u></b>	<b><u>(105,122,007)</u></b>
Decrease in net assets attributable to unit holders are made up as follows:			
Realised amount		20,167,013	(13,284,613)
Unrealised amount		<u>(40,805,100)</u>	<u>(91,837,394)</u>
		<u>(20,638,087)</u>	<u>(105,122,007)</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 2019**

		<b>30.09.2019</b>	<b>31.03.2019</b>
	<b>Note</b>	<b>USD</b>	<b>Audited USD</b>
<b>ASSETS</b>			
Cash and cash equivalents	<b>9</b>	170,198,488	48,719,908
Financial assets at fair value through profit or loss	<b>8</b>	856,039,460	1,021,249,944
Amount due from stockbrokers		5,030,015	16,441,097
Amount due from Manager		1,390,609	6,110,328
Dividends receivable		1,506,553	1,150,623
<b>TOTAL ASSETS</b>		<u>1,034,165,125</u>	<u>1,093,671,900</u>
<b>LIABILITIES</b>			
Amount due to stockbrokers		24,338,970	6,123,027
Amount due to Manager		2,210,132	4,023,661
Accrued management fee		1,457,117	1,592,658
Amount due to Trustee		41,511	45,375
Distribution payable		-	448,890
Other payables and accruals		4,606	7,297
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		<u>28,052,336</u>	<u>12,240,908</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>1,006,112,789</u>	<u>1,081,430,992</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>1,006,112,789</u>	<u>1,081,430,992</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 2019 (CONTINUED)**

	<b>Note</b>	<b>30.09.2019 USD</b>	<b>31.03.2019 Audited USD</b>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS (USD)</b>			
- Class MYR		855,800,189	919,103,737
- Class SGD		41,198,779	49,393,629
- Class USD		109,113,821	112,933,626
		<u>1,006,112,789</u>	<u>1,081,430,992</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- Class MYR		9,969,375,473	10,486,614,047
- Class SGD		45,169,601	53,119,291
- Class USD		83,514,356	84,798,593
	<b>10</b>	<u>10,098,059,430</u>	<u>10,624,531,931</u>
<b>NET ASSET VALUE PER UNIT (USD)</b>			
- Class MYR		0.0858	0.0876
- Class SGD		0.9120	0.9298
- Class USD		1.3065	1.3317
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>			
- Class MYR		MYR0.3592	MYR0.3575
- Class SGD		SGD1.2601	SGD1.2598
- Class USD		<u>USD1.3065</u>	<u>USD1.3317</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 2019**

	<b>01.04.2019 to 30.09.2019 USD</b>	<b>01.04.2018 to 30.09.2018 USD</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<u>1,081,430,992</u>	<u>1,016,606,800</u>
Movement due to units created and cancelled during the financial period:		
Creation of units from applications		
- Class MYR	90,939,211	208,258,483
- Class SGD	2,115,734	17,768,727
- Class USD	8,892,870	33,603,084
	<u>101,947,815</u>	<u>259,630,294</u>
Creation of units from distribution		
- Class MYR	6,174,406	17,945,909
- Class SGD	334,914	1,093,381
- Class USD	314,173	972,197
	<u>6,823,493</u>	<u>20,011,487</u>
Cancellation of units		
- Class MYR	(142,596,334)	(101,025,116)
- Class SGD	(9,835,597)	(10,866,479)
- Class USD	(11,019,493)	(13,650,254)
	<u>(163,451,424)</u>	<u>(125,541,849)</u>
Decrease in net assets attributable to unit holders during the financial period	<u>(20,638,087)</u>	<u>(105,122,007)</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<u>1,006,112,789</u>	<u>1,065,584,725</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 2019**

	<b>01.04.2019 to 30.09.2019 USD</b>	<b>01.04.2018 to 30.09.2018 USD</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from disposal of quoted securities	472,418,284	447,072,162
Purchase of quoted securities	(299,781,346)	(536,834,450)
Dividend income received	18,499,568	17,427,101
Interest income received from deposits with licensed financial institutions	901,191	163,582
Management fee paid	(9,353,116)	(9,297,900)
Trustee's and custodian fees paid	(507,822)	(514,668)
Payments for other fees and expenses	(19,630)	(393,544)
Net realised exchange loss	(963,539)	(6,231,205)
Tax paid	-	(519,188)
<b>Net cash generated from/(used in) operating activities</b>	<b>181,193,590</b>	<b>(89,128,110)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	106,533,404	276,737,313
Payments for cancellation of units	(165,139,877)	(127,333,362)
Distributions paid	(983,150)	(2,322,023)
<b>Net cash (used in)/generated from financing activities</b>	<b>(59,589,623)</b>	<b>147,081,928</b>
Net increase in cash and cash equivalents	121,603,967	57,953,818
Effect of foreign exchange differences	(125,387)	2,545,954
Cash and cash equivalents at the beginning of the financial period	48,719,908	36,250,319
Cash and cash equivalents at the end of the financial period	170,198,488	96,750,091
<u>Cash and cash equivalents comprised of:</u>		
Deposits with licensed financial institutions	100,027,996	-
Bank balances	70,170,492	96,750,091
Cash and cash equivalents at the end of the financial period	170,198,488	96,750,091

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 2019****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 Principal Asset Management Berhad (formerly known as *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, China, 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.

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

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.

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, is a joint venture between Principal Financial Group®, a member of the FORTUNE 500® and a Nasdaq-listed global financial services and CIMB Group Holdings Berhad, one of Southeast Asia's leading universal banking groups. 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(l).

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(a) Basis of preparation (continued)**

Standard that is effective and relevant:

The Fund has applied the following amendments for the first time for the financial period beginning 1 April 2019:

(i) Financial period beginning on/after 1 April 2019

- Amendments to MFRS 112 'Income Taxes' (effective from 1 January 2019) clarify that where income tax consequences of dividends on financial instruments classified as equity is recognised (either in profit or loss, other comprehensive income ("OCI") or equity) depends on where the past transactions that generated distributable profits were recognised.

Accordingly, the tax consequences are recognised in profit or loss when an entity determines payments on such instruments are distribution of profits (that is, dividends). Tax on dividend should not be recognised in equity merely on the basis that it is related to a distribution to owners.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 April 2019 that have a material effect on the financial statements of the Fund.

**(b) Financial assets and financial liabilities**

Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost.

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through OCI.

The Fund classifies cash and cash equivalents, amount due from stockbrokers, amount due from Manager and dividends receivable at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to stockbrokers, amount due to Manager, accrued management fee, amount due to Trustee, distribution payable and other payables and accruals as financial liabilities measured at amortised cost.



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

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.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(b) Financial assets and financial liabilities (continued)**Impairment for assets carried at amortised cost

The Fund measures credit risk and expected credit loss (“ECL”) using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any ECL. Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month ECL as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor’s sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial period.

**(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.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(d) Foreign currency**Functional 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”). The financial statements are presented in USD, which is the Fund’s functional and presentation 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 and deposits with licensed financial institutions held in highly liquid investments that are readily convertible to known amounts of cash and 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.

Withholding taxes on investment income from investments are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not “income tax” in nature and are recognised and measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

**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.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(k) Amount due from/to stockbrokers**

Amounts 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 measured at amortised cost. At each reporting date, the Fund measure the loss allowance on amounts due from broker at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month ECL. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Any contractual payment which is more than 90 days past due is considered credit impaired.

**(l) 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

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

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

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.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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

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

**3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)****(a) Market risk (continued)****(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.

**(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 deposits with licensed financial institutions, 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. 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
<b>30.09.2019</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	<u>856,039,460</u>	<u>-</u>	<u>-</u>	<u>856,039,460</u>
<b>31.03.2019</b>				
<b>Audited</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	<u>1,021,249,944</u>	<u>-</u>	<u>-</u>	<u>1,021,249,944</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 2019 and 30 September 2018, 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 2019, the foreign sub-custodian fee amounted to USD241,284 (30.09.2018: USD249,605).

For the six months financial period ended 30 September 2019, the Trustee's fee is recognised at the rate of 0.05% per annum (30.09.2018: 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**

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 30.09.2018</b>
	<b>USD</b>	<b>USD</b>
Tax charged for the financial period:		
- Capital gains tax	-	519,188
- Withholding tax	-	1,869,289
	<u>-</u>	<u>2,388,477</u>

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

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 30.09.2018</b>
	<b>USD</b>	<b>USD</b>
Loss before taxation	<u>(20,638,087)</u>	<u>(102,733,530)</u>
Taxation at Malaysian statutory rate of 24% (30.09.2018: 24%)	(4,953,141)	(24,656,047)
Tax effects of:		
Investment loss not deductible for tax purposes	119,213	16,486,638
Expenses not deductible for tax purposes	2,617,916	5,889,693
Restriction on tax deductible expenses for Unit Trust Funds	2,216,012	2,279,716
Investment income subject to capital gains tax	-	519,188
Investment income subject to withholding tax	-	1,869,289
Taxation	<u>-</u>	<u>2,388,477</u>

**7. FINANCE COST**

Distributions to unit holders are derived from the following sources:

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 30.09.2018</b>
	<b>USD</b>	<b>USD</b>
Dividend income	3,216,554	5,191,697
Interest income	99,089	31,190
Net realised gain from disposal of quoted securities	<u>5,715,734</u>	<u>18,191,504</u>
	9,031,377	23,414,391
Less:		
Expenses	<u>(1,673,740)</u>	<u>(2,051,835)</u>
Net distribution amount	<u>7,357,637</u>	<u>21,362,556</u>

**Distribution on 9 July 2019**

Gross/Net distribution per unit (cent)

- Class MYR	0.06	-
- Class SGD	0.67	-
- Class USD	<u>0.94</u>	<u>-</u>

**Distribution on 26 April 2018**

Gross/Net distribution per unit (cent)

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

**Distribution on 26 July 2018**

Gross/Net distribution per unit (cent)

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

	<b>30.09.2019</b>	<b>31.03.2019</b>
	<b>USD</b>	<b>Audited USD</b>
At fair value through profit or loss:		
- Quoted securities	<u>856,039,460</u>	<u>1,021,249,944</u>
	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 30.09.2018</b>
	<b>USD</b>	<b>USD</b>
Net loss on financial assets at fair value through profit or loss:		
- Realised gain on disposals	19,866,938	7,604,454
- Unrealised fair value loss	<u>(40,699,949)</u>	<u>(93,861,628)</u>
	<u>(20,833,011)</u>	<u>(86,257,174)</u>

<b>Name of counter</b>	<b>Quantity Units</b>	<b>Aggregate cost USD</b>	<b>Market value USD</b>	<b>Percentage of NAV %</b>
<b>30.09.2019</b>				
<b>QUOTED SECURITIES</b>				
<b>AUSTRALIA</b>				
<b>Consumer Discretionary</b>				
Aristocrat Leisure Ltd	<u>1,024,494</u>	<u>18,617,969</u>	<u>21,180,487</u>	<u>2.11</u>
<b>Energy</b>				
Oil Search Ltd	<u>3,318,652</u>	<u>21,437,155</u>	<u>16,412,619</u>	<u>1.63</u>
<b>Financials</b>				
Westpac Banking Corporation	<u>1,068,770</u>	<u>21,225,392</u>	<u>21,402,650</u>	<u>2.13</u>
<b>Health Care</b>				
CSL Ltd	<u>79,935</u>	<u>11,931,082</u>	<u>12,620,664</u>	<u>1.25</u>
<b>Industrials</b>				
ALS Ltd	497,571	2,665,356	2,696,091	0.27
Cleanaway Waste Management Ltd	13,010,309	14,846,535	17,140,651	1.70
Transurban Group	<u>1,794,770</u>	<u>15,711,683</u>	<u>17,812,943</u>	<u>1.77</u>
	<u>15,302,650</u>	<u>33,223,574</u>	<u>37,649,685</u>	<u>3.74</u>
<b>Materials</b>				
Arcor Ltd	<u>1,442,974</u>	<u>15,970,527</u>	<u>13,892,438</u>	<u>1.38</u>
<b>Real Estate</b>				
Goodman Group	<u>2,097,018</u>	<u>18,860,845</u>	<u>20,090,164</u>	<u>2.00</u>
<b>TOTAL AUSTRALIA</b>	<u><b>24,334,493</b></u>	<u><b>141,266,544</b></u>	<u><b>143,248,707</b></u>	<u><b>14.24</b></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 %
<b>30.09.2019</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	87,009	14,185,103	14,550,515	1.45
<b>TOTAL CAYMAN ISLANDS</b>	<b>87,009</b>	<b>14,185,103</b>	<b>14,550,515</b>	<b>1.45</b>
<b>HONG KONG SAR, CHINA</b>				
<b>Communication Services</b>				
China Mobile Ltd	1,826,500	17,356,102	15,108,447	1.50
Tencent Holdings Ltd	560,900	20,910,683	23,623,958	2.35
	2,387,400	38,266,785	38,732,405	3.85
<b>Consumer Discretionary</b>				
Galaxy Entertainment Group Ltd	2,923,000	24,459,903	18,175,803	1.81
Sands China Ltd	2,196,000	11,273,341	9,943,765	0.99
Shenzhou International Group Holdings Ltd	1,084,500	14,012,462	14,165,101	1.41
	6,203,500	49,745,706	42,284,669	4.21
<b>Financials</b>				
AIA Group Ltd	3,191,400	23,690,951	30,143,694	3.00
<b>Industrials</b>				
Techtronic Industries Co Ltd	2,663,000	16,067,922	18,529,175	1.84
<b>Real Estate</b>				
Henderson Land Development Co Ltd	2,026,400	10,241,933	9,434,268	0.94
Link REIT	462,000	4,665,462	5,094,448	0.51
	2,488,400	14,907,395	14,528,716	1.45
<b>TOTAL HONG KONG SAR, CHINA</b>	<b>16,933,700</b>	<b>142,678,759</b>	<b>144,218,659</b>	<b>14.35</b>

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 %
<b>30.09.2019</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>INDIA</b>				
<b>Consumer Discretionary</b>				
Maruti Suzuki India Ltd	143,182	15,482,317	13,574,460	1.35
<b>Energy</b>				
Reliance Industries Ltd	1,154,524	18,713,109	21,713,262	2.16
<b>Financials</b>				
HDFC Bank Ltd	2,204,104	32,182,284	38,191,989	3.80
<b>Industrials</b>				
Larsen & Toubro Ltd	838,423	17,060,774	17,449,007	1.73
<b>TOTAL INDIA</b>	<b>4,340,233</b>	<b>83,438,484</b>	<b>90,928,718</b>	<b>9.04</b>
<b>INDONESIA</b>				
<b>Communication Services</b>				
Telekomunikasi Indonesia Persero Tbk PT	64,772,000	17,268,819	19,658,074	1.95
<b>Financials</b>				
Bank Central Asia Tbk PT	7,790,400	16,174,703	16,649,256	1.65
<b>Materials</b>				
Semen Indonesia Persero Tbk PT	18,164,800	16,220,590	14,773,690	1.47
<b>TOTAL INDONESIA</b>	<b>90,727,200</b>	<b>49,664,112</b>	<b>51,081,020</b>	<b>5.07</b>
<b>PHILIPPINES</b>				
<b>Financials</b>				
Bank of the Philippine Islands	7,681,790	13,432,497	13,771,074	1.37
<b>TOTAL PHILIPPINES</b>	<b>7,681,790</b>	<b>13,432,497</b>	<b>13,771,074</b>	<b>1.37</b>

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

<b>Name of counter</b>	<b>Quantity Units</b>	<b>Aggregate cost USD</b>	<b>Market value USD</b>	<b>Percentage of NAV %</b>
<b>30.09.2019</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>SINGAPORE</b>				
<b>Communication Services</b>				
NetLink NBN Trust	<u>30,861,300</u>	<u>18,776,978</u>	<u>19,878,400</u>	<u>1.97</u>
<b>Financials</b>				
United Overseas Bank Ltd	<u>871,600</u>	<u>18,218,196</u>	<u>16,186,430</u>	<u>1.61</u>
<b>Industrials</b>				
ComfortDelGro Corporation Ltd	9,859,500	18,228,744	17,125,503	1.70
Singapore Technologies Engineer Ltd	<u>7,592,200</u>	<u>19,297,131</u>	<u>21,099,689</u>	<u>2.10</u>
	<u>17,451,700</u>	<u>37,525,875</u>	<u>38,225,192</u>	<u>3.80</u>
<b>Information Technology</b>				
Venture Corporation Ltd	<u>765,000</u>	<u>16,361,174</u>	<u>8,476,446</u>	<u>0.84</u>
<b>Real Estate</b>				
Ascendas Real Estate Investment Trust	12,589,200	24,837,479	28,426,928	2.82
CapitaLand Commercial Trust	2,202,800	3,393,848	3,300,066	0.33
Capitaland Ltd	7,111,100	19,274,630	18,167,229	1.80
CapitaLand Mall Trust	14,011,400	23,491,028	26,669,476	2.65
Frasers Logistics & Industrial Trust	31,512,200	26,738,135	28,279,883	2.81
Keppel DC REIT	12,551,800	13,750,822	17,350,683	1.72
Keppel DC REIT - Rights	1,205,904	-	174,550	0.02
Lendlease Global Commercial REIT	31,380,800	20,210,514	19,985,908	1.99
Mapletree Commercial Trust	<u>5,911,300</u>	<u>9,209,469</u>	<u>9,797,058</u>	<u>0.97</u>
	<u>118,476,504</u>	<u>140,905,925</u>	<u>152,151,781</u>	<u>15.11</u>
<b>Utilities</b>				
Keppel Infrastructure Trust	<u>46,186,217</u>	<u>15,588,537</u>	<u>17,715,991</u>	<u>1.76</u>
<b>TOTAL SINGAPORE</b>	<b><u>214,612,321</u></b>	<b><u>247,376,685</u></b>	<b><u>252,634,240</u></b>	<b><u>25.09</u></b>

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 %
<b>30.09.2019</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>SOUTH KOREA</b>				
<b>Information Technology</b>				
Samsung Electronics Co Ltd	1,352,925	55,867,801	55,456,943	5.51
<b>TOTAL SOUTH KOREA</b>	<b><u>1,352,925</u></b>	<b><u>55,867,801</u></b>	<b><u>55,456,943</u></b>	<b><u>5.51</u></b>
<b>TAIWAN</b>				
<b>Information Technology</b>				
Taiwan Semiconductor Manufacturing Co Ltd	5,861,000	44,901,100	51,369,044	5.10
<b>Materials</b>				
Formosa Plastics Co Ltd	2,633,000	8,811,867	8,017,584	0.80
<b>TOTAL TAIWAN</b>	<b><u>8,494,000</u></b>	<b><u>53,712,967</u></b>	<b><u>59,386,628</u></b>	<b><u>5.90</u></b>
<b>THAILAND</b>				
<b>Communication Services</b>				
Intouch Holdings PCL	9,766,900	19,634,315	20,908,301	2.08
<b>Financials</b>				
Bangkok Bank PCL	1,713,200	11,506,412	9,854,655	0.98
<b>TOTAL THAILAND</b>	<b><u>11,480,100</u></b>	<b><u>31,140,727</u></b>	<b><u>30,762,956</u></b>	<b><u>3.06</u></b>
<b>TOTAL QUOTED SECURITIES</b>	<b><u>380,043,771</u></b>	<b><u>832,763,679</u></b>	<b><u>856,039,460</u></b>	<b><u>85.08</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>23,275,781</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>856,039,460</u></b>		



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 %
<b>31.03.2019</b>				
<b>Audited</b>				
<b>QUOTED SECURITIES</b>				
<b>AUSTRALIA</b>				
<b>Consumer Discretionary</b>				
Aristocrat Leisure Ltd	<u>577,739</u>	<u>10,400,378</u>	<u>10,038,917</u>	<u>0.93</u>
<b>Consumer Staples</b>				
Treasury Wine Estates Ltd	<u>1,063,023</u>	<u>13,448,335</u>	<u>11,251,601</u>	<u>1.04</u>
<b>Energy</b>				
Oil Search Ltd	<u>3,318,652</u>	<u>21,437,155</u>	<u>18,468,994</u>	<u>1.71</u>
<b>Health Care</b>				
CSL Ltd	<u>170,010</u>	<u>19,465,897</u>	<u>23,495,641</u>	<u>2.17</u>
<b>Industrials</b>				
Cimic Group Ltd	<u>350,710</u>	<u>12,338,877</u>	<u>11,999,063</u>	<u>1.11</u>
Cleanaway Waste Management Ltd	<u>13,010,309</u>	<u>14,846,534</u>	<u>20,476,345</u>	<u>1.89</u>
Transurban Group	<u>2,181,738</u>	<u>19,007,843</u>	<u>20,416,834</u>	<u>1.88</u>
	<u>15,542,757</u>	<u>46,193,254</u>	<u>52,892,242</u>	<u>4.88</u>
<b>Materials</b>				
BHP Billiton Ltd	<u>765,210</u>	<u>14,524,708</u>	<u>20,880,477</u>	<u>1.93</u>
<b>Real Estate</b>				
Goodman Group	<u>1,164,172</u>	<u>9,878,673</u>	<u>11,018,191</u>	<u>1.02</u>
<b>TOTAL AUSTRALIA</b>	<b><u>22,601,563</u></b>	<b><u>135,348,400</u></b>	<b><u>148,046,063</u></b>	<b><u>13.68</u></b>
<b>CAYMAN ISLANDS</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	<u>123,894</u>	<u>19,542,411</u>	<u>22,604,460</u>	<u>2.09</u>
<b>TOTAL CAYMAN ISLANDS</b>	<b><u>123,894</u></b>	<b><u>19,542,411</u></b>	<b><u>22,604,460</u></b>	<b><u>2.09</u></b>

## 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 %
<b>31.03.2019 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>CHINA</b>				
<b>Financials</b>				
Industrial and Commercial Bank of China Ltd	34,990,000	25,978,023	25,630,968	2.37
Ping An Insurance Group Co of China Ltd	3,346,500	32,115,096	37,474,248	3.47
	<u>38,336,500</u>	<u>58,093,119</u>	<u>63,105,216</u>	<u>5.84</u>
<b>TOTAL CHINA</b>	<b><u>38,336,500</u></b>	<b><u>58,093,119</u></b>	<b><u>63,105,216</u></b>	<b><u>5.84</u></b>
<b>HONG KONG SAR, CHINA</b>				
<b>Communication Services</b>				
China Mobile Ltd	2,110,500	20,054,779	21,509,413	1.99
China Unicom (Hong Kong) Ltd	19,372,000	26,625,839	24,555,612	2.27
Tencent Holdings Ltd	536,600	18,510,665	24,678,064	2.28
	<u>22,019,100</u>	<u>65,191,283</u>	<u>70,743,089</u>	<u>6.54</u>
<b>Consumer Discretionary</b>				
Galaxy Entertainment Group Ltd	3,295,000	27,572,829	22,436,564	2.07
Haier Electronic Group Co Ltd	5,073,000	14,607,584	14,735,095	1.36
Sand China Ltd	1,562,400	7,475,820	7,852,220	0.73
Shenzhou International Group Holdings Ltd	813,000	10,102,046	10,895,810	1.00
	<u>10,743,400</u>	<u>59,758,279</u>	<u>55,919,689</u>	<u>5.16</u>
<b>Financials</b>				
AIA Group Ltd	5,146,000	38,200,675	51,233,260	4.74
Hang Seng Bank Ltd	635,600	15,544,747	15,684,357	1.45
HSBC Holding PLC	1,628,000	16,095,737	13,252,826	1.23
	<u>7,409,600</u>	<u>69,841,159</u>	<u>80,170,443</u>	<u>7.42</u>
<b>Industrials</b>				
Techtronic Industries Co Ltd	2,663,000	16,067,922	17,895,624	1.65

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 %
<b>31.03.2019 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>HONG KONG SAR, CHINA (CONTINUED)</b>				
<b>Real Estate</b>				
China Resources Land Ltd	2,018,000	7,522,880	9,049,343	0.84
Henderson Land Development Co Ltd	2,674,000	15,477,651	16,998,679	1.57
Link REIT	2,942,500	28,400,290	34,412,195	3.18
	<u>7,634,500</u>	<u>51,400,821</u>	<u>60,460,217</u>	<u>5.59</u>
<b>TOTAL HONG KONG SAR, CHINA</b>	<b><u>50,469,600</u></b>	<b><u>262,259,464</u></b>	<b><u>285,189,062</u></b>	<b><u>26.36</u></b>
<b>INDIA</b>				
<b>Consumer Discretionary</b>				
Maruti Suzuki India Ltd	143,182	15,482,317	13,812,290	1.28
<b>Consumer Staples</b>				
Dabur India Ltd	539,939	3,344,301	3,191,104	0.30
<b>Energy</b>				
Reliance Industries Ltd	1,386,861	22,123,347	27,333,413	2.53
<b>Financials</b>				
HDFC Bank Ltd	1,102,052	32,182,284	36,946,179	3.42
Housing Development Finance Corp Ltd	570,175	16,071,365	16,224,594	1.50
Indusind Bank Ltd	647,171	14,924,938	16,654,227	1.54
	<u>2,319,398</u>	<u>63,178,587</u>	<u>69,825,000</u>	<u>6.46</u>
<b>Industrials</b>				
Larsen & Toubro Ltd	784,843	15,882,168	15,718,534	1.45
<b>TOTAL INDIA</b>	<b><u>5,174,223</u></b>	<b><u>120,010,720</u></b>	<b><u>129,880,341</u></b>	<b><u>12.02</u></b>

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

<b>Name of counter</b>	<b>Quantity Units</b>	<b>Aggregate cost USD</b>	<b>Market value USD</b>	<b>Percentage of NAV %</b>
<b>31.03.2019 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>INDONESIA</b>				
<b>Communication Services</b>				
Telekomunikasi TBK PT	<u>54,214,000</u>	<u>14,362,217</u>	<u>15,033,724</u>	<u>1.39</u>
<b>Financials</b>				
Bank Central Asia Tbk PT	<u>14,189,200</u>	<u>18,495,298</u>	<u>27,642,603</u>	<u>2.56</u>
<b>TOTAL INDONESIA</b>	<b><u>68,403,200</u></b>	<b><u>32,857,515</u></b>	<b><u>42,676,327</u></b>	<b><u>3.95</u></b>
<b>PHILIPPINES</b>				
<b>Financials</b>				
Bank of the Philippine Islands	<u>8,752,620</u>	<u>15,304,967</u>	<u>14,013,457</u>	<u>1.30</u>
<b>TOTAL PHILIPPINES</b>	<b><u>8,752,620</u></b>	<b><u>15,304,967</u></b>	<b><u>14,013,457</u></b>	<b><u>1.30</u></b>
<b>SINGAPORE</b>				
<b>Communication Services</b>				
NetLink NBN Trust	<u>17,000,000</u>	<u>10,139,002</u>	<u>10,413,602</u>	<u>0.96</u>
<b>Financials</b>				
DBS Group Holdings Ltd	<u>1,160,500</u>	<u>20,967,759</u>	<u>21,609,084</u>	<u>2.00</u>
United Overseas Bank Ltd	<u>871,600</u>	<u>18,218,195</u>	<u>16,203,892</u>	<u>1.50</u>
	<u>2,032,100</u>	<u>39,185,954</u>	<u>37,812,976</u>	<u>3.50</u>
<b>Industrials</b>				
ComfortDelGro Corporation Ltd	<u>8,671,800</u>	<u>16,007,061</u>	<u>16,448,122</u>	<u>1.52</u>
Singapore Technologies Engineer Ltd	<u>9,492,500</u>	<u>24,127,132</u>	<u>26,201,500</u>	<u>2.42</u>
	<u>18,164,300</u>	<u>40,134,193</u>	<u>42,649,622</u>	<u>3.94</u>
<b>Information Technology</b>				
Venture Corporation Ltd	<u>765,000</u>	<u>16,361,174</u>	<u>10,128,796</u>	<u>0.94</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 %
<b>31.03.2019 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>SINGAPORE</b>				
<b>(CONTINUED)</b>				
<b>Real Estate</b>				
Ascendas Real Estate Investment Trust	12,513,200	24,477,730	26,874,187	2.49
Capitaland Ltd	2,045,700	5,512,688	5,510,725	0.51
CapitaLand Mall Trust	15,030,900	24,054,917	26,401,943	2.44
Keppel DC REIT	9,803,600	10,503,125	10,853,025	1.00
	<u>39,393,400</u>	<u>64,548,460</u>	<u>69,639,880</u>	<u>6.44</u>
<b>Utilities</b>				
Keppel Infrastructure Trust	44,654,200	15,090,446	15,324,603	1.42
Keppel Infrastructure Trust - Rights	1,532,017	-	27,136	0.00
	<u>46,186,217</u>	<u>15,090,446</u>	<u>15,351,739</u>	<u>1.42</u>
<b>TOTAL SINGAPORE</b>	<b><u>123,541,017</u></b>	<b><u>185,459,229</u></b>	<b><u>185,996,615</u></b>	<b><u>17.20</u></b>
<b>SOUTH KOREA</b>				
<b>Information Technology</b>				
Samsung Electronics Corp Ltd	1,124,805	46,776,759	44,233,003	4.09
<b>TOTAL SOUTH KOREA</b>	<b><u>1,124,805</u></b>	<b><u>46,776,759</u></b>	<b><u>44,233,003</u></b>	<b><u>4.09</u></b>
<b>TAIWAN</b>				
<b>Financials</b>				
CTBC Financial Holding Co. Ltd	28,941,188	19,155,140	19,201,319	1.78
<b>Information Technology</b>				
Taiwan Semiconductor Manufacturing Co Ltd	4,067,000	29,775,253	32,392,693	3.00
<b>Materials</b>				
Formosa Plastics Co Ltd	4,789,000	16,027,358	17,012,978	1.57
<b>TOTAL TAIWAN</b>	<b><u>37,797,188</u></b>	<b><u>64,957,751</u></b>	<b><u>68,606,990</u></b>	<b><u>6.35</u></b>

**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 %
<b>31.03.2019 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>THAILAND</b>				
<b>Financials</b>				
Bangkok Bank PCL	<u>2,481,100</u>	<u>16,663,879</u>	<u>16,898,410</u>	<u>1.56</u>
<b>TOTAL THAILAND</b>	<b><u>2,481,100</u></b>	<b><u>16,663,879</u></b>	<b><u>16,898,410</u></b>	<b><u>1.56</u></b>
<b>TOTAL QUOTED SECURITIES</b>	<b><u>358,805,710</u></b>	<b>957,274,214</b>	<b><u>1,021,249,944</u></b>	<b><u>94.44</u></b>
<b>ACCUMULATED UNREALISED GAIN ON QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>63,975,730</u></b>		
<b>TOTAL QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>1,021,249,944</u></b>		

**9. CASH AND CASH EQUIVALENTS**

	<b>30.09.2019</b>	<b>31.03.2019</b>
	<b>USD</b>	<b>Audited USD</b>
Deposits with licensed financial institutions	100,027,996	22,009,896
Bank balances	<u>70,170,492</u>	<u>26,710,012</u>
	<u>170,198,488</u>	<u>48,719,908</u>

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

	<b>30.09.2019</b>	<b>31.03.2019</b>
	<b>%</b>	<b>Audited %</b>
Deposits with licensed financial institutions	<u>1.96</u>	<u>2.35</u>

Deposits with licensed financial institutions of the Fund have an average maturity of 3 days (31.03.2019: 7 days).

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

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 31.03.2019 Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
Class MYR (i)	9,969,375,473	10,486,614,047
Class SGD (ii)	45,169,601	53,119,291
Class USD (iii)	83,514,356	84,798,593
	<u>10,098,059,430</u>	<u>10,624,531,931</u>

(i) Class MYR

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 31.03.2019 Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period/year	10,486,614,047	8,901,629,746
Add: Creation of units from applications	1,036,916,981	3,350,966,774
Add: Creation of units from distributions	69,594,447	307,551,551
Less: Cancellation of units	<u>(1,623,750,002)</u>	<u>(2,073,534,024)</u>
At the end of the financial period/year	<u>9,969,375,473</u>	<u>10,486,614,047</u>

(ii) Class SGD

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 31.03.2019 Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period/year	53,119,291	50,126,198
Add: Creation of units from applications	2,266,799	21,223,558
Add: Creation of units from distributions	355,588	1,751,002
Less: Cancellation of units	<u>(10,572,077)</u>	<u>(19,981,467)</u>
At the end of the financial period/year	<u>45,169,601</u>	<u>53,119,291</u>

(iii) Class USD

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 31.03.2019 Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period/year	84,798,593	67,829,162
Add: Creation of units from applications	6,701,056	30,831,801
Add: Creation of units from distributions	232,859	1,047,074
Less: Cancellation of units	<u>(8,218,152)</u>	<u>(14,909,444)</u>
At the end of the financial period/year	<u>83,514,356</u>	<u>84,798,593</u>

**11. MANAGEMENT EXPENSE RATIO (“MER”)**

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 30.09.2018</b>
	%	%
MER	<u>0.93</u>	<u>0.95</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 withholding tax
- 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 USD1,048,540,333 (30.09.2018: USD1,059,083,395)

**12. PORTFOLIO TURNOVER RATIO (“PTR”)**

**Under SC Guidelines**

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 30.09.2018</b>
PTR (times)	<u>0.37</u>	<u>0.46</u>

PTR is derived from the following calculation:

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

**Under Monetary Authority of Singapore (“MAS”) Guidelines**

	<b>01.04.2019 to 30.09.2019</b>	<b>01.04.2018 to 30.09.2018</b>
PTR (times)	<u>0.30</u>	<u>0.42</u>

PTR is derived from the following calculation:

$$\frac{\text{Lesser of total acquisition or total disposal for the financial period}}{\text{Average NAV of the Fund for the financial period calculated on a daily basis}}$$

where:

- total acquisition for the financial period = USD317,834,434 (30.09.2018: USD524,525,900)
- total disposal for the financial period = USD462,211,906 (30.09.2018: USD441,440,366)



**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>
Principal Asset Management Berhad <i>(formerly known as CIMB-Principal Asset Management Berhad)</i>	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 the shareholder of the Manager
CIMB Bank Bhd	Fellow related party to the Manager
CGS-CIMB Securities (Singapore) Pte Ltd	Fellow related party to the Manager
CIMB Investment Bank Bhd	Fellow related party to the Manager

Units held by the Manager and parties related to the Manager

	<b>30.09.2019</b>		<b>31.03.2019</b>	
	<b>No. of units</b>	<b>USD</b>	<b>No. of units</b>	<b>Audited USD</b>
<b>Manager</b>				
Principal Asset Management Berhad <i>(formerly known as CIMB-Principal Asset Management Berhad)</i>				
- Class MYR	960,540	82,414	896,765	78,557
- Class SGD	11,416	10,411	10,525	9,786
- Class USD	1,935	2,528	867	1,155

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.

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

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.

	<b>01.04.2019 to 30.09.2019 USD</b>	<b>01.04.2018 to 30.09.2018 USD</b>
<u>Significant related party transactions</u>		
Interest income from deposits with licensed financial institution:		
- CIMB Bank Bhd	<u>127,475</u>	<u>7,540</u>
Cash placements with licensed financial institution:		
- CIMB Bank Bhd	<u>332,000,000</u>	<u>9,563,361</u>
<u>Significant related party balances</u>		
Deposits with licensed financial institution:		
- CIMB Bank Bhd	<u>3,000,912</u>	<u>-</u>

**14. TRANSACTIONS WITH BROKERS**

Details of transactions with the top 10 brokers for the six months financial period ended 30 September 2019 are as follows:

<b>Brokers</b>	<b>Value of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees USD</b>	<b>Percentage of brokerage fees %</b>
Citigroup Global Markets Ltd	238,222,909	30.56	208,065	26.02
CLSA Securities (M) Sdn Bhd	109,822,145	14.09	32,947	4.12
JP Morgan Securities Singapore Pte Ltd	83,580,552	10.72	25,074	3.14
Credit Suisse Securities (Hong Kong) Ltd	73,108,303	9.38	84,241	10.53
Macquarie Capital Securities (Singapore) Pte Ltd	68,306,093	8.76	34,153	4.27
DBS Vickers Securities (Singapore) Pte Ltd	42,632,221	5.47	90,401	11.30
CLSA Ltd	32,948,161	4.23	28,021	3.50
Instinet Pacific Ltd	26,911,396	3.45	46,310	5.79
Morgan Stanley Securities Ltd	23,373,434	3.00	56,940	7.12
Macquarie Capital Securities (M) Sdn Bhd	21,225,557	2.72	63,677	7.96
Others #	59,417,478	7.62	129,903	16.25
	<u>779,548,249</u>	<u>100.00</u>	<u>799,732</u>	<u>100.00</u>

**14. TRANSACTIONS WITH BROKERS (CONTINUED)**

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

<b>Brokers</b>	<b>Value of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees USD</b>	<b>Percentage of brokerage fees %</b>
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>

# Included in the transactions are trades conducted with CGS-CIMB Securities (Singapore) Pte Ltd and CIMB Investment Bank Bhd, fellow related parties to the Manager amounting to USD3,844,592 (30.09.2018: Nil) and Nil (30.09.2018: USD20,849,285), 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.

**DIRECTORY**

**Head Office of the Manager**

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