

CIMB-Principal China Multi Asset Income Fund

Unaudited Quarterly Report

For The Quarter And Financial Period Ended 31 July 2019

CIMB-PRINCIPAL CHINA MULTI ASSET INCOME FUND

UNAUDITED QUARTERLY REPORT

FOR THE QUARTER AND FINANCIAL PERIOD ENDED 31 JULY 2019

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INVESTORS' LETTER

Dear Valued Investors,

We have recently announced through the media our collaboration with the Employee Provident Fund (“EPF”) that consumers can now invest in our Unit Trust Funds at 0% sales fee*, as part of our offering for the EPF’s newly launched i-Invest online platform within the i-Akaun (Member) portal facility.

The online facility enables EPF i-Akaun members to invest in Unit Trust Funds using their EPF savings without needing to complete and submit physical forms and enables them to perform various transactions including purchase, redeem and switch funds - anytime, anywhere.

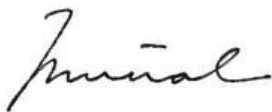
In today’s era of dynamic change, there is a growing need to accommodate the emergence of more tech savvy investors. We’re glad to have the opportunity to partner with the EPF and are excited to bring our global experience and expertise to make saving for retirement faster and easier for those who prefer to manage their money, their way. The Principal Asset Management Berhad (*formerly known as CIMB-Principal Asset Management Berhad*) (“Principal Malaysia”) online platform is just one more tool we offer to help you save enough and have enough in retirement and complements our other methods of investing. To find out more on how you can maximise your retirement savings, please visit www.principal.com.my.

As of July 2019, our Assets under Management (“AUM”) stood at RM56.5 billion. Going forward we will be launching a new global Fund with a unique combination that will help cushion the impact of any unforeseen eventualities. We look forward to introducing it to you.

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

*The 0% sales fee is subject to change

MANAGER'S REPORT

FUND OBJECTIVE AND POLICY

What is the investment objective of the Fund?

The Fund aims to provide income and moderate capital growth through investments in one collective investment scheme, which invests primarily in a diversified portfolio of securities related to China.

Has the Fund achieved its objective?

For the financial period under review, the Fund has performed in line with its objective as stated under the Fund Performance section.

What are the Fund investment policy and principal investment strategy?

The Fund is a feeder fund and it invests in a single collective investment scheme, i.e. HSBC China Multi-Asset Income Fund ("Target Fund"). The Fund may also invest in Liquid Asset for liquidity purpose.

In order to achieve its investment objective, the Fund will invest at least 95% of its Net Asset Value ("NAV") in the Target Fund; a sub-fund established on 21 November 2014 under the HSBC Collective Investment Trust. The Fund will also maintain up to 5% of its NAV in Liquid Assets for liquidity purposes.

Information on the Target Fund:

| | | |
|--------------------------------|---|--|
| Trust | : | HSBC Collective Investment Trust, an umbrella unit trust established under the laws of Hong Kong by a trust deed dated 27 February 2014 between the Target Fund Manager and HSBC Institutional Trust Services (Asia) Limited as the Target Fund's trustee. |
| Target Fund Manager | : | HSBC Investment Funds (Hong Kong) Ltd |
| Target Fund Investment Adviser | : | HSBC Global Asset Management (Hong Kong) Ltd |
| Target Fund Research Adviser | : | HSBC Jintrust Fund Management Company Ltd |
| Regulatory authority | : | Securities and Futures Commission of Hong Kong |

Base Currency

US Dollar ("USD")

Fund category/type

Feeder Fund/Income & Growth

How long should you invest for?

Recommended three (3) years or more

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

High

When was the Fund launched?

Class MYR-Hedged ("MYR-H") & Class USD

3 July 2017

Class SGD-Hedged ("SGD-H")

8 June 2018

Class AUD-Hedged ("AUD-H") & Class RMB-Hedged ("RMB-H")

2 July 2018

What was the size of the Fund as at 31 July 2019?

USD77.08 million (287.21 million units)

FUND OBJECTIVE AND POLICY (CONTINUED)

What is the Fund's benchmark?

The Fund adheres to the benchmark of the Target Fund for performance comparison. The benchmark of the Target Fund is 50% Morgan Stanley Capital International ("MSCI") China Net + 50% Markit iBoxx Asia Local Bond Index China Offshore for comparison purposes.

What is the Fund distribution policy?

Quarterly, depending on the availability of realised income and/or realised gains and at the discretion of the Manager.

What was the net income distribution for the financial period from 1 May 2019 to 31 July 2019?

The Fund distributed a total net income of USD1.65 million to unit holders for the financial period from 1 May 2019 to 31 July 2019.

The Fund's NAV per unit are as follows:

| Date | NAV per unit (before distribution) USD | NAV per unit (after distribution) USD |
|--------------------|--|---|
| 29 May 2019 | | |
| Class MYR-H | 0.2222 | 0.2164 |
| Class SGD-H | 0.6342 | 0.6206 |
| Class USD | 0.9584 | 0.9537 |

PERFORMANCE DATA

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

| | 31.07.2019 % | 31.07.2018 % |
|------------------------------|-----------------|-----------------|
| Collective investment scheme | 98.44 | 99.25 |
| Cash and other net assets | 1.56 | 0.75 |
| | 100.00 | 100.00 |

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

| | 31.07.2019 | 31.07.2018 |
|--------------------------------|------------|------------|
| NAV (USD Million) | | |
| - Class AUD-H | 0.00* | 0.00* |
| - Class MYR-H | 62.77 | 64.68 |
| - Class RMB-H | 0.00* | 0.00* |
| - Class SGD-H | 0.51 | 0.27 |
| - Class USD | 13.80 | 15.68 |
| Units in circulation (Million) | | |
| - Class AUD-H | 0.00* | 0.00* |
| - Class MYR-H | 272.60 | 64.68 |
| - Class RMB-H | 0.00* | 0.00* |
| - Class SGD-H | 0.78 | 0.27 |
| - Class USD | 13.83 | 15.68 |
| NAV per unit (USD) | | |
| - Class AUD-H | 0.7197 | 0.7400 |
| - Class MYR-H | 0.2303 | 0.2536 |
| - Class RMB-H | 0.1442 | 0.1500 |
| - Class SGD-H | 0.6546 | 0.6933 |
| - Class USD | 0.9976 | 1.0269 |

Note: 0.00* denotes fair value less than 1 USD.

PERFORMANCE DATA (CONTINUED)

| | 01.05.2019 to 31.07.2019 | 01.05.2018 to 31.07.2018 |
|--|-------------------------------------|-------------------------------------|
| Highest NAV per unit (USD) | | |
| - Class AUD-H | 0.7620 | 0.7600 |
| - Class MYR-H | 0.2438 | 0.2869 |
| - Class RMB-H | 0.1524 | 0.1500 |
| - Class SGD-H | 0.6971 | 0.7387 |
| - Class USD | 1.0362 | 1.1302 |
| Lowest NAV per unit (USD) | | |
| - Class AUD-H | 0.6867 | 0.0000 |
| - Class MYR-H | 0.2170 | 0.2523 |
| - Class RMB-H | 0.1364 | 0.0000 |
| - Class SGD-H | 0.6228 | 0.0000 |
| - Class USD | 0.9544 | 1.0215 |
| Total return (%) | | |
| - Class AUD-H | (5.65) | - |
| - Class MYR-H | (2.96) | (5.96) |
| - Class RMB-H | (5.24) | - |
| - Class SGD-H | (4.00) | - |
| - Class USD | (3.25) | 0.24 |
| Capital growth (%) | | |
| - Class AUD-H | (5.65) | - |
| - Class MYR-H | (5.54) | (5.96) |
| - Class RMB-H | (5.24) | - |
| - Class SGD-H | (6.07) | - |
| - Class USD | (3.73) | 0.24 |
| Income distribution (%) | | |
| - Class AUD-H | - | - |
| - Class MYR-H | 2.68 | - |
| - Class RMB-H | - | - |
| - Class SGD-H | 2.19 | - |
| - Class USD | 0.49 | - |
| Management Expense Ratio ("MER") (%) ^ | 0.13 | 0.47 |
| Portfolio Turnover Ratio ("PTR") (times) # | 0.04 | 0.06 |

^ The Fund's MER decreased from 0.47% to 0.13% due to the increase in average NAV during the financial period under review.

The Fund's PTR decreased from 0.06 times to 0.04 times due to the turnover reflects investments and withdrawals in the Target Fund.

Distribution on 29 May 2019

Gross/Net distribution per unit (cent)

| | | |
|---------------|------|---|
| - Class MYR-H | 0.58 | - |
| - Class SGD-H | 1.36 | - |
| - Class USD | 0.47 | - |

PERFORMANCE DATA (CONTINUED)

| | 31.07.2019 | Since inception |
|---|-------------------|------------------------|
| | % | to 31.07.2018 |
| | | % |
| Annual total return | | |
| - Class MYR-H | (1.12) | 2.92 |
| - Class USD (Launch date: 3 July 2017) | 0.05 | (1.98) |
| | | |
| - Class SGD-H (Launch date: 2 June 2018) | (1.64) | - |
| | | |
| - Class AUD-H | (2.86) | - |
| - Class RMB-H (Launch date: 2 July 2018) | (3.55) | - |

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 MAY 2019 TO 31 JULY 2019)

Chinese and global markets have been dominated by international trade news in May 2019. At the start of the month markets fully expected a positive trade deal between US and China to be announced, believing both sides wanted a “deal”. There were even some expectations that a deal would be announced in early May 2019 as a Chinese delegation visited the US for the latest round of talks. These expectations were proved very wrong and the situation escalated further when the US placed Chinese technology company Huawei on a list of companies that would restrict its access to key components like chips made by American firms. And, at the end of the month, the tariff situation took another twist as the US imposed tariffs on Mexico not for any trade reasons but connected with illegal immigration into the US.

Having been hit by adverse trade news in May 2019, China’s stock markets bounced back in June 2019 as relief that things on the trade front were not getting any worse was coupled with a feeling that looser policy in response to the trade shock would be supportive for growth and markets. Interest rate cuts are now fully priced in for the remainder of the year in a number of countries, not least the US. Economic data continues to undershoot expectations globally and in China, and inflation remains below target in most places, giving policy makers the freedom to ease policy as necessary. The Government’s takeover of a troubled bank has raised some concerns over the health of smaller lenders’ balance sheets, but this appears to be an idiosyncratic incident rather than indicative of a systematic problem.

Chinese markets remained relatively quiet in July 2019. Global stock markets produced positive returns, but the gains were focused in developed markets with the MSCI indices for North America, Europe and Japan all showing positive returns (of 1.31%, 0.25% and 0.91% respectively). In contrast China’s stock markets saw modest declines both offshore and onshore, -0.74% for the MSCI China Index and -1.56% for the Shanghai Composite Index. China’s newest trading venue, the Shanghai Stock Exchange Science and Technology Innovation Board, dubbed the “STAR Market”, made a stellar debut in July 2019, raising USD5.4 billion with its first batch of listings. The first batch of 25 companies – ranging from healthcare companies to chip makers – in the STAR board soared significantly on their market debut, despite the fact that there is no limitation on valuations at issue as there is for other markets

FUND PERFORMANCE

3 months to 31.07.2019

| | Class AUD-H | Class MYR-H | Class RMB-H | Class SGD-H | Class USD |
|----------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| | % | % | % | % | % |
| Income | - | 2.68 | - | 2.19 | 0.49 |
| Capital | (5.65) | (5.54) | (5.24) | (6.07) | (3.73) |
| Total Return | (5.65) | (2.96) | (5.24) | (4.00) | (3.25) |
| Benchmark | (3.59) | (3.59) | (3.59) | (3.59) | (3.59) |
| Average Total Return | N/A | N/A | N/A | N/A | N/A |

6 months to 31.07.2019

| | Class AUD-H | Class MYR-H | Class RMB-H | Class SGD-H | Class USD |
|----------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| | % | % | % | % | % |
| Income | - | 2.68 | - | 4.07 | 0.67 |
| Capital | (4.72) | (1.75) | (1.11) | (4.72) | 0.76 |
| Total Return | (4.72) | 0.92 | (1.11) | (0.81) | 1.43 |
| Benchmark | 0.71 | 0.71 | 0.71 | 0.71 | 0.71 |
| Average Total Return | N/A | N/A | N/A | N/A | N/A |

1 year to 31.07.2019

| | Class AUD-H | Class MYR-H | Class RMB-H | Class SGD-H | Class USD |
|----------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| | % | % | % | % | % |
| Income | - | 8.85 | - | 4.17 | 2.99 |
| Capital | (2.86) | (9.19) | (3.55) | (5.58) | (2.85) |
| Total Return | (2.86) | (1.12) | (3.55) | (1.64) | 0.05 |
| Benchmark | 0.24 | 0.24 | 0.24 | 0.24 | 0.24 |
| Average Total Return | (2.86) | (1.12) | (3.55) | (1.64) | 0.05 |

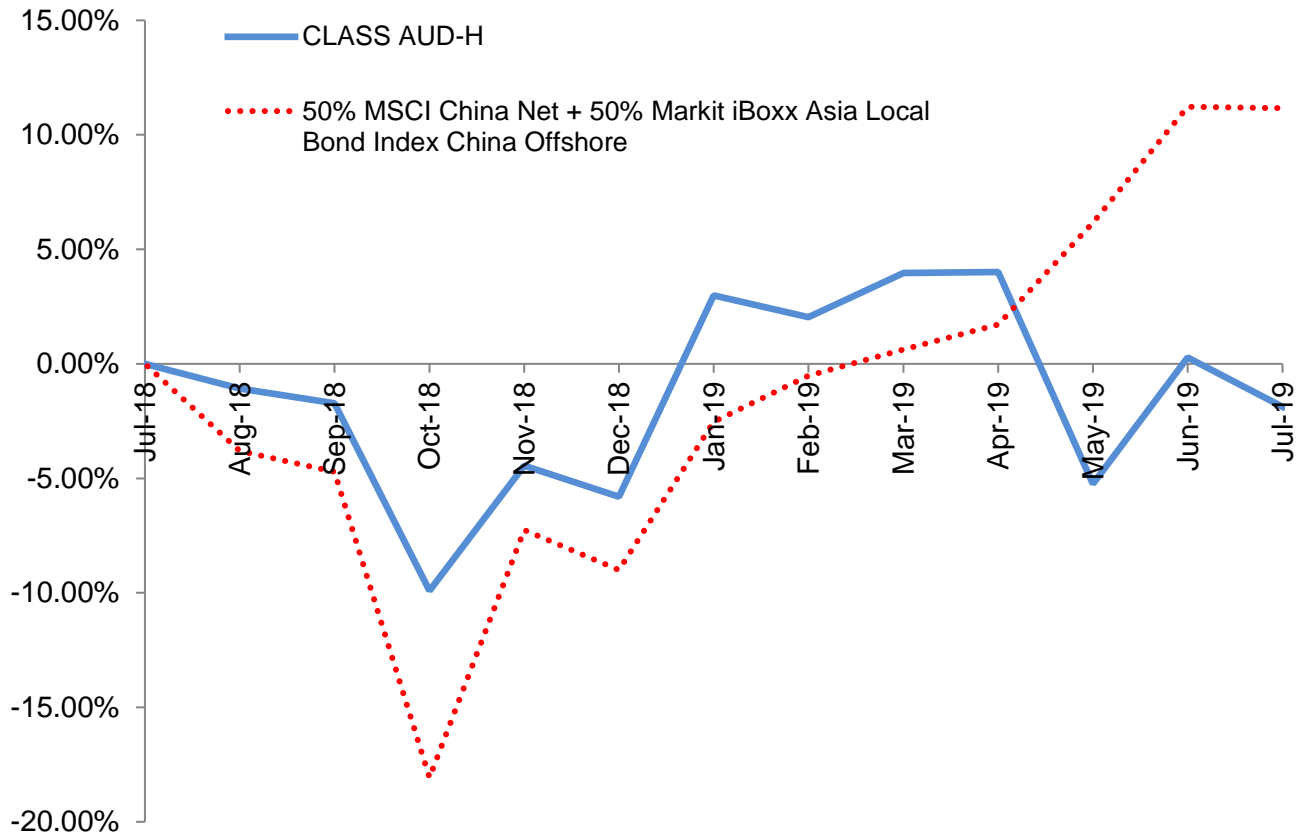
Since inception to 31.07.2019

| | Class AUD-H | Class MYR-H | Class RMB-H | Class SGD-H | Class USD |
|----------------------|--------------------|--------------------|--------------------|--------------------|------------------|
| | % | % | % | % | % |
| Income | | 8.85 | - | 4.17 | 2.99 |
| Capital | (1.87) | (1.14) | (3.91) | (11.38) | (0.63) |
| Total Return | (1.87) | 7.83 | (3.91) | (8.94) | 2.34 |
| Benchmark | 11.16 | 11.16 | 11.16 | 11.16 | 11.16 |
| Average Total Return | 1.73 | 3.69 | (3.62) | (7.83) | 1.12 |

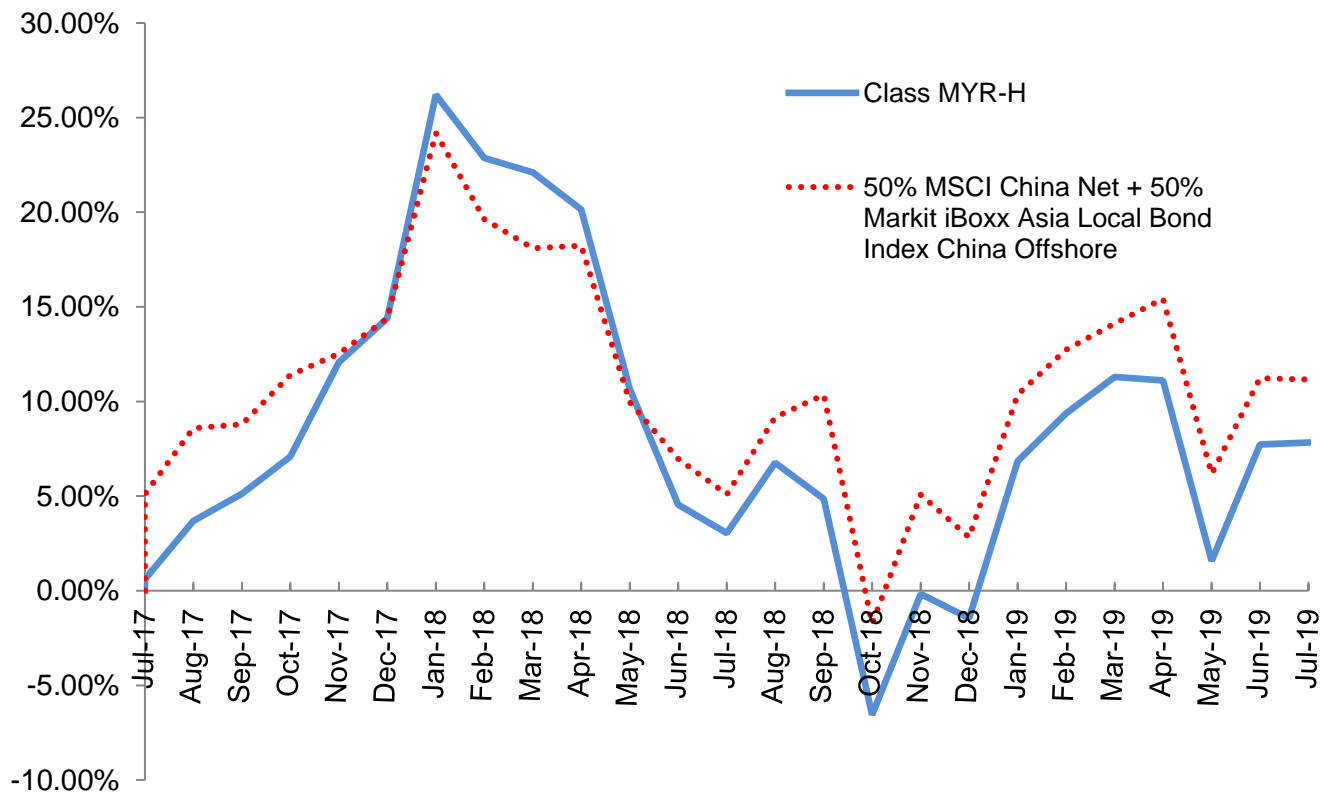
For the financial period under review, Class AUD-H, Class MYR-H, Class-RMB-H, Class SGD-H, and Class USD all recorded a decline of 5.65%, 2.96%, 5.24%, 4.00%, and 3.25% respectively. This is in comparison to the benchmark for all the Class, which recorded a decline of 3.59% during the period under review. The underperformance during the financial period was mainly attributed towards the negative equity performance in May 2019, mainly affected by the renewed trade tension between China and the US.

FUND PERFORMANCE (CONTINUED)

CLASS AUD-H

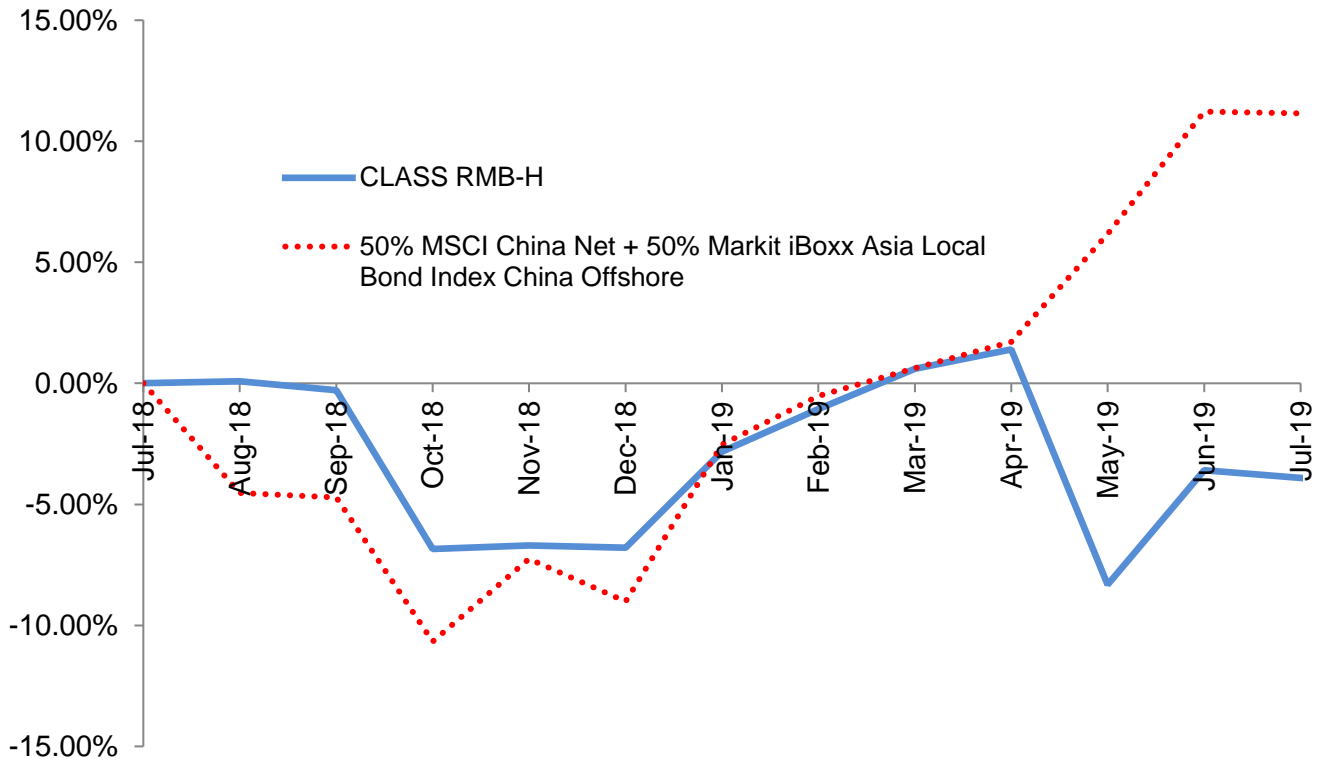


CLASS MYR-H

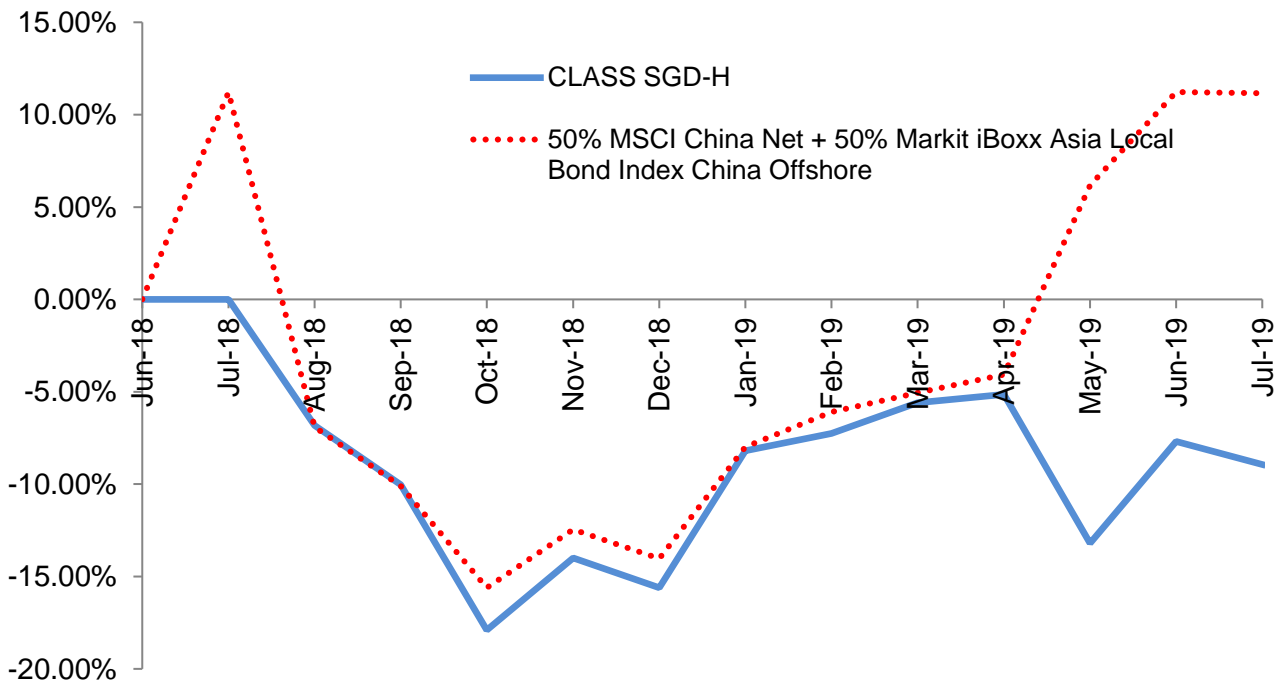


FUND PERFORMANCE (CONTINUED)

CLASS RMB-H

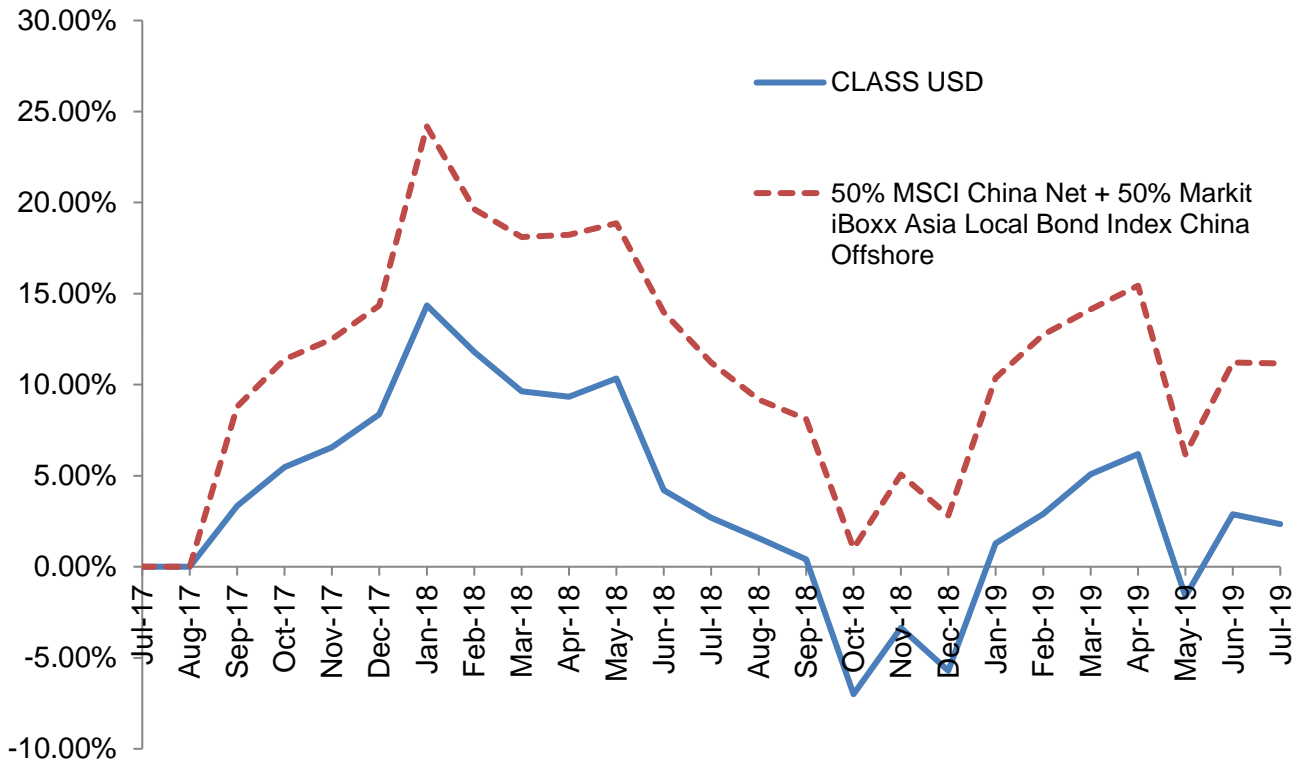


CLASS SGD-H



FUND PERFORMANCE (CONTINUED)

CLASS USD



Changes in NAV

CLASS AUD-H

| | 31.07.2019 | 31.10.2018 Audited | Changes % |
|-------------------|------------|-----------------------|--------------|
| NAV (USD Million) | 0.00* | 0.00* | - |
| NAV/Unit (USD) | 0.7197 | 0.6600 | 9.05 |

CLASS MYR-H

| | 31.07.2019 | 31.10.2018 Audited | Changes % |
|-------------------|------------|-----------------------|--------------|
| NAV (USD Million) | 62.77 | 56.24 | 11.61 |
| NAV/Unit (USD) | 0.2303 | 0.2106 | 9.35 |

CLASS RMB-H

| | 31.07.2019 | 31.10.2018 Audited | Changes % |
|-------------------|------------|-----------------------|--------------|
| NAV (USD Million) | 0.00* | 0.00* | - |
| NAV/Unit (USD) | 0.1442 | 0.1400 | 3.00 |

CLASS SGD-H

| | 31.07.2019 | 31.10.2018 Audited | Changes % |
|-------------------|------------|-----------------------|--------------|
| NAV (USD Million) | 0.51 | 0.44 | 15.91 |
| NAV/Unit (USD) | 0.6546 | 0.6143 | 6.56 |

FUND PERFORMANCE (CONTINUED)

Changes in NAV (continued)

CLASS USD

| | 31.07.2019 | 31.10.2018 Audited | Changes % |
|-------------------|-------------------|-------------------------------|----------------------|
| NAV (USD Million) | 13.80 | 13.75 | 0.36 |
| NAV/Unit (USD) | 0.9976 | 0.9110 | 9.51 |

Note: 0.00* denotes fair value less than 1 USD.

During the financial period, the Fund's NAV for Class MYR-H, Class SGD-H, and Class USD increased by 11.61%, 15.91%, and 0.36% respectively. In addition, the Fund's NAV per unit for the three Class MYR-H, Class SGD-H, and Class USD increased by 9.35%, 6.56%, and 9.51% respectively during the period. The increase in NAV was attributed towards a positive net inflow from unit creations over the reporting period. Meanwhile, the rise in the Fund's NAV per unit is due to the positive investment performance during the financial period under review. At the time of reporting, Class MYR-H has the largest total NAV at USD62.77 million.

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) | 31.07.2019 | 31.10.2018 Audited |
|------------------------------|-------------------|-------------------------------|
| Collective investment scheme | 98.44 | 99.60 |
| Cash and other net assets | 1.56 | 0.40 |
| TOTAL | 100.00 | 100.00 |

The Fund was fully invested during the financial period under review. A minimal level of liquid assets was maintained primarily for redemption purposes.

MARKET OUTLOOK*

Looking at Chinese stock markets, it is clear that lack of confidence in company earnings (the cash flows) has been the driving factor in recent years, with markets delivering disappointing returns despite falling bond yields (the discount rate). As a result, valuations are undemanding with Price-to-Earnings (“PE”) ratios under 12 times for both onshore and offshore markets despite that fact that earnings are expected to rise. If we have even reasonable confidence in company earnings, stock markets are attractive.

The macro background certainly contains risks that could adversely affect company earnings. The global economic cycle is already a long one and it may not take much to produce an economic slowdown that would affect China significantly, even if China does have more policy options to support growth than other major economies. A worsening of the trade situation could be a catalyst for such a slowdown. However, at present this does not seem the most likely outcome, and we retain a positive view for Chinese stock markets, particularly when compared with the low returns available on cash and bonds. A balanced portfolio of Chinese equities and bonds offers investors the prospect of attractive medium term returns with reasonable volatility for the years ahead.

* 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 remain fully invested in the Target Fund with minimal cash kept for liquidity purposes.

UNIT HOLDINGS STATISTICS

Breakdown of unit holdings by size as at 31 July 2019 are as follows:

CLASS AUD-H

| Size of unit holdings (units) | No. of unit holders | No. of units held (million) | % of units held |
|--------------------------------------|----------------------------|------------------------------------|------------------------|
| 5,000 and below | 1 | 0.00 | 100.00 |
| 5,001 - 10,000 | - | - | - |
| 10,001 - 50,000 | - | - | - |
| 50,001 - 500,000 | - | - | - |
| 500,001 and above | - | - | - |
| Total | 1 | 0.00 | 100.00 |

CLASS MYR-H

| Size of unit holdings (units) | No. of unit holders | No. of units held (million) | % of units held |
|--------------------------------------|----------------------------|------------------------------------|------------------------|
| 5,000 and below | - | - | - |
| 5,001 - 10,000 | 6 | 0.06 | 0.02 |
| 10,001 - 50,000 | 22 | 0.56 | 0.21 |
| 50,001 - 500,000 | 14 | 1.75 | 0.64 |
| 500,001 and above | 1 | 270.23 | 99.14 |
| Total | 43 | 272.60 | 100.00 |

UNIT HOLDINGS STATISTICS (CONTINUED)

CLASS RMB-H

| Size of unit holdings (units) | No. of unit holders | No. of units held (million) | % of units held |
|-------------------------------|---------------------|-----------------------------|-----------------|
| 5,000 and below | 1 | 0.00 | 100.00 |
| 5,001 - 10,000 | - | - | - |
| 10,001 - 50,000 | - | - | - |
| 50,001 - 500,000 | - | - | - |
| 500,001 and above | - | - | - |
| Total | 1 | 0.00 | 100.00 |

CLASS SGD-H

| 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 | - | - | - |
| 10,001 - 50,000 | - | - | - |
| 50,001 - 500,000 | - | - | - |
| 500,001 and above | 1 | 0.78 | 100.00 |
| Total | 2 | 0.78 | 100.00 |

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 | - | - | - |
| 10,001 - 50,000 | - | - | - |
| 50,001 - 500,000 | 1 | 0.07 | 0.51 |
| 500,001 and above | 1 | 13.76 | 99.49 |
| 9.Total | 3 | 13.83 | 100.00 |

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.

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 MAY 2019 TO 31 JULY 2019**

| | 01.05.2019 to 31.07.2019 | 01.05.2018 to 31.07.2018 USD |
|--|-------------------------------------|---|
| INCOME | | |
| Dividend income | 507,837 | 666,339 |
| Net loss on financial assets at fair value through profit or loss | (3,081,257) | (5,481,328) |
| Net gain/(loss) on derivative at fair value through profit or loss | 122,977 | (158,686) |
| Net foreign exchange loss | (3,065) | (2,610,919) |
| Other income | 262,133 | 442,135 |
| | <u>(2,191,375)</u> | <u>(7,142,459)</u> |
| EXPENSES | | |
| Management fee | 352,955 | 439,314 |
| Trustee's fee | 7,843 | 9,763 |
| Audit fee | 454 | 405 |
| Tax agent's fee | 227 | 178 |
| Other expenses | 1,189 | (49,779) |
| | <u>362,668</u> | <u>399,881</u> |
| LOSS BEFORE FINANCE COST AND TAXATION | (2,554,043) | (7,542,340) |
| Finance costs (excluding increase in net assets attributable to unit holders): | | |
| - Class MYR-H | 1,566,027 | - |
| - Class SGD-H | 10,693 | - |
| - Class USD | 68,660 | - |
| | <u>(1,645,380)</u> | <u>-</u> |
| LOSS BEFORE TAXATION | (4,199,423) | (7,542,340) |
| Taxation | - | - |
| DECREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS | <u>(4,199,423)</u> | <u>(7,542,340)</u> |
| Decrease in net assets attributable to unit holders are made up as follows: | | |
| Realised amount | (4,080,061) | (2,061,012) |
| Unrealised amount | (119,362) | (5,481,328) |
| | <u>(4,199,423)</u> | <u>(7,542,340)</u> |

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

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2019**

| | 31.07.2019 | 31.10.2018 |
|--|-------------------|------------------------|
| | USD | Audited USD |
| ASSETS | | |
| Cash and cash equivalents | 1,647,768 | 504,647 |
| Financial assets at fair value through profit or loss | 75,877,862 | 70,155,543 |
| Derivative assets at fair value through profit or loss | - | - |
| Amount due from dealer | 401,729 | 189,427 |
| Amount due from Manager | 10 | 144,323 |
| Amount due from Manager of collective investment schemes | | |
| - Management fee rebate | 89,925 | 82,676 |
| Dividends receivable | 163,357 | 229,700 |
| TOTAL ASSETS | 78,180,651 | 71,306,316 |
| LIABILITIES | | |
| Derivative liabilities at fair value through profit or loss | 82,555 | 320,885 |
| Amount due to Manager | 792,357 | 242,193 |
| Amount due to dealer | 101,792 | 189,532 |
| Accrued management fee | 120,385 | 110,806 |
| Amount due to Trustee | 2,675 | 2,462 |
| Other payables and accruals | 2,618 | 2,268 |
| TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS) | 1,102,382 | 868,146 |
| NET ASSET VALUE OF THE FUND | 77,078,269 | 70,438,170 |
| NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS | 77,078,269 | 70,438,170 |

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

**UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 JULY 2019 (CONTINUED)**

| | 31.07.2019 | 31.10.2018 |
|--|--------------------|------------------------|
| | USD | Audited USD |
| REPRESENTED BY: | | |
| FAIR VALUE OF OUTSTANDING UNITS (USD) | | |
| - Class AUD-H | 720 | 0* |
| - Class MYR-H | 62,767,999 | 56,241,238 |
| - Class RMB-H | 144 | 0* |
| - Class SGD-H | 508,711 | 443,368 |
| - Class USD | 13,800,695 | 13,753,564 |
| | <u>77,078,269</u> | <u>70,438,170</u> |
| NUMBER OF UNITS IN CIRCULATION (UNITS) | | |
| - Class AUD-H | 1,000 | 1 |
| - Class MYR-H | 272,598,736 | 266,986,296 |
| - Class RMB-H | 1,000 | 1 |
| - Class SGD-H | 777,128 | 721,691 |
| - Class USD | 13,833,752 | 15,098,034 |
| | <u>287,211,616</u> | <u>282,806,023</u> |
| NET ASSET VALUE PER UNIT (USD) | | |
| - Class AUD-H | 0.7197 | 0.6600 |
| - Class MYR-H | 0.2303 | 0.2106 |
| - Class RMB-H | 0.1442 | 0.1400 |
| - Class SGD-H | 0.6546 | 0.6143 |
| - Class USD | <u>0.9976</u> | <u>0.9110</u> |
| NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES | | |
| - Class AUD-H | AUD1.0690 | AUD0.9313 |
| - Class MYR-H | MYR0.9774 | MYR0.8814 |
| - Class RMB-H | RMB1.0351 | RMB0.9764 |
| - Class SGD-H | SGD1.0079 | SGD0.8511 |
| - Class USD | <u>USD0.9976</u> | <u>USD0.9110</u> |

Note:- * Denotes fair value less than USD1.

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS
FOR THE FINANCIAL PERIOD FROM 1 MAY 2019 TO 31 JULY 2019**

| | 01.05.2019 to 31.07.2019 USD | 01.05.2018 to 31.07.2018 USD |
|---|---|---|
| NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD | 83,202,216 | 83,585,592 |
| Movement due to units created and cancelled during the financial period: | | |
| Creation of units from applications | | |
| - Class MYR-H | 1,252,560 | 20,033,104 |
| - Class SGD-H | 11,750 | 278,716 |
| - Class USD | 109,813 | 23,938,819 |
| | <u>1,374,123</u> | <u>44,250,639</u> |
| Creation of units from distribution | | |
| - Class MYR-H | 1,566,026 | - |
| - Class SGD-H | 10,693 | - |
| - Class USD | 68,660 | - |
| | <u>1,645,379</u> | <u>-</u> |
| Cancellation of units | | |
| - Class MYR-H | (3,276,442) | (31,921,551) |
| - Class SGD-H | (22,286) | - |
| - Class USD | (1,645,298) | (7,742,280) |
| | <u>(4,944,026)</u> | <u>(39,663,831)</u> |
| Decrease in net assets attributable to unit holders during the financial period | <u>(4,199,423)</u> | <u>(7,542,340)</u> |
| NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD | <u><u>77,078,269</u></u> | <u><u>80,630,060</u></u> |

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

**UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 MAY 2019 TO 31 JULY 2019**

| | 01.05.2019 to 31.07.2019 | 01.05.2018 to 31.07.2018 |
|--|-------------------------------------|-------------------------------------|
| | | USD |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Proceed from disposal of fixed income securities | 5,256,562 | 3,713,118 |
| Purchase of unquoted fixed income securities | (1,256,380) | (5,912,423) |
| Dividend income received | 538,322 | 672,199 |
| Management fee paid | (357,896) | (437,483) |
| Trustee's fee paid | (7,953) | (9,722) |
| Payments for other fees and expenses | (1,175) | 41,925 |
| Net realised foreign exchange (loss)/gain | (5,440) | 28,079 |
| Net realised gain/(loss) on forward foreign currency contracts | 242,339 | (3,006,429) |
| Management fee rebate received | 265,094 | 291,819 |
| Net cash generated from/(used in) operating activities | 4,673,473 | (4,618,917) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Cash proceeds from units created | 1,638,693 | 44,493,292 |
| Payments for cancellation of units | (4,717,610) | (39,906,000) |
| Distribution paid | (50) | - |
| Net cash (used in)/generated from financing activities | (3,078,967) | 4,587,292 |
| Net increase/(decrease) in cash and cash equivalents | 1,594,506 | (31,625) |
| Effects of foreign exchange differences | 2,374 | 98,846 |
| Cash and cash equivalents at the beginning of the financial period | 50,888 | 511,105 |
| Cash and cash equivalents at the end of the financial period | 1,647,768 | 578,326 |
| <u>Cash and cash equivalents comprised of:</u> | | |
| Bank balances | 1,647,768 | 578,326 |
| Cash and cash equivalents at the end of the financial period | 1,647,768 | 578,326 |

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

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