


CIMB ISLAMIC GLOBAL EQUITY FUND

UNAUDITED INTERIM REPORT FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2018

Investments that stand the test of time

FORWARD  Your Investments



CIMB ISLAMIC GLOBAL EQUITY FUND

FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2018

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INVESTORS' LETTER

Dear Valued Investors,

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

We continue to achieve prestigious recognitions from **The Edge | Thomson Reuters Lipper Fund Awards 2018** as follows:

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

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

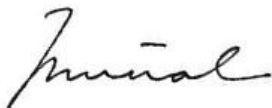
- CIMB-Principal Global Titans Fund
- CIMB-Principal Asia Pacific Dynamic Income Fund
- CIMB Islamic Asia Pacific Equity Fund
- CIMB-Principal Greater China Equity Fund
- CIMB-Principal PRS Plus Conservative
- CIMB-Principal PRS Plus Growth

We are delighted to share our latest win at **The Asset Triple A Private Banking, Wealth Management, Investment and Exchange-Traded Fund ("ETF") Awards 2018**, where we have been recognized as the 'Best Wealth Manager' in Malaysia.

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

Thank you.

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



Munirah Khairuddin
Chief Executive Officer

MANAGER'S REPORT**FUND OBJECTIVE AND POLICY****What is the investment objective of the Fund?**

The Fund aims to achieve capital appreciation over the long-term through Shariah-compliant investments primarily in the global markets.

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 will invest a minimum of 70% and up to a maximum of 98% of its Net Asset Value ("NAV") in Shariah-compliant equities and equities related securities globally in order to gain long-term capital growth, with at least 2% of the Fund's NAV in Shariah-compliant liquid assets. The Fund may also invest up to 28% of the Fund's NAV in Sukuk, Shariah-compliant money market instruments and Islamic Deposits. The Fund may also opt to seek investment exposure via Shariah-compliant collective investment scheme that is in line with the objective of the Fund, subject to the requirements of the Securities Commission Malaysia ("SC") Guidelines.

When deemed necessary by the Fund Manager, the Fund may invest a significant portion in Shariah-compliant collective investment scheme with underlying in Shariah-compliant equities, in order to achieve a broad exposure to the global markets, especially in times when the Fund's NAV is deemed small (i.e. the Fund's NAV is insufficient to invest in a diversified portfolio similar to Morgan Stanley Capital International ("MSCI") All Country World Islamic ("ACWI Islamic") Index. In these circumstances, the investment via Shariah-compliant collective investment scheme aims to provide the portfolio with an overall exposure of equities globally. The Fund will invest in Shariah-compliant collective investment scheme with underlying in equities of companies that are domiciled in, listed in and/or have operations or businesses in any countries globally.

The Fund's investments will be limited to markets where the regulatory authority is an ordinary or associate member of the International Organisation of Securities Commissions ("IOSCO"). Where necessary, we will obtain the license or permits for investments in countries that require license or permits. In the event that we are unable to obtain the necessary licenses or permits, or the licenses or permits are revoked or not renewed (as the case may be), we will seek to invest in other accessible markets.

Base Currency

US Dollar ("USD")

Fund category/type

Equity (Shariah-compliant)/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**

19 September 2017

What was the size of the Fund as at 31 October 2018?

USD19.77 million (347.18 million units)

FUND OBJECTIVE AND POLICY (CONTINUED)

What is the Fund's benchmark?

MSCI ACWI Islamic Index

Note: The Fund's benchmark is for performance comparison purpose only.

What is the Fund distribution policy?

The Manager has the discretion to make income distribution on an ad-hoc basis, depending on the availability of realised income and/or realised gains and at the Manager's discretion.

What was the net income distribution for the six months financial period ended 31 October 2018?

There was no distribution made for the six months financial period ended 31 October 2018.

FUND OBJECTIVE AND POLICY (CONTINUED)

PERFORMANCE DATA

Details of portfolio composition of the Fund for the financial period are as follows:

| | |
|---|-------------------|
| | 31.10.2018 |
| | % |
| Shariah-compliant collective investment schemes | 92.60 |
| Cash and other net assets | 7.40 |
| | 100.00 |

Performance details of the Fund for the financial period are as follows:

| | |
|--|-------------------------------------|
| | 31.10.2018 |
| NAV (USD Million) | 19.77 |
| Units in circulation (Million) | 347.18 |
| NAV per unit (USD) | 0.0569 |
| | 01.05.2018 to 31.10.2018 |
| Highest NAV per unit (USD) | 0.0624 |
| Lowest NAV per unit (USD) | 0.0564 |
| Total return (%) | (0.04) |
| Capital growth (%) | (0.04) |
| Income distribution (%) | - |
| Management Expense Ratio ("MER") (%) | 0.57 |
| Portfolio Turnover Ratio ("PTR") (times) # | 0.14 |

The PTR for the Fund was stood at 0.14 times as for the financial period under review.

| | |
|---------------------|-------------------|
| | 31.10.2018 |
| | % |
| Annual total return | (4.80) |

(Launch date: 19 September 2017)

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 2018 TO 31 OCTOBER 2018)

During the financial period under review, the MSCI ACWI Index posted a loss of 5.34% in USD terms. However, in Malaysian Ringgit (“MYR”) terms, the Index gained slightly by 0.54% as USD strengthened by 5.87% against the MYR during that period.

Global Equities had a divergent month in May 2018 with US assets outperforming Europe and Emerging Markets (“EM”) comfortably. Adverse developments in Europe (Italian political musical chairs) and ex-Asia EM (higher yields amidst weakening currencies and funding concerns) caused drawdown in those markets while US, powered by small caps and technology rose to pole position. The global breadth was weak as only 35% of the markets that we track ended with gains. Markets like Brazil, Russia, H-shares are now down by 12% to 14% from their 52-week highs. Credit spreads widened, led by high yield as investors continued to pull out of the asset class in favor of more defensive fixed income options. Lower sovereign yields caused sovereigns to outperform in an environment of wider spreads.

In June 2018, global equities had a divergent month with US assets outperforming both Europe and EM. In fact, several of the EM recorded negative returns during the month. In addition, markets like “H-shares”, Shanghai, and Brazil were also approximately 20% lower from their 52-week highs. Tighter financial conditions, continuing US dollar strength, as well as trade tension worries ultimately caused investors to pull money out of equities. To note, during the month, President Trump released a list of tariffs on USD50 billion worth of Chinese imports. Consequently, this led China to retaliate by imposing a 25% tariff on 659 types of US goods worth the same amount. Meanwhile, on fixed income, global assets underperformed the US assets due to the USD strength. To note, the Federal Open Market Committee (“FOMC”) had raised its benchmark funds rate by 25 basis points (“bps”) to a range between of 1.75% and 2.00%. The guidance by the FOMC also turned more hawkish as the central bank now pencils in two more rate hikes for second half of 2018.

During July 2018, global equities showed recovery especially for those regions that were impacted by deeply negative sentiment in second quarter of 2018. However, Chinese equity sentiment remained skittish as markets were not convinced of a quick resolution to China’s trade dispute with the US. While incremental easing by People’s Bank of China (“PBOC”) on the fiscal side helped, it was not sufficient to turn sentiment around enough for markets to be bull. “H-shares” and Shanghai are the only two markets that remain in a technical “bear market”, staying at 20% below their recent peaks. On the other hand, global fixed income markets made a solid recovery as credit spreads tightened, led by high yield. Asian spreads followed the global cue despite continuing concerns about Chinese onshore defaults

Global equity markets were generally higher in August 2018, although the divergence in regional performance was significant. US equities outperformed other major regions, buoyed by robust earnings and solid economic data. Eurozone equities declined, led by Italian banks impacted by the decline in Italian sovereign debt, and those with exposure to Turkey. EM equities fell, with a currency crisis in Turkey and further escalation in US-China trade relations. Within fixed income, the US 10-year yield dropped from 2.96% to 2.86% as risk appetite waned, and US high yield was positive as yields modestly fell. Trade-related volatility in EM currencies saw local currency bonds fall over 6%, while EM USD denominated and EM corporate bonds experienced smaller declines.

In September 2018, equity markets were modestly higher with investors relatively sanguine in the face of broadening, but expected, US-China trade sanctions. The US labour market report for August 2018 showed further gains and the fastest wage growth since 2009. European stocks were narrowly positive, although the final day of the month saw some weakness after Italy proposed a budget deficit that was higher than some had expected. Emerging market equities posted a negative return, as China and India lagged. Government bond yields rose over the month amid strong economic data. US 10-year yields rose from 2.86% to 3.06%. In addition to raising rates, the US Federal Reserve (the “Fed”) removed references to “accommodative” policy and struck an optimistic tone. Emerging market bonds enjoyed a broad-based rebound reflecting a plethora of idiosyncratic factors, including a larger-than-expected rate rise in Turkey, as well as US dollar weakness.

MARKET REVIEW (1 MAY 2018 TO 31 OCTOBER 2018) (CONTINUED)

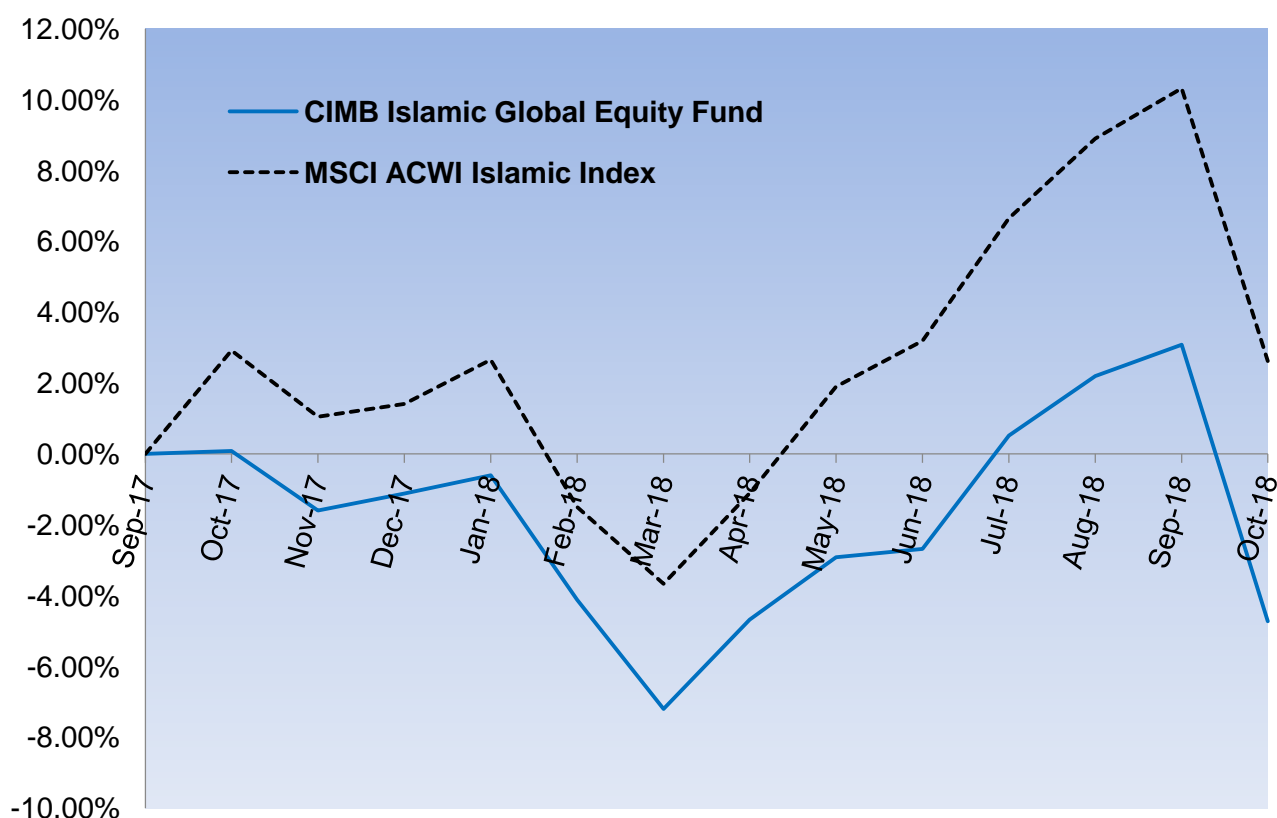
October 2018 saw the sharpest one-month decline for global equities since May 2012. US equities fell as a mix of trade concerns, higher interest rates, and uninspiring financial results from some mega-cap tech companies combined to make for a volatile month. Concerns about slowing growth globally, especially in China, held back energy and materials companies, while the more defensive consumer staples and utilities sectors led the market. Meanwhile, the US economy grew at an annualized 3.5% rate in the third quarter of 2018, slower than the second quarter of 2018 by 4.2% growth, but ahead of expectations. The US added 250,000 jobs in October 2018, while the unemployment rate held at 3.7%, the lowest since 1969, and wages rose 3.1% year over year. Oil prices weakened in a sell-off that coincided with weakness in the equity markets. The price for a barrel of crude for West Texas Intermediate (“WTI”) fell from USD73.25 to USD65.30 in October 2018, driven by concerns about the health of the Chinese economy and threats to demand growth from rising trade tensions.

FUND PERFORMANCE

Class MYR

| | 6 month to 31.10.2018 | 1 year to 31.10.2018 | Since inception to 31.10.2018 % |
|----------------------|----------------------------------|---------------------------------|--|
| Income | - | - | - |
| Capital | (0.04) | (4.80) | (4.72) |
| Total Return | (0.04) | (4.80) | (4.72) |
| Benchmark | 3.77 | (0.29) | 2.62 |
| Average Total Return | N/A | (4.80) | (4.23) |

For the six month financial period under review, **the** total return had declined by 0.04% underperforming by 3.81%. The underperformance was due to European exposure being the key laggards.



Changes in NAV

| | |
|-------------------|-------------------|
| | 31.10.2018 |
| NAV (USD Million) | 19.77 |
| NAV/Unit (USD) | 0.0569 |

The total NAV stood at USD 19.77 million with NAV per unit at 0.0569 as at 31 October 2018.

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) | 31.10.2018 |
|---|---------------|
| Shariah-compliant collective investment schemes | 92.60 |
| Cash and other net assets | 7.40 |
| TOTAL | 100.00 |

During the financial period under review, the Fund was fully invested with minimal level of liquid assets maintained primarily for redemption purposes.

MARKET OUTLOOK*

Global growth in 2019 will likely moderate as the disparate growth between major economies persists. We do not expect any economic recession in the US but growth momentum to be slow. The Fed will keep raising rates as labor market remains tight and this will shore up the USD. Euro Area growth is expected to be below trend as the European Central Bank (“ECB”) is withdrawing policy support. EM Asia economies will ease further as China faces growth headwinds. We do not expect a hard landing in China as more policy easing will take place to stabilize the economy. More tolerance towards a weaker Chinese Yuan Renminbi (“CNY”) is expected. Asian countries with better current account surpluses, a smaller amount of external debt and less reliant on trade should do well in this environment.

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

INVESTMENT STRATEGY

Going forward, we will continue to be fully invested in global and regional funds.

Our asset allocation decision will nevertheless continue to be subject to the unfolding of the global economic situation.

UNIT HOLDINGS STATISTICS

Breakdown of unit holdings by size as at 31 October 2018 are as follows:

CLASS MYR

| Size of unit holdings (units) | No. of unit holders | No. of units held (million) | % of units held |
|--------------------------------------|----------------------------|------------------------------------|------------------------|
| 5,000 and below | 2,412 | 4.71 | 1.36 |
| 5,001-10,000 | 1,012 | 7.09 | 2.04 |
| 10,001-50,000 | 1,506 | 36.65 | 10.56 |
| 50,001-500,000 | 915 | 156.11 | 44.97 |
| 500,001 and above | 117 | 142.62 | 41.07 |
| Total | 5,962 | 347.18 | 100.00 |

SOFT COMMISSIONS AND REBATES

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

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
CIMB ISLAMIC GLOBAL EQUITY FUND**

We, being the Directors of CIMB-Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 12 to 33 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 October 2018 and of its financial performance, changes in equity and cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards (“MFRS”) 134 – Interim Financial Reporting and International Accounting Standards (“IAS”) 34 – Interim Financial Reporting.

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

ALEJANDRO ECHEGORRI
Executive Director

PEDRO ESTEBAN BORDA
Director

Kuala Lumpur
14 December 2018

**TRUSTEE'S REPORT TO THE UNIT HOLDERS OF
CIMB ISLAMIC GLOBAL EQUITY FUND**

We have acted as Trustee of CIMB Islamic Global Equity Fund (the "Fund") for the financial period ended 31 October 2018. To the best of our knowledge, CIMB-Principal Asset Management Berhad, (the "Manager"), has operated and managed the Fund in accordance with the following:

- (a) limitations imposed on the investment powers of the Manager and the Trustee under the Deed, 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 Deed and any regulatory requirements; and
- (c) creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements.

For **HSBC (Malaysia) Trustee Berhad**

Tan Bee Nie

Head, Trustee Operations

Kuala Lumpur

14 December 2018

**SHARIAH ADVISER'S REPORT TO THE UNIT HOLDERS OF
CIMB ISLAMIC GLOBAL EQUITY FUND**

We have acted as the Shariah Adviser of CIMB Islamic Global Equity Fund (the "Fund") for the six months financial period ended 31 October 2018. Our responsibility is to ensure that the procedures and processes employed by CIMB-Principal Asset Management Berhad (the "Manager") are in accordance with Shariah and Shariah Investment Guidelines.

In our opinion, the Manager has managed and administered the Fund in accordance with the Shariah Investment Guidelines of the Fund and complied with applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters for the six months financial period ended 31 October 2018.

In addition, we confirm that the investment portfolio of the Fund comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission Malaysia and, where applicable the Shariah Advisory Council of Bank Negara Malaysia. For investments other than the abovementioned, we have reviewed the same and are of the opinion that these investments were in accordance with the Shariah Investment Guidelines of the Fund.

This report is made solely to the unit holders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report and we shall not be liable for any errors or non-disclosure on the part of the Manager.

For and on behalf of Shariah Adviser
CIMB Islamic Bank Berhad

ASHRAF GOMMA ALI

Director/Regional Head, Shariah & Governance/Designated Person Responsible for Shariah Advisory

Kuala Lumpur
14 December 2018

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2018**

| | Note | 01.05.2018 to 31.10.2018 USD |
|--|------|------------------------------------|
| INVESTMENT INCOME | | |
| Dividend income | | 153,204 |
| Profit income from Shariah-compliant deposits with licensed Islamic financial institutions | | 23 |
| Net loss on financial assets at fair value through profit or loss | 8 | (1,340,052) |
| Net foreign exchange loss | | (20,206) |
| Other income | 4 | 90,445 |
| | | <u>(1,116,586)</u> |
| EXPENSES | | |
| Management fee | 5 | 206,801 |
| Trustee's and custodian fees | 6 | 8,152 |
| Audit fee | | 1,862 |
| Tax agent's fee | | 382 |
| Transaction costs | | 1,164 |
| Other expenses | | 2,314 |
| | | <u>220,675</u> |
| LOSS BEFORE TAXATION | | (1,337,261) |
| Taxation | 7 | <u>-</u> |
| LOSS AFTER TAXATION AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD | | <u>(1,337,261)</u> |
| Loss after taxation is made up as follows: | | |
| Realised amount | | 114,667 |
| Unrealised amount | | (1,451,928) |
| | | <u>(1,337,261)</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 OCTOBER 2018**

| | Note | 31.10.2018 USD | 30.04.2018 USD |
|--|------|--------------------|--------------------|
| ASSETS | | | |
| Cash and cash equivalents (Shariah-compliant) | 9 | 1,575,541 | 598,400 |
| Financial assets at fair value through profit or loss (Shariah-compliant) | 8 | 18,308,154 | 23,217,263 |
| Amount due from Manager | | 13,333 | 53,179 |
| Amount due from Manager of collective investment schemes | | | |
| - Management fee rebates | | 11,789 | 13,738 |
| TOTAL ASSETS | | <u>19,908,817</u> | <u>23,882,580</u> |
| LIABILITIES | | | |
| Amount due to Manager | | 114,156 | 239,845 |
| Accrued management fee | | 19,374 | 21,759 |
| Amount due to Trustee | | 1,057 | 1,184 |
| Other payables and accruals | | 2,343 | 5,067 |
| TOTAL LIABILITIES | | <u>136,930</u> | <u>267,855</u> |
| NET ASSET VALUE OF THE FUND | | <u>19,771,887</u> | <u>23,614,725</u> |
| EQUITY | | | |
| Unit holders' capital | | 20,493,034 | 22,998,611 |
| (Accumulated losses)/Retained earnings | | (721,147) | 616,114 |
| NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS | | <u>19,771,887</u> | <u>23,614,725</u> |
| NUMBER OF UNITS IN CIRCULATION (UNITS) | 10 | <u>347,177,097</u> | <u>388,241,504</u> |
| NET ASSET VALUE PER UNIT (USD) | | <u>0.0569</u> | <u>0.0608</u> |

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

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2018**

| | Unit holders' capital RM | Retained earning/ (Accumulated losses) RM | Total RM |
|--|--------------------------------|---|-------------------|
| Balance as at 1 May 2018 | 22,998,611 | 616,114 | 23,614,725 |
| Movement in unit holders' contributions: | | | |
| - Creation of units from applications | 2,244,952 | - | 2,244,952 |
| - Cancellation of units | (4,750,529) | - | (4,750,529) |
| Total comprehensive loss for the financial period | - | (1,337,261) | (1,337,261) |
| Balance as at 31 October 2018 | <u>20,493,034</u> | <u>(721,147)</u> | <u>19,771,887</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 31 OCTOBER 2018**

| | Note | 01.05.2018 to 31.10.2018 USD |
|---|----------|------------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Proceeds from disposal of quoted securities | | 4,890,702 |
| Purchase of quoted securities | | (1,320,201) |
| Dividend income received | | 153,075 |
| Profit income received from Shariah-compliant deposits with licensed Islamic financial institutions | | 24 |
| Management fee paid | | (210,633) |
| Management fee rebates received | | 93,841 |
| Trustee's and custodian fees paid | | (8,279) |
| Payments for other fees and expenses | | (7,282) |
| Net realised exchange loss | | (3,108) |
| Net cash generated from operating activities | | <u>3,588,139</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Cash proceeds from units created | | 2,284,677 |
| Payments for cancellation of units | | (4,861,110) |
| Net cash used in financing activities | | <u>(2,576,433)</u> |
| Net increase in cash and cash equivalents | | 1,011,706 |
| Effect of foreign exchange differences | | (34,565) |
| Cash and cash equivalents at the beginning of the financial period | | <u>598,400</u> |
| Cash and cash equivalents at the end of the financial period | 9 | <u><u>1,575,541</u></u> |
| <u>Cash and cash equivalents comprised of:</u> | | |
| Bank balances | | <u>1,575,541</u> |
| Cash and cash equivalents at the end of the financial period | 9 | <u><u>1,575,541</u></u> |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2018****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITY**

CIMB Islamic Global Equity Fund (the “Fund”) was constituted pursuant to a Deed dated 15 June 2017 (“Initial Deed”), between CIMB-Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund will invest a minimum of 70% and up to a maximum of 98% of its NAV in Shariah-compliant equities and equities related securities globally in order to gain long-term capital growth, with at least 2% of the Fund’s NAV in Shariah-compliant liquid assets. The Fund may also invest up to 28% of the Fund’s NAV in Sukuk, Shariah-compliant money market instruments and Islamic Deposits. The Fund may also opt to seek investment exposure via Shariah-compliant collective investment scheme that is in line with the objective of the Fund, subject to the requirements of the SC Guidelines.

When deemed necessary by the Fund Manager, the Fund may invest a significant portion in Shariah-compliant collective investment scheme with underlying in Shariah-compliant equities, in order to achieve a broad exposure to the global markets, especially in times when the Fund’s NAV is deemed small (i.e. the Fund’s NAV is insufficient to invest in a diversified portfolio similar to MSCI ACWI Islamic Index). In these circumstances, the investment via Shariah-compliant collective investment scheme aims to provide the portfolio with an overall exposure of equities globally. The Fund will invest in Shariah-compliant collective investment scheme with underlying in equities of companies that are domiciled in, listed in and/or have operations or businesses in any countries globally.

The Fund’s investments will be limited to markets where the regulatory authority is an ordinary or associate member of the IOSCO. Where necessary, we will obtain the license or permits for investments in countries that require license or permits. In the event that we are unable to obtain the necessary licenses or permits, or the licenses or permits are revoked or not renewed (as the case may be), we will seek to invest in other accessible markets.

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS and International Financial Reporting Standard (“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(k).

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

The Fund has applied the following amendments for the first time for the financial year beginning 1 May 2018:

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

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

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

The Fund designates its investment in Shariah-compliant collective investment schemes as financial assets at fair value through profit or loss at inception.

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

Financing and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and have been included in current assets. The Fund's financing and receivables comprise cash and cash equivalents, amount due from Manager and amount due from Manager of collective investment schemes.

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

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

Recognition and measurement

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

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

Financial assets are derecognised when the rights to receive cash flows from the Shariah-compliant 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 with 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.

Shariah-compliant collective investment schemes are valued based on the most recent published NAV per unit or share of such collective investment schemes or, if unavailable, the last published price of such unit or share (excluding any sales charge included in such selling price).

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

Shariah-compliant deposits with licensed Islamic financial institutions are stated at cost plus accrued profit calculated on the effective profit method over the period from the date of placement to the date of maturity of the respective Shariah-compliant deposits.

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

Impairment for assets carried at amortised cost

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

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

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

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

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

(c) Income recognition

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

Profit income from Shariah-compliant deposits with licensed Islamic financial institutions and unquoted Sukuk are recognised on a time proportionate basis using the effective profit rate method on an accrual basis.

Realised gain or loss on disposal of Shariah-compliant collective investment schemes are accounted for as the difference between the net disposal proceeds and the carrying amount of Shariah-compliant collective investment schemes, 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”).

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.
- iii) Significant portion of the Fund’s investments are denominated in USD.

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) Unit holder’s capital

The Fund is established with a multi-class structure where the Deed allows for establishment of more than one Class with similar interests in the assets of the Fund. However, during the financial period and as the end of the financial period, only one Class (Class MYR) is offered for sale.

Hence, the unit holders’ contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 “Financial Instruments: Presentation”. Those criteria include:

- the units entitle the holder to a proportionate share of the Fund’s NAV;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial period if unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund’s NAV per unit at the time of creation or cancellation. The Fund’s NAV per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(f) Cash and cash equivalents**

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

(g) 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 Shariah-compliant collective investment schemes is based on the tax regime of the respective countries that the Fund invests in.

(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, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

(i) Other income

Other income represents the Fund's entitlement to management fee rebate from the Manager and Manager of Shariah-compliant collective investment scheme on an accruals basis to ensure no double charging of management fee. It is accrued daily based on the fair value of Shariah-compliant collective investment schemes held.

(j) Segment information

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

(k) Critical accounting estimates and judgements 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 achieve capital appreciation over the long-term through Shariah-compliant investments primarily in the global markets.

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 Deed and SC Guidelines on Unit Trust Funds.

(a) Market risk

(i) Price risk

This is the risk that the fair value of an investment in Shariah-compliant collective investment schemes will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk). The value of Shariah-compliant collective investment schemes 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 Shariah-compliant collective investment schemes and other financial instruments within specified limits according to the Deed.

(ii) Interest rate risk

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

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

It does not in any way suggest that this Fund will invest in conventional financial instruments. All investment carried out for the Fund including placements and deposits are in accordance with Shariah.

The Fund's exposure to fair value interest rate risk arises from investment in Shariah-compliant investment in money market instruments. The interest rate risk is expected to be minimal as the Fund's investments comprise mainly short term Shariah-compliant deposits with approved licensed Islamic financial institutions. The Fund is not exposed to cash flow interest rate risk as the Fund does not hold any financial instruments at variable profit rate.

As at the end of the 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 Shariah-compliant 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 profit 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 Shariah-compliant deposits with licensed Islamic financial institutions is managed by ensuring that the Fund will only place Shariah-compliant deposits in reputable licensed Islamic financial institutions.

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.

For amount due from Manager of collective investment schemes, the Fund will invest with an investment management company of the collective investment scheme which is authorised or approved by the relevant regulatory authority in its home jurisdiction.

(c) Liquidity risk

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

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

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Capital risk management

The capital of the Fund is represented by unit holder's capital of USD20,493,034 (30.04.2018: USD22,998,611) and accumulated losses of USD721,147 (30.04.2018: USD616,114). 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.

(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.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

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.

| | Level 1 USD | Level 2 USD | Level 3 USD | Total USD |
|--|-------------------|----------------|----------------|-------------------|
| 31.10.2018 | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| - Shariah-compliant collective investment schemes | <u>18,308,154</u> | <u>-</u> | <u>-</u> | <u>18,308,154</u> |
| 30.04.2018 | | | | |
| Audited | | | | |
| Financial assets at fair value through profit or loss: | | | | |
| - Shariah-compliant collective investment schemes | <u>23,217,263</u> | <u>-</u> | <u>-</u> | <u>23,217,263</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 Manager, amount due from Manager of collective investment schemes and all current liabilities are a reasonable approximation of their fair values due to their short term nature.

4. OTHER INCOME

Other income represents the Fund's entitlement to management fee rebate from the Manager and the Manager of Shariah-compliant collective investment schemes the Fund invests in.

For the six months financial period ended 31 October 2018, the other income is recognised at a rate as per table below, calculated and accrued daily based on the NAV of the Shariah-compliant collective investment schemes.

| | % |
|---|------|
| CIMB Islamic Asia Pacific Equity Fund | 1.80 |
| BNP Paribas Islamic Fund - Equity Optimiser | 0.60 |
| Comgest Growth Europe S | 1.00 |
| Oasis Crescent Global Equity Fund | 1.00 |

5. MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a maximum management fee of 3.00% per annum for Class MYR, calculated daily based on the NAV of the Fund.

For the six months financial period ended 31 October 2018, the management fee is recognised at a rate of 1.80% per annum.

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

6. TRUSTEE'S AND CUSTODIAN FEES

In accordance with the Deed, the Trustee is entitled to a maximum fee of 0.06% 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 and charges (if any). The foreign sub-custodian fee and charges is dependent on the country invested and is charged monthly in arrears. For the six months financial period ended 31 October 2018, there is no foreign sub-custodian fee.

For the six months financial period ended 31 October 2018, the Trustee's fee is recognised at the rate of 0.06% 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.

7. TAXATION

01.05.2018
to 31.10.2018
USD

Tax charged for the financial period:

- Current taxation -

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

01.05.2018
to 31.10.2018
USD

Loss before taxation (1,337,261)

Taxation at Malaysian statutory rate of 24% (320,943)

Tax effects of:

Investment loss not deductible for tax purposes 267,980

Expenses not deductible for tax purposes 2,236

Restriction on tax deductible expenses for Unit Trust Funds 50,727

Taxation -

8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

31.10.2018

30.04.2018

Audited

USD

USD

Designated at fair value through profit or loss at inception:

- Shariah-compliant collective investment schemes 18,308,154 23,217,263

01.05.2018
to 31.10.2018
USD

Net loss on financial assets at fair value through profit or loss:

- Realised gain on disposals 75,956

- Unrealised fair value loss (1,416,008)

(1,340,052)

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

| | Quantity Units | Aggregate cost USD | Market value USD | Percentage of NAV % |
|---|--------------------------|--------------------------|--------------------------|---------------------------|
| 31.10.2018 | | | | |
| SHARIAH-COMPLIANT COLLECTIVE INVESTMENT SCHEMES | | | | |
| IRELAND | | | | |
| Comgest Growth Europe S | 196,014 | 3,549,181 | 3,453,768 | 17.47 |
| iShares MSCI EM Islamic UCITS ETF USD Dist | 60,264 | 1,131,930 | 958,348 | 4.85 |
| iShares MSCI USA Islamic UCITS ETF USD Dist | 74,195 | 3,057,548 | 3,144,755 | 15.91 |
| iShares MSCI World Islamic UCITS ETF USD Dist | 72,105 | 2,320,721 | 2,275,273 | 11.51 |
| Oasis Crescent Global Equity Fund | 128,627 | 3,935,624 | 3,846,217 | 19.45 |
| TOTAL IRELAND | <u>531,205</u> | <u>13,995,004</u> | <u>13,678,361</u> | <u>69.19</u> |
| LUXEMBOURG | | | | |
| BNP Paribas Islamic Fund - Equity Optimiser | 13 | 2,690,008 | 2,664,679 | 13.47 |
| TOTAL LUXEMBOURG | <u>13</u> | <u>2,690,008</u> | <u>2,664,679</u> | <u>13.47</u> |
| MALAYSIA | | | | |
| CIMB Islamic Asia Pacific Equity Fund | 11,451,302 | 2,404,845 | 1,965,114 | 9.94 |
| TOTAL MALAYSIA | <u>11,451,302</u> | <u>2,404,845</u> | <u>1,965,114</u> | <u>9.94</u> |
| TOTAL COLLECTIVE INVESTMENT SCHEMES | <u><u>11,982,520</u></u> | <u><u>19,089,857</u></u> | <u><u>18,308,154</u></u> | <u><u>92.60</u></u> |
| ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | | | | |
| | | <u>(781,703)</u> | | |
| TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS | | | | |
| | | <u><u>18,308,154</u></u> | | |

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

| | Quantity Units | Aggregate cost USD | Market value USD | Percentage of NAV % |
|-----------------------------|-------------------|--------------------------|------------------------|---------------------------|
| 30.04.2018 | | | | |
| Audited | | | | |
| SHARIAH-COMPLIANT | | | | |
| COLLECTIVE | | | | |
| INVESTMENT SCHEMES | | | | |
| IRELAND | | | | |
| Comgest Growth Europe S | 235,036 | 4,239,205 | 4,284,699 | 18.14 |
| iShares MSCI EM Islamic | | | | |
| UCITS ETF USD Dist | 65,501 | 1,230,296 | 1,263,678 | 5.35 |
| iShares MSCI USA Islamic | | | | |
| UCITS ETF USD Dist | 82,164 | 3,368,333 | 3,443,082 | 14.58 |
| iShares MSCI World | | | | |
| Islamic UCITS ETF USD | | | | |
| Dist | 72,105 | 2,320,721 | 2,375,139 | 10.06 |
| Oasis Crescent Global | | | | |
| Equity Fund | 143,776 | 4,397,266 | 4,549,650 | 19.28 |
| TOTAL IRELAND | 598,582 | 15,555,821 | 15,916,248 | 67.41 |
| LUXEMBOURG | | | | |
| BNP Paribas Islamic Fund | | | | |
| - Equity Optimiser | 21 | 4,346,283 | 4,582,432 | 19.40 |
| TOTAL LUXEMBOURG | 21 | 4,346,283 | 4,582,432 | 19.40 |
| MALAYSIA | | | | |
| CIMB Islamic Asia Pacific | | | | |
| Equity Fund | 12,642,022 | 2,680,854 | 2,718,583 | 11.51 |
| TOTAL MALAYSIA | 12,642,022 | 2,680,854 | 2,718,583 | 11.51 |
| TOTAL COLLECTIVE | | | | |
| INVESTMENT SCHEMES | 13,240,625 | 22,582,958 | 23,217,263 | 98.32 |
| ACCUMULATED | | | | |
| UNREALISED GAIN ON | | | | |
| FINANCIAL ASSETS AT | | | | |
| FAIR VALUE THROUGH | | | | |
| PROFIT OR LOSS | | | | |
| | | 634,305 | | |
| TOTAL FINANCIAL | | | | |
| ASSETS AT FAIR VALUE | | | | |
| THROUGH PROFIT OR | | | | |
| LOSS | | 23,217,263 | | |

9. CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)

| | 31.10.2018 | 30.04.2018 |
|---------------|-------------------|------------------------|
| | USD | Audited USD |
| Bank balances | <u>1,575,541</u> | <u>598,400</u> |

10. NUMBER OF UNITS IN CIRCULATION (UNITS)

| | 01.05.2018 to 31.10.2018 | 19.09.2017 (date of launch) to 30.04.2018 |
|--|-------------------------------------|--|
| | No. of units | Audited No. of units |
| At the beginning of the financial period | 388,241,504 | - |
| Add: Creation of units from applications | 36,741,428 | 445,413,127 |
| Less: Cancellation of units | <u>(77,805,835)</u> | <u>(57,171,623)</u> |
| At the end of the financial period | <u><u>347,177,097</u></u> | <u><u>388,241,504</u></u> |

11. MANAGEMENT EXPENSE RATIO (“MER”)

| | 01.05.2018 to 31.10.2018 |
|-----|-------------------------------------|
| | % |
| MER | <u><u>0.57</u></u> |

MER is derived based on the following calculation:

| | | |
|-----|---|--|
| MER | = | $\frac{(A + B + C + D + E) \times 100}{F}$ |
| A | = | Management fee (including management fee rebate) |
| B | = | Trustee’s and custodian fees |
| C | = | Audit fee |
| D | = | Tax agent’s fee |
| E | = | Other expenses excluding GST on transaction costs |
| F | = | Average NAV of the Fund calculation on a daily basis |

The average NAV of the Fund for the financial period calculated on a daily basis is USD22,763,669.

12. PORTFOLIO TURNOVER RATIO (“PTR”)

01.05.2018
to 31.10.2018
0.14

PTR (times)

PTR is derived from the following calculation:

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

where:

total acquisition for the financial period = USD1,320,534
total disposal for the financial period = USD4,889,590

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

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

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

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

Units held by the Manager and parties related to the Manager

| | 31.10.2018 | | 30.04.2018 Audited | |
|-------------------------------------|--------------|--------|-----------------------|-------|
| | No. of units | USD | No. of units | USD |
| Manager | | | | |
| CIMB-Principal Asset Management Bhd | | | | |
| - Class MYR | 307,721 | 17,509 | 58,502 | 3,557 |

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

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

In addition to related party disclosures mentioned elsewhere in the financial statements, there are no 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.

14. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the brokers/dealers for the six months financial period ended 31 October 2018 are as follows:

| Brokers/Dealers | Value of trades USD | Percentage of total trades % | Brokerage fees USD | Percentage of total brokerage fees % |
|--|------------------------|---------------------------------|-----------------------|---|
| BNP Paribas Asset Management (Luxembourg) | 1,796,000 | 29.43 | - | - |
| CIMB-Principal Asset Management Bhd # | 1,387,423 | 22.73 | - | - |
| Comgest Asset Management International Ltd | 1,245,000 | 20.40 | - | - |
| Macquarie Capital Securities (Singapore) Pte Ltd | 1,164,350 | 19.08 | 1,164 | 100.00 |
| Oasis Crescent Global Investment Fund | 510,000 | 8.36 | - | - |
| | <u>6,102,773</u> | <u>100.00</u> | <u>1,164</u> | <u>100.00</u> |

Included in the transactions are trades conducted with CIMB-Principal Asset Management Bhd, the Manager, amounting to USD1,387,423. The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

15. SEGMENT INFORMATION

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

The Fund aims to achieve capital appreciation over the long-term through Shariah-compliant investments primarily in the global markets. The reportable operating segment derives its income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within the portfolio. These returns consist of profit income and dividend income earned from Shariah-compliant investments and gains on the appreciation in the value of Shariah-compliant investments, which are derived from Ringgit-denominated Shariah-compliant deposits with licensed Islamic financial institutions in Malaysia, Shariah-compliant collective investment schemes listed on the Bursa Securities, Malaysia, and Shariah-compliant collective investment schemes that invests in Ireland and Luxembourg.

16. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 14 December 2018.

DIRECTORY

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