

# CIMB-Principal Greater China Equity Fund

Unaudited Interim Report

For The Six Months Financial Period Ended 31 October 2019

**CIMB-PRINCIPAL GREATER CHINA EQUITY FUND**

**UNAUDITED INTERIM REPORT**

**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2019**

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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.

Don't miss out on the Private Retirement Schemes ("PRS") Tax Relief for 2019. As you are well aware, you can enjoy personal tax relief for the first RM3,000 per year until 2021, on top of the RM6,000 per year tax relief for the mandatory retirement savings contribution and life insurance premiums. This could be as much as RM840 per year<sup>1</sup> (depending on your tax bracket).

The tax incentive that is available for a period of 10 years, ending year 2021 was specially introduced to encourage you to save more for your retirement.

### Why retirement savings is crucial?

#### 1. Longer lifespan

The average Malaysian is expected to live beyond 75 years. The longer you live, the greater the risk of outliving your retirement income.

#### 2. Inflation Challenge

Over the course of time, the impact of inflation can be significant, and it may reduce your purchasing power. Rising costs of living and healthcare are important factors to consider.

#### 3. Inadequacy of Saving

59% of EPF active members in 2016 do not achieve basic savings requirement for retirement. You want to be able to sustain your current lifestyle.

As of October 2019, our Assets under Management ("AUM") stood at RM57.53 billion.

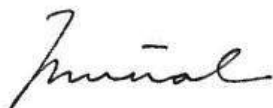
Thank you for your continuous support and allowing us to help you achieve your financial goals and live your best life.

Thank you.

Yours faithfully,

for **Principal Asset Management Berhad**

*(formerly known as CIMB-Principal Asset Management Berhad)*



**Munirah Khairuddin**

Chief Executive Officer

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<sup>1</sup> [www.ppa.my](http://www.ppa.my)

## MANAGER'S REPORT

### FUND OBJECTIVE AND POLICY

#### What is the investment objective of the Fund?

The Fund aims to achieve medium to long-term capital growth primarily through investment in a portfolio of equity securities with exposure to the Greater China region consisting of the People's Republic of China, Hong Kong Special Administrative Region ("SAR") and Taiwan.

#### 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 that invests at least 95% of the Fund's Net Asset Value ("NAV") in the Schroder International Selection Fund ("ISF") Greater China (the "Target Fund"), a fund of the Schroder ISF, an open-ended investment company registered in Luxembourg. Information on Target Fund is detailed below.

The asset allocation strategy for this Fund is as follows:

- at least 95% of the Fund's NAV will be invested in the Target Fund; and
- up to 5% of the Fund's NAV will be invested in liquid assets for liquidity purposes.

#### Information on the Target Fund:

Management Company: Schroder Investment Management (Luxembourg) S.A.

Investment Manager: Schroder Investment Management (Hong Kong) Limited

Regulatory Authority: Luxembourg – Commission de Surveillance du Secteur Financier ("CSSF")

#### Fund category/type

Feeder Fund/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?

12 June 2007

#### What was the size of the Fund as at 31 October 2019?

RM630.17 million (633.78 million units)

#### What is the Fund's benchmark?

The Fund adheres to the benchmark of the Target Fund. The benchmark of the Target Fund is the Morgan Stanley Capital International ("MSCI") Golden Dragon Index.

Note : The benchmark is for performance comparison only.

#### What is the Fund distribution policy?

Given its investment objective, the Fund is not expected to pay any distribution.

**PERFORMANCE DATA**

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

	<b>31.10.2019</b>	<b>31.10.2018</b>	<b>31.10.2017</b>
	%	%	%
Collective investment scheme	98.55	100.00	95.04
Cash and other net assets	1.45	-	4.96
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	<b>31.10.2019</b>	<b>31.10.2018</b>	<b>31.10.2017</b>
NAV (RM Million)	630.17	628.24	500.64
Units in circulation (Million)	633.78	725.58	510.93
NAV per unit (RM)	0.9942	0.8658	0.9798
	<b>01.05.2019 to 31.10.2019</b>	<b>01.05.2018 to 31.10.2018</b>	<b>01.05.2017 to 31.10.2017</b>
Highest NAV per unit (RM)	1.0118	1.0351	0.9833
Lowest NAV per unit (RM)	0.8906	0.8415	0.8267
Total return (%)	(0.43)	(10.56)	18.06
- Capital growth (%)	(0.43)	(10.56)	18.06
- Income distribution (%)	-	-	-
Management Expense Ratio ("MER") (%) ^	0.95	0.91	1.01
Portfolio Turnover Ratio ("PTR") (times) #	0.11	0.14	0.42

^ The Fund's MER increased from 0.91% to 0.95% due to increase in expenses during the financial period under review.

# For the financial period under review, the Fund's PTR reduced to 0.11 times from 0.14 times. As a feeder fund, the turnover reflects investments and withdrawals in the Target Fund. The turnover reduced because there were less unit subscriptions within the financial period under review.

	<b>31.10.2019</b>	<b>31.10.2018</b>	<b>31.10.2017</b>	<b>31.10.2016</b>	<b>31.10.2015</b>
	%	%	%	%	%
Annual total return	14.93	(11.68)	32.23	8.29	28.92

(Launch date: 12 June 2007)

Past performance data 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 OCTOBER 2019)**

Markets in China slumped in May 2019 as the worsening US-China trade dispute triggered losses across global markets. The US raised tariffs on US Dollar (“USD”) 200 billion worth of Chinese imports to 25% from 10%, while China announced retaliatory tariffs on US goods. Tensions between the two countries escalated after the US put Chinese telecommunications group Huawei Technology Co Ltd on a trade blacklist, citing security concerns. Sentiment was further rattled by reports that more Chinese technology companies could be penalized. Against such a backdrop, Chinese stocks registered double-digit losses during the month.

Markets in China and Hong Kong SAR, China closed mixed over the second quarter of 2019. Trade tensions and economic risks dominated investor sentiment, while global monetary policy was another key focus. Nevertheless, markets saw a breather in June 2019 as US and China subsequently agreed to a truce and will resume trade negotiations following a meeting between their leaders during the month. Ultimately, losses in Chinese stocks finished were pared in June 2019 thanks to easing trade tensions and hopes of further stimulus measures. Conversely, Hong Kong SAR, China benefited from the rally in financials stocks, while investors also cheered the suspension of a contentious extradition bill.

China posted a small loss during the month of July 2019. The boost to equities from the US-China trade talks in late June 2019 turned out to be short-lived. There was little further progress to the situation in July 2019, but another meeting is scheduled for September 2019. Economic data for June 2019 saws some recovery, though it was downplayed due to concerns over the outlook for the second half of 2019. The best performing sectors were healthcare and IT. Meanwhile, real estate performed poorly on the back of new measures to keep real estate financing in check while the materials sector also underperformed during the month.

China equities remained on the negative in August 2019. The US announced 10% tariffs on USD300 billion of Chinese goods with effect from 1 September 2019, albeit around half of these were later delayed to 15 December 2019. The Chinese Yuan Renminbi (“CNY”) subsequently depreciated beyond the symbolic 7 per USD/CNY threshold, and in response the US Treasury (“UST”) labelled the country a currency manipulator. The Chinese authorities retaliated to trade actions with tariffs on USD75 billion of imports from the US, and also suspended new US agricultural product purchases. Meanwhile, fresh policy support was announced in response to domestic economic weakness.

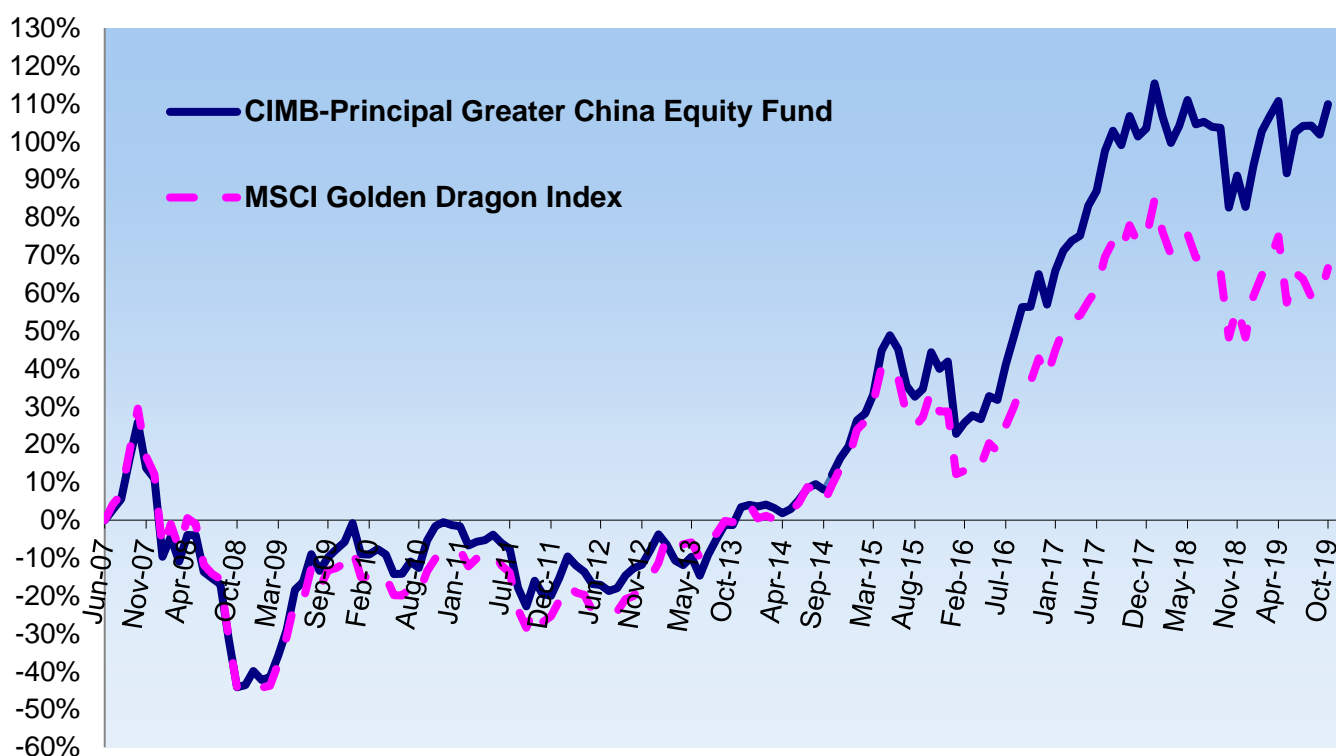
Overall for the third quarter of 2019, Chinese markets fell alongside other Asian equity markets, as a re-escalation of US-China trade tensions and continuing political unrest in Hong Kong SAR, China sent shockwaves through equity markets. In this environment, returns from the Chinese market were marginally worse than the Asian region as a whole. Regarding the Hong Kong SAR, China market, share price weakness was pronounced amid ongoing and steadily escalating protests and demonstrations in the city.

China markets finally rebounded in October 2019, in line with Emerging Markets (“EM”). Global markets continued to be driven by US-China trade negotiations and the tentative trade truce in mid-October 2019 was positive for sentiment. The agreed outline of a mini-trade deal includes a significant increase in China’s purchase of US agricultural products, a currency pact, China’s further opening of the financial sector, some technology transfer and Intellectual Property (“IP”) protection issues, and the suspension of 15 tariff increase from the US. Recently, both sides have signaled positive progress toward a deal signing, which will likely still take place in November 2019 despite the cancellation of the Asia-Pacific Economic Cooperation (“APEC”) summit. On the domestic front, China’s third quarter of 2019 Gross Domestic Product (“GDP”) growth was slightly weaker than expected at 6.0% year-on-year (“y-o-y”) but did end the quarter on a stronger note with improving September 2019 data.

**FUND PERFORMANCE**

	6 months to 31.10.2019	1 year to 31.10.2019	3 years to 31.10.2019	5 years to 31.10.2019	Since inception to 31.10.2019
	%	%	%	%	%
Income	-	-	-	-	-
Capital	(0.43)	14.93	34.23	87.39	109.85
Total Return	(0.43)	14.93	34.23	87.39	109.85
Benchmark	(4.77)	12.39	22.17	52.53	66.61
Average Total Return	N/A	14.93	10.31	13.38	6.16

For the financial period under review, the Fund fell by 0.43%, outperforming the benchmark which saw a bigger decline of 4.77%. The outperformance was mainly driven by an overweight position in healthcare and an underweight position on real estates.



**Changes in NAV**

	31.10.2019	30.04.2019 Audited	Changes %
NAV (RM Million)	630.17	692.19	(8.96)
NAV/Unit (RM)	0.9942	0.9985	(0.43)

For the financial period under review, total NAV and NAV per unit declined by 8.96% and 0.43% respectively. The decrease in the total NAV were due to unit redemptions while the fall in NAV per unit was due to the negative investment performance recorded during the financial period.

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)	31.10.2019	30.04.2019 Audited
Collective investment scheme	98.55	100.03
Cash and other net assets	1.45	(0.03)
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

The Fund was fully invested during the financial period under review, with minimal cash kept for liquidity purposes. The differences of cash levels between current and previous review period was to ensure more liquidity was kept in the Fund.

**MARKET OUTLOOK\***

Markets are likely to remain very sensitive to daily headlines. A trade deal between China and the US may still be possible in coming months, as there would still appear to be clear incentives for both sides to show progress. Looking ahead, earnings-per-share ("EPS") growth forecasts for the Chinese market are likely to moderate further in 2019. With valuations for Chinese equities already back to their long-term average, markets could remain volatile albeit range-bound in the near term.

\*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 Target Fund, i.e. Schroder ISF Greater China with minimal cash kept for liquidity purposes.

**UNIT HOLDING STATISTICS**

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

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1,984	4.69	0.74
5,001 - 10,000	1,232	8.98	1.42
10,001 - 50,000	2,273	51.98	8.20
50,001 - 500,000	732	83.99	13.25
500,001 and above	32	484.14	76.39
<b>Total</b>	<b>6,253</b>	<b>633.78</b>	<b>100.00</b>

**SOFT COMMISSIONS AND REBATES**

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

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

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
CIMB-PRINCIPAL GREATER CHINA EQUITY FUND**

We, being the Directors of Principal Asset Management Berhad (*formerly known as CIMB-Principal Asset Management Berhad*) (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 9 to 28 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 October 2019 and of its financial performance, changes in equity and cash flows for the financial period then ended in accordance with the Malaysian Financial Reporting Standards (“MFRS”) 134 - Interim Financial Reporting and International Accounting Standards (“IAS”) 34 - Interim Financial Reporting.

For and on behalf of the Manager

**Principal Asset Management Berhad (Company No.: 304078-K)**

*(formerly known as CIMB-Principal Asset Management Berhad)*

**MUNIRAH KHAIRUDDIN**

Chief Executive Officer/Executive Director

**JUAN IGNACIO EYZAGUIRRE BARAONA**

Director

Kuala Lumpur

12 December 2019

**TRUSTEE'S REPORT TO THE UNIT HOLDERS OF  
CIMB-PRINCIPAL GREATER CHINA EQUITY FUND**

We have acted as Trustee of CIMB-Principal Greater China Equity Fund ("the Fund") for the financial period ended 31 October 2019. To the best of our knowledge, Principal Asset Management Berhad (*formerly known as CIMB-Principal Asset Management Berhad*) (the "Manager"), has operated and managed the Fund in accordance with the following:-

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

For HSBC (Malaysia) Trustee Berhad

Vicknesan Balakrishnan  
Chief Executive Officer

Kuala Lumpur  
12 December 2019

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 OCTOBER 2019**

		01.05.2019 to 31.10.2019	01.05.2018 to 31.10.2018
	Note	RM	RM
<b>INCOME/(LOSS)</b>			
Interest income from deposits with licensed financial institutions at amortised cost		36,053	23,644
Net gain/(loss) on financial assets at fair value through profit or loss	7	3,411,972	(64,973,513)
Net foreign exchange loss		(90,753)	(152,061)
		3,357,272	(65,101,930)
<b>EXPENSES</b>			
Management fee	4	5,863,894	5,612,704
Trustee's fee	5	260,618	264,906
Audit fee		5,550	4,044
Tax agent's fee		1,500	6,000
Other expenses		7,585	74,429
		6,139,147	5,962,083
<b>LOSS BEFORE TAXATION</b>		(2,781,875)	(71,064,013)
Taxation	6	-	-
<b>LOSS AFTER TAXATION AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL PERIOD</b>		(2,781,875)	(71,064,013)
Loss after taxation is made up as follows:			
Realised amount		10,614,161	8,867,320
Unrealised amount		(13,396,036)	(79,931,333)
		(2,781,875)	(71,064,013)

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 2019**

		<b>31.10.2019</b>	<b>30.04.2019</b>
	<b>Note</b>	<b>RM</b>	<b>Audited RM</b>
<b>ASSETS</b>			
Cash and cash equivalents	<b>8</b>	11,839,143	1,658,574
Financial assets at fair value through profit or loss	<b>7</b>	621,001,373	692,384,221
Amount due from Manager		3,188,209	6,150,528
Amount due from Manager of collective investment scheme			
- Management fee rebate		469,741	530,246
<b>TOTAL ASSETS</b>		<u>636,498,466</u>	<u>700,723,569</u>
<b>LIABILITIES</b>			
Amount due to Manager		5,633,648	7,782,936
Accrued management fee		646,339	683,469
Amount due to Trustee		42,677	47,071
Other payables and accruals		10,050	17,066
<b>TOTAL LIABILITIES</b>		<u>6,332,714</u>	<u>8,530,542</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>630,165,752</u>	<u>692,193,027</u>
<b>EQUITY</b>			
Unit holders' capital		518,061,974	577,307,374
Retained earnings		112,103,778	114,885,653
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>630,165,752</u>	<u>692,193,027</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>	<b>9</b>	<u>633,783,901</u>	<u>693,166,027</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>		<u>0.9942</u>	<u>0.9985</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 2019**

	<b>Unit holders' capital RM</b>	<b>Retained earnings RM</b>	<b>Total RM</b>
<b>Balance as at 1 May 2019</b>	577,307,374	114,885,653	692,193,027
Movement in unit holders' contributions:			
- Creation of units from applications	159,264,691	-	159,264,691
- Cancellation of units	(218,510,091)	-	(218,510,091)
Total comprehensive loss for the financial period	-	(2,781,875)	(2,781,875)
<b>Balance as at 31 October 2019</b>	<u>518,061,974</u>	<u>112,103,778</u>	<u>630,165,752</u>
<b>Balance as at 1 May 2018</b>	561,821,533	89,181,917	651,003,450
Movement in unit holders' contributions:			
- Creation of units from applications	249,703,207	-	249,703,207
- Cancellation of units	(201,403,482)	-	(201,403,482)
Total comprehensive loss for the financial period	-	(71,064,013)	(71,064,013)
<b>Balance as at 31 October 2018</b>	<u>610,121,258</u>	<u>18,117,904</u>	<u>628,239,162</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 2019**

	<b>01.05.2019 to 31.10.2019</b>	<b>01.05.2018 to 31.10.2018</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from disposal of collective investment scheme	106,492,890	64,665,146
Purchase of collective investment scheme	(36,431,545)	(121,765,405)
Interest income received from deposits with licensed financial institutions	36,053	23,644
Management fee paid	(5,962,751)	(5,907,595)
Management fee rebate received	4,953,273	4,932,012
Trustee's fee paid	(265,012)	(262,560)
Payment for other fees and expenses	(21,651)	(150,021)
Net realised foreign exchange loss	(227,072)	(252,437)
<b>Net cash generated from/(used in) operating activities</b>	<b>68,574,185</b>	<b>(58,717,216)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	162,227,010	255,170,447
Payments for cancellation of units	(220,659,379)	(201,590,007)
<b>Net cash (used in)/generated from financing activities</b>	<b>(58,432,369)</b>	<b>53,580,440</b>
Net increase/(decrease) in cash and cash equivalents	10,141,816	(5,136,776)
Effects of foreign exchange differences	38,753	88,520
Cash and cash equivalents at the beginning of the financial period	1,658,574	8,832,343
Cash and cash equivalents at the end of the financial period	11,839,143	3,784,087
<u>Cash and cash equivalents comprised of:</u>		
Deposits with licensed financial institutions	-	3,163,283
Bank balances	11,839,143	620,804
Cash and cash equivalents at the end of the financial period	11,839,143	3,784,087

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 2019****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES**

CIMB-Principal Greater China Equity Fund (the “Fund”) is governed by a Principal Master Deed dated 15 May 2008, a Fourth Supplemental Master Deed dated 18 March 2009, a Fifth Supplemental Master Deed dated 16 July 2009, a Thirteenth Supplemental Master Deed dated 26 June 2012, and an Eighteenth Supplemental Master Deed dated 25 March 2015 (collectively referred to as the “Deeds”), made between Principal Asset Management Berhad (formerly known as *CIMB-Principal Asset Management Berhad*) (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The Fund is a feeder fund that invests at least 95% of the Fund’s NAV in the Schroder ISF Greater China, a fund of the Schroder ISF, an open-ended investment company registered in Luxembourg. Information on Target Fund is detailed below.

The asset allocation strategy for this Fund is as follows:

- at least 95% of the Fund’s NAV will be invested in the Target Fund; and
- up to 5% of the Fund’s NAV will be invested in liquid assets for liquidity purposes.

All investments are subjected to the Securities Commission Malaysia (“SC”) Guidelines on Unit Trust Funds, SC requirements, the Deeds, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

The Manager, is a joint venture between Principal Financial Group®, a member of the FORTUNE 500® and a Nasdaq-listed global financial services and CIMB Group Holdings Berhad, one of Southeast Asia’s leading universal banking groups. The principal activities of the Manager are the establishment and management of unit trust funds and fund management activities.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**(a) Basis of preparation**

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

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

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

It also requires the Manager to exercise their judgement 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.



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

### (a) Basis of preparation (continued)

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

#### Standard that is effective and relevant:

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

#### (i) Financial period beginning on/after 1 May 2019

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

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

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

### (b) Financial assets and financial liabilities

#### Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions.

Investment in collective investment schemes are debt instrument with contractual cash flow that do not represent solely payment of principal and interest ("SPPI") and therefore are classified as fair value through profit or loss.

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

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

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

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

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

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

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

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

Collective investment scheme is valued based on the most recent published NAV per unit or share of such collective investment scheme or, if unavailable, on the average of the last published price of such unit or share (excluding any sales charge included in such selling price).

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

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

Impairment for assets carried at amortised costs

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

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

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

**(c) Income recognition**

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

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gain or loss on sale of collective investment scheme is accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

**(d) Cash and cash equivalents**

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balances and deposits held in highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(e) 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 income from foreign collective investment scheme is based on the tax regime of the respective countries that the Fund invests in.

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

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(f) Management fee rebate**

Management fee rebate is derived from the collective investment scheme held by the Fund on an accrual basis to ensure no double charging of management fee. It is accrued daily based on the fair value of collective investment scheme held.

**(g) Foreign currency****Functional and presentation currency**

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Fund's functional and presentation currency.

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

- i. The Fund's units are denominated in RM.
- ii. Significant portion of the Fund's expenses are denominated in RM.

**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 statement of comprehensive income.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(h) Unit holders' capital**

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.

**(i) 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 judgements 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 there are no accounting policies which require significant judgement to be exercised

### 3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund aims to achieve medium to long-term capital growth primarily through investment in a portfolio of equity securities with exposure to the Greater China region consisting of the People's Republic of China, Hong Kong SAR and Taiwan.

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

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

#### (a) Market risk

##### (i) Price risk

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

##### (ii) Interest rate risk

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

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

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

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

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

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

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

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

**(b) Credit risk**

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

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

For amount due to 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 schemes 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, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 business days.

The Fund's investments in collective investment scheme is realisable which are capable of being converted into cash within 10 business days. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

**(d) Capital risk management**

The capital of the Fund is represented by equity consisting unit holders' capital and retained earnings. The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

### 3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

#### (e) Fair value estimation

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

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

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

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

#### (i) Fair value hierarchy

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

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

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

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

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



## 3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

## (e) Fair value estimation (continued)

(i) Fair value hierarchy (continued)

The determination of what constitutes 'observable' requires significant judgement 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 RM	Level 2 RM	Level 3 RM	Total RM
<b>31.10.2019</b>				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	<u>621,001,373</u>	<u>-</u>	<u>-</u>	<u>621,001,373</u>
<b>30.04.2019</b>				
<b>Audited</b>				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	<u>692,384,221</u>	<u>-</u>	<u>-</u>	<u>692,384,221</u>

Investments whose values are based on quoted market prices in active markets, are therefore classified within Level 1, include collective investment scheme. 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 scheme and all current liabilities are a reasonable approximation of their fair values due to their short term nature.

**4. MANAGEMENT FEE**

In accordance with the Deeds, the Manager is entitled to a fee of up to 3.00% per annum calculated and accrued daily based on the NAV of the Fund.

For the six months financial period ended 31 October 2019, the management fee is recognised at a rate of 1.80% per annum (31.10.2018: 1.80% per annum).

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

**5. TRUSTEE'S FEE**

In accordance with the Deeds, the Trustee is entitled to a fee not exceeding 1.00% per annum calculated daily based on the NAV of the Fund. The Trustee fee includes the local custodian fee but excludes the foreign sub-custodian fee (if any). The foreign sub-custodian fee is dependent on the country invested and is charged monthly in arrears.

For the six months financial period ended 31 October 2019, the Trustee's fee is recognised at a rate of 0.08% per annum (31.10.2018: 0.08% per annum).

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

**6. TAXATION**

	<b>01.05.2019 to 31.10.2019</b>	<b>01.05.2018 to 31.10.2018</b>
	<b>RM</b>	<b>RM</b>
Tax charged for the financial period:		
- Current taxation	<u>-</u>	<u>-</u>

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

	<b>01.05.2019 to 31.10.2019</b>	<b>01.05.2018 to 31.10.2018</b>
	<b>RM</b>	<b>RM</b>
Loss before taxation	<u>(2,781,875)</u>	<u>(71,064,013)</u>
Taxation at Malaysian statutory rate of 24% (31.10.2018: 24%)	(667,650)	(17,055,363)
Tax effects of:		
(Investment income not subject to tax)/Investment loss not deductible for tax purposes	(805,745)	15,624,463
Expenses not deductible for tax purposes	63,064	84,297
Restriction on tax deductible expenses for Unit Trust Funds	<u>1,410,331</u>	<u>1,346,603</u>
Taxation	<u>-</u>	<u>-</u>

**7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>31.10.2019</b>	<b>30.04.2019</b>
	<b>RM</b>	<b>Audited RM</b>
At fair value through profit or loss:		
- Collective investment scheme	<u>621,001,373</u>	<u>692,384,221</u>
	<b>01.05.2019 to 31.10.2019</b>	<b>01.05.2018 to 31.10.2018</b>
	<b>RM</b>	<b>RM</b>
Net gain/(loss) on financial assets at fair value through profit or loss:		
- Realised gain on disposals	12,015,720	10,124,058
- Unrealised fair value loss	(13,434,789)	(80,073,313)
- Management fee rebate #	<u>4,831,041</u>	<u>4,975,742</u>
	<u>3,411,972</u>	<u>(64,973,513)</u>

# Management fee rebate represents the Fund's entitlement to management fee rebate from the Manager and the Manager of collective investment scheme the Fund invests in.

For the six months financial period ended 31 October 2019, the rebate is recognised at a rate of 1.50% per annum (31.10.2018: 1.50% per annum) calculated and accrued daily based on the NAV of the collective investment scheme.

<b>Name of counter</b>	<b>Quantity Units</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>31.10.2019 COLLECTIVE INVESTMENT SCHEME</b>				
<b>LUXEMBOURG</b>				
Schroder ISF Greater China	<u>2,270,616</u>	<u>533,616,144</u>	<u>621,001,373</u>	<u>98.55</u>
<b>TOTAL COLLECTIVE INVESTMENT SCHEME</b>	<u><b>2,270,616</b></u>	<u><b>533,616,144</b></u>	<u><b>621,001,373</b></u>	<u><b>98.55</b></u>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u><b>87,385,229</b></u>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u><b>621,001,373</b></u>		

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>30.04.2019</b>				
<b>Audited</b>				
<b>COLLECTIVE INVESTMENT SCHEME</b>				
<b>LUXEMBOURG</b>				
Schroder ISF Greater China	<u>2,530,728</u>	<u>591,564,203</u>	<u>692,384,221</u>	<u>100.03</u>
<b>TOTAL COLLECTIVE INVESTMENT SCHEME</b>	<b><u>2,530,728</u></b>	<b><u>591,564,203</u></b>	<b><u>692,384,221</u></b>	<b><u>100.03</u></b>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>100,820,018</u></b>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<b><u>692,384,221</u></b>		

**8. CASH AND CASH EQUIVALENTS**

	<b>31.10.2019</b>	<b>30.04.2019</b>
	<b>RM</b>	<b>Audited RM</b>
Bank balances	<u>11,839,143</u>	<u>1,658,574</u>

There are no outstanding deposits with licensed financial institution during the financial period ended 31 October 2019 (30.04.2019: Nil).

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

	<b>01.05.2019 to 31.10.2019</b>	<b>01.05.2018 to 30.04.2019</b>
	<b>No. of units</b>	<b>Audited No. of units</b>
At the beginning of the financial period/year	693,166,027	672,816,574
Add: Creation of units from applications	167,306,530	441,146,009
Less: Cancellation of units	<u>(226,688,656)</u>	<u>(420,796,556)</u>
At the end of the financial period/year	<b><u>633,783,901</u></b>	<b><u>693,166,027</u></b>

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

	<b>01.05.2019 to 31.10.2019 %</b>	<b>01.05.2018 to 31.10.2018 %</b>
MER	<u>0.95</u>	<u>0.91</u>

MER is derived based on the following calculation:

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

- A = Management fee
- B = Trustee’s fee
- C = Audit fee
- D = Tax agent’s fee
- E = Other expenses
- F = Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM646,666,987 (31.10.2018: RM656,663,977).

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

	<b>01.05.2019 to 31.10.2019</b>	<b>01.05.2018 to 31.10.2018</b>
PTR (times)	<u>0.11</u>	<u>0.14</u>

PTR is derived based on 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 = RM36,464,157 (31.10.2018: RM112,969,876)
- total disposal for the financial period = RM106,427,937 (31.10.2018: RM65,195,958)

**12. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES**

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

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

Units held by the Manager and parties related to the Manager

	31.10.2019		30.04.2019	
	No. of units	RM	No. of units	<b>Audited</b> RM
<b>Manager</b>				
Principal Asset Management Berhad <i>(formerly known as CIMB-Principal Asset Management Berhad)</i>	226,686	225,371	90,494	90,358

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.

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

Units held by the Manager and parties related to the Manager (continued)

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

	<b>01.05.2019 to 31.10.2019</b>	<b>01.05.2018 to 31.10.2018</b>
	<b>RM</b>	<b>RM</b>
<u>Significant related party transactions</u>		
Interest income from deposits with licensed financial institutions:		
- CIMB Bank Bhd	4,392	103
- CIMB Islamic Bank Bhd	-	938
	<hr/>	<hr/>
Cash placements with licensed financial institutions:		
- CIMB Bank Bhd	41,214,000	298,000
- CIMB Islamic Bank Bhd	-	4,798,000
	<hr/>	<hr/>

There were no related party balances at the end of each financial period/year.

**13. TRANSACTIONS WITH BROKERS/DEALERS**

Details of transactions with the brokers/dealers for the six months financial period ended 31 October 2019 are as follows:

<b>Brokers/Dealers</b>	<b>Value of trades RM</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees RM</b>	<b>Percentage of total brokerage fees %</b>
Schroder Investment Management (S) Limited	<u>142,892,094</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

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

<b>Brokers/Dealers</b>	<b>Value of trades RM</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees RM</b>	<b>Percentage of total brokerage fees %</b>
Schroder Investment Management (S) Limited	<u>178,165,834</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

**DIRECTORY**

**Head Office of the Manager**

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