

EASTSPRING INVESTMENTS ASIA PACIFIC EQUITY MY FUND

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017



Dear Valued Investor,

Greetings from Eastspring Investments Berhad!

First and foremost, we would like to take this opportunity to thank you for choosing to invest with Eastspring Investments Berhad.

We are pleased to enclose a copy of the Annual/Interim/Quarterly Fund Reports of Eastspring Investments Berhad's fund(s) for the reporting period ended 31 March 2017.

You may also download these reports from our website at www.eastspringinvestments.com.my

Should you require any assistance, please do not hesitate to contact our Client Services at 03-2332 1000.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Raymond Tang Chee Kin', written in a cursive style.

Raymond Tang Chee Kin

Non-Independent, Executive Director and Chief Executive Officer

TABLE OF CONTENTS

Fund Information	1
Key Performance Data	3
Manager's Report	6
Market Review	11
Rebates and Soft Commissions	11
Trustee's Report to the Unit Holders of Eastspring Investments Asia Pacific Equity MY Fund	14
Independent Auditors' Report to the Unit Holders of Eastspring Investments Asia Pacific Equity MY Fund	15
Statement of Comprehensive Income	19
Statement of Financial Position	20
Statement of Changes in Equity	21
Statement of Cash Flows	22
Summary of Significant Accounting Policies	23
Notes to the Financial Statements	32
Corporate Directory	73

FUND INFORMATION

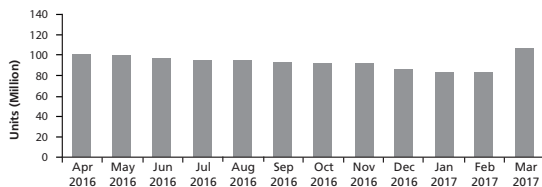
Name of Fund	Eastspring Investments Asia Pacific Equity MY Fund (the "Fund")
Fund Category/ Type	Equity/growth
Fund Objective	The Fund seeks to provide medium to long-term capital growth.
Performance Benchmark	Morgan Stanley Capital International All Country Asia Pacific ex-Japan ("MSCI AC APxJ") Index Source: www.msci.com Note: The risk profile of the Fund is different from the risk profile of the performance benchmark.
Fund Income Distribution Policy	Incidental

FUND INFORMATION (CONTINUED)

Breakdown of Unit Holdings by Size

As at 31 March 2017, the size of Eastspring Investments Asia Pacific Equity MY Fund stood at 105.966 million units.

Fund Size



Breakdown of Unit Holdings

Unit Holdings	No. of Unit Holders	%	No of Units* ('000)	%
5,000 units and below	354	15.73	931	0.88
5,001 to 10,000 units	256	11.38	1,954	1.84
10,001 to 50,000 units	1,400	62.23	30,196	28.50
50,001 to 500,000 units	226	10.04	22,243	20.99
500,001 units and above	14	0.62	50,641	47.79
Total	2,250	100.00	105,965	100.00

* excludes units held by the Manager.

KEY PERFORMANCE DATA

FOR THE FINANCIAL YEAR ENDED

Category	31.3.2017	31.3.2016	31.3.2015
	(%)	(%)	(%)
Quoted securities			
Consumer Discretionary	8.00	5.03	4.04
Consumer Good	-	3.43	3.25
Consumer Staple	2.20	1.69	1.79
Energy	6.02	6.12	8.59
Financial	40.39	32.73	33.79
Health Care	-	0.63	0.52
Industrial	10.58	5.73	2.87
Information Technology	14.96	10.52	10.92
Material	4.06	4.04	6.50
Media	-	1.25	0.97
Oil and Gas	-	2.52	1.14
Property	-	1.45	-
Real Estate	-	7.32	6.95
Services	-	-	2.06
Technology	5.25	8.99	5.46
Telecommunication	3.59	4.62	4.95
Trading/Services	-	1.15	0.82
Utilities	2.33	1.56	1.55
	97.38	98.78	96.17
Cash and other assets	2.62	1.22	3.83
Total	100.00	100.00	100.00

KEY PERFORMANCE DATA (CONTINUED)

Category	31.3.2017	31.3.2016	31.3.2015
Net Asset Value (NAV) (RM'000)	78,760	56,400	73,338
Units In Circulation (Units '000)	105,966	103,150	116,062
Net Asset Value Per Unit (RM)	0.7433	0.5468	0.6319
Highest Net Asset Value Per Unit (RM)	0.7491	0.6673	0.6360
Lowest Net Asset Value Per Unit (RM)	0.5239	0.4959	0.5290
Total Return (%)			
Capital Growth	35.94	(13.47)	18.76
Income Distribution	-	-	-
Total Return (%)	35.94	(13.47)	18.76
Gross Distribution Per Unit (RM)	-	-	-
Net Distribution Per Unit (RM)	-	-	-
Management Expense Ratio (MER) (%)*	2.29	1.84	1.92
Portfolio Turnover Ratio (PTR) (times)^	0.55	0.37	0.53

* There were no significant changes to the MER during the period under review.

^ There were no significant changes to the PTR during the period under review.

KEY PERFORMANCE DATA (CONTINUED)

	1 year 1.4.2016 to 31.3.2017		3 years 1.4.2014 to 31.3.2017		5 years 1.4.2012 to 31.3.2017	
	(%)		(%)		(%)	
Average total return	35.94		11.78		8.53	

Year ended	1.4.2016 to 31.3.2017	1.4.2015 to 31.3.2016	1.4.2014 to 31.3.2015	1.4.2013 to 31.3.2014	1.4.2012 to 31.3.2013
	(%)	(%)	(%)	(%)	(%)
Annual total return	35.94	(13.47)	18.76	5.93	1.78

Source: Lipper for Investment Management, as at 31 March 2017.

Bases of calculation and assumptions made in calculating returns:

$$\text{Percentage growth} = \frac{\text{NAV}_t - 1}{\text{NAV}_0}$$

NAV_t = NAV at the end of the period

NAV_0 = NAV at the beginning of the period

Performance annualised = $(1 + \text{Percentage Growth})^{1/n} - 1$

n = Number of years

Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

MANAGER'S REPORT

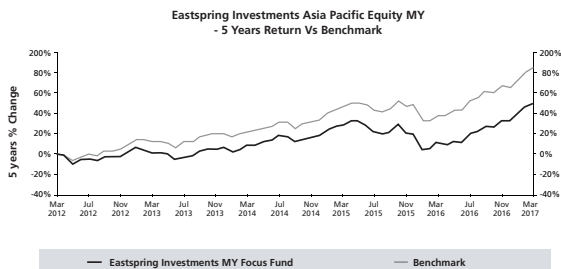
Fund Performance

Over the 5-year period, the Fund recorded a return of 50.62%, underperforming the benchmark return of 84.73% by 34.11%.

For the period under review, the Fund registered a return of 35.94% outperforming the benchmark return of 34.42% by 1.52%.

Consistent with our investment philosophy and belief that value outperforms in the longer term, the Fund has added to companies that have exhibited strong value tilts.

The Fund did meet its investment objective over the period under review.



The performance is calculated on NAV-to-NAV basis with gross income or dividend reinvested.

Benchmark: MSCI AC APxJ

Source: Lipper for Investment Management and www.msci.com, as at 31 March 2017.

Past performance of the Fund is not necessarily indicative of its future performance.

MANAGER'S REPORT (CONTINUED)

Analysis of Fund Performance

For the financial year ended 31 March 2017:

Income Return	Capital Return*	Total Return	Total Return of Benchmark
(%)	(%)	(%)	(%)
0.00	35.94	35.94	34.42

* Capital return components (NAV per unit to NAV per unit)

Distribution/ Unit Split

No distribution or unit split were declared for the financial year ended 31 March 2017.

Investment Strategy During Period Under Review

The portfolio manager has maintained his strategy of focusing on investing in companies trading at attractive valuations relative to their level of sustainable earnings.

Investors have ignored the price they are paying for certainty and quality for the last few years creating a huge valuation anomaly within Asian equity markets between value and quality. We have positioned the Fund to exploit this anomaly and are beginning to see more attractively valued cyclical companies outperform.

The Fund was overweight cyclicals with energy and financials as the top sectors with overweight investments. The expensive defensive sectors of utilities, health care and consumer staples were key underweights.

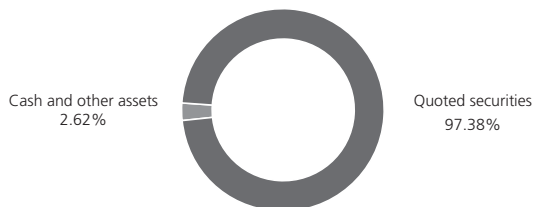
At the geographic level, the Fund was overweight Singapore and Indonesia and underweight Thailand and Australia.

MANAGER'S REPORT (CONTINUED)

Asset Allocation

Asset Allocation	31-Mar 2017	31-Mar 2016	Changes
	(%)	(%)	(%)
Quoted securities	97.38	98.78	(1.40)
Cash and other assets	2.62	1.22	1.40

Asset Allocation as at 31 March 2017



There were no significant changes in asset allocation of the Fund for the period under review.

MANAGER'S REPORT (CONTINUED)

State of Affairs of the Fund

There have been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

However, in the Eastspring Investments First Supplementary Master Prospectus dated 24 November 2016, the information in relation to the auto reinvestment policy has been revised as set out in (a) below, while in the Eastspring Investments Second Supplementary Master Prospectus dated 15 March 2017, the information in relation to the income reinvestment policy has been revised as disclosed in (b) below:

a) Auto reinvestment policy

Any moneys payable to Unit Holder as a result of income distribution which remains unclaimed after six (6) months from the date of payment shall automatically be reinvested into additional Units of the Fund at the Net Asset Value ("NAV") per Unit on the closing of the fifteenth (15th) day after the said six (6) months period at no cost. In the event the fifteenth (15th) day falls on a non-Business Day, reinvestment will be made on the following Business Day.

b) Income Reinvestment Policy

Income distributed to a Unit Holder will automatically be reinvested into additional Units in the Fund at the NAV per Unit at the end of the Business Day of the income distribution date at no cost if the Unit Holder did not elect the mode of distribution in the master account opening form or provide any written instruction to the Manager.

MANAGER'S REPORT (CONTINUED)

**State of Affairs of
the Fund
(continued)**

Should a Unit Holder elect the mode of distribution in the master account opening form or provide any written instruction to the Manager, the income distribution proceeds will either be paid by cheque or credited into the bank account located in Malaysia via telegraphic or online transfer at the cost and expense of the Unit Holder.

The Manager reserves the right to reinvest income distribution without providing any reason if the instruction in the master account opening form or written instruction is incomplete.

MARKET REVIEW

Morgan Stanley Capital International (“MSCI”) Asia Pac ex-Japan gained 18.52% over the past one year in United States Dollar (“USD”) terms. Taiwan, Korea and Australia led the rise, while Malaysia and Philippines turned in a negative performance. The region took its fair share of hits over the past year as the UK referendum triggered a global risk-off mode, while Trump’s pre election protectionist rhetoric, fears of a higher interest rate and a stronger United States Dollar (“USD”) lessened the allure of emerging market equities. However, compelling signs supporting a global economic recovery momentum, anticipation towards Trump’s pro-growth policies, growing demand for Asia’s exports and favorable domestic conditions shored up the region’s gains.

Taiwan rose on the back of an export sector recovery. A strong iPhone momentum gave a boost to Taiwan’s technology supply chain, while reflationary tailwinds buoyed bank and insurance stocks. Korea painted a similar story, with robust semiconductor exports and new handset product cycles driving foreign net inflow, even as the nation found its President embroiled in an influence-peddling scandal. Australia also registered strong returns over improving commodity prices, and expectations that a rising interest rate environment would prop up Financials’ margins.

Malaysia underperformed, plagued by poor economic data, a weakened currency, and international investigations into the 1Malaysia Development Berhad (“1MDB”) fraud. Philippines also trailed as softening overseas remittance, deteriorating credit profiles of Filipino companies, and President Duterte’s political antics dampened interest in the country’s assets.

REBATES AND SOFT COMMISSIONS

During the period under review, the Manager and the delegates (if any) did not receive any soft commissions from stockbrokers.

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EASTSPRING INVESTMENTS ASIA PACIFIC EQUITY MY FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS ASIA PACIFIC EQUITY MY FUND

We have acted as Trustee for Eastspring Investments Asia Pacific Equity MY Fund (the "Fund") for financial year ended 31 March 2017. To the best of our knowledge, for the year under review, Eastspring Investments 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 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. the valuation/pricing for the Fund has been carried out in accordance with the Deed of the Fund and applicable regulatory requirements; and
- c. creation and cancellation of units for the Fund have been carried out in accordance with the Deed of the Fund and applicable regulatory requirements.

For Deutsche Trustees Malaysia Berhad

Soon Lai Ching

Senior Manager, Trustee Operations

Richard Lim Hock Seng

Chief Executive Officer

Kuala Lumpur

Date: 12 May 2017

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS ASIA PACIFIC EQUITY MY FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Eastspring Investments Asia Pacific Equity MY Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 31 March 2017, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 March 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 19 to 72.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determine is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intend to liquidate the Fund or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- d. Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTERS

This report is made solely to the unit holder of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS

(No. AF: 1146)

Chartered Accountants

Kuala Lumpur

Date: 12 May 2017

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	2017	2016
		RM	RM
INVESTMENT INCOME/(LOSS)			
Interest income from deposits with licensed financial institutions		1,004	-
Gross dividend income		1,981,043	2,194,654
Net gain on foreign currency exchange		71,186	99,887
Net gain/(loss) on financial assets at fair value through profit or loss	6	<u>17,578,570</u>	<u>(10,251,138)</u>
		<u>19,631,803</u>	<u>(7,956,597)</u>
EXPENSES			
Management fee	3	(872,281)	(1,010,072)
Trustee fee	4	(40,706)	(47,137)
Custodian fee		(20,627)	(15,477)
Audit fee		(7,500)	(7,500)
Tax agent fee		(14,896)	(3,400)
Other expenses		(321,984)	(89,809)
GST charges		(55,550)	(64,419)
Transaction costs		(150,631)	(179,647)
		<u>(1,484,175)</u>	<u>(1,417,461)</u>
PROFIT/(LOSS) BEFORE TAXATION		18,147,628	(9,374,058)
TAXATION	5	<u>(141,050)</u>	<u>(153,293)</u>
PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS)		<u>18,006,578</u>	<u>(9,527,351)</u>
Profit/(loss) after taxation is made up of the following:			
Realised amount		859,926	1,935,527
Unrealised amount		<u>17,146,652</u>	<u>(11,462,878)</u>
		<u>18,006,578</u>	<u>(9,527,351)</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2017

	Note	2017	2016
		RM	RM
ASSETS			
Cash and cash equivalents	7	1,620,316	488,666
Amount due from Manager		522,748	33,379
Amount due from brokers		-	107,575
Dividends receivable		344,799	334,135
Tax recoverable		903	903
Financial assets at fair value through profit or loss	6	76,718,490	55,735,902
TOTAL ASSETS		<u>79,207,256</u>	<u>56,700,560</u>
LIABILITIES			
Amount due to Manager		29,920	147,636
Amount due to brokers		290,757	36,328
Accrued management fee		96,328	72,354
Amount due to Trustee		4,495	3,377
Other payables and accruals		19,943	36,666
GST charges payable		6,049	4,544
TOTAL LIABILITIES		<u>447,492</u>	<u>300,905</u>
NET ASSET VALUE OF THE FUND		<u>78,759,764</u>	<u>56,399,655</u>
EQUITY			
Unit holders' capital		65,546,387	61,192,856
Retained earnings/(accumulated loss)		13,213,377	(4,793,201)
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS		<u>78,759,764</u>	<u>56,399,655</u>
NUMBER OF UNITS IN CIRCULATION	8	<u>105,966,338</u>	<u>103,149,947</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.7433</u>	<u>0.5468</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Unit holders' capital	Retained earnings/ (accumulated loss)	Total
	RM	RM	RM
Balance as at 1 April 2016	61,192,856	(4,793,201)	56,399,655
Movement in unit holders' contribution:			
Creation of units from applications	27,656,742	-	27,656,742
Cancellation of units	(23,303,211)	-	(23,303,211)
Total comprehensive income for the financial year	-	18,006,578	18,006,578
Balance as at 31 March 2017	65,546,387	13,213,377	78,759,764
Balance as at 1 April 2015	68,603,751	4,734,150	73,337,901
Movement in unit holders' contribution:			
Creation of units from applications	18,294,330	-	18,294,330
Cancellation of units	(25,705,225)	-	(25,705,225)
Total comprehensive loss for the financial year	-	(9,527,351)	(9,527,351)
Balance as at 31 March 2016	61,192,856	(4,793,201)	56,399,655

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

	Note	2017	2016
		RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		30,505,624	27,632,306
Purchase of investments		(33,698,267)	(24,236,179)
Dividends received		1,829,328	2,035,196
Interest received		1,004	-
Management fee paid		(848,307)	(1,025,418)
Trustee fee paid		(39,588)	(47,853)
Custodian fee paid		(20,627)	(15,477)
Payment for other fees and expenses		(415,149)	(338,707)
Tax refund		-	1,678
Net foreign currency exchange gain		71,186	99,887
Net cash (used in)/generated from operating activities		<u>(2,614,796)</u>	<u>4,105,433</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		27,167,373	20,178,893
Payments for cancellation of units		(23,420,927)	(25,884,121)
Net cash generated from/(used in) financing activities		<u>3,746,446</u>	<u>(5,705,228)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		1,131,650	(1,599,795)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR			
		<u>488,666</u>	<u>2,088,461</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR			
	7	<u>1,620,316</u>	<u>488,666</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

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

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”), as modified by financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with the MFRS 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 financial year. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The Fund has applied the following amendments for the first time for the financial year beginning 1 April 2016:

- Amendments to MFRS 101 “Presentation of financial statements” – Disclosure initiative
- Amendments to MFRS 10, 12 & 128 “Investment entities – Applying the consolidation exception”
- Annual improvements to MFRSs 2012 – 2014 Cycle

There were no significant impact to other accounting policies of the Fund as a result of the above mentioned.

The new standards, amendments to published standards and interpretations to existing standards that are applicable to the Fund but not yet effective and have not been early adopted are as follows:

i. Financial year beginning on/after 1 April 2017

- Amendments to MFRS 107 “Statement of Cash Flows – Disclosure Initiative” (effective from 1 January 2017) introduce an additional disclosure on changes in liabilities arising from financing activities.

The Fund will apply this standard when effective. This standard is not expected to have a significant impact on the Fund’s financial statements.

ii. Financial year beginning on/after 1 April 2018

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

MFRS 9 retains but simplifies the mixed measurement model in MFRS 139 and establishes three primary measurement categories for financial assets: amortised cost, fair value through profit or loss and fair value through other comprehensive income (“OCI”). The basis of classification depends on the entity’s business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows represent principal and interest.

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity’s own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

MFRS 9 introduces an expected credit loss model on impairment that replaces the incurred loss impairment model used in MFRS 139. The expected credit loss model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

The Fund will apply this standard when effective. This standard is not expected to have a significant impact on the Fund's financial statements.

- MFRS 15 "Revenue from contracts with customers" (effective from 1 January 2018) replaces MFRS 118 "Revenue" and MFRS 111 "Construction contracts" and related interpretations. The standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers.

Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The core principle in MFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Fund will apply this standard when effective. This standard is not expected to have a significant impact on the Fund's financial statements.

A new five-step process is applied before revenue can be recognised:

- Identify contracts with customers;
- Identify the separate performance obligations;
- Determine the transaction price of the contract;
- Allocate the transaction price to each of the separate performance obligations; and
- Recognise the revenue as each performance obligation is satisfied.

Key provisions of the new standard are as follows:

- Any bundled goods or services that are distinct must be separately recognised, and any discounts or rebates on the contract price must generally be allocated to the separate elements.

- If the consideration varies (such as incentives, rebates, performance fees, royalties, success of an outcome etc), minimum amounts of revenue must be recognised if they are not at significant risk of reversal.
- The point at which revenue is able to be recognised may shift: some revenue which is currently recognised at a point in time at the end of a contract may have to be recognised over the contract term and vice versa.
- There are new specific rules on licenses, warranties, non-refundable upfront fees, and consignment arrangements, to name a few.
- As with any new standard, there are also increased disclosures.

The Fund will apply this standard when effective. This standard is not expected to have a significant impact on the Fund's financial statements.

B. INCOME RECOGNITION

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

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

Interest income are recognised on an accrual basis using the effective interest method.

C. TAXATION

Current tax expense is determined according to the Malaysian tax laws at the current rate based upon the taxable income during the financial year.

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

D. PRESENTATION AND FUNCTIONAL 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 presentation and functional currency.

E. FOREIGN CURRENCY TRANSLATION

Foreign currency transactions in the Fund are translated into the functional currency using the exchange rates prevailing at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

F. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

i. Classification

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

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

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and have been included in current assets. The Fund's loans and receivables comprise amount due from Manager, dividends receivable and cash and cash equivalents which are all due within 12 months.

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

The Fund's financial liabilities which include amount due to brokers, amount due to Manager, accrued management fee, amount due to Trustee, other payables and accruals and GST charges payable.

ii. 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 and transaction costs are expensed in the statement of comprehensive income.

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 liability, 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 liability is derecognised when the obligation under the liability 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” category are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit and loss” in the period in which they arise. Any unrealised gains however are not distributable.

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.

In accordance with the Deed, quoted securities in Malaysia are valued at the last done market price quoted on the Bursa Malaysia Securities Berhad (“Bursa Securities”) at the date of the statement of financial position.

Quoted securities outside Malaysia are valued at the market last done prices quoted of the respective foreign stock exchanges as at the date of the statement of financial position.

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

Foreign exchange gains and losses on the financial instrument are recognised in statement of comprehensive income when settled or at date of the statement

of financial position at which time they are included in the measurement of the financial instrument.

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

iii. Impairment for assets carried at amortised costs

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

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

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

If, in a subsequent 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.

G. CASH AND CASH EQUIVALENTS

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

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 net assets value;
- 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 year 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 net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

I. AMOUNT DUE FROM/(TO) BROKERS

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

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment for amounts due from brokers. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and

default in payments are considered indicators that the amount due from brokers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

J. SEGMENTAL INFORMATION

Operating segments are reported in a manner consistent with the internal reporting used by chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Investment Committee of the Fund's Manager that undertakes strategic decisions for the Fund.

K. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

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

Estimates and judgments 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

1. INFORMATION ON THE FUND

Eastspring Investments Asia Pacific Equity MY Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 15 July 2005 as modified by a Supplemental Deed dated 27 July 2007 and the Second Supplemental Deed dated 30 November 2009 entered into between Eastspring Investments Berhad (the "Manager") and Mayban Trustees Berhad ("Maybank Trustees"). The Fund replaced Maybank Trustees with Deutsche Trustees Malaysia Berhad (the "Trustee") effective 1 October 2010.

A Supplemental Master Deed ("Deed") was entered into between the Manager and the Trustee on 30 July 2010 to effect the change of trustee from Maybank Trustees to the Trustee, followed by a Second Supplemental Master Deed dated 28 January 2011, a Third Supplemental Master Deed dated 9 March 2011, a Fourth Supplemental Master Deed dated 20 January 2012, a Fifth Supplemental Master Deed dated 26 March 2014 a Sixth Supplemental Master Deed dated 2 January 2016, a Seventh Supplemental Master Deed dated 11 July 2016 and an Eighth Supplemental Master Deed dated 25 January 2017 (collectively referred to as the "Deed").

The Fund was launched on 21 July 2005 and will continue its operations until terminated as provided under Part 12 of the Deed.

The Fund invests primarily in local and Asia Pacific ex-Japan equities, and equity-related securities with good capital growth potential. All investments will be subjected to the Securities Commission's ("SC") Guidelines on Unit Trust Funds, the Deed except where exemptions or variations have been approved by the Securities Commission, internal policies and procedures and the Fund's objective.

The Fund seeks to provide investors with medium to long term capital growth.

The Manager is a company incorporated in Malaysia and is related to Prudential Plc., a public listed company in the United Kingdom. The principal activity of the Manager is the establishment and management of unit trust funds and asset management.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks, which include market risk (inclusive of price risk and foreign exchange/currency risk), liquidity risk, credit/default risk, fund management risk, non-compliance risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the Deed.

Financial instruments of the Fund are as follows:

	Note	Loans and receivables	Financial assets at fair value through profit or loss	Total
		RM	RM	RM
<u>2017</u>				
Cash and cash equivalents	7	1,620,316	-	1,620,316
Amount due from Manager		522,748	-	522,748
Dividends receivable		344,799	-	344,799
Quoted securities	6	-	76,718,490	76,718,490
		<u>2,487,863</u>	<u>76,718,490</u>	<u>79,206,353</u>
<u>2016</u>				
Cash and cash equivalents	7	488,666	-	488,666
Amount due from Manager		33,379	-	33,379
Amount due from brokers		107,575	-	107,575
Dividends receivable		334,135	-	334,135
Quoted securities	6	-	55,735,902	55,735,902
		<u>963,755</u>	<u>55,735,902</u>	<u>56,699,657</u>

All liabilities are financial liabilities which are carried at amortised cost.

Market risk

i. Price risk

This risk refers to changes and developments in regulations, politics and the economy of the country. The very nature of a Unit Trust Fund, however, helps mitigate this risk because a Fund would generally hold a well-diversified portfolio of securities from different market sectors so that the collapse of any one of the security or any one market sector would not impact too greatly on the value of the Fund.

The table below shows assets of the Fund as at 31 March which are exposed to price risk:

	2017	2016
	RM	RM
Quoted securities designated at fair value through profit or loss	<u>76,718,490</u>	<u>55,735,902</u>

The following table summarises the sensitivity of the Fund's profit/(loss) after tax and net asset value to movements in prices of quoted securities at the end of the reporting year. The analysis is based on the assumptions that the market price of the quoted securities increased by 5% and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

% Change in price of financial assets at fair value through profit or loss	Market value	Impact on profit/(loss) after tax/net asset value
	RM	RM
<u>2017</u>		
+5%	80,554,415	3,835,925
-5%	72,882,565	(3,835,925)
<u>2016</u>		
+5%	58,522,697	2,786,795
-5%	52,949,107	(2,786,795)

ii. Foreign exchange/currency risk

As the Fund may invest its assets in securities denominated in a wide range of currencies other than Ringgit Malaysia, the net asset value of the Fund expressed in Ringgit Malaysia may be affected favourably or unfavourably by exchange control regulations or changes in the exchange rates between Ringgit Malaysia and such other currencies. The risk is minimised through investing in a wide range of foreign currencies denominated assets and thus, diversifying the risk of single currency exposure.

In the normal course of investment, the Fund Manager will usually not hedge foreign currency exposure. The Fund Manager may however depending on prevailing market circumstances at a particular point in time, choose to use forward or option contracts for hedging and risk reduction purposes.

The following table sets out the foreign exchange/currency risk concentrations and counterparties of the Fund:

	Financial assets at fair value through profit or loss	Amount due from brokers	Cash and cash equivalents	Dividends receivable	Total
	RM	RM	RM	RM	RM
<u>2017</u>					
AUD	14,647,733	-	76,928	94,597	14,819,258
HKD	23,360,137	-	19,863	31,812	23,411,812
IDR	2,480,744	-	-	33,778	2,514,522
INR	6,365,912	-	505,336	-	6,871,248
KRW	11,094,541	-	-	149,825	11,244,366
NZD	-	-	91	-	91
SGD	4,290,307	-	-	-	4,290,307
THB	754,422	-	-	-	754,422
TWD	8,407,697	-	364,716	-	8,772,413
USD	3,627,146	-	634,067	15,840	4,277,053
	<u>75,028,639</u>	<u>-</u>	<u>1,601,001</u>	<u>325,852</u>	<u>76,955,492</u>
<u>2016</u>					
AUD	10,554,832	-	110,867	95,697	10,761,396
HKD	17,867,104	107,575	39,580	8,112	18,022,371
IDR	1,181,596	-	-	17,126	1,198,722
INR	3,461,674	-	51,614	3,086	3,516,374
KRW	8,005,891	-	-	135,763	8,141,654
NZD	-	-	80	-	80
PHP	345,564	-	-	7,217	352,781
SGD	2,907,335	-	-	-	2,907,335
THB	1,354,351	-	-	15,894	1,370,245
TWD	5,387,931	-	63,138	-	5,451,069
USD	2,558,642	-	134,725	18,056	2,711,423
	<u>53,624,920</u>	<u>107,575</u>	<u>400,004</u>	<u>300,951</u>	<u>54,433,450</u>

The following table summarises the sensitivity of the Fund's financial assets to changes in foreign exchange movements at the end of the reporting year. The analysis is based on the assumption that the foreign exchange rate changes by 5% with all variables remain constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate having regard to historical volatility of this rate.

Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in exchange rate	Impact on profit/ (loss) after tax	Impact on net asset value
	%	RM	RM
<u>2017</u>			
AUD	5	740,963	740,963
HKD	5	1,170,591	1,170,591
IDR	5	125,726	125,726
INR	5	343,562	343,562
KRW	5	562,218	562,218
NZD	5	5	5
SGD	5	214,515	214,515
THB	5	37,721	37,721
TWD	5	438,621	438,621
USD	5	213,853	213,853
		<u>3,847,775</u>	<u>3,847,775</u>
<u>2016</u>			
AUD	5	538,070	538,070
HKD	5	901,119	901,119
IDR	5	59,936	59,936
INR	5	175,819	175,819
KRW	5	407,083	407,083
NZD	5	4	4
PHP	5	17,639	17,639
SGD	5	145,367	145,367
THB	5	68,512	68,512
TWD	5	272,553	272,553
USD	5	135,571	135,571
		<u>2,721,673</u>	<u>2,721,673</u>

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. 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 Fund 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 Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by unit holders. Liquid assets comprise bank balances and other instruments which are capable of being converted into cash within 7 days.

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.

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
<u>2017</u>			
Amount due to Manager	29,920	-	29,920
Accrued management fee	96,328	-	96,328
Amount due to Trustee	4,495	-	4,495
Amount due to brokers	290,757	-	290,757
Other payables and accruals	-	19,943	19,943
GST charges payable	6,049	-	6,049
Contractual cash outflows	<u>427,549</u>	<u>19,943</u>	<u>447,492</u>

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
<u>2016</u>			
Amount due to Manager	147,636	-	147,636
Accrued management fee	72,354	-	72,354
Amount due to Trustee	3,377	-	3,377
Amount due to brokers	36,328	-	36,328
Other payables and accruals	-	36,666	36,666
GST charges payable	4,544	-	4,544
Contractual cash outflows	<u>264,239</u>	<u>36,666</u>	<u>300,905</u>

Credit/default risk

Credit/default risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Fund.

For amount due from brokers, the settlement terms are governed by the relevant rules and regulations as prescribed by respective stock exchange.

The credit/default risk is minimal as all transactions in quoted securities are settled/paid upon delivery using approved brokers. 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.

The following table sets out the credit risk concentrations and counterparties of the Fund:

	Cash and cash equivalents	Dividends receivable	Amount due from Manager	Total
	RM	RM	RM	RM
<u>2017</u>				
Banking and Insurance				
- AA1	1,620,316	-	-	1,620,316
Consumer Discretionary				
- NR	-	67,261	-	67,261
Financial				
- NR	-	106,542	-	106,542
Industrial				
- NR	-	53,371	-	53,371
Information Technology				
- NR	-	40,881	-	40,881
Material				
- NR	-	7,113	-	7,113
Real Estate				
- NR	-	26,573	-	26,573
Telecommunication				
- NR	-	21,284	-	21,284
Utilities				
- NR	-	21,774	-	21,774
Other				
- NR	-	-	522,748	522,748
	<u>1,620,316</u>	<u>344,799</u>	<u>522,748</u>	<u>2,487,863</u>

	Cash and cash equivalents	Dividends receivable	Amount due from brokers	Amount due from Manager	Total
	RM	RM	RM	RM	RM
<u>2016</u>					
Banking and Insurance					
- AA1	488,666	-	-	-	488,666
- NR	-	95,763	-	-	95,763
Consumer Discretionary					
- NR	-	32,173	-	-	32,173
Energy					
- NR	-	27,344	-	-	27,344
Financial					
- NR	-	21,142	-	-	21,142
Industrial					
- NR	-	11,818	-	-	11,818
Information Technology					
- NR	-	44,606	-	-	44,606
Material					
- NR	-	13,311	-	-	13,311
Media					
- NR	-	28,987	-	-	28,987
Oil and Gas					
- NR	-	31,345	-	-	31,345
Real Estate					
- NR	-	8,112	107,575	-	115,687
Telecommunication					
- NR	-	19,534	-	-	19,534
Other					
- NR	-	-	-	33,379	33,379
	488,666	334,135	107,575	33,379	963,755

Fund management risk

There is the risk that the management company may not adhere to the investment mandate of the respective Fund. With close monitoring by the investment committee, back office system being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to manage such risk. The Trustee has an oversight function over management of the Fund by the management company to safeguard the interests of unit holder.

Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund do not comply to the rules set out in the Fund's constitution or the law that governs the Fund or applicable internal control procedures, or act fraudulently or dishonestly.

The non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the Manager.

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital and retained earnings. The amount of equity 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 for 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.

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 market (such as publicly trading securities) are based on quoted market prices at the close of trading on the year 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 Fund Manager will determine the point within the bid-ask spread that is representative of the fair value.

An active market is a market in which transactions for the asset 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.

Fair value hierarchy

- i. The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:
- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
 - Level 2: 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 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

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

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not

proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the Fund's financial assets (by class) measured at fair value:

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<u>2017</u>				
Financial assets at fair value through profit or loss:				
Quoted securities	76,718,490	-	-	76,718,490
<u>2016</u>				
Financial assets at fair value through profit or loss:				
Quoted securities	55,735,902	-	-	55,735,902

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1. 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 F to the financial statements.

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

3. MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 2.00% per annum on the net asset value of the Fund accrued on a daily basis for the financial year.

For the financial year ended 31 March 2017, the management fee is recognised at a rate of 1.50% (2016: 1.50%) per annum on the net asset value of the Fund, calculated on daily basis.

There will be no further liability to the Manager in respect of the management fee other than the amounts recognised above.

4. TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to a fee at a rate not exceeding 0.20% per annum on the net asset value of the Fund, accrued on a daily basis for the financial year subject to a minimum fee of RM18,000 per annum.

For the financial year ended 31 March 2017, the Trustee fee is recognised at a rate of 0.07% (2016: 0.07%) per annum on the net asset value of the Fund excluding of foreign custodian fees and charges, calculated on daily basis.

There will be no further liability to the Trustee in respect of the trustee fee other than the amounts recognised above.

5. TAXATION

	2017	2016
	RM	RM
Tax charged for the financial year:		
Current taxation - foreign	<u>141,050</u>	<u>153,293</u>

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

	2017	2016
	RM	RM
Profit/(loss) before taxation	<u>18,147,628</u>	<u>(9,374,058)</u>
Tax at Malaysian statutory rate of 24% (2016: 24%)	4,355,431	(2,249,774)
Tax effects of:		
Investment (loss)/income exempt from tax	(4,711,633)	1,909,583
Expenses not deductible for tax purposes	132,386	78,836
Restriction on the tax deductible expenses for Unit Trust Funds	223,816	261,355
Foreign income subject to different tax rate	<u>141,050</u>	<u>153,293</u>
Taxation	<u>141,050</u>	<u>153,293</u>

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2017	2016
	RM	RM
Designated at fair value through profit or loss:		
Quoted securities	76,718,490	55,735,902
Net gain/(loss) on financial assets at fair value through profit or loss:		
Realised gain on disposals	449,111	1,204,980
Change in unrealised fair value gain/(loss)	17,129,459	(11,456,118)
	17,578,570	(10,251,138)

Name of counter	Quantity	Aggregate cost	Fair value as at	Percentage of net asset value of the Fund
			31.3.2017	
	Units	RM	RM	%
Local				
Malaysia Securities				
<u>Consumer Discretionary</u>				
Genting Malaysia Berhad	148,700	656,997	810,415	1.03
<u>Financial</u>				
CIMB Group Holdings Berhad	157,888	880,746	879,436	1.12
Total Malaysia Securities	306,588	1,537,743	1,689,851	2.15

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2017	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign				
Australia Securities				
<u>Consumer Discretionary</u>				
Nine Entertainment Co Holdings Limited	224,022	1,104,574	948,170	1.20
<u>Energy</u>				
Origin Energy Limited	27,489	739,523	653,582	0.83
Whitehaven Coal Limited	131,318	1,209,393	1,324,181	1.68
Woodside Petroleum Limited	9,212	1,024,360	996,644	1.27
	168,019	2,973,276	2,974,407	3.78
<u>Financial</u>				
Australia and New Zealand Banking Group Limited	28,247	2,316,603	3,031,269	3.85
National Australia Bank Limited	17,923	1,716,117	2,015,247	2.56
QBE Insurance Group Limited	34,470	1,221,051	1,498,463	1.90
Stockland Corporation Limited	33,681	450,051	527,054	0.67
Westfield Corporation Limited	17,840	525,324	534,269	0.68
	132,161	6,229,146	7,606,302	9.66
<u>Industrial</u>				
Qantas Airways Ltd	103,655	899,924	1,359,853	1.73
<u>Material</u>				
BHP Billiton Limited	21,696	1,993,761	1,759,001	2.23
Total Australia Securities	649,553	13,200,681	14,647,733	18.60

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2017	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Hong Kong Securities				
<u>Consumer Discretionary</u>				
Dongfeng Motor Group Company Limited	212,000	1,048,313	1,054,504	1.34
Parkson Retail Group Limited	474,000	781,425	261,968	0.33
Sands China Ltd	27,200	467,349	557,917	0.71
	713,200	2,297,087	1,874,389	2.38
<u>Consumer Staple</u>				
Tingyi (Cayman Islands) Holding Corp.	134,000	666,755	745,166	0.95
<u>Energy</u>				
Kunlun Energy Company Limited	180,000	694,317	738,419	0.94
<u>Financial</u>				
Bank of China Limited	691,400	1,167,634	1,520,599	1.93
BOC Hong Kong (Holdings) Limited	33,000	485,213	596,975	0.76
China Construction Bank Corporation	892,000	2,686,782	3,176,457	4.03
China Overseas Land & Investment Ltd	72,000	942,394	910,717	1.16
Sino Land Co Limited	83,001	460,092	644,108	0.82
Standard Chartered Plc	35,336	1,666,506	1,494,899	1.90
Sun Hung Kai Properties Limited	26,300	1,290,551	1,711,276	2.17
The Wharf (Holdings) Limited	23,000	614,872	874,081	1.11
	1,856,037	9,314,044	10,929,112	13.88

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2017	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
<u>Industrial</u>				
China Merchants Holdings (International) Co., Ltd.	83,519	983,476	1,082,592	1.37
CK Hutchison Holdings Limited	23,000	1,140,624	1,252,806	1.59
	106,519	2,124,100	2,335,398	2.96
<u>Material</u>				
China Resources Cement Holdings Limited	228,000	357,420	565,096	0.72
<u>Telecommunication Services</u>				
China Mobile Limited	34,000	1,601,525	1,647,598	2.09
Total Hong Kong Securities	3,251,756	17,055,248	18,835,178	23.92
Indonesia Securities				
<u>Consumer Staple</u>				
PT Salim Ivomas Pratama TBK	2,435,900	717,364	505,297	0.64
<u>Financial</u>				
Bank Negara Indonesia Persero TBK PT	597,800	879,594	1,284,704	1.63

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2017	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Indonesia Securities (continued)				
<u>Utilities</u>				
PT Perusahaan Gas Negara Persero TBK	822,600	680,325	690,743	0.88
Total Indonesia Securities	3,856,300	2,277,283	2,480,744	3.15
India Securities				
<u>Energy</u>				
Reliance Industries Limited	11,347	727,019	1,021,944	1.30
<u>Financial</u>				
Axis Bank Limited	15,144	436,839	506,782	0.64
Indiabulls Housing Finance Limited	19,151	925,820	1,302,835	1.65
Rural Electrification Corporation Limited	134,327	1,124,804	1,657,746	2.10
	168,622	2,487,463	3,467,363	4.39
<u>Industrial</u>				
Infosys Technologies Ltd	26,924	1,611,333	1,876,605	2.38
Total India Securities	206,893	4,825,815	6,365,912	8.07

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2017	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Republic of Korea Securities				
<u>Consumer Discretionary</u>				
Hyundai Motor Co	3,747	2,155,262	2,332,637	2.96
<u>Financial</u>				
Hana Financial Group Inc	7,602	856,275	1,110,261	1.41
<u>Industrial</u>				
LG Corp	3,816	840,088	1,058,835	1.34
<u>Information Technology</u>				
Samsung Electronics Co Ltd – PFD	136	361,591	861,698	1.09
Samsung Electronics Co Ltd	310	1,531,913	2,524,130	3.20
	446	1,893,504	3,385,828	4.29
<u>Material</u>				
Hyundai Steel Company	3,797	784,352	877,969	1.11
<u>Telecommunication</u>				
KT Corporation	9,391	1,026,628	1,184,092	1.50
<u>Utilities</u>				
Korea Electric Power Corporation	6,236	1,124,322	1,144,919	1.45
Total Republic of Korea Securities	35,035	8,680,431	11,094,541	14.06

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2017	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Singapore Securities				
<u>Financial</u>				
Capitaland Ltd	58,100	471,775	667,487	0.85
DBS Group Holdings Ltd	25,896	1,242,693	1,589,990	2.02
Oversea-Chinese Banking Corporation Limited	26,200	755,676	805,986	1.02
	110,196	2,470,144	3,063,463	3.89
<u>Industrial</u>				
Noble Group Limited	1,998,148	2,533,193	1,226,844	1.56
Total Singapore Securities	2,108,344	5,003,337	4,290,307	5.45
Thailand Security				
<u>Financial</u>				
Kasikornbank Public Company Limited	31,000	623,318	754,422	0.96
Total Thailand Security	31,000	623,318	754,422	0.96

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2017	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Taiwan Securities				
<u>Information Technology</u>				
Asustek Computer Inc	8,000	347,077	348,984	0.44
Catcher Technology Co Ltd	42,000	1,381,326	1,832,166	2.33
Compal Electronics Inc	107,000	287,626	308,066	0.39
Hon Hai Precision Industry Co Ltd	148,198	1,199,711	1,961,002	2.49
Taiwan Semiconductor Manufacturing Co Ltd	144,000	2,221,271	3,957,479	5.02
Total Taiwan Securities	449,198	5,437,011	8,407,697	10.67
China Securities (Listed in United States)				
<u>Consumer Discretionary</u>				
Vishop Holdings Limited	5,800	335,815	342,216	0.43
<u>Industrial</u>				
Hollysys Automation Technologies Ltd	6,400	544,302	479,241	0.61
<u>Technology</u>				
Baidu Inc	2,455	1,807,563	1,873,302	2.38
Total China Securities (Listed in United States)	14,655	2,687,680	2,694,759	3.42

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2017	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
China Securities				
(Listed in Hong Kong)				
<u>Financial</u>				
China Merchants Bank Co Ltd	152,219	1,263,794	1,782,292	2.26
Guangzhou R&F Properties Co Ltd	800	5,553	5,534	0.01
	153,019	1,269,329	1,787,826	2.27
<u>Consumer Staple</u>				
Hengan International Group Company Limited	14,500	586,299	477,523	0.61
<u>Technology</u>				
Tencent Holdings Limited	17,800	1,457,686	2,259,609	2.87
Total China Securities	185,319	3,313,314	4,524,958	5.75
(Listed in Hong Kong)				

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2017	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Bermuda Security (Listed in United States)				
<u>Financial</u>				
Jardine Matheson Holdings Limited	3,281	710,981	932,388	1.18
Total Bermuda Security (Listed in United States)	3,281	710,981	932,388	1.18
Total Foreign Securities	10,791,334	63,815,099	75,028,639	95.23
TOTAL QUOTED SECURITIES	11,097,922	65,352,842	76,718,490	97.38
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>11,365,648</u>		
FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>76,718,490</u>	

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2016	Percentage of net asset value of the Fund
	Units	RM	RM	%
Local				
Malaysia Securities				
<u>Financial</u>				
CIMB Group Holdings Berhad	301,675	1,728,104	1,463,124	2.59
<u>Trading/Services</u>				
Genting Malaysia Berhad	142,700	593,512	647,858	1.15
Total Malaysia Securities	444,375	2,321,616	2,110,982	3.74
Foreign				
Australia Securities				
<u>Material</u>				
BHP Billiton Limited	26,661	2,500,511	1,348,648	2.39
<u>Energy</u>				
Origin Energy Limited	52,268	1,495,667	798,212	1.42
Whitehaven Coal Limited	222,622	2,045,508	437,496	0.78
	274,890	3,541,175	1,235,708	2.20
<u>Financial</u>				
Australia and New Zealand Banking Group Limited	26,550	2,004,268	1,868,776	3.31
Insurance Australia Group Limited	20,734	341,420	347,122	0.62
National Australia Bank Limited	22,262	2,062,451	1,752,640	3.11
QBE Insurance Group Limited	26,774	910,400	876,401	1.55
	96,320	5,318,539	4,844,939	8.59

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2016	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Australia Securities				
(continued)				
<u>Health Care</u>				
Healthscope Ltd	44,698	296,595	356,726	0.63
<u>Industrial</u>				
Aurizon Holdings Limited	29,348	391,533	348,689	0.62
Qantas Airways Ltd	86,490	565,224	1,056,149	1.87
	115,838	956,757	1,404,838	2.49
<u>Media</u>				
Nine Entertainment Co Holdings Ltd	150,219	847,063	703,095	1.25
<u>Oil & Gas</u>				
Woodside Petroleum Ltd	8,485	972,485	660,878	1.17
Total Australia Securities	717,111	14,433,125	10,554,832	18.72
Hong Kong Securities				
<u>Financial</u>				
Bank of China Limited	649,400	1,005,315	1,053,594	1.87
BOC Hong Kong (Holdings) Limited	66,000	909,261	769,839	1.36
China Construction Bank Corporation	668,000	1,822,930	1,666,045	2.95
Standard Chartered Plc	33,336	1,717,348	864,180	1.53
	1,416,736	5,454,854	4,353,658	7.71

Name of counter	Quantity	Aggregate cost	Fair value	Percentage
			as at 31.3.2016	of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Hong Kong Securities				
(continued)				
<u>Consumer Discretionary</u>				
Parkson Retail Group Limited	527,000	1,040,424	220,391	0.39
Sands China Ltd	46,800	782,913	745,140	1.32
	573,800	1,823,337	965,531	1.71
<u>Consumer Good</u>				
Dongfeng Motor Group Company Limited				
	196,000	954,004	955,953	1.69
Li & Fung Limited	264,000	1,305,349	610,551	1.08
	460,000	2,259,353	1,566,504	2.77
<u>Material</u>				
Huabao International Holdings Limited				
	457,000	996,713	672,364	1.19
<u>Property</u>				
China Overseas Land & Investment Ltd				
	66,000	856,625	816,395	1.45
<u>Real Estate</u>				
Longfor Properties Co Ltd	64,500	300,861	359,435	0.64
Sino Land Co Ltd	117,685	574,405	728,156	1.29
Sun Hung Kai Properties Limited	35,300	1,566,313	1,687,008	2.99
The Wharf (Holdings) Limited	40,000	996,407	854,537	1.52
	257,485	3,437,986	3,629,136	6.44

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2016	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Hong Kong Securities				
(continued)				
<u>Industrial</u>				
China Merchants Holdings (International) Co Ltd	76,706	894,589	890,852	1.58
<u>Telecommunication</u>				
China Mobile Limited	32,500	1,512,210	1,415,642	2.51
<u>Utilities</u>				
China Resources Power Holdings Company Ltd	120,701	1,025,792	881,828	1.56
Total Hong Kong Securities	3,460,928	18,261,459	15,191,910	26.92
Indonesia Securities				
<u>Financial</u>				
Bank Negara Indonesia Persero TBK PT	566,500	728,745	866,065	1.54
<u>Consumer Staple</u>				
PT Salim Ivomas Pratama TBK	2,273,800	746,616	315,531	0.56
Total Indonesia Securities	2,840,300	1,475,361	1,181,596	2.10

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2016	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
India Securities				
<u>Financial</u>				
Axis Bank Limited	21,383	568,808	558,999	0.99
Housing Development Finance Corporation Limited	17,340	985,453	1,128,392	2.00
	38,723	1,554,261	1,687,391	2.99
<u>Energy</u>				
Reliance Industries Limited	5,969	341,343	367,209	0.65
<u>Information Technology</u>				
Infosys Technologies Ltd	14,412	723,272	1,033,455	1.83
<u>Oil and Gas</u>				
Cairn India Ltd	41,259	436,167	373,619	0.66
Total India Securities	100,363	3,055,043	3,461,674	6.13
Philippines Security				
<u>Telecommunication</u>				
Phillipines Long Distance Telephone Company	2,055	429,816	345,564	0.61
Total Philippines Securities	2,055	429,816	345,564	0.61

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2016	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Republic of Korea Securities				
<u>Financial</u>				
Hana Financial Group Inc	14,374	1,503,623	1,221,035	2.16
<u>Consumer Discretionary</u>				
Hyundai Motor Co	3,590	2,097,211	1,875,266	3.32
<u>Energy</u>				
SK Innovation Co Ltd	1,078	438,589	635,105	1.13
<u>Industrial</u>				
LG Corp	1,894	386,659	444,395	0.79
<u>Information Technology</u>				
Samsung Electronics Co Ltd – PFD	383	697,884	1,452,262	2.57
Samsung Electronics Co Ltd	341	1,412,449	1,532,452	2.72
	724	2,110,333	2,984,714	5.29
<u>Telecommunication</u>				
KT Corporation	8,282	858,878	845,376	1.50
Total Republic of Korea Securities	29,942	7,395,293	8,005,891	14.19

Name of counter	Quantity	Aggregate cost	Fair value	Percentage
			as at 31.3.2016	of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Singapore Securities				
<u>Financial</u>				
DBS Group Holdings Ltd	12,550	574,944	558,848	0.99
Oversea-Chinese Banking Corporation Limited	25,200	721,114	644,980	1.14
	37,750	1,296,058	1,203,828	2.13
<u>Energy</u>				
Noble Group Limited	947,174	2,455,640	1,206,636	2.14
<u>Real Estate</u>				
Capitaland Ltd	55,900	404,459	496,871	0.88
Total Singapore Securities	1,040,824	4,156,157	2,907,335	5.15
Thailand Securities				
<u>Financial</u>				
Bangkok Bank Public Company Limited	47,800	858,946	965,795	1.71
<u>Oil & Gas</u>				
PTT Exploration & Production PCL	12,500	412,632	388,556	0.69
Total Thailand Securities	60,300	1,271,578	1,354,351	2.40

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2016	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Taiwan Securities				
<u>Consumer Staple</u>				
Uni-President Enterprises Corp	92,934	496,070	636,971	1.13
<u>Information Technology</u>				
Compal Electronics Inc	226,000	606,320	553,804	0.98
Hon Hai Precision Industry Co Ltd	132,908	984,695	1,367,236	2.42
	358,908	1,591,015	1,921,040	3.40
<u>Technology</u>				
Taiwan Semiconductor Manufacturing Co Ltd	144,000	1,482,879	2,829,920	5.02
Total Taiwan Securities	595,842	3,569,964	5,387,931	9.55
China Securities (Listed in United States)				
<u>Industrial</u>				
Hollysys Automation Technologies Ltd	6,000	520,146	492,570	0.87
<u>Technology</u>				
Baidu Inc	1,555	1,091,904	1,157,592	2.05
Total China Securities (Listed in United States)	7,555	1,612,050	1,650,162	2.92

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2016	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
China Securities (Listed in Hong Kong)				
<u>Financial</u>				
China Merchants Bank Co Ltd	116,719	773,267	958,593	1.70
<u>Consumer Good</u>				
Hengan International Group Company Limited	11,000	467,032	373,003	0.66
<u>Material</u>				
China Shenhua Energy Company Limited	42,000	546,818	258,175	0.46
<u>Technology</u>				
Tencent Holdings Limited	13,600	934,874	1,085,423	1.92
Total China Securities (Listed in Hong Kong)	183,319	2,721,991	2,675,194	4.74

Name of counter	Quantity	Aggregate cost	Fair value as at 31.3.2016	Percentage of net asset value of the Fund
	Units	RM	RM	%
Foreign (continued)				
Bermuda Security (Listed in United States)				
<u>Financial</u>				
Jardine Matheson Holdings Limited	4,081	796,260	908,480	1.61
Total Bermuda Security (Listed in United States)	4,081	796,260	908,480	1.61
Total Foreign Securities	9,042,620	59,178,097	53,624,920	95.04
TOTAL QUOTED SECURITIES	9,486,995	61,499,713	55,735,902	98.78
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>(5,763,811)</u>		
FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>55,735,902</u>	

7. CASH AND CASH EQUIVALENTS

	2017	2016
	RM	RM
Bank balances	1,620,316	488,666

The currency exposure profile of cash and cash equivalents is as follows:

	2017	2016
	RM	RM
AUD	76,928	110,867
HKD	19,863	39,580
INR	505,336	51,614
MYR	19,315	88,662
NZD	91	80
TWD	364,716	63,138
USD	634,067	134,725
	1,620,316	488,666

8. UNITS IN CIRCULATION

	2017	2016
	No. of Units	No. of Units
At the beginning of the financial year	103,149,947	116,062,431
Creation of units arising from applications during the financial year	39,628,224	29,151,314
Cancellation of units during the financial year	(36,811,833)	(42,063,798)
At the end of the financial year	105,966,338	103,149,947

9. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers for the financial year ended 31 March are as follows:

Name of brokers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<u>2017</u>				
CLSA Limited Group	16,698,916	26.06	25,169	16.71
Citigroup Global Markets Group	7,317,673	11.42	21,783	14.46
Merrill Lynch Ltd Group	6,635,537	10.36	16,787	11.14
UBS Securities Group	6,004,261	9.37	16,766	11.13
Morgan Stanley Ltd Group	4,401,714	6.87	11,222	7.45
Macquarie Equities Ltd Group	4,024,690	6.28	8,155	5.41
Credit Suisse Equities Ltd Group	3,641,202	5.68	10,618	7.05
Goldman Sachs & Co Group	2,924,210	4.56	7,663	5.09
JP Morgan Securities Group	2,736,712	4.27	8,092	5.37
Deutsche Bank Limited	1,752,925	2.74	4,925	3.27
Others	7,935,406	12.39	19,451	12.92
	64,073,246	100.00	150,631	100.00

Name of brokers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<u>2016</u>				
Morgan Stanley Ltd Group	9,444,711	18.86	17,497	14.49
Citigroup Global Markets Group	6,403,478	12.79	17,648	14.61
UBS Securities Group	5,566,371	11.09	17,046	14.12
Merrill Lynch Ltd Group	5,120,765	10.23	13,415	11.11
JP Morgan Securities Group	5,008,850	10.00	9,467	7.84
Macquarie Equities Ltd Group	4,603,051	9.20	9,459	7.83
Goldman Sachs & Co Group	2,874,418	5.74	6,961	5.76
Credit Suisse Equities Ltd Group	2,167,684	4.33	6,853	5.67
CLSA Limited Group	2,136,055	4.27	6,343	5.25
ITG Limited Group	1,774,644	3.54	2,495	2.07
Others	4,984,682	9.95	13,578	11.25
	<u>50,084,709</u>	<u>100.00</u>	<u>120,762</u>	<u>100.00</u>

All brokers highlighted above are not related to the Manager.

10. MANAGEMENT EXPENSE RATIO ("MER")

	2017	2016
	%	%
MER	2.29	1.84

MER is derived from the following calculation:

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

A = Management fee

B = Trustee fee

C = Audit fee

D = Tax agent fee

E = Other expenses (inclusive GST charges)

F = Average net asset value of the Fund calculated on a daily basis

The average net asset value of the Fund for the financial year calculated on a daily basis is RM58,149,441 (2016: RM67,297,415).

11. PORTFOLIO TURNOVER RATIO ("PTR")

	2017	2016
PTR (times)	0.55	0.37

PTR is derived from the following calculation:

$$\frac{\text{(Total acquisitions for the financial year + total disposals for the financial year)} \div 2}{\text{Average net asset value of the Fund for the financial year calculated on a daily basis}}$$

where:

total acquisitions for the financial year = RM33,590,720 (2016: RM22,860,685)

total disposals for the financial year = RM30,482,529 (2016: RM27,379,374)

12. UNITS HELD BY THE MANAGER

The related party of and its relationships with the Fund are as follows:

Related party	Relationship
Eastspring Investments Berhad	The Manager

	2017		2016	
	No. of units	RM	No. of units	RM
Eastspring Investments Berhad	1,000	743	1,000	547

The above units were transacted at the prevailing market price.

The units are held legally by the Manager and are within the prescribed limit allowed by SC's Guidelines on Unit Trust Funds. Other than the above, there were no units held by the Directors or parties related to the Manager.

13. SEGMENTAL 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 CEO, who is 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 reportable operating segments derive their income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within each portfolio. These returns consist of dividend income earned from investments, foreign exchange gains/losses and gains/losses on the appreciation in the value of investments.

There were no changes in the reportable operating segments during the financial year.

14. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 12 May 2017.

CORPORATE DIRECTORY

THE MANAGER

NAME

EASTSPRING INVESTMENTS BERHAD

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531241-U

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THE MANAGER'S DELEGATE – EXTERNAL

FUND MANAGER FOR EASTSPRING

INVESTMENTS ASIA PACIFIC EQUITY MY FUND

NAME

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LIMITED

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BOARD OF DIRECTORS OF THE MANAGER

Julian Christopher Vivian Pull

(Chairman, Non-independent,

non-executive director)

Iskander Bin Ismail Mohamed Ali

(Independent, non-executive director)

Khoo Chuan Keat

(Independent, non-executive director)

Michele Mi Kyung Bang

(Non-independent, non-executive director)

Raymond Tang Chee Kin

(Non-independent, executive director)

INVESTMENT COMMITTEE OF THE FUND

Ho Yik
(Independent member)

Robert Yap Yen Choon
(Independent member)

Abdul Khalil Bin Abdul Hamid
(Independent member)

Dato' Saiful Bahri Bin Zainuddin
(Independent member)

Raymond Tang Chee Kin
(Non-Independent member)

**AUDIT AND COMPLIANCE
COMMITTEE OF THE MANAGER**

Iskander Bin Ismail Mohamed Ali
(Independent)

Khoo Chuan Keat
(Independent)

Niall Dermot Grady
(Non-independent)

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