

First State Global Growth Funds

2017 Annual Report

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* Eligible for CPFIS-OA investments

** Eligible for both CPFIS-OA and SA investments

The CPF interest rate for the Ordinary Account (OA) is based on the 12-month fixed deposit and month-end savings rates of the major local banks. Under the CPF Act, the CPF Board pays a minimum interest of 2.5% per annum when this interest formula yields a lower rate. The interest rate for the Special and Medisave Accounts (SMA) is pegged to the 12-month average yield of 10-year Singapore Government Securities (10YSGS) plus 1%. The interest rate to be credited to the Retirement Account (RA) will be the weighted average interest of the entire portfolio of Special Government Securities (SSGS) which the RA savings are invested in, which earn a fixed coupon equal to the 12-month average yield of the 10YSGS plus 1% at the point of issuance. As announced on 30 September 2015, the government will maintain the 4% per annum minimum rate for interest earned on all SMA and RA monies until 31 December 2016, subject to updates from the CPF board. In addition, the CPF Board will pay an extra interest rate of 1% per annum on the first S\$60,000 of a CPF member's combined balances, including up to S\$20,000 in the OA. Only monies in excess of S\$20,000 in the OA and S\$40,000 in the Special Account can be invested.

Annual Report for the financial year ended 31 December 2017

First State Asia Opportunities Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

Class A	Sub-Fund	Benchmark
	%	%
3-mth	4.6	6.6
6-mth	5.2	12.2
1-year	14.0	31.4
3-year	6.8	11.3
5-year	9.4	10.2
10-year	4.3	5.1
Since Inception - 26 November 1999 (Calculated since date of first valuation)	1.3	0.7

Class B	Sub-Fund	Benchmark
	%	%
3-mth	4.8	6.6
6-mth	5.6	12.2
1-year	14.8	31.4
3-year	n/a	n/a
5-year	n/a	n/a
10-year	n/a	n/a
Since Inception - 11 November 2016 (Calculated since date of first valuation)	11.6	26.0

Note: The Sub-Fund invests all or substantially all of its asset in the First State Asia Opportunities Fund (a Dublin-domiciled fund) with effect from 18 October 2002.

The performance prior to 18 October 2002 is in relation to the Sub-Fund before its conversion to a feeder fund. Performance for 1 year and above has been annualised.

The benchmark of the Sub-Fund is MSCI AC Asia ex Japan Index. It was changed from MSCI AC Asia Information Technology Index from 1 December 2008. The new benchmark is intended to be more consistent with the new investment scope of the Underlying Fund which took effect on 1 December 2008.

Accordingly, the benchmark performance set out above uses the performance of the following:

- Inception to 30 November 2008 : MSCI AC Asia Information Technology Index
- From 1 December 2008 : MSCI AC Asia ex Japan Index

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

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First State Asia Opportunities Fund

MANAGER'S REPORT

The MSCI AC Asia ex Japan index increased by 41.7% in US dollar terms in the 12 months to the end of December 2017. China and South Korea outperformed, while Pakistan and Indonesia lagged. On a sector level, Information Technology and Real Estate gained the most, while Utilities and Telecom Services were the weakest.

Performance

On portfolio holdings, **Taiwan Semiconductor (TSMC)** continued to benefit from the ramp up in sales of the Apple iPhone. TSMC has maintained its leading competitive edge in technology and precision manufacturing, with revenue growth expected to accelerate as its 7nm chips gain market share. **Haw Par Corp** continued to rally on the back of better than expected results due to higher sales in its healthcare segment. **CSL Limited** strengthened over the year, as global demand for plasma-related products continued to exceed supply, leading to profit upgrades for the group. Meanwhile, its Seqirus acquisition is expected to achieve profitability in FY18, which should add significantly to the bottom line.

Detracting from performance, **Global Brands Group** struggled to meet earnings expectations amid the ongoing disruption in the US retail sector. Retail bankruptcies led to the loss of several brand licences which impacted the group's revenue. **Dr Reddy's Laboratories** underperformed, as a series of inspections from the US Food and Drug Administration (FDA) led to concerns around quality control issues, while delays to a number of its product launches caused lacklustre sales growth and compressed margins. **Lupin** continued to face challenges in the US generics market as the rate of price erosion has been exacerbated by consolidation in the distributor space.

Transactions

Significant purchases over the year included **Midea Group**, China's largest home appliances company. A strong emphasis on R&D, streamlined products and greater control over distributors has resulted in market share gains for almost all of its products. We also subscribed to the **HDFC Standard Life Insurance** initial public offering, as we believe there is significant opportunity for insurance to take off in India – current penetration of insurance protection is extremely low at just 2.7% of the population.

We sold **Infosys Technologies** on concerns around the political in-fighting between the founders and the management which eventually led to the resignation of the CEO Vishal Sikka and divested **Dr Reddy's Laboratories** after the company reported weak earnings due to regulatory challenges and price erosion in the US market.

Outlook

Our generally cautious stance, as well as overall portfolio positioning has not changed very much in the last 12 months. Stock markets in Asia and globally have shot through previous highs, as investors remain sanguine on the prospect of the global economic recovery continuing into 2018. Weak inflationary pressures have called into question the need for tightening measures, which has added to the market's bullish sentiment. However, history and our experience suggest that such benign conditions do not endure; although we do not know what the catalyst will be or when it will appear, we are mindful of a potential reversal in fortunes and – at current heady valuations – the growing risks to capital preservation. On the other hand, our longer-term time horizon means that we are able to look past the short-term noise. While there is plenty to worry about on a macro level, there are still plenty of opportunities for the bottom-up investor. We have added to quality companies in our portfolio and continue to prefer exporters and US dollar earners as being amongst Asia's more competitive companies.

Annual Report for the financial year ended 31 December 2017

First State Asia Opportunities Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE ASIA OPPORTUNITIES FUND			
Dublin			
First State Asia Opportunities Fund	419,266	25,925,431	99.00
Total investments		25,925,431	99.00
Other net assets		262,947	1.00
Total net assets attributable to unitholders		26,188,378	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Taiwan Semiconductor Mfg Co Ltd	2,697,131	4.8
Newcrest Mining Ltd	2,473,766	4.4
Haw Par Corp Ltd	2,367,667	4.2
Tata Consultancy Services Ltd	2,283,906	4.1
Towngas China Co Ltd	1,909,769	3.4
Dairy Farm International Holdings Ltd	1,826,008	3.3
CSL Ltd	1,714,325	3.1
Midea Group Co Ltd	1,664,068	3.0
MediaTek Inc	1,613,811	2.9
CK Hutchison Holding	1,585,890	2.8
Top 10 holdings (as at 31 December 2016)		
CK Hutchison Holding	2,984,612	6.0
Taiwan Semiconductor Mfg Co Ltd	2,869,627	5.7
Haw Par Corp Ltd	2,394,689	4.8
Newcrest Mining Ltd	2,304,700	4.6
Infosys Ltd Ltd	1,934,749	3.9
Tata Consultancy Services Ltd	1,904,752	3.8
Singapore Telecommunications	1,899,753	3.8
Hong Kong & China Gas	1,789,767	3.6
Dr Reddy's Laboratories Ltd	1,704,778	3.4
Dairy Farm International Holdings Ltd	1,649,786	3.3

Annual Report for the financial year ended 31 December 2017

First State Asia Opportunities Fund

DISCLOSURES

Subscriptions	S\$4,614,855
Redemptions	S\$6,485,809

	31 December 2017	31 December 2016
Expense Ratio** (Class A) (including that of the Underlying Fund)	2.27%	2.24%
Expense Ratio** (Class B) (including that of the Underlying Fund)	1.51%	1.53%

Disclosures on the Underlying Fund -

Portfolio Turnover	42.3%	33.7%
Expense Ratio**	1.98%	2.00%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

Bank service fees paid to HSBC	S\$ 8,936
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Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	86,907
United States Dollar	70,709

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

Currency	<u>Purchases</u>		Currency	<u>Sales</u>	
		Amount			Amount
Singapore Dollar		3,517,881	Singapore Dollar		1,176,939
United States Dollar		847,385	United States Dollar		2,547,145

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Asia Opportunities Fund Class I shares, constituting 99.00% of the Sub-Fund's Net Asset Value and at a market value of S\$25,925,431. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Asian Growth Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	5.9	6.6
6-mth	6.7	12.2
1-year	14.7	31.4
3-year	6.2	11.3
5-year	7.2	10.2
10-year	4.0	3.3
Since Inception – 10 October 1984 <i>(Calculated since date of first valuation)</i>	7.5	7.2

Note: The Sub-Fund invests all or substantially all of its asset in the First State Asian Growth Fund (a Dublin-domiciled fund) with effect from 18 October 2002.

The performance prior to 18 October 2002 is in relation to the Sub-Fund before its conversion to a feeder fund.

The benchmark of the Sub-Fund is the MSCI AC Asia ex Japan Index. It was changed from MSCI All Country Far East ex Japan Index from 2 November 2005 in order to include India in the benchmark to be more consistent with the Sub-Fund's investment scope.

Accordingly, the benchmark performance set out above uses the performance of the following:

- Inception to 1 November 2005: MSCI All Country Far East ex Japan Index
- From 2 November 2005: MSCI AC Asia ex Japan Index

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

First State Asian Growth Fund

MANAGER'S REPORT

The MSCI AC Asia ex Japan index increased by 41.7% in US dollar terms in the 12 months to the end of December 2017. China and South Korea outperformed, while Pakistan and Indonesia lagged. On a sector level, Information Technology and Real Estate gained the most, while Utilities and Telecom Services were the weakest.

Performance

On portfolio holdings, **Taiwan Semiconductor (TSMC)** continued to benefit from the ramp up in sales of the Apple iPhone. TSMC has maintained its leading competitive edge in technology and precision manufacturing, with revenue growth expected to accelerate as its 7nm chips gain market share. **HDFC Bank** strengthened on the back of increased net profits, driven by strong asset growth and higher net interest income despite the temporary disruption from demonetisation and the public sector banks' recapitalisation. **Oversea-Chinese Banking Corp** rallied on the back of improved profitability metrics and higher loan growth. Asset quality seems to have stabilised, although oil and gas – which makes up around half of OCBC's total non-performing loans – has yet to stage a recovery.

Detracting from performance, **Global Brands Group** struggled to meet earnings expectations amid the ongoing disruption in the US retail sector. Retail bankruptcies led to the loss of several brand licences which impacted the group's revenue. **Dr Reddy's Laboratories** underperformed, as a series of inspections from the US Food and Drug Administration (FDA) led to concerns around quality control issues, while delays to a number of its product launches caused lacklustre sales growth and compressed margins. **Lupin** continued to face challenges in the US generics market as the rate of price erosion has been exacerbated by consolidation in the distributor space.

Transactions

Significant purchases over the year included **Midea Group**, China's largest home appliances company. A strong emphasis on R&D, streamlined products and greater control over distributors has resulted in market share gains for almost all of its products. We also purchased **ComfortDelgro**, a well-managed and returns-focused bus, rail and taxi operator. The company has faced competitive headwinds from UBER, GRAB and other car-sharing apps, but we believe its high free cash flow yield and rising dividend makes it reasonably defensive.

We sold **Infosys Technologies** on concerns around the political in-fighting between the founders and the management which eventually led to the resignation of the CEO Vishal Sikka and divested **Dr Reddy's Laboratories** after the company reported weak earnings due to regulatory challenges and price erosion in the US market.

Outlook

Our generally cautious stance, as well as overall portfolio positioning has not changed very much in the last 12 months. Stock markets in Asia and globally have shot through previous highs, as investors remain sanguine on the prospect of the global economic recovery continuing into 2018. Weak inflationary pressures have called into question the need for tightening measures, which has added to the market's bullish sentiment. However, history and our experience suggest that such benign conditions do not endure; although we do not know what the catalyst will be or when it will appear, we are mindful of a potential reversal in fortunes and – at current heady valuations – the growing risks to capital preservation. On the other hand, our longer-term time horizon means that we are able to look past the short-term noise. While there is plenty to worry about on a macro level, there are still plenty of opportunities for the bottom-up investor. We have added to quality companies in our portfolio and continue to prefer exporters and US dollar earners as being amongst Asia's more competitive companies.

Annual Report for the financial year ended 31 December 2017

First State Asian Growth Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE ASIAN GROWTH FUND			
Dublin			
First State Asian Growth Fund	1,110,664	69,628,091	99.27
Total investments		69,628,091	99.27
Other net assets		508,864	0.73
Total net assets attributable to unitholders		70,136,955	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Taiwan Semiconductor Mfg Co Ltd	39,682,865	5.4
Newcrest Mining Ltd	36,579,178	5.0
Oversea-Chinese Banking Corp	36,505,280	4.9
Tata Consultancy Services Ltd	31,258,570	4.2
HDFC Bank Limited	30,076,213	4.1
Housing Development Finance Corp Ltd	29,411,137	4.0
Dairy Farm International Holdings Ltd	28,154,882	3.8
CK Hutchison Holding	27,046,422	3.7
Tech Mahindra Ltd	23,277,658	3.2
Midea Group Co Ltd	23,203,761	3.1

Top 10 holdings (as at 31 December 2016)

CK Hutchison Holding	47,561,493	6.3
Taiwan Semiconductor Mfg Co Ltd	47,106,359	6.2
Newcrest Mining Ltd	41,417,185	5.5
Infosys Ltd	35,879,723	4.7
Tata Consultancy Services Ltd	32,086,940	4.2
Dr Reddy's Laboratories Ltd	30,493,971	4.0
Dairy Farm International Holdings Ltd	28,901,003	3.8
Hong Kong & China Gas	26,397,766	3.5
HDFC Bank Limited	25,563,354	3.4
Oversea-Chinese Banking Corp	24,653,086	3.3

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First State Asian Growth Fund

DISCLOSURES

Subscriptions	S\$16,823,209
Redemptions	S\$26,361,538

	31 December 2017	31 December 2016
Expense Ratio** (including that of the Underlying Fund)	1.75%	1.73%

Disclosures on the Underlying Fund -

Portfolio Turnover	29.3%	24.8%
Expense Ratio**	1.60%	1.60%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

	S\$
Bank service fees paid to HSBC	13,600
Expense ratio rebate from the underlying fund manager	8,622

Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	340,354
United States Dollar	150,078

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

Currency	<u>Purchases</u>		Currency	<u>Sales</u>	
		Amount			Amount
Singapore Dollar		10,581,738	Singapore Dollar		347,767
United States Dollar		247,068	United States Dollar		7,641,852

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Asian Growth Fund Class I shares, constituting 99.27% of the Sub-Fund's Net Asset Value and at a market value of S\$69,628,091. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Asian Quality Bond

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	0.3	0.2
6-mth	1.0	1.4
1-year	4.8	5.1
3-year	n/a	n/a
5-year	n/a	n/a
10-year	n/a	n/a
Since Inception – 01 November 2016 <i>(Calculated since date of first valuation)</i>	1.4	1.9

Note: The Sub-Fund invests all or substantially all of its assets in the First State Asian Quality Bond underlying fund, a Dublin-domiciled fund.

The benchmark of the Sub-Fund is the JP Morgan Asia Credit Investment Grade Index (Hedged to SGD)

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

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First State Asian Quality Bond

MANAGER'S REPORT

Despite US Fed's rate hikes, Trump's protectionist rhetoric and heightened geo-political tension between US and North Korea, Asian credit market defied all odds and delivered yet another year of stellar return. The JP Morgan Asia Credit Investment Grade Index (JACI IG) gained 5.46%. The positive return was largely attributed to spreads tightening which saw the average spread of the JACI IG index tightened by 20 bps to 158 bps. Return was further boosted by a rally in the longer dated US treasuries, despite the front end rates normalizing significantly as the Fed continued to hike policy rate.

2017 will be best remembered as a year we finally see synchronized global growth. Especially encouraging was the growth in developed economies, allowing the Fed to continue normalizing policy rates while the European Central Bank reduced their asset purchases. China continued with its effort to de-leverage and rebalanced its economy and at the same time issued its first USD sovereign bonds for the first time since 2004, effectively establishing a benchmark for pricing foreign currency bonds from China which will help to further develop the market.

The Asian credit market continue to expand at an exponential pace. On a full year basis, new issues increased by 56% over 2016, coming in at USD 271b. Chinese issuers accounted for 64% of the total, up from the 60% last year. At a distant second is Hong Kong at 9% while South Korea came third at 6%. Corporate investment grade issuers accounted for 33% of total supply, followed by high yield corporates 27%, banks senior 23%, bank capital 9% and sovereigns 8%.

Outlook

Market and economic conditions look a lot more favorable as we start 2018 versus a year ago when it was clouded with uncertainties. We now have a synchronized global growth that looks set to continue at least in the first quarter along with Fed rate hikes that has been well communicated and thus bringing no surprises. There is also optimism around US tax reforms and China's ability to rebalance its economy without derailing its growth. Amid this positive backdrop, the more plausible risks that we see derailing the risky assets rally would be limited to a more hawkish than expected ECB as it winds down its QE and a sudden spike up in inflation in the developed economy forcing the Fed and ECB to move quicker. Supply and demand technical in the Asian credit market remains extremely favorable as we believe the current situation of too much cash chasing after a limited pool of assets is likely to persist. The onshore Chinese investors' bid is becoming a structural development that bodes well for the market. In short, we are bullish in Asian fixed income as we begin 2018 barring significant changes to the above mentioned factors.

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First State Asian Quality Bond

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE ASIAN QUALITY BOND			
Dublin			
First State Asian Quality Bond	613,700	13,581,671	98.29
Total investments		13,581,671	98.29
Other net assets		236,608	1.71
Total net assets attributable to unitholders		13,818,279	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Hyundai Capital Services Inc 3.00% 29/08/2022	26,288,795	3.1
Nexen Inc 6.40% 15/05/2037	24,783,632	2.9
Azure Nova International Finance Ltd L MTN 3.50% 21/03/2022	20,947,545	2.4
Oversea Chinese Banking Corp Ltd MTN RegS 4.25% 19/06/2024	20,005,894	2.3
Pertamina (Persero) Pt RegS 6.00% 03/05/2042	19,887,971	2.3
Franshion Brilliant Ltd RegS 3.60% 03/03/2022	19,905,210	2.3
China Resources Land Ltd 4.375% 27/02/2019	19,292,477	2.2
Huarong Finance Co Ltd 5.50% 27/04/2047	14,604,803	1.7
Citic Ltd 2.80% 14/12/2021	13,985,363	1.6
Hyundai Capital Services Inc 3.625% 29/08/2027	14,017,695	1.6
Top 10 holdings (as at 31 December 2016)		
OCBC Ltd 4.25% 19/06/2024	28,366,996	3.1
DBS Group Holdings Ltd 3.63% 31/12/2049	28,182,195	3.1
US Treasury Bill 0.625% 31/05/2017	21,714,150	2.4
Alibaba Group Holdings Ltd 4.50% 28/11/2034	21,067,346	2.3
Pertamina (Persero) 6.00% 03/05/2042	18,295,327	2.0
Sinochem Overseas Capital Co Ltd 4.50% 12/11/2020	17,463,721	1.9
CHN Clean Energy Develop 3.905% 29/10/2026	16,724,516	1.8
Malayan Banking Bhd 3.905% 29/10/2026	14,044,897	1.5
Indonesia (Republic of) 7.875% 15/04/2019	13,767,695	1.5
China Resources Land Ltd 4.375% 27/02/2019	13,675,295	1.5

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First State Asian Quality Bond

DISCLOSURES

Subscriptions S\$4,183,308

Redemptions S\$2,579,670

	31 December 2017	31 December 2016
Expense Ratio** (including that of the Underlying Fund and excluding preliminary expenses)	1.48%	2.27%
Expense Ratio** (including that of the Underlying Fund and including preliminary expenses)	N/A	2.31%
Disclosures on the Underlying Fund -		
Portfolio Turnover	70.8%	45.2%
Expense Ratio**	1.08%	1.08%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

Bank service fees paid to HSBC S\$ 4,719

Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	251,146
United States Dollar	73,184

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

There were no foreign exchange transaction with HSBC during the year from 1 January 2017 to 31 December 2017.

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds or other unit trusts, other than the First State Asian Quality Bond Fund Class I shares (constituting 98.29% of the Sub-Fund's Net Asset Value and at a market value of S\$13,581,671). The Sub-Fund holds forward currency contracts and the net change in fair value is S\$201,277 or 1.46% of NAV. The total amount of realised gain on forward currency contracts is S\$825,053, for the period. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings or material information that would adversely impact the valuation of the Sub-Fund.

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First State Asian Quality Bond

Financial Derivative Instruments

a. Global Exposure

The global exposure relating to derivative instruments is calculated using the commitment approach which is calculated as the sum of:

- i) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- ii) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- iii) the sum of the values of cash collateral received pursuant to:
 - (a) the reduction of exposure to counterparties of OTC financial derivatives; and
 - (b) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

The global exposure of each Sub-Fund to financial derivatives or embedded financial derivatives will not exceed 100% of that Sub-Fund's net asset value at any time.

b. Collateral

Nil for the year ended 31 December 2017.

c. Securities Lending or Repurchase Transactions

Nil for the year ended 31 December 2017.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Bridge

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	3.8	3.4
6-mth	6.0	6.3
1-year	15.5	17.3
3-year	7.3	7.8
5-year	7.3	7.1
10-year	5.2	4.8
Since Inception – 14 July 2003 <i>(Calculated since date of first valuation)</i>	7.6	7.2

Note: The Sub-Fund invests all or substantially all of its assets in the First State Asian Equity Plus Fund, a Dublin-domiciled fund (in relation to the equity portion) and the First State Asian Quality Bond Fund, a Dublin-domiciled fund (in relation to the fixed income portion).

Performance for 1 year and above has been annualised.

The benchmark is calculated by First State Investments comprising 50% MSCI AC Asia Pacific ex Japan Index (Unhedged) and 50% JP Morgan Asia Credit Investment Grade Index (Hedged to SGD). There has been a change in the data source for the JP Morgan Asia Credit Investment Grade Index which was computed internally by the Manager based on the index in USD as the SGD hedged version of the index was not available when the Sub-Fund was launched. With effect from 1 November 2012, the benchmark data for the JP Morgan Asia Credit Investment Grade Index (Hedged to SGD) will be sourced directly from the index compiler JP Morgan.

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

First State Bridge

MANAGER'S REPORT

Despite US Fed's rate hikes, Trump's protectionist rhetoric and heightened geo-political tension between US and North Korea, Asian equities and Asian credit markets both performed well over the year.

The MSCI AC Asia Pacific ex Japan index increased by 37.3% in US dollar terms in 2017. China and South Korea outperformed, while Pakistan and New Zealand lagged. On a sector level, Information Technology and Consumer Discretionary gained the most, while Utilities and Telecom Services were the weakest.

Meanwhile, the JP Morgan Asia Credit Investment Grade Index (JACI IG) gained 5.46%. The positive return was largely attributed to spreads tightening which saw the average spread of the JACI IG index tightened by 20 bps to 158 bps. Return was further boosted by a rally in the longer dated US treasuries, despite the front end rates normalizing significantly as the Fed continued to hike policy rate.

2017 will be best remembered as a year we finally see synchronized global growth. Especially encouraging was the growth in developed economies, allowing the Fed to continue normalising policy rates while the European Central Bank reduced their asset purchases. China continued with its effort to de-leverage and rebalance its economy and at the same time issued its first USD sovereign bonds for the first time since 2004, effectively establishing a benchmark for pricing foreign currency bonds from China which will help to further develop the market.

The Asian credit market continued expanding at an exponential pace. On a full year basis, new issues increased by 56% over 2016, coming in at USD 271b. Chinese issuers accounted for 64% of the total, up from the 60% last year. At a distant second is Hong Kong at 9% while South Korea came third at 6%. Corporate investment grade issuers accounted for 33% of total supply, followed by high yield corporates 27%, banks senior 23%, bank capital 9% and sovereigns 8%.

Outlook

Our generally cautious stance on Asian equities, as well as overall portfolio positioning has not changed very much in the last 12 months. Stock markets in Asia and globally have shot through previous highs, as investors remain sanguine on the prospect of the global economic recovery continuing into 2018. Weak inflationary pressures have called into question the need for tightening measures, which has added to the market's bullish sentiment. However, history and our experience suggest that such benign conditions do not endure; although we do not know what the catalyst will be or when it will appear, we are mindful of a potential reversal in fortunes and – at current heady valuations – the growing risks to capital preservation. On the other hand, our longer-term time horizon means that we are able to look past the short-term noise. While there is plenty to worry about on a macro level, there are still plenty of opportunities for the bottom-up investor. We have added to quality companies in our portfolio and continue to prefer exporters and US dollar earners as being amongst Asia's more competitive companies.

On the Asian credit market side, market and economic conditions look a lot more favourable as we start 2018 versus a year ago when it was clouded with uncertainties. We now have synchronised global growth that looks set to continue at least in the first quarter along with Fed rate hikes that has been well communicated and thus bringing no surprises. There is also optimism around US tax reforms and China's ability to rebalance its economy without derailing its growth. Amid this positive backdrop, the more plausible risks that we see derailing the risky assets rally would be limited to a more hawkish than expected ECB as it winds down its QE and a sudden spike in inflation in the developed economy forcing the Fed and ECB to move quicker. Supply and demand technical in the Asian credit market remains extremely favourable as we believe the current situation of too much cash chasing after a limited pool of assets is likely to persist. The onshore Chinese investors' bid is becoming a structural development that bodes well for the market. In short, we are bullish in Asian fixed income as we begin 2018 barring significant changes to the above mentioned factors.

Annual Report for the financial year ended 31 December 2017

First State Bridge

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE BRIDGE			
Dublin			
First State Asian Equity Plus Fund	10,650,275	753,781,103	50.73
First State Asian Quality Bond Fund	32,310,704	715,061,217	48.12
Total investments		1,468,842,320	98.85
Other net assets		17,128,511	1.15
Total net assets attributable to unitholders		1,485,970,831	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Equities		
Taiwan Semiconductor Mfg Co Ltd	246,256,682	5.6
HDFC Bank Limited	186,344,502	4.2
Midea Group Co Ltd	159,472,127	3.6
CSL Ltd	152,864,166	3.5
Samsung Electronics Co Ltd	133,480,813	3.0
Oversea-Chinese Banking Corp	130,397,098	3.0
Housing Development Finance Corp Ltd	102,203,131	2.3
CK Hutchison Holding	87,225,086	2.0
AIA Group Limited	84,141,371	1.9
ENN Energy Holdings Ltd	82,819,778	1.9
Fixed Income		
Hyundai Capital Services Inc 3.00% 29/08/2022	26,288,795	3.1
Nexen Inc 6.40% 15/05/2037	24,783,632	2.9
Azure Nova International Finance Ltd L MTN 3.50% 21/03/2022	20,947,545	2.4
Oversea Chinese Banking Corp Ltd MTN RegS 4.25% 19/06/2024	20,005,894	2.3
Pertamina (Persero) Pt RegS 6.00% 03/05/2042	19,887,971	2.3
Franshion Brilliant Ltd RegS 3.60% 03/03/2022	19,905,210	2.3
China Resources Land Ltd 4.375% 27/02/2019	19,292,477	2.2
Huarong Finance Co Ltd 5.50% 27/04/2047	14,604,803	1.7
Citic Ltd 2.80% 14/12/2021	13,985,363	1.6
Hyundai Capital Services Inc 3.625% 29/08/2027	14,017,695	1.6

Annual Report for the financial year ended 31 December 2017

First State Bridge

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2016)		
Equities		
Taiwan Semiconductor Mfg Co Ltd	210,878,239	5.7
CSL Ltd	158,713,622	4.3
CK Hutchison Holding	151,314,386	4.1
HDFC Bank Limited	113,208,318	3.1
Brambles Ltd	101,739,501	2.8
Delta Electronics Inc	92,120,494	2.5
Oversea-Chinese Banking Corp	91,010,608	2.5
Advantech Co Ltd	90,640,647	2.5
Dr Reddy's Laboratories Ltd	83,611,372	2.3
LG Household & Health Care Ltd	81,021,639	2.2
Fixed Income		
OCBC Ltd 4.25% 19/06/2024	28,366,996	3.1
DBS Group Holdings Ltd 3.63% 31/12/2049	28,182,195	3.1
US Treasury Bill 0.625% 31/05/2017	21,714,150	2.4
Alibaba Group Holdings Ltd 4.50% 28/11/2034	21,067,346	2.3
Pertamina (Persero) 6.00% 03/05/2042	18,295,327	2.0
Sinochem Overseas Capital Co Ltd 4.50% 12/11/2020	17,463,721	1.9
CHN Clean Energy Develop 3.905% 29/10/2026	16,724,516	1.8
Malayan Banking Bhd 3.905% 29/10/2026	14,044,897	1.5
Indonesia (Republic of) 7.875% 15/04/2019	13,767,695	1.5
China Resources Land Ltd 4.375% 27/02/2019	13,675,295	1.5

Annual Report for the financial year ended 31 December 2017

First State Bridge

DISCLOSURES

Subscriptions S\$360,158,643

Redemptions S\$266,216,802

	31 December 2017	31 December 2016
Expense Ratio** (including that of the Underlying Fund)	1.43%	1.47%

Disclosures on the Underlying Fund -

Portfolio Turnover

First State Asian Equity Plus Fund	27.5%	20.7%
First State Asian Quality Bond Fund	70.8%	45.2%

Expense Ratio**

First State Asian Equity Plus Fund	1.58%	1.59%
First State Asian Quality Bond Fund	1.08%	1.08%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

Bank service fees paid to HSBC	S\$ 27,419
Interest received from Bank of HSBC	(2,420)

Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	2,451,089
United States Dollar	1,199,472

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

Currency	Purchases		Sales	
	Currency	Amount	Currency	Amount
Singapore Dollar	United States Dollar	13,751,299	United States Dollar	9,993,388

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds or other unit trusts, other than the First State Asian Equity Plus Fund Class I (Dist) Shares (constituting 50.73% of the Sub-Fund's Net Asset Value and at a market value of S\$753,781,103) and First State Asian Quality Bond Fund Class I shares (constituting 48.12% of the Sub-Fund's Net Asset Value and at a market value of S\$715,061,217). The Sub-Fund holds forward currency contracts and the net change in fair value is S\$9,563,616 or 0.64% of NAV. The total amount of realised gain on forward currency contracts is S\$39,497,546, for the period. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings or material information that would adversely impact the valuation of the Sub-Fund.

Annual Report for the financial year ended 31 December 2017

First State Bridge

Financial Derivative Instruments

a. Global Exposure

The global exposure relating to derivative instruments is calculated using the commitment approach which is calculated as the sum of:

- i) the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- ii) the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- iii) the sum of the values of cash collateral received pursuant to:
 - (a) the reduction of exposure to counterparties of OTC financial derivatives; and
 - (b) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

The global exposure of each Sub-Fund to financial derivatives or embedded financial derivatives will not exceed 100% of that Sub-Fund's net asset value at any time.

b. Collateral

Nil for the year ended 31 December 2017.

c. Securities Lending or Repurchase Transactions

Nil for the year ended 31 December 2017.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Dividend Advantage

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	7.2	6.3
6-mth	10.7	11.1
1-year	26.3	27.0
3-year	10.8	10.5
5-year	11.8	9.3
10-year	6.8	3.2
Since Inception - 20 December 2004 <i>(Calculated since date of first valuation)</i>	10.4	8.0

Note: The Sub-Fund invests all or substantially all of its assets in the First State Asian Equity Plus Fund, a Dublin-domiciled fund.

Performance for 1 year and above has been annualised.

The benchmark of the Sub-Fund is the MSCI AC Asia Pacific ex Japan Index.

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

First State Dividend Advantage

MANAGER'S REPORT

The MSCI AC Asia Pacific ex Japan index increased by 37% in US dollar terms in 2017. China and South Korea outperformed, while Pakistan and New Zealand lagged. On a sector level, Information Technology and Consumer Discretionary gained the most, while Utilities and Telecom Services were the weakest.

Performance

On portfolio holdings, **Taiwan Semiconductor (TSMC)** continued to benefit from the ramp up in sales of the Apple iPhone. TSMC has maintained its leading competitive edge in technology and precision manufacturing, with revenue growth expected to accelerate as its 7nm chips gain market share. **HDFC Bank** strengthened on the back of increased net profits, driven by strong asset growth and higher net interest income despite the temporary disruption from demonetisation and public sector banks' recapitalisation. **CSL Limited** strengthened over the year, as global demand for plasma-related products continued to exceed supply, leading to profit upgrades for the group. Meanwhile, its Seqirus acquisition is expected to achieve profitability in FY18, which should add significantly to the bottom line.

Detracting from performance, **Brambles** has been weak since its profit downgrade at the beginning of the year. The new CEO and CFO are determined to make changes but have guided for lower returns, growth and capex. While we do not believe its business model is broken, the lack of free cash flow generation and earnings growth has been worrying. **Dr Reddy's Laboratories** underperformed, as a series of inspections from the US Food and Drug Administration (FDA) led to concerns around quality control issues, while delays to a number of its product launches caused lacklustre sales growth and compressed margins. **Lupin** continued to face challenges in the US generics market as the rate of price erosion has been exacerbated by consolidation in the distributor space.

Transactions

Significant purchases over the year included **Midea Group**, China's largest home appliances company. A strong emphasis on R&D, streamlined products and greater control over distributors has resulted in market share gains for almost all of its products. We also bought **Bank Central Asia (BCA)**, a high quality Indonesian bank that was trading on reasonable valuations. Given its strong deposit and retail franchise, we believe BCA should benefit greatly as banking penetration in Indonesia – which is still extremely low – starts to increase.

We sold **Infosys Technologies** on concerns around the political in-fighting between the founders and management which eventually led to the resignation of the CEO Vishal Sikka, and divested **Dr Reddy's Laboratories** after the company reported weak earnings due to regulatory challenges and price erosion in the US market.

Outlook

Our generally cautious stance, as well as overall portfolio positioning has not changed very much in the last 12 months. Stock markets in Asia and globally have shot through previous highs, as investors remain sanguine on the prospect of the global economic recovery continuing into 2018. Weak inflationary pressures have called into question the need for tightening measures, which has added to the market's bullish sentiment. However, history and our experience suggest that such benign conditions do not endure; although we do not know what the catalyst will be or when it will appear, we are mindful of a potential reversal in fortunes and – at current heady valuations – the growing risks to capital preservation. On the other hand, our longer-term time horizon means that we are able to look past the short-term noise. While there is plenty to worry about on a macro level, there are still plenty of opportunities for the bottom-up investor. We have added to quality companies in our portfolio and continue to prefer exporters and US dollar earners as being amongst Asia's more competitive companies.

Annual Report for the financial year ended 31 December 2017

First State Dividend Advantage

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE DIVIDEND ADVANTAGE			
Dublin			
First State Asian Equity Plus Fund	29,809,345	2,109,778,598	100.58
Total investments		2,109,778,598	100.58
Other net liabilities		(12,208,983)	(0.58)
Total net assets attributable to unitholders		2,097,569,615	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Taiwan Semiconductor Mfg Co Ltd	246,256,682	5.6
HDFC Bank Limited	186,344,502	4.2
Midea Group Co Ltd	159,472,127	3.6
CSL Ltd	152,864,166	3.5
Samsung Electronics Co Ltd	133,480,813	3.0
Oversea-Chinese Banking Corp	130,397,098	3.0
Housing Development Finance Corp Ltd	102,203,131	2.3
CK Hutchison Holding	87,225,086	2.0
AIA Group Limited	84,141,371	1.9
ENN Energy Holdings Ltd	82,819,778	1.9

Top 10 holdings (as at 31 December 2016)

Taiwan Semiconductor Mfg Co Ltd	210,878,239	5.7
CSL Ltd	158,713,622	4.3
CK Hutchison Holding	151,314,386	4.1
HDFC Bank Limited	113,208,318	3.1
Brambles Ltd	101,739,501	2.8
Delta Electronics Inc	92,120,494	2.5
Oversea-Chinese Banking Corp	91,010,608	2.5
Advantech Co Ltd	90,640,647	2.5
Dr Reddy's Laboratories Ltd	83,611,372	2.3
LG Household & Health Care Ltd	81,021,639	2.2

Annual Report for the financial year ended 31 December 2017

First State Dividend Advantage

DISCLOSURES

Subscriptions S\$574,972,378

Redemptions S\$727,559,219

	31 December 2017	31 December 2016
Expense Ratio** (including that of the Underlying Fund)	1.71%	1.74%
Disclosures on the Underlying Fund -		
Portfolio Turnover	27.5%	20.7%
Expense Ratio**	1.58%	1.59%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

Bank service fees paid to HSBC	S\$ 124,209
Interest received from Bank of HSBC	(11,906)

Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	3,504,217
United States Dollar	985,411

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

Currency	<u>Purchases</u>		Currency	<u>Sales</u>	
		Amount			Amount
Singapore Dollar		251,226,577	Singapore Dollar		29,114,652
United States Dollar		21,133,598	United States Dollar		182,041,988

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Asian Equity Plus Fund Class I shares (Dist), constituting 100.58% of the Sub-Fund's Net Asset Value and at a market value of S\$2,109,778,598. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Global Balanced Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	2.0	2.3
6-mth	2.0	4.8
1-year	7.7	8.7
3-year	5.6	7.1
5-year	7.7	9.4
10-year	2.0	4.1
Since Inception – 4 January 1999 (Calculated since date of first valuation)	2.4	4.2

Note: The Sub-Fund invests all or substantially all of its assets in the Stewart Investors Worldwide Leaders Fund Class I, a Dublin-domiciled fund (in relation to the equity portion) and the First State Global Bond Fund, a Dublin-domiciled fund (in relation to the fixed income portion). Between 18 October 2002 to 23 February 2014, the Underlying Funds were the First State Global Opportunities Fund (in relation to the equity portion) and the First State Global Bond Fund (in relation to the fixed income portion). Due to a transition in management for the Underlying Fund, First State Global Opportunities Fund has been renamed to Stewart Investors Worldwide Leaders Fund with effect from 24 February 2014.

The performance prior to 18 October 2002 is in relation to the Sub-Fund before its conversion to a feeder fund. Performance for 1 year and above has been annualised.

The benchmark of the Sub-Fund is a composite comprising 60% MSCI AC World Index and 40% Citigroup World Government Bond Index (Unhedged). It was changed from a composite comprising 50% MSCI World Index and 50% Citigroup World Government Bond Index (Unhedged) with effect from 1 January 2002 to reflect a change in the Sub-Fund's allocation policy. With effect from 24 February 2014, the benchmark was changed to a composite comprising 60% MSCI AC World Index and 40% Citigroup World Government Bond Index (Unhedged) due to the change to the investment policy and approach of the underlying equity fund.

The First State Global Balanced Fund was previously known as the "Fortune Fund" with original inception date of 13 March 1995. With the liberalisation of the CPF investment guidelines in 1998, and our communication to all unitholders, the "Fortune Fund" changed its investment objective and strategy from an Asia-focused strategy to a global balanced strategy with effect from 4 January 1999.

Accordingly, the benchmark performance set out above uses the performance of the following:

- Inception to 31 December 2001: 50% MSCI World Index and 50% Citigroup World Government Bond Index (Unhedged)
- From 1 January 2002 to 23 February 2014: Composite comprising 60% MSCI World Index and 40% Citigroup World Government Bond Index (Unhedged)
- From 24 February 2014: Composite comprising 60% MSCI AC World Index and 40% Citigroup World Government Bond Index (Unhedged)

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

First State Global Balanced Fund

MANAGER'S REPORT

Global equity markets rose in 2017 with the MSCI AC World Index gaining 24.6% in US dollar terms. At a sector level, Information Technology and Materials were particularly strong, while Energy and Telecom Service lagged.

In bond markets, we started the year amidst heightened political risks. Along with changes to monetary policy, specifically a rate hike in the US, political risks dominated market sentiment with most noise created by the Trump administration followed by European elections. President Trump was inaugurated on 20 January and by quarter-end the new administration had released little detail on policy changes which were expected to be pro-growth. This led to a stalling of the growth momentum witnessed in markets following his election.

During the rest of the period, bond markets were impacted by political and geopolitical events, including European elections (specifically a centre-left win in France by Emanuel Macron), talks of possible impeachment of the US President and Brexit's somewhat shaky negotiations.

Speculation around the Trump administration's ability to pass significant reforms promised in the pre-election campaign also drove bond markets. It took almost the whole year for tax reforms to be agreed. They were passed in December and resulted in a 'risk-on' market environment to finish the year.

Currency fluctuations continued throughout the year, driven by USD weakness. The year saw major currencies all strengthening against the dollar with the Euro being the main beneficiary.

Outlook

In equity markets, we remain cautiously positioned on the basis that compelling investment opportunities are hard to come by. The focus remains on well-run cash-generative companies that meet our sustainability criteria and are reasonably valued.

Ongoing geopolitical unrest globally remains a key risk for bond markets. Despite the tax reform finally passing, political uncertainty remains around how much of President Trump's pre-election promises can pass through Congress, along with the ongoing investigations into conduct of President Trump and many of his advisors. We believe event risk in Europe remains is not as significant. Talk of normalisation is becoming more widespread with the US Federal Reserve continuing to raise rates gradually and visibility emerging on a gradual tapering of bond purchases in Europe. The risk of wage inflation pressures emerging also represents a risk to the outlook.

Annual Report for the financial year ended 31 December 2017

First State Global Balanced Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE GLOBAL BALANCED FUND			
Dublin			
Stewart Investors Worldwide Leaders Fund	679,699	11,145,453	60.87
First State Global Bond Fund	331,620	7,068,673	38.61
Total investments		18,214,126	99.48
Other net assets		95,691	0.52
Total net assets attributable to unitholders		18,309,817	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Equities		
Henkel AG & Co KGaA	5,679,881	9.0
Unilever Plc	3,814,088	6.0
Berkshire Hathaway Inc	3,179,464	5.0
Beiersdorf AG	3,128,694	4.9
Unicharm Corp	2,494,071	3.9
Merck KGaA	2,398,877	3.8
Oversea-Chinese Banking Corp	2,195,797	3.5
Tata Consultancy Services Ltd	2,189,451	3.5
Colgate-Palmolive Co	1,916,563	3.0
Expeditors International of Washington Inc	1,707,137	2.7
Fixed Income		
Santander Consumer Finance 0.68% 27/09/2022	1,196,838	5.5
US Treasury Bill 3.125% 15/05/2021	1,041,048	4.8
US Treasury Bill 1.625% 15/08/2022	906,195	4.1
US Treasury Bill 3.125% 15/02/2043	812,786	3.7
Italy Buoni Poliennali Del Tesoro 5.50% 01/11/2022	561,766	2.6
Bao-Trans Enterprises Ltd 3.75% 12/12/2018	538,244	2.5
Citic Pacific Ltd 6.875% 21/01/2018	551,861	2.5
Bestgain Real Estate Ltd 2.625% 13/03/2018	538,528	2.5
France (Republic of) 1.75% 25/11/2024	522,735	2.4
Germany (Federal Republic of) 0.50% 15/08/2027	484,010	2.2

Annual Report for the financial year ended 31 December 2017

First State Global Balanced Fund

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2016)		
Equities		
Henkel AG & Co KGaA	5,668,701	9.6
Unilever Plc	5,656,928	9.6
Berkshire Hathaway Inc	3,879,204	6.6
Unicharm Corp	2,696,018	4.6
Waters Corp	2,519,423	4.3
Merck KGaA	2,219,211	3.8
Oversea-Chinese Banking Corp	2,083,821	3.5
Standard Bank Group Limited	1,683,539	2.9
Beiersdorf AG	1,665,880	2.8
Colgate-Palmolive Co	1,624,674	2.8
Fixed Income		
US Treasury Bill 1.00% 15/09/2018	1,585,745	7.2
US Treasury Bill 3.125% 15/05/2021	1,096,643	5.0
US Treasury Bill 0.875% 15/06/2017	1,083,483	4.9
US Treasury Bill 0.875% 15/10/2018	1,076,903	4.9
US Treasury Bill 1.625% 15/08/2022	991,365	4.5
US Treasury Bill 3.125% 15/02/2043	826,869	3.8
US Treasury Bill 2.25% 15/11/2024	640,439	2.9
Germany (Federal Republic of) 0.00% 15/08/2026	596,574	2.7
France (Republic of) 1.75% 25/11/2024	561,481	2.6
Italy (Republic of) 1.25% 01/12/2026	519,809	2.4

Annual Report for the financial year ended 31 December 2017

First State Global Balanced Fund

DISCLOSURES

Subscriptions	S\$1,793,070
Redemptions	S\$3,476,728

	31 December 2017	31 December 2016
Expense Ratio** (including that of the Underlying Fund)	1.71%	1.72%

Disclosures on the Underlying Fund -

Portfolio Turnover

Stewart Investors Worldwide Leaders Fund	17.9%	22.9%
First State Global Bond Fund	69.5%	91.8%

Expense Ratio**

Stewart Investors Worldwide Leaders Fund	1.71%	1.73%
First State Global Bond Fund	1.19%	1.20%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

Bank service fees paid to HSBC	S\$ 4,103
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Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	59,196
United States Dollar	1,337

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

Currency	<u>Purchases</u>		<u>Sales</u>	
	Amount	Currency	Amount	Currency
Singapore Dollar	2,234,850	Singapore Dollar	286,703	
United States Dollar	208,240	United States Dollar	1,620,987	

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Bond Fund Class I shares (constituting 38.61% of the Sub-Fund's Net Asset Value and at a market value of S\$7,068,673) and Stewart Investors Worldwide Leaders Fund Class I (constituting 60.87% of the Sub-Fund's Net Asset Value and at a market value of S\$11,145,453). In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Global Infrastructure

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	-1.4	0.3
6-mth	0.4	2.1
1-year	7.9	10.4
3-year	7.4	8.1
5-year	11.6	12.9
Since Inception – 3 March 2008	n/a	n/a
<i>(Calculated since date of first valuation)</i>	4.5	4.5

Note: The Sub-Fund invests all or substantially all of its assets in Class A shares of the First State Global Listed Infrastructure Fund (a sub-fund of the England and Wales domiciled umbrella fund known as First State Investments ICVC).

Performance for 1 year and above has been annualised.

The benchmark of the Sub-Fund is the FTSE Global Core Infrastructure 50-50 Index. It was changed from UBS Global Infrastructure and Utilities 50-50 Index with effect from 1 April 2015 as the new benchmark is more representative of the Sub-Fund.

Accordingly, the benchmark performance set out above uses the performance of the following:

- Inception to 31 May 2008: S&P Global Infrastructure Index
- From 1 June 2008 to 31 March 2015: UBS Global Infrastructure and Utilities 50-50 Index
- From 1 April 2015: FTSE Global Core Infrastructure 50-50 Index

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

First State Global Infrastructure

MANAGER'S REPORT

Global listed infrastructure rallied along with broader financial markets in 2017, supported by positive sentiment and buoyant economic conditions. The best performing infrastructure sectors included airports and tollroads, which benefit the most from increasing economic activity levels.

Performance

The largest contributor to positive performance was **Transurban** (Australia: Tollroads), which benefitted from healthy traffic levels and contracted pricing increases. **Abertis** (Spain: Tollroads) outperformed as competing takeover bids from Italian peer Atlantia and German construction firm Hochtief drove substantial share price gains. **NextEra Energy** (USA: Electric Utilities) rose on investor enthusiasm for its large, stable utility business Florida Power and Light Co., and its continued investment into the development and build-out of renewable energy.

PG&E (USA: Electric Utilities) detracted from performance, owing to concerns about potential liabilities associated with the outbreak of wildfires in its Northern California service territory. The Pipelines sector remained out of favour in 2017 despite improving fundamentals and a back-to-basics approach, causing holdings in **Kinder Morgan** (USA: Pipelines) and **Enbridge Inc** (Canada: Pipelines) to underperform.

Transactions

Southern Co (USA: Electric Utilities) was added to the Fund after uncertainty associated with construction of a new Georgia power plant overshadowed this substantial company's stable fundamentals, creating an attractive entry point. The Fund bought shares in **Great Plains Energy** (US: Electric Utilities) on a positive view of its proposed merger with peer Westar Energy. A position was also initiated in **Osaka Gas** (Japan: Gas Utilities) after investor concerns about gas market regulation changes weighed on the stock, creating an appealing buying opportunity.

Holdings in **Eversource Energy** (USA: Electric Utilities), **Xcel Energy** (USA: Electric Utilities) and **SBA Communications** (USA: Towers) were sold after strong share price gains moved them to lower positions within the investment team's value/quality stock ranking process.

Outlook

Financial markets enter 2018 highly optimistic with global economic growth looking robust and US tax cuts boosting corporate earnings. We would caution that political developments may lead to volatility with general elections scheduled in Italy (March), Mexico (July) and Brazil (October); along with ongoing instability in the UK and Germany; and an unpredictable Trump-led US.

With the gradual reduction in central bank stimulus and potential for higher inflation (tighter labour markets and higher energy prices), we would expect to see interest rates rise through the year, which may act as a headwind for investment returns across all asset classes.

Within the global listed infrastructure asset class earnings growth remains solid, balance sheets look robust, and dividends should grow faster than earnings. Global listed infrastructure remains well positioned to protect and grow capital through economic cycles, owing to its defensive earnings growth and inflation pass-through characteristics.

Annual Report for the financial year ended 31 December 2017

First State Global Infrastructure

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE GLOBAL INFRASTRUCTURE			
England and Wales			
First State Global Listed Infrastructure Fund	4,434,814	14,881,756	97.74
Total investments		14,881,756	97.74
Other net assets		344,683	2.26
Total net assets attributable to unitholders		15,226,439	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
National Grid PLC	377,165,922	8.2
Kinder Morgan Inc	281,260,651	6.1
Transurban Group	273,422,239	5.9
Dominion Energy Inc	224,086,355	4.9
American Tower Corp	221,780,939	4.8
NextEra Energy Inc	198,726,788	4.3
Enbridge Inc	189,966,210	4.1
East Japan Railway Co	189,505,127	4.1
Atlantia SpA	176,594,802	3.8
Southern Co	172,906,138	3.8

Top 10 holdings (as at 31 December 2016)

Transurban Group Ltd	247,546,346	6.5
PG&E Corp	238,719,112	6.2
East Japan Railway Co	202,258,797	5.3
Crown Castle International Corp	177,696,059	4.6
Eversource Energy	175,009,510	4.6
NextEra Energy Inc	164,263,312	4.3
Abertis Infraestructuras SA	160,041,591	4.2
National Grid PLC	156,203,663	4.1
Kinder Morgan, Inc	140,084,366	3.7
Dominion Resources Inc	135,862,646	3.5

Annual Report for the financial year ended 31 December 2017

First State Global Infrastructure

DISCLOSURES

Subscriptions	S\$9,884,706
Redemptions	S\$8,812,225

	31 December 2017	31 December 2016
Expense Ratio** (including that of the Underlying Fund)	1.93%	1.88%
Disclosures on the Underlying Fund -		
Portfolio Turnover	76.2%	73.6%
Expense Ratio**	1.57%	1.58%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

	S\$
Bank service fees paid to HSBC	9,359
Interest received from Bank of HSBC	(347)

Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
British Pound Sterling	43,568
Singapore Dollar	396,305
United States Dollar	1,336

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

	<u>Purchases</u>		<u>Sales</u>	
Currency	Amount	Currency	Amount	
British Pound Sterling	2,814,414	British Pound Sterling	2,735,447	
Singapore Dollar	3,849,081	Singapore Dollar	4,249,021	
United States Dollar	1,901,132	United States Dollar	1,668,994	

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Listed Infrastructure Fund Class A shares, constituting 97.74% of the Sub-Fund's Net Asset Value and at a market value of S\$14,881,756. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Global Property Investments

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

Class A - Distribution	Sub-Fund	Benchmark
	%	%
3-mth	3.1	2.2
6-mth	2.1	2.6
1-year	2.1	3.1
3-year	2.5	5.7
5-year	6.3	9.0
10-year	1.8	3.9
Since Inception – 11 April 2005 (Calculated since date of first valuation)	3.2	5.6

Class A - Accumulation	Sub-Fund	Benchmark
	%	%
3-mth	3.1	2.2
6-mth	2.1	2.6
1-year	2.1	3.1
3-year	n/a	n/a
5-year	n/a	n/a
10-year	n/a	n/a
Since Inception – 15 September 2015 (Calculated since date of first valuation)	2.1	7.6

Note: With effect from 17 January 2014, the Sub-Fund was converted to a feeder fund and invests all or substantially all of its asset in the First State Global Property Securities Fund (a Dublin-domiciled fund).

The performance prior to 17 January 2014 is in relation to the First State Global Property Investment Class A (Distribution) before its conversion to a feeder fund. Performance for 1 year and above has been annualised.

First State Global Property Investment Class A (Accumulation) was incepted on 07 September 2015.

The benchmark of the Sub-Fund is the FTSE EPRA/NAREIT Developed Index. It was changed from UBS Global Real Estate Investors Index with effect from 17 January 2014 as the new benchmark is the most commonly used benchmark across funds in the same asset class.

Accordingly, the benchmark performance set out above uses the performance of the following:

- Inception to 29 February 2008: Citigroup BMI World Property Index
- From 01 March 2008 to 16 January 2014: UBS Global Real Estate Investors Index
- From 17 January 2014: FTSE EPRA/NAREIT Developed Index

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

First State Global Property Investments

MANAGER'S REPORT

After a volatile 2016, global REITs rallied through to June 2017 as longer-term US rates unexpectedly trended lower. After then trading in a tight range, global REITs jumped in November/December on takeover activity before falling away in late December as longer-term yields rose with the US tax cuts sparking inflationary fears.

Performance

The Fund rose 10.8% over the 2017 calendar year, compared with a return of 10.4% by its benchmark index.

UNITE Group (UK:Residential), was the strongest contributor last year. Stronger rental growth guidance and 99% occupancy helped confirm our investment thesis.

Other strong contributors were the Fund's holdings of data centres **Equinix** (US:Specialised), **CyrusOne** (US:Specialised), and European leader **Interxion** (NL:IT Consulting). Growing demand for data centre services in the US and Europe continues to buoy this specialist sub-sector.

With the USD depreciating against all major currencies over 2017, the detractors were dominated by Fund holdings of US Retail/Office REITs. **Tanger Factory Outlet Centers** (US:Retail), **Simon Property Group** (US:Retail) and **GGP** (US:Retail) were affected by investor concerns over e-commerce threats and a challenging outlook for US retailers. We believe REITs with high quality real estate will weather these challenges - confirmed by M&A activity and broker upgrades towards year end.

Mack-Cali Realty (US:Office) and **Vornado Realty Trust** (US:Office) suffered price weakness on concerns over exposure to New Jersey and New York office markets respectively. Vornado underperformed despite a dividend hike and its spinoff to become more Big Apple focussed.

Transactions

The Fund established new positions in:-

- **Invitation Homes** (US:Residential). We see attractive synergies from its announced merger with competitor, Starwood Waypoint.
- **Host Hotels and Resorts** (US:Hotels & Resorts). Earnings growth catalysts, in our view, include revenue per room acceleration, improving corporate profits and tax cuts, and margin improvement from the Starwood/Marriott integration and more focused asset management efforts.
- **Kimco Realty** (US:Retail). Investors undervalue retail REITs, such as Kimco, with its quality portfolio of mostly grocery-anchored shopping centres.

Exits from the Fund included **Essex Property Trust** (US:Residential), **CyrusOne** and **CapitaLand Mall Trust** (SG:Retail) – all had performed well and approached our fair valuation levels.

Outlook

The strategy retains exposure to very high quality assets in high barrier to entry urban locations in the world's most bustling cities.

With tax cuts adding to broader corporate earnings growth, we expect 2018 to be another year of relative underperformance for US real estate stocks versus the broader equity market. More significant US sector exposures include high quality data centres and lodging/hotel property stocks.

In the UK/Europe, our strategy is to look for individual investment strategies with inherent growth, such as student accommodation, shopping centres, and Paris and Madrid office buildings.

Within Asia, the strategy is to have a balanced portfolio with exposure to both quality defensive names and stocks with strong growth potential in the region.

Annual Report for the financial year ended 31 December 2017

First State Global Property Investments

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE GLOBAL PROPERTY INVESTMENTS			
Dublin			
First State Global Property Securities Fund	1,576,183	26,688,222	98.88
Total investments		26,688,222	98.88
Other net assets		301,405	1.12
Total net assets attributable to unitholders		26,989,627	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Simon Property Group Inc	1,920,906	7.2
Equinix Inc	1,722,653	6.4
Mitsui Fudosan Co Ltd	1,360,976	5.1
Invitation Homes Inc	1,339,544	5.0
Sun Hung Kai Properties Ltd	1,154,687	4.3
UNITE Group PLC	1,074,314	4.0
Host Hotels & Resorts Inc	1,068,956	4.0
Hudson Pacific Properties Inc	1,028,770	3.8
UDR Inc	1,018,053	3.8
Vornado Realty Trust	967,150	3.6

Top 10 holdings (as at 31 December 2016)

Equinix Inc	1,345,767	5.7
Vornado Realty Trust	1,277,298	5.4
GPT Group	1,208,829	5.1
Hudson Pacific Properties Inc	1,034,116	4.4
Hammerson PLC	939,676	4.0
CapitaLand Mall Trust	925,510	3.9
CubeSmart	906,622	3.8
Essex Property Trust Inc	904,261	3.8
Apartment Investment & Management Co	852,319	3.6
CyrusOne Inc	835,792	3.5

Annual Report for the financial year ended 31 December 2017

First State Global Property Investments

DISCLOSURES

Subscriptions	S\$9,035,511
Redemptions	S\$6,065,844

	31 December 2017	31 December 2016
Expense Ratio** (Class A - Distribution) (including that of the Underlying Fund)	1.97%	1.97%
Expense Ratio** (Class A - Accumulation) (including that of the Underlying Fund and excluding Preliminary Expenses)	1.97%	1.97%
Expense Ratio** (Class A - Accumulation) (including that of the Underlying Fund and Preliminary Expenses)	1.97%	1.98%
Disclosures on the Underlying Fund -		
Portfolio Turnover	67.8%	91.8%
Expense Ratio**	1.68%	1.68%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

Bank service fees paid to HSBC	S\$ 15,037
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Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	275,378
United States Dollar	8,018

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

Currency	<u>Purchases</u>		Currency	<u>Sales</u>	
	Amount			Amount	
Singapore Dollar	693,266		Singapore Dollar	2,787,555	
United States Dollar	2,005,910		United States Dollar	503,400	

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Property Securities Fund - Class I, constituting 98.88% of the Sub-Fund's Net Asset Value and at a market value of S\$26,688,222. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Global Resources

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	7.0	8.3
6-mth	16.1	20.7
1-year	9.1	16.5
3-year	2.9	7.9
5-year	-2.2	-0.6
10-year	-5.6	-3.4
Since Inception – 5 September 2005 (Calculated since date of first valuation)	0.5	4.1

Note: The Sub-Fund invests all or substantially all of its assets in Class B shares of the First State Global Resources Fund (a sub-fund of the England and Wales domiciled umbrella fund known as First State Investments ICVC).

Performance for 1 year and above has been annualised.

The benchmark of the Sub-Fund is a composite comprising 75% Euromoney Global Mining and 25% MSCI AC World Energy Indices. It was changed from HSBC Global Mining Index to the composite with effect from 1 November 2007 to better reflect the Sub-Fund's investment scope. With effect from 1 October 2013, HSBC Global Mining Index was renamed to Euromoney Global Mining Index.

Accordingly, the benchmark performance set out above uses the performance of the following:

- Inception to 31 October 2007: Euromoney Global Mining Index
- From 01 November 2007: Composite comprising 75% Euromoney Global Mining Index and 25% MSCI AC World Energy Index

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

First State Global Resources

MANAGER'S REPORT

Global commodity markets were mostly stronger over the 12 months period to 31 December 2017, supported by firmer expectations of global synchronised growth, as well as firm demand as markets struggled with supply disruptions.

During a volatile 12 months, Iron Ore finished -9.3% lower at US\$72.78/t. Base metals mostly performed well, led by Aluminium (+30.8%), Copper (+30.1%), Zinc (+29.1%) and Lead (+25.7%). Gold added 13.6%, while Silver and Platinum lagged, adding 3.9% and 3.6% respectively. WTI Crude performed well in the second half of the year to finish 12.5% higher at US\$60.46/bbl – its highest level since July 2015. Thermal coal added +15.1%, while Coking Coal added 10.0%. Natural gas was one of the few commodities to finish the period lower, falling -20.7%, as mild weather conditions diminished electricity demand for cooling or heating.

Performance

The quality bias of the portfolio has held back relative performance as the mining sector recovery which began in 2016 continued to unfold in 2017. This can be seen in negative attribution generated by the underweight position in leveraged **Anglo American** for example.

Gold was a laggard in the mining sector, significantly underperforming base metals. Particularly impacted were smaller precious metal developers like **MAG Silver**, **Detour**, **Beadell Resources** and **TMAC**. In some cases the companies have compounded the negative trend by under-delivering against expectations. We used the share price weakness as an opportunity to add to **MAG**, **TMAC** and **Detour**.

In the energy sector, negative performance has been generated by **VII Generation** and **ARC Resources**. Both companies are slowing their growth profiles and the market has de-rated the shares. This negative performance was partly offset by strong contributions from **Canadian Natural Resources** which is ramping up the third phase of its Horizon project, and from **Rice Energy** which was acquired by EQT for its highly attractive Marcellus gas exposure.

The main positive contributions to performance came from the portfolio's holdings in base metal companies such as copper producers **Lundin Mining** and **First Quantum**, and zinc producer **Trevali**. This was further complemented by strong performance by certain small caps such as **Integra Gold** which was acquired by Eldorado.

Annual Report for the financial year ended 31 December 2017

First State Global Resources

Transactions

We have gradually reduced the portfolio's exposure to the larger cap ('oak trees') in favour of higher growth 'acorns' (small cap) and 'saplings' (mid-cap) with high-quality assets, low-cost development projects and solid balance sheets. In the initial phases of a recovery, they are laggards but, as the industry improves, we anticipate that companies such as **TMAC Resources, Pretium Resources, MAG Silver, First Quantum or Petra Diamonds**, who have been investing through the downturn, will be well rewarded by the market.

Smaller companies are inherently higher risk, but catalysts such as exploration success, permitting and development, or operational turnarounds are drivers of the 'acorns' and 'saplings' in the portfolio. These types of catalyst-rich names could also increasingly be of interest from an M&A perspective, as larger companies look to replenish their capital-starved project pipelines. We observe that for the first time in several years exploration spending is up, which bodes well for the small and mid-cap companies in the portfolio.

Outlook

We are broadly constructive on the outlook for the mining sector. Positive global economic indicators suggest that the synchronous recovery in both developed and developing economies will continue in 2018. This should be supportive for both commodity prices and resources equities. The primary risks to be cognisant of are a slowdown in the Chinese economy, global protectionism and rising interest rates. Thematics to watch in 2018 are likely to include ongoing supply constraint from miners and Chinese processing companies, a pick-up in merger and acquisition activity, inflation, and cash returns to shareholders.

Annual Report for the financial year ended 31 December 2017

First State Global Resources

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE GLOBAL RESOURCES			
England and Wales			
First State Global Resources Fund	75,939,392	449,729,899	97.93
Dublin			
First State Global Resources Fund	556,852	7,985,026	1.74
Total investments		457,714,925	99.67
Other net assets		1,512,253	0.33
Total net assets attributable to unitholders		459,227,178	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
BHP Billiton	87,447,535	10.1
Rio Tinto	72,670,119	8.4
Vale SA	41,550,618	4.8
Chevron Corp	33,292,650	3.8
Glencore PLC	33,205,724	3.8
Teck Resources Ltd	29,380,981	3.4
Southern Copper Corp	24,513,126	2.8
First Quantum Minerals Ltd	24,078,496	2.8
Franco-Nevada Corp	22,166,125	2.6
Canadian Natural Resources Limited	22,079,199	2.5
Top 10 holdings (as at 31 December 2016)		
BHP Billiton	71,100,984	7.7
Rio Tinto	54,778,190	5.9
Exxon Mobil Corp	45,371,834	4.9
Glencore International	43,343,012	4.7
Chevron Corp	30,985,643	3.4
Vale SA	28,956,821	3.1
Suncor Energy Inc	26,559,122	2.9
Franco-Nevada Corp	26,190,246	2.8
Goldcorp Inc	22,501,479	2.4
South32 Ltd	21,671,506	2.4

Annual Report for the financial year ended 31 December 2017

First State Global Resources

DISCLOSURES

Subscriptions S\$101,028,523

Redemptions S\$150,384,912

31 December 2017 31 December 2016

Expense Ratio** 1.67% 1.70%
(including that of the Underlying Fund)

Disclosures on the Underlying Fund -

Portfolio Turnover 48.1% 59.1%

Expense Ratio** 0.81% 0.82%

*** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.*

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

	S\$
Security processing fees paid to HSBC	6,090
Bank service fees paid to HSBC	46,949
Expense ratio rebate from the underlying fund manager	(13,118)

Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
British Pound Sterling	225,540
Singapore Dollar	248,264
United States Dollar	15,557

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

	<u>Purchases</u>		<u>Sales</u>	
Currency	Amount	Currency	Amount	
British Pound Sterling	7,507,795	British Pound Sterling	37,850,508	
Singapore Dollar	67,887,191	Singapore Dollar	13,026,852	
United States Dollar	2,013,813	United States Dollar	2,744,526	

Annual Report for the financial year ended 31 December 2017

First State Global Resources

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Resources Fund Class B shares (constituting 97.93% of the Sub-Fund's Net Asset Value and at a market value of S\$449,729,899) and First State Global Resources Fund Class III shares (constituting 1.74% of the Sub-Fund's Net Asset Value and at a market value of S\$7,985,026). In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Regional China Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	9.8	4.9
6-mth	17.7	13.3
1-year	38.3	33.4
3-year	14.0	12.6
5-year	13.3	12.4
10-year	6.4	3.9
Since Inception – 1 November 1993 (Calculated since date of first valuation)	9.1	5.0

Note: The Sub-Fund invests all or substantially all of its assets in the First State Greater China Growth Fund (a Dublin-domiciled fund) with effect from 18 October 2002.

The performance prior to 18 October 2002 is in relation to the Sub-Fund before its conversion to a feeder fund. Performance for 1 year and above has been annualised.

The benchmark of the Sub-Fund is the MSCI Golden Dragon Index. It was changed from CLSA China World Index and CLSA China B Index with effect from 2 January 2001 as the previous benchmark was not reflective of the Sub-Fund's investment scope. It did not have any weighting in Taiwan.

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

First State Regional China Fund

MANAGER'S REPORT

The Greater China equity markets increased over the 12 months to 31 December 2017. The MSCI Golden Dragon Index rose by 43.8% in US dollar terms over the period, with China gaining the most, up 54.3% over the year. The MSCI Hong Kong increased by 36.2%, while Taiwan was up 28.5%.

Performance

On portfolio holdings, **Tencent** rose to record highs as the firm announced strong net profits growth driven by a surge in mobile payments and cloud services, while **Taiwan Semiconductor (TSMC)** continued to benefit from the ramp up in sales of the Apple iPhone. TSMC has maintained its leading competitive edge in technology and precision manufacturing, with revenue growth expected to accelerate as its 7nm chips gain market share. **AAC Technologies**, one of Apple's main suppliers of acoustic components (speaker boxes, receivers) and haptics (provides tactile feedback such as vibrations), also added to performance as it reported a jump in profits and strong sales growth.

Detracting from performance, **Ctrip.com** declined on concerns around greater competition in the online travel agency market. **Li & Fung** continued to face headwinds due to the ongoing tough retail environment. Its traditional clients – US retailers such as Kohl's and Macy's – have closed thousands of stores, compressing Li & Fung's turnover as destocking takes place. **China Oilfield Services (COSL)** declined due to larger than expected losses and declining rig utilisation. A generally weaker oil price contributed to reduced capex spending from CNOOC, which added to COSL's underperformance.

Transactions

Significant purchases over the year included **Midea Group**, China's largest home appliances company. A strong emphasis on R&D, streamlined products and greater control over distributors has resulted in market share gains for almost all of its products. We also initiated a position in **China Resources Phoenix Health Care**, a mixed ownership venture between **Phoenix Healthcare Group**, the largest private hospital in China, and **China Resources**, one of the largest state-owned conglomerates in China. At the hospital level, revenue per bed at Phoenix's hospitals are twice as high as at China Resources' hospitals; we expect the profitability of China Resources' hospitals to catch up over time.

We divested **China Oilfield Services (COSL)**, as we believe the current rig cycle is unlikely to recover anytime soon, and sold **Yue Yuen Industrial Holdings** on portfolio consolidation. We reassessed our position in Yue Yuen and, in light of previous concerns (shoe manufacturing has scale but lacks pricing power), we thought there were better opportunities elsewhere.

Annual Report for the financial year ended 31 December 2017

First State Regional China Fund

Outlook

The 19th National Congress of the Communist Party took place in mid-October where, as expected, Xi Jinping was strengthened as China's leader and a number of the top leadership team were changed. We do not expect major changes in policy, simply a continuation of reforms to reduce over-supply, rebalance the economy and avoid a "hard landing".

There have been positive signs that supply-side reforms are taking hold. In the past two years, capacity closures in the coal and steel sectors have amounted to around 70-80% of the government's target, providing a catalyst for price increases and strong margin improvement for the remaining players. We expect further capacity closures to carry forward in 2018, which we believe should eventually pass through to general price levels.

Contrary to investor expectations, the renminbi had appreciated by around 6% against the US dollar by the end of 2017, reversing three years of depreciation. Despite the strength of China's currency and its stable balance of payments, we expect strict capital controls to remain in place in 2018. We expect the government to continue its efforts to stem the outflow of capital from the mainland and encourage more investment domestically.

The China equity market has risen significantly over the past year and there are clear signs of market exuberance. We believe investors are paying little attention to potential downside risks and as a result, valuations – particularly for quality companies – are not cheap. As such, we maintain our cautious outlook and continue to look for companies with a superior management team, a conservative balance sheet and good risk awareness.

Annual Report for the financial year ended 31 December 2017

First State Regional China Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE REGIONAL CHINA FUND			
Dublin			
First State Greater China Growth Fund	3,365,582	488,861,929	99.61
Total investments		488,861,929	99.61
Other net assets		1,929,300	0.39
Total net assets attributable to unitholders		490,791,229	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Taiwan Semiconductor Mfg Co Ltd	59,631,168	6.9
Tencent Holdings	56,861,651	6.6
AIA Group Ltd	34,445,871	4.0
China Merchants Bank Co Ltd	33,320,754	3.9
China Taiping Insurance Holdings Co Ltd	33,234,207	3.8
AAC Technologies Holdings Inc	32,628,375	3.8
CSPC Pharmaceutical Group Ltd	32,109,091	3.7
Minth Group Ltd	29,426,121	3.4
Gree Electric Appliances Inc	27,781,720	3.2
ENN Energy Holdings Ltd	27,435,530	3.2
Top 10 holdings (as at 31 December 2016)		
Taiwan Semiconductor Mfg Co Ltd	48,601,606	6.9
CK Hutchison Holding	35,443,093	5.0
Advantech	34,735,646	4.9
Tencent Holdings	33,674,475	4.8
Delta Electronics Inc	31,764,369	4.5
AIA Group Ltd	26,104,793	3.7
CSPC Pharmaceutical Group Ltd	24,902,133	3.5
Shenzhou International Group Holdings Ltd	24,406,920	3.5
China Mengniu Dairy Co Ltd	23,275,005	3.3
China Taiping Insurance Holdings Co Ltd	22,355,324	3.2

Annual Report for the financial year ended 31 December 2017

First State Regional China Fund

DISCLOSURES

Subscriptions	S\$88,068,196
Redemptions	S\$139,421,339

	31 December 2017	31 December 2016
Expense Ratio** (including that of the Underlying Fund)	1.71%	1.72%
Disclosures on the Underlying Fund -		
Portfolio Turnover	14.2%	14.2%
Expense Ratio**	1.59%	1.59%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

Bank service fees paid to HSBC	S\$ 42,445
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Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	412,095
United States Dollar	112,291

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

Currency	<u>Purchases</u>		Currency	<u>Sales</u>	
		Amount			Amount
Singapore Dollar		60,301,163	Singapore Dollar		8,798,558
United States Dollar		6,493,500	United States Dollar		43,432,800

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Greater China Growth Fund Class I shares, constituting 99.61% of the Sub-Fund's Net Asset Value and at a market value of S\$488,861,929. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Regional India Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	8.6	10.0
6-mth	12.5	11.7
1-year	29.0	28.4
3-year	14.3	9.0
5-year	20.3	10.8
10-year	9.0	-0.3
Since Inception – 22 August 1994 (Calculated since date of first valuation)	9.9	7.1

Due to the increase in the investment management fee of the Underlying Sub-Fund, the Annual Management fee for Units of the Regional India Fund will also increase from 1.50% to 1.75% effective from 1 July 2016.

With effect from 1 April 2016, the Sub-Fund is open for subscriptions again.

Note: The Sub-Fund invests all or substantially all of its assets in the First State Indian Subcontinent Fund (a Dublin-domiciled fund) with effect from 18 October 2002.

The performance prior to 18 October 2002 is in relation to the Sub-Fund before its conversion to a feeder fund. Performance for 1 year and above has been annualised.

The benchmark of the Sub-Fund is the MSCI India Index.

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

First State Regional India Fund

MANAGER'S REPORT

The MSCI India made solid gains over the year, rising by 38.8% in 2017. In general, Indian firms shrugged off the turmoil caused by demonetization last November with a better than expected earnings season at the start of the year. The Union Budget, announced on February 1st and, unusually, approved by parliament in just two months, included a host of tax proposals and reform measures designed to curb tax evasion and ease the difficulties of doing business. Meanwhile, India's Goods and Services Tax (GST) was the biggest tax reform in India since independence and replaced more than 40 other taxes and levies with a single, unifying system. In October, the Indian government announced a US\$32 billion plan to recapitalize the state-owned banking sector, which had been beleaguered by problem loans. The capital injection should allow banks to start lending again and provide a much needed boost to economic development, growth and consumption.

Performance

On portfolio holdings, **Nestle India** benefitted from new management and a revitalised strategy. Following the Maggi crisis in 2015, Suresh Narayanan, who was then running Nestle's operations in Philippines, was appointed the first Indian CEO of Nestle India in 17 years. Since then, Narayanan has been focused on volume growth and market share – 43 new products were launched over the last 18 months and advertising spend almost doubled from 4%-4.5% of sales historically to around 8% of sales now. **HDFC Bank** also added to performance, as it continued to grow customer deposits and loans at over 20% in 2017 with low credit costs. This was achieved despite a challenging environment where system credit growth fell to its lowest level in 60 years. Meanwhile, significant investments into fin-tech and digital technology should position it well for future growth as it continues to take market share from state banks.

On the negative side, **Lupin** continued to face challenges in the US generics market. Although generic drug prices are expected to fall – with a typical 80% decline in the first couple of years – the rate of price erosion had been exacerbated by consolidation in the distributor space. **Dr Reddy's Laboratories** underperformed, as a series of inspections from the US Food and Drug Administration (FDA) led to concerns around quality control issues, while delays to a number of its product launches caused lacklustre sales growth and compressed margins. We divested the position earlier in the year.

Transactions

Significant purchases over the year included **Bharti Airtel**, India's largest telecoms company, as we believed the disruption from new entrant Reliance Jio had started to wane. We believe Bharti's wide mobile network and strong balance sheet should bode the company well in the long-term, amid consolidation in the market. We also bought **Ambuja Cement**, one of the largest cement companies in India. Improving demand and higher utilisation should be a positive catalyst for the company.

Infosys disappointed on lower than expected revenues. The IT services company has been subject to a challenging environment for its major customer groups, as well as political squabbling between the founders and management. We sold our position in Infosys on concerns around the lack of growth and the changing industry model. We also divested **Wipro**, one of the better performing IT stocks, on valuation concerns.

Annual Report for the financial year ended 31 December 2017

First State Regional India Fund

Outlook

Household savings in India has always been a big number (~US\$500 billion) and only a small part of it was in financial instruments, let alone equities. The demonetization exercise in November 2016 has encouraged the shift of household savings into financial assets. Historically, real estate and fixed income have been large asset classes for domestic investors. After stellar performance over the past decade, real estate prices have stagnated or fallen in most major Indian cities in recent years. Benchmark bond yields have also fallen from 9% to 6.4% over three years.

Therefore, with few alternatives, corporates and individuals have ploughed savings into equities. Average domestic equity mutual fund inflows in 2017 have been US\$1.9 billion per month, 4x the average monthly inflow of the previous five years. Driven by liquidity, there seems to be a palpable sense of euphoria in Indian equity markets. An India bull will justify this by saying that as a percentage of household financial savings, only 10% is invested in equities. While true, this number was less than 5% just two years ago. We have seen this enthusiasm before and unfortunately it almost always doesn't end well.

Whilst euphoria reigns supreme, Corporates have used this opportunity to fund growth and de-lever their balance sheets. In 2017 so far, institutional placements and rights issues totalled almost Rs.1 trillion, close to the 2010 all-time high of Rs.1.16 trillion. And with three months of the year left to go, there is still a big line-up of new capital issues on the horizon. In the three years after 2010, the return from Nifty in US dollar terms was -22%. Prior to 2010, the peak of equity issuance was in 2007 when companies raised Rs.89 billion by selling shares in the market – the Nifty's return was -8% in the three year period after CY2007.

As such, the portfolio is positioned cautiously in this environment and we have maintained a high cash level throughout the year. This is entirely a bottom-up outcome and not a result of trying to time the market (which, in our opinion, is a futile exercise). Our conviction in the portfolio is as high as ever, with regards to the long term growth potential that it presents. We would happily own a lot more of our companies if prices were to fall – the ultimate test of our confidence in them.

Annual Report for the financial year ended 31 December 2017

First State Regional India Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE REGIONAL INDIA FUND			
Dublin			
First State Indian Subcontinent Fund	742,482	109,326,493	99.02
Total investments		109,326,493	99.02
Other net assets		1,083,225	0.98
Total net assets attributable to unitholders		110,409,718	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Nestle India	54,765,692	6.9
HDFC Bank Limited	42,870,520	5.4
Kotak Mahindra Bank	36,084,684	4.5
Godrej Industries Limited	31,614,015	4.0
SKF India Ltd	31,374,515	3.9
Bharti Airtel Ltd	30,975,348	3.9
Housing Development Finance Corp Ltd	30,177,014	3.8
Tech Mahindra Ltd	29,698,014	3.7
Blue Star Limited	24,508,845	3.1
Ambuja Cements Ltd	21,634,843	2.7
Top 10 holdings (as at 31 December 2016)		
Nestle India	30,080,283	6.0
Infosys Ltd	24,195,010	4.8
HDFC Bank Limited	21,931,444	4.4
Wipro Ltd	21,730,238	4.3
Cipla Ltd	21,579,334	4.3
Tech Mahindra Ltd	21,428,429	4.3
Kotak Mahindra Bank	19,215,164	3.8
Godrej Industries Limited	17,052,201	3.4
Blue Star Limited	16,750,392	3.3
Hindustan Unilever Ltd	16,498,884	3.3

Annual Report for the financial year ended 31 December 2017

First State Regional India Fund

DISCLOSURES

Subscriptions	S\$42,107,491
Redemptions	S\$27,033,198

	31 December 2017	31 December 2016
Expense Ratio** (including that of the Underlying Fund)	2.06%	1.95%
Disclosures on the Underlying Fund -		
Portfolio Turnover	54.8%	40.0%
Expense Ratio**	1.89%	1.81%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

Bank service fees paid to HSBC	S\$ 21,517
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Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	697,874
United States Dollar	2,167

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

Currency	<u>Purchases</u>		Currency	<u>Sales</u>	
	Amount			Amount	
Singapore Dollar	9,125,638		Singapore Dollar	20,120,909	
United States Dollar	14,614,653		United States Dollar	6,626,156	

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Indian Subcontinent Fund Class I shares, constituting 99.02% of the Sub-Fund's Net Asset Value and at a market value of S\$109,326,493. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

First State Singapore Growth Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	3.7	7.5
6-mth	2.5	8.8
1-year	11.5	21.5
3-year	1.0	2.3
5-year	3.9	3.2
10-year	4.9	2.4
Since Inception – 28 July 1969 (Calculated since date of first valuation)	8.4	2.7

Note: The Sub-Fund invests all or substantially all of its assets in the First State Singapore and Malaysia Growth Fund (a Dublin-domiciled fund) with effect from 18 October 2002.

The performance prior to 18 October 2002 is in relation to the Sub-Fund before its conversion to a feeder fund. Performance for 1 year and above has been annualised.

The benchmark of the Sub-Fund is the market capitalisation weighted of MSCI Singapore Index and MSCI Malaysia Index. It was changed from DBS 50 Index and KLCI with effect from 1 December 2001 due to the discontinuation of the DBS 50 Index.

Accordingly, the benchmark performance set out above uses the performance of the following:

- Inception to 30 November 2001: DBS 50 Index and KLCI
- From 01 December 2001: Market cap weighted of MSCI Singapore Index and MSCI Malaysia Index

* Source: Lipper, First State Investments. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

First State Singapore Growth Fund

MANAGER'S REPORT

The MSCI Singapore and Malaysia Index rose by 31.6% in 2017. Real Estate and Financials were the best performing sectors, while Energy and Consumer Staples lagged.

Performance

On portfolio holdings, **Oversea-Chinese Banking Corp (OCBC)** increased on the back of improved profitability metrics and higher loan growth. Asset quality seems to have stabilised, although oil and gas – which makes up around half of OCBC's total non-performing loans – has yet to stage a recovery. OCBC subsidiary **Great Eastern Holdings** was driven higher by strong bancassurance and agency sales, while **Haw Par Corp** rallied on the back of better than expected results due to higher sales in its healthcare segment.

On the negative side, **Delfi Ltd** weakened on declining sales growth in Indonesia. After reporting losses in FY2015 – the first time in its 50-year history – the company began its product rationalisation process to focus on core brands and improve margins. While this could continue to impact near-term earnings, we believe that it should better position the business in the long run. **ComfortDelgro** faced competitive headwinds from UBER, GRAB and other car-sharing apps; however, we believe its high free cash flow yield and rising dividend makes it reasonably defensive. **Acset Indonusa** declined on concerns around rising debt levels combined with lower revenues. Although recent new infrastructure business wins were significant, their construction and foundation businesses had declined on the back of an industry slowdown.

Transactions

Significant purchases over the period included **APM Automotive**, an auto component manufacturer in Malaysia. The company had endured a difficult few years mainly due to a soft domestic economy and currency weakness; however, a recovery appeared to be underway, with rising domestic orders, a stable ringgit and rapid growth overseas. We also bought **Keppel Corp**, a diversified conglomerate with businesses in property, investments, infrastructure, and offshore and marine. We believed the company was attractively valued and the management had executed well through a tough period.

We divested **Tenaga Nasional** on concerns around weak domestic electricity demand in Malaysia and the resulting push into overseas projects. Our fears that the government would delay the implementation of fuel cost past-through measures were later realised. Meanwhile, we took advantage of a takeover offer to divest **Trinity** at a price materially above recent price levels, particularly as we still had concerns around the challenging environment for luxury brands and retailers.

Outlook

We maintain our cautious approach due to structural weakness and inflationary pressures. On the whole, we remain focused on finding high-quality management teams and businesses that have, over time, delivered predictable and sustainable returns comfortably in excess of the cost of capital, despite the prevailing headwinds.

Annual Report for the financial year ended 31 December 2017

First State Singapore Growth Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
FIRST STATE SINGAPORE GROWTH FUND			
Dublin			
First State Singapore and Malaysia Growth Fund	580,864	45,085,532	99.41
Total investments		45,085,532	99.41
Other net assets		265,584	0.59
Total net assets attributable to unitholders		45,351,116	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Haw Par Corp Ltd	4,514,235	6.5
Oversea-Chinese Banking Corp	4,486,412	6.5
Great Eastern Holdings Ltd	4,451,634	6.4
United Overseas Bank Ltd	3,693,465	5.3
Singapore Telecommunications	3,345,681	4.8
Dairy Farm International Holdings Ltd	3,116,144	4.5
Nestle Malaysia Bhd	2,789,227	4.0
Jardine Matheson Holdings Ltd	2,761,404	4.0
Jardine Cycle & Carriage Ltd	2,344,063	3.4
ComfortDelGro Corp Ltd	2,316,241	3.3

Top 10 holdings (as at 31 December 2016)

Singapore Telecommunications	4,238,912	5.8
Sheng Siong Group Ltd	4,122,378	5.7
Haw Par Corp Ltd	3,823,761	5.3
Great Eastern Holdings Ltd	3,270,226	4.5
Oversea-Chinese Banking Corp	3,233,809	4.4
United Overseas Bank Ltd	3,204,676	4.4
Dairy Farm International Holdings Ltd	3,088,142	4.2
Jardine Matheson Holdings Ltd	2,658,424	3.7
Sembcorp Industries Ltd	2,622,008	3.6
Glow Energy PCL	2,439,924	3.4

Annual Report for the financial year ended 31 December 2017

First State Singapore Growth Fund

DISCLOSURES

Subscriptions	S\$1,749,999
Redemptions	S\$6,280,493

	31 December 2017	31 December 2016
Expense Ratio** (including that of the Underlying Fund)	1.89%	1.91%
Disclosures on the Underlying Fund -		
Portfolio Turnover	15.1%	11.5%
Expense Ratio**	1.73%	1.74%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions For the financial year ended 31 December 2017

Bank service fees paid to HSBC	S\$ 7,444
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Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	230,797
United States Dollar	74,838

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

Currency	<u>Purchases</u>		Currency	<u>Sales</u>	
		Amount			Amount
Singapore Dollar		5,651,254	Singapore Dollar		532,459
United States Dollar		393,000	United States Dollar		4,094,306

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Singapore and Malaysia Growth Fund Class I shares, constituting 99.41% of the Sub-Fund's Net Asset Value and at a market value of S\$45,085,532. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

Stewart Investors Global Emerging Markets Leaders Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	7.0	5.8
6-mth	10.1	12.7
1-year	18.2	27.4
3-year	7.0	9.8
5-year	6.1	6.6
10-year	4.7	1.3
Since Inception – 5 July 2004 <i>(Calculated since date of first valuation)</i>	9.5	8.6

Note: The Sub-Fund invests all or substantially all of its assets in the Stewart Investors Global Emerging Markets Leaders Fund (a subfund of the England and Wales domiciled umbrella fund known as First State Investments ICVC).

Performance for 1 year and above has been annualised.

The benchmark of the Sub-Fund is the MSCI Emerging Markets Index.

* Source: Lipper, Stewart Investors. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

Stewart Investors Global Emerging Markets Leaders Fund

MANAGER'S REPORT

Emerging Markets rose over the twelve months to 31 December 2017 in US dollar terms. The MSCI Emerging Markets Index was up by 37.8% over the period. Emerging Asia outperformed, driven by strength in China and South Korea, while Latin America lagged as Mexico was subdued over the period.

Performance

Dr. Reddy's Laboratories (India: Health Care) was impacted by continued regulatory and US FDA quality concerns, as well as reduced profitability, while **Nigerian Breweries** (Consumer Staples) was weak as International Breweries continued to win market share in Nigeria. **Klabin** (Brazil: Materials) declined because of disappointing results linked to depressed product prices.

On the positive side, **Uni-President Enterprises** (Taiwan: Consumer Staples) rose as its business in mainland China continued to improve. **HDFC** (India: Financials) gained on increased demand due to improved housing affordability which the government is looking to extend via incentive schemes. **Unilever** (UK: Consumer Staples) climbed on the back of the acquisition of Carver Korea, a skincare business in North Asia, and disposal of its spreads business in South Africa.

Transactions

Over the period, significant purchases included **Amorepacific** (South Korea: Consumer Staples), a family-run company with a strong franchise and brands. We bought **Kuala Lumpur Kepong** (Malaysia: Consumer Staples), a family-owned, palm oil business with a net cash balance sheet which has displayed financial stewardship in the past. We also bought **China Resources Pharmaceutical** (Health Care) at reasonable valuations as the company should be a major beneficiary of consolidation and formalisation of China's pharmaceutical market over the long-term.

We sold **Antofagasta** (Chile: Materials), **Banco Bradesco** (Brazil: Financials) and **China Mengniu Dairy** (Consumer Staples) on valuation concerns.

Outlook

Companies in emerging markets continue to look expensive and we find it difficult to find quality ones trading at reasonable valuations. As the future is inherently unpredictable, most of our time is spent analysing history. We focus on the history of key people at companies we invest in, assessing their approach to business risk, capital allocation and indebtedness. We believe that the best way to reduce risk is to back management who are conservative, honest and have built resilient businesses.

Annual Report for the financial year ended 31 December 2017

Stewart Investors Global Emerging Markets Leaders Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
STEWART INVESTORS GLOBAL EMERGING MARKETS LEADERS FUND			
England and Wales			
Stewart Investors Global Emerging Markets Leaders Fund	1,446,589	15,857,054	99.54
Total investments		15,857,054	99.54
Other net assets		72,827	0.46
Total net assets attributable to unitholders		15,929,881	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Uni-President Enterprises Corp	282,379,634	5.5
Tata Consultancy Services Ltd	270,656,292	5.3
Remgro Ltd	230,389,160	4.5
Tata Power Co Ltd	201,845,370	4.0
Tiger Brands Ltd	149,345,185	2.9
Unilever PLC	144,248,080	2.8
Cipla Ltd	142,209,238	2.8
Compania Cerveceras Unidas S.A.	133,544,159	2.6
MediaTek Inc	133,544,159	2.6
Infosys Ltd	130,995,606	2.6
Top 10 holdings (as at 31 December 2016)		
Unilever plc	239,583,087	4.9
Housing Development Finance Corp Ltd	233,763,255	4.8
Uni President Enterprises	187,204,598	3.9
Standard Bank Group Limited	171,200,060	3.5
Tata Power Company Ltd	158,590,424	3.3
Banco Bradesco SA	155,680,508	3.2
Tiger Brands Ltd	145,980,788	3.0
Bank Pekao SA	143,555,858	3.0
Compania Cerveceras Unidas S.A.	143,070,872	3.0
Coca-Cola HBC	128,521,292	2.7

Annual Report for the financial year ended 31 December 2017

Stewart Investors Global Emerging Markets Leaders Fund

DISCLOSURES

Redemptions S\$3,667,573

31 December 2017 31 December 2016

Expense Ratio** 1.84% 1.79%
(including that of the Underlying Fund)

Disclosures on the Underlying Fund -

Portfolio Turnover 31.3% 25.2%

Expense Ratio** 1.57% 1.57%

*** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.*

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

Bank service fees paid to HSBC **S\$**
3,299

Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
British Pound Sterling	181
Singapore Dollar	61,912
United States Dollar	1,296

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

	<u>Purchases</u>		<u>Sales</u>	
Currency	Amount	Currency	Amount	Amount
Singapore Dollar	3,782,525	British Pound Sterling	2,245,581	
United States Dollar	174,144	Singapore Dollar	46,714	

Others

As at 31 December 2017, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the Stewart Investors Global Emerging Markets Leaders Fund Class A shares, constituting 99.54% of the Sub-Fund's Net Asset Value and at a market value of S\$15,857,054. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

Annual Report for the financial year ended 31 December 2017

Stewart Investors Worldwide Leaders Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2017

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	3.9	4.2
6-mth	3.9	8.2
1-year	14.0	15.3
3-year	9.2	10.2
5-year	12.8	14.2
10-year	2.7	4.8
Since Inception – 24 August 1998 (Calculated since date of first valuation)	2.9	4.5

Note: The Sub-Fund invests all or substantially all of its assets in the Stewart Investors Worldwide Leaders Fund, a Dublin-domiciled fund.

The performance prior to 18 October 2002 is in relation to the Sub-Fund before its conversion to a feeder fund. Performance for 1 year and above has been annualised.

The benchmark of the Sub-Fund is the MSCI AC World Index. With effect from 24 February 2014, the benchmark was changed from MSCI World Index due to the change to the investment policy and approach of the underlying fund.

Accordingly, the benchmark performance set out above uses the performance of the following:

- Inception to 23 February 2014: MSCI World Index
- From 24 February 2014: MSCI AC World Index

* Source: Lipper, Stewart Investors. No initial charges with income reinvested in Singapore dollars.

Annual Report for the financial year ended 31 December 2017

Stewart Investors Worldwide Leaders Fund

MANAGER'S REPORT

Global markets rose in 2017 with the MSCI AC World Index gaining 24.6% in US dollar terms. At a sector level, Information Technology and Materials were particularly strong, while Energy and Telecom Service lagged.

Performance

Unilever (UK: Consumer Staples) rose as it announced a restructuring after the failed Kraft-Heinz bid, which included selling its more commoditised spreads business. **Henkel** (Germany: Consumer Staples) gained on positive earnings growth and **OCBC** (Singapore: Financials) climbed because it delivered solid results.

On the negative side, **Dr. Reddy's Laboratories** (India: Health Care) continued to be impacted by regulatory pressure and US FDA quality concerns, as well as rising competition. **GlaxoSmithKline** (UK: Health Care) lagged on concerns about increased competition in its core HIV drugs and respiratory businesses.

Transactions

Major purchases during the period included **Mahindra & Mahindra** (India: Consumer Discretionary), taking the opportunity to back a well-run family conglomerate at a reasonable valuation. We also bought **Kikkoman** (Japan: Consumer Staples), a conservatively governed company with a long track record and a strong brand, and **Infosys** (India: Information Technology), a software services company based in Bangalore which has an impressive culture and business franchise.

We sold **Bank Pekao** (Poland: Financials) as we have lower conviction in the company because of increased state influence following the sale of UniCredit's controlling stake.

We also sold **GlaxoSmithKline** (UK: Health Care) on concerns about the quality of the franchise and deteriorating financials, and **Banco Bradesco** (Brazil: Financials) on valuation worries after a period of strong performance.

Outlook

We remain cautiously positioned on the basis that compelling investment opportunities are hard to come by. The focus remains on well-run cash-generative companies that meet our sustainability criteria and are reasonably valued.

Annual Report for the financial year ended 31 December 2017

Stewart Investors Worldwide Leaders Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2017

	Holdings	Market Value S\$	% of NAV
STEWART INVESTORS WORLDWIDE LEADERS FUND			
Dublin			
Stewart Investors Worldwide Leaders Fund	1,596,079	26,171,910	99.20
Total investments		26,171,910	99.20
Other net assets		209,948	0.80
Total net assets attributable to unitholders		26,381,858	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2017)		
Henkel AG & Co KGaA	5,679,881	9.0
Unilever Plc	3,814,088	6.0
Berkshire Hathaway Inc	3,179,464	5.0
Beiersdorf AG	3,128,694	4.9
Unicharm Corp	2,494,071	3.9
Merck KGaA	2,398,877	3.8
Oversea-Chinese Banking Corp	2,195,797	3.5
Tata Consultancy Services Ltd	2,189,451	3.5
Colgate-Palmolive Co	1,916,563	3.0
Expeditors International of Washington Inc	1,707,137	2.7
Top 10 holdings (as at 31 December 2016)		
Henkel AG & Co KGaA	5,668,701	9.6
Unilever Plc	5,656,928	9.6
Berkshire Hathaway Inc	3,879,204	6.6
Unicharm Corp	2,696,018	4.6
Waters Corp	2,519,423	4.3
Merck KGaA	2,219,211	3.8
Oversea-Chinese Banking Corp	2,083,821	3.5
Standard Bank Group Limited	1,683,539	2.9
Beiersdorf AG	1,665,880	2.8
Colgate-Palmolive Co	1,624,674	2.8

Annual Report for the financial year ended 31 December 2017

Stewart Investors Worldwide Leaders Fund

DISCLOSURES

Subscriptions	S\$6,799,347
Redemptions	S\$6,988,064

	31 December 2017	31 December 2016
Expense Ratio** (including that of the Underlying Fund)	1.96%	1.96%

Disclosures on the Underlying Fund -

Portfolio Turnover	17.9%	22.9%
Expense Ratio**	1.71%	1.73%

** In accordance with IMAS guidelines, expense ratio is stated on an annualised basis.

The expense ratio does not include brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of other funds, tax deducted at source or arising out of income received and dividends and other distributions paid to unitholders.

Related Party Transactions

For the financial year ended 31 December 2017

Bank service fees paid to HSBC	S\$ 12,371
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Bank balances outstanding with HSBC as at 31 December 2017

	S\$ equivalent
Singapore Dollar	162,986
United States Dollar	1,336

Foreign exchange transacted with HSBC for the financial year ended 31 December 2017

Currency	Purchases		Currency	Sales	
		Amount			Amount
Singapore Dollar		3,135,274	Singapore Dollar		2,811,417
United States Dollar		2,015,339	United States Dollar		2,295,262

Others

As at 31 December 2017 the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the Stewart Investors Worldwide Leaders Fund Class I, constituting 99.20% of the Sub-Fund's Net Asset Value and at a market value of S\$26,171,910. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

Soft dollar commissions

In order to align with the policy of First State Investments internationally, the Investment Manager has ceased all of its soft dollar arrangements previously made with brokers with effect from 13 June 2005.

Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2017 or at the year end 31 December 2016.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Report of the Trustee

The Trustee is under a duty to take into custody and hold the assets of the sub-funds of First State Global Growth Funds, comprising First State Asia Opportunities Fund, First State Asian Growth Fund, First State Asian Quality Bond, First State Bridge, First State Dividend Advantage, First State Global Balanced Fund, First State Global Infrastructure, First State Global Property Investments, First State Global Resources, First State Regional China Fund, First State Regional India Fund, First State Singapore Growth Fund, Stewart Investors Global Emerging Markets Leaders Fund and Stewart Investors Worldwide Leaders Fund (collectively referred to as the "Sub-Funds"), in trust for the unitholders. In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and the borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Sub-Funds during the year covered by these financial statements, set out on pages 72 to 172, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee
HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED

Authorised signatory

12 March 2018

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statement by the Manager

In the opinion of First State Investments (Singapore), the accompanying financial statements set out on pages 72 to 172, comprising the Statements of Total Return, Statements of Financial Position, Statements of Movements of Unitholders' Funds, Statements of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial positions and the portfolio holdings of the sub-funds of First State Global Growth Funds, comprising First State Asia Opportunities Fund, First State Asian Growth Fund, First State Asian Quality Bond, First State Bridge, First State Dividend Advantage, First State Global Balanced Fund, First State Global Infrastructure, First State Global Property Investments, First State Global Resources, First State Regional China Fund, First State Regional India Fund, First State Singapore Growth Fund, Stewart Investors Global Emerging Markets Leaders Fund and Stewart Investors Worldwide Leaders Fund (collectively referred to as the "Sub-Funds"), as at 31 December 2017 and the financial performance and movement in unitholders' funds for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants.

At the date of this statement, there are reasonable grounds to believe that the Sub-Funds will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager
of FIRST STATE INVESTMENTS (SINGAPORE)

Joe Fernandes
Director

12 March 2018

**Independent Auditor's Report to the Unitholders of
First State Global Growth Funds**

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Our Opinion

In our opinion, the accompanying financial statements of the sub-funds of First State Global Growth Funds, comprising First State Asia Opportunities Fund, First State Asian Growth Fund, First State Asian Quality Bond, First State Bridge, First State Dividend Advantage, First State Global Balanced Fund, First State Global Infrastructure, First State Global Property Investments, First State Global Resources, First State Regional China Fund, First State Regional India Fund, First State Singapore Growth Fund, Stewart Investors Global Emerging Markets Leaders Fund and Stewart Investors Worldwide Leaders Fund (collectively referred to as the "Sub-Funds") are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants, so as to present fairly, in all material respects, the financial positions and portfolio holdings of the Sub-Funds as at 31 December 2017, and of the financial performance and movements of unitholders' funds for the financial year ended on that date.

What we have audited

The financial statements of the Sub-Funds comprise:

- the Statements of Total Return for the financial year ended 31 December 2017;
- the Statements of Financial Position as at 31 December 2017;
- the Statements of Movements of Unitholders' Funds for the financial year ended 31 December 2017; and
- the Statements of Portfolio as at 31 December 2017;
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's 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 audit opinion.

Independence

We are independent of the Sub-Funds in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

The Sub-Funds' Manager (the "Manager") is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor's report thereon.

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

**Independent Auditor's Report to the Unitholders of
First State Global Growth Funds**

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Other Information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, 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 is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Sub-Funds' 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 intends to terminate the Sub-Funds or to cease the Sub-Funds' operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Sub-Funds' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs 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 SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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.
- 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 Sub-Funds' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

**Independent Auditor's Report to the Unitholders of
First State Global Growth Funds**

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- 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 Sub-Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Sub-Funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, 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.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore,
12 March 2018

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Total Return

For the financial year ended 31 December 2017

	Notes	First State Asia		First State Asian Growth Fund	
		Opportunities Fund	Opportunities Fund	2017	2016
		2017	2016	2017	2016
		S\$	S\$	S\$	S\$
Income		-	-	-	-
Less: Expenses					
Management fees		439,787	450,975	1,056,390	1,061,397
Management fee rebates		(450,130)	(448,476)	(1,059,560)	(1,083,992)
Registration fees		13,149	7,944	9,131	10,813
Trustee's fees		19,422	19,333	52,819	53,070
Audit fees		12,673	12,611	12,673	12,611
Others		32,080	21,260	42,264	44,258
		66,981	63,647	113,717	98,157
Net loss		(66,981)	(63,647)	(113,717)	(98,157)
Net gains or losses on value of investments					
Net gains on investments		3,465,582	670,501	9,862,806	354,261
Net foreign exchange (losses)/gains		(17,020)	13,748	(37,020)	3,577
		3,448,562	684,249	9,825,786	357,838
Total return for the year before taxation		3,381,581	620,602	9,712,069	259,681
Less: Income tax	3	-	-	-	-
Total return for the year after income tax		3,381,581	620,602	9,712,069	259,681

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Total Return

For the financial year ended 31 December 2017

	Notes	First State Asian Quality Bond		First State Bridge	
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
		For the financial period from 1 November 2016 (date of inception) to 31 December			
Income					
Dividends		-	-	13,841,956	12,650,670
Interest		-	-	2,420	1,459
		-	-	13,844,376	12,652,129
Less: Expenses					
Management fees		131,424	19,286	16,920,841	15,450,467
Management fee rebates		(129,665)	(19,047)	(16,911,214)	(15,413,889)
Registration fees		6,574	1,700	18,881	22,497
Trustee's fees		12,000	2,000	1,015,251	927,028
Audit fees		12,673	12,529	12,673	12,611
Preliminary expenses		-	4,458	-	-
Others		21,263	5,811	406,796	493,955
		54,269	26,737	1,463,228	1,492,669
Net (loss)/income		(54,269)	(26,737)	12,381,148	11,159,460
Net gains or losses on value of investments and financial derivatives					
Net (losses)/gains on investments		(269,584)	111,390	145,437,975	41,269,956
Net gains/(losses) on forward foreign exchange contracts		1,026,330	(418,466)	49,061,162	(10,596,988)
Net foreign exchange (losses)/gains		(108,942)	(16,668)	(14,803,380)	2,733,873
		647,804	(323,744)	179,695,757	33,406,841
Total return/(deficit) for the year/period before taxation		593,535	(350,481)	192,076,905	44,566,301
Less: Income tax	3	-	-	-	-
Total return/(deficit) for the year/period after income tax		593,535	(350,481)	192,076,905	44,566,301

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Total Return

For the financial year ended 31 December 2017

	Notes	First State Dividend Advantage		First State Global Balanced Fund	
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
Income					
Dividends		40,431,548	37,663,199	-	-
Interest		11,906	11,769	-	-
Others		-	-	-	152
		<u>40,443,454</u>	<u>37,674,968</u>	<u>-</u>	<u>152</u>
Less: Expenses					
Management fees		30,031,982	27,663,008	231,536	226,236
Management fee rebates		(29,925,694)	(27,550,971)	(240,791)	(234,473)
Registration fees		39,457	41,968	6,552	6,777
Trustee's fees		1,501,599	1,383,150	15,000	15,000
Audit fees		12,673	12,611	12,673	12,611
Others		730,138	951,834	13,155	10,114
		<u>2,390,155</u>	<u>2,501,600</u>	<u>38,125</u>	<u>36,265</u>
Net income/(loss)		<u>38,053,299</u>	<u>35,173,368</u>	<u>(38,125)</u>	<u>(36,113)</u>
Net gains or losses on value of investments					
Net gains on investments		454,222,091	30,868,012	1,424,476	853,901
Net foreign exchange (losses)/gains		(28,559,645)	752,986	(8,271)	(3,627)
		<u>425,662,446</u>	<u>31,620,998</u>	<u>1,416,205</u>	<u>850,274</u>
Total return for the year before taxation		<u>463,715,745</u>	<u>66,794,366</u>	<u>1,378,080</u>	<u>814,161</u>
Less: Income tax	3	-	-	-	-
Total return for the year after income tax		<u>463,715,745</u>	<u>66,794,366</u>	<u>1,378,080</u>	<u>814,161</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Total Return

For the financial year ended 31 December 2017

	Notes	First State Global Infrastructure		First State Global Property Investments	
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
Income					
Dividends		389,736	434,524	-	-
Interest		347	1,274	-	-
Others		-	-	-	3,942
		<u>390,083</u>	<u>435,798</u>	<u>-</u>	<u>3,942</u>
Less: Expenses					
Management fees		227,768	233,465	377,371	317,353
Management fee rebates		(222,048)	(226,942)	(374,442)	(314,605)
Registration fees		7,086	7,053	13,819	13,633
Trustee's fees		12,000	12,000	18,869	15,868
Audit fees		12,673	12,611	12,673	12,611
Others		22,043	14,210	30,064	21,002
		<u>59,522</u>	<u>52,397</u>	<u>78,354</u>	<u>65,862</u>
Net income/(loss)		330,561	383,401	(78,354)	(61,920)
Net gains or losses on value of investments					
Net gains on investments		1,059,743	1,681,043	612,836	95,949
Net foreign exchange (losses)/gains		(228,965)	377,006	(2,227)	(22,111)
		<u>830,778</u>	<u>2,058,049</u>	<u>610,609</u>	<u>73,838</u>
Total return for the year before taxation		1,161,339	2,441,450	532,255	11,918
Add: Income tax	3	-	-	-	-
Total return for the year after income tax		<u>1,161,339</u>	<u>2,441,450</u>	<u>532,255</u>	<u>11,918</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Total Return***For the financial year ended 31 December 2017*

	Notes	First State Global Resources		First State Regional China Fund	
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
Income		-	-	-	-
Less: Expenses					
Management fees		6,731,015	5,890,215	6,555,261	6,162,941
Management fee rebates		(3,378,337)	(2,964,581)	(6,541,279)	(6,150,910)
Registration fees		14,738	16,948	10,604	21,613
Trustee's fees		336,551	294,511	327,763	308,147
Audit fees		12,673	12,611	12,673	12,611
Transaction costs		6,180	5,430	-	-
Others		173,950	203,277	173,244	204,850
		<u>3,896,770</u>	<u>3,458,411</u>	<u>538,266</u>	<u>559,252</u>
Net loss		(3,896,770)	(3,458,411)	(538,266)	(559,252)
Net gains or losses on value of investments					
Net gains on investments		43,229,608	145,812,966	141,272,027	12,959,713
Net foreign exchange (losses)/gains		(13,184)	(81,273)	(555,737)	706,850
		<u>43,216,424</u>	<u>145,731,693</u>	<u>140,716,290</u>	<u>13,666,563</u>
Total return for the year before taxation		39,319,654	142,273,282	140,178,024	13,107,311
Less: Income tax	3	-	-	-	-
Total return for the year after income tax		<u>39,319,654</u>	<u>142,273,282</u>	<u>140,178,024</u>	<u>13,107,311</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Total Return

For the financial year ended 31 December 2017

	Notes	First State Regional India Fund		First State Singapore Growth Fund	
		2017	2016	2017	2016
		S\$	S\$	S\$	S\$
Income		-	-	-	-
Less: Expenses					
Management fees		1,599,046	1,089,425	685,639	696,303
Management fee rebates		(1,586,576)	(1,082,468)	(683,194)	(693,734)
Registration fees		10,413	6,751	5,824	8,468
Trustee's fees		68,530	50,032	34,282	34,815
Audit fees		12,673	12,611	12,673	12,611
Others		67,093	32,428	23,854	23,541
		171,179	108,779	79,078	82,004
Net loss		(171,179)	(108,779)	(79,078)	(82,004)
Net gains or losses on value of investments					
Net gains on investments		22,719,520	2,167,376	5,082,747	2,038,710
Net foreign exchange gains/(losses)		26,604	(3,750)	(33,289)	6,949
		22,746,124	2,163,626	5,049,458	2,045,659
Total return for the year before taxation		22,574,945	2,054,847	4,970,380	1,963,655
Less: Income tax	3	-	-	-	-
Total return for the year after income tax		22,574,945	2,054,847	4,970,380	1,963,655

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Total Return

For the financial year ended 31 December 2017

	Notes	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
		2017	2016	2017	2016
		S\$	S\$	S\$	S\$
Income		-	-	-	-
Less: Expenses					
Management fees		244,984	259,606	384,260	328,594
Management fee rebates		(243,560)	(258,283)	(381,480)	(326,063)
Registration fees		3,925	6,831	7,350	7,261
Trustee's fees		15,000	15,000	19,213	16,430
Audit fees		12,673	12,611	12,673	12,611
Others		11,470	4,528	25,407	15,137
		44,492	40,293	67,423	53,970
Net loss		(44,492)	(40,293)	(67,423)	(53,970)
Net gains or losses on value of investments					
Net gains on investments		2,772,329	1,489,886	3,374,788	1,597,014
Net foreign exchange losses		(6,573)	(1,173)	(42,706)	(6,684)
		2,765,756	1,488,713	3,332,082	1,590,330
Total return for the year before taxation		2,721,264	1,448,420	3,264,659	1,536,360
Less: Income tax	3	-	-	-	-
Total return for the year after income tax		2,721,264	1,448,420	3,264,659	1,536,360

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2017*

	Notes	First State Asia		First State Asian Growth Fund	
		Opportunities Fund			
		2017	2016	2017	2016
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		25,925,431	24,512,494	69,628,091	69,480,445
Sales awaiting settlement		-	39,007	225,852	99,684
Other receivables	5	209,727	123,069	537,574	622,068
Cash and bank balances		157,616	121,062	490,432	391,174
Total assets		26,292,774	24,795,632	70,881,949	70,593,371
LIABILITIES					
Purchases awaiting settlement		-	-	118,940	121,355
Other payables	6	104,396	117,881	626,054	508,801
Total liabilities		104,396	117,881	744,994	630,156
EQUITY					
Net assets attributable to unitholders	8	26,188,378	24,677,751	70,136,955	69,963,215

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2017*

	Notes	First State Asian Quality Bond		First State Bridge	
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
ASSETS					
Portfolio of investments		13,581,671	12,511,307	1,468,842,320	1,248,511,264
Sales awaiting settlement		74,838	43,341	-	329,392
Other receivables	5	61,345	27,679	14,239,146	10,153,107
Cash and bank balances		324,330	80,191	3,650,561	1,445,870
Financial derivatives, at fair value	7	216,587	1,282	9,574,752	97,693
Total assets		14,258,771	12,663,800	1,496,306,779	1,260,537,326
LIABILITIES					
Financial derivatives, at fair value	7	15,310	435,133	11,136	14,442,916
Purchases awaiting settlement		243,225	-	4,646,663	895,714
Other payables	6	181,957	76,327	5,678,149	5,087,385
Total liabilities		440,492	511,460	10,335,948	20,426,015
EQUITY					
Net assets attributable to unitholders	8	13,818,279	12,152,340	1,485,970,831	1,240,111,311

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2017*

	Notes	First State Dividend Advantage		First State Global Balanced Fund	
		2017	2016	2017	2016
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		2,109,778,598	1,880,070,419	18,214,126	18,525,747
Sales awaiting settlement		-	2,406,870	-	-
Other receivables	5	22,858,302	14,050,321	86,704	78,105
Cash and bank balances		4,489,628	2,476,174	60,533	95,341
Total assets		2,137,126,528	1,899,003,784	18,361,363	18,699,193
LIABILITIES					
Distribution payable		21,275,784	18,949,204	-	-
Purchases awaiting settlement		8,523,559	1,511,156	-	-
Other payables	6	9,757,570	10,773,177	51,546	83,798
Total liabilities		39,556,913	31,233,537	51,546	83,798
EQUITY					
Net assets attributable to unitholders	8	2,097,569,615	1,867,770,247	18,309,817	18,615,395

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2017*

	Notes	First State		First State Global	
		Global Infrastructure	2016	Property Investments	2016
		2017	2016	2017	2016
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		14,881,756	13,165,305	26,688,222	23,525,888
Other receivables	5	275,818	167,690	304,299	334,519
Cash and bank balances		441,209	302,211	283,396	221,899
Total assets		15,598,783	13,635,206	27,275,917	24,082,306
LIABILITIES					
Purchases awaiting settlement		310,944	67,835	187,096	96,795
Other payables	6	61,400	109,833	99,194	161,079
Total liabilities		372,344	177,668	286,290	257,874
EQUITY					
Net assets attributable to unitholders	8	15,226,439	13,457,538	26,989,627	23,824,432

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2017*

	Notes	First State Global Resources		First State Regional China Fund	
		2017	2016	2017	2016
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		457,714,925	467,927,593	488,861,929	400,314,632
Sales awaiting settlement		2,163,955	-	466,404	793,140
Other receivables	5	2,385,799	2,493,330	4,795,960	2,014,563
Cash and bank balances		489,361	1,232,169	524,386	356,555
Total assets		<u>462,754,040</u>	<u>471,653,092</u>	<u>494,648,679</u>	<u>403,478,890</u>
LIABILITIES					
Purchases awaiting settlement		-	790,819	1,282,944	-
Other payables	6	3,526,862	1,598,360	2,574,506	1,512,542
Total liabilities		<u>3,526,862</u>	<u>2,389,179</u>	<u>3,857,450</u>	<u>1,512,542</u>
EQUITY					
Net assets attributable to unitholders	8	<u>459,227,178</u>	<u>469,263,913</u>	<u>490,791,229</u>	<u>401,966,348</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2017*

	Notes	First State Regional India Fund		First State Singapore Growth Fund	
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
ASSETS					
Portfolio of investments		109,326,493	72,040,546	45,085,532	44,638,415
Sales awaiting settlement		-	-	45,438	-
Other receivables	5	1,296,812	806,587	196,789	197,447
Cash and bank balances		700,041	405,361	305,635	218,894
Total assets		111,323,346	73,252,494	45,633,394	45,054,756
LIABILITIES					
Purchases awaiting settlement		558,615	273,048	21,382	-
Other payables	6	355,013	218,966	260,896	143,526
Total liabilities		913,628	492,014	282,278	143,526
EQUITY					
Net assets attributable to unitholders	8	110,409,718	72,760,480	45,351,116	44,911,230

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2017*

	Notes	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
		2017	2016	2017	2016
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		15,857,054	16,811,779	26,171,910	23,084,727
Sales awaiting settlement		-	-	-	27,449
Other receivables	5	63,635	64,955	203,054	198,527
Cash and bank balances		63,389	69,868	164,322	173,014
Total assets		15,984,078	16,946,602	26,539,286	23,483,717
LIABILITIES					
Purchases awaiting settlement		-	-	36,083	56,343
Other payables	6	54,197	70,412	121,345	121,458
Total liabilities		54,197	70,412	157,428	177,801
EQUITY					
Net assets attributable to unitholders	8	15,929,881	16,876,190	26,381,858	23,305,916

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Movements of Unitholders' Funds***For the financial year ended 31 December 2017*

	Notes	First State Asia		First State Asian Growth Fund	
		Opportunities Fund 2017 S\$	2016 S\$	2017 S\$	2016 S\$
Net assets attributable to unitholders at the beginning of financial year		24,677,751	28,424,773	69,963,215	75,418,418
Operations					
Change in net assets attributable to unitholders resulting from operations		3,381,581	620,602	9,712,069	259,681
Unitholders' contributions/ (withdrawals)					
Creation of units		4,614,855	736,881	16,823,209	11,888,990
Cancellation of units		(6,485,809)	(5,104,505)	(26,361,538)	(17,603,874)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(1,870,954)	(4,367,624)	(9,538,329)	(5,714,884)
Total increase/(decrease) in net assets attributable to unitholders		1,510,627	(3,747,022)	173,740	(5,455,203)
Net assets attributable to unitholders at the end of financial year	8	<u>26,188,378</u>	<u>24,677,751</u>	<u>70,136,955</u>	<u>69,963,215</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Movements of Unitholders' Funds

For the financial year ended 31 December 2017

	Notes	First State Asian Quality Bond		First State Bridge	
		For the financial period from 1 November 2016 (date of inception) to 31 December			
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
Net assets attributable to unitholders at the beginning of financial year/period		12,152,340	-	1,240,111,311	1,228,086,749
Operations					
Change in net assets attributable to unitholders resulting from operations		593,535	(350,481)	192,076,905	44,566,301
Unitholders' contributions/ (withdrawals)					
Creation of units		4,183,308	12,575,641	360,158,643	206,989,082
Cancellation of units		(2,579,670)	(72,820)	(266,216,802)	(202,547,491)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		1,603,638	12,502,821	93,941,841	4,441,591
Distribution	4	(531,234)	-	(40,159,226)	(36,983,330)
Total increase in net assets attributable to unitholders		1,665,939	12,152,340	245,859,520	12,024,562
Net assets attributable to unitholders at the end of financial year/period	8	<u>13,818,279</u>	<u>12,152,340</u>	<u>1,485,970,831</u>	<u>1,240,111,311</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Movements of Unitholders' Funds***For the financial year ended 31 December 2017*

	Notes	First State Dividend Advantage		First State Global Balanced Fund	
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
Net assets attributable to unitholders at the beginning of financial year		1,867,770,247	1,879,317,013	18,615,395	17,556,661
Operations					
Change in net assets attributable to unitholders resulting from operations		463,715,745	66,794,366	1,378,080	814,161
Unitholders' contributions/ (withdrawals)					
Creation of units		574,972,378	438,387,375	1,793,070	2,571,838
Cancellation of units		(727,559,219)	(441,827,945)	(3,476,728)	(2,327,265)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(152,586,841)	(3,440,570)	(1,683,658)	244,573
Distribution	4	(81,329,536)	(74,900,562)	-	-
Total increase/(decrease) in net assets attributable to unitholders		229,799,368	(11,546,766)	(305,578)	1,058,734
Net assets attributable to unitholders at the end of financial year	8	<u>2,097,569,615</u>	<u>1,867,770,247</u>	<u>18,309,817</u>	<u>18,615,395</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Movements of Unitholders' Funds

For the financial year ended 31 December 2017

	Notes	First State Global Infrastructure		First State Global Property Investments	
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
Net assets attributable to unitholders at the beginning of financial year		13,457,538	17,614,778	23,824,432	19,154,716
Operations					
Change in net assets attributable to unitholders resulting from operations		1,161,339	2,441,450	532,255	11,918
Unitholders' contributions/ (withdrawals)					
Creation of units		9,884,706	6,326,553	9,035,511	9,185,775
Cancellation of units		(8,812,225)	(12,469,059)	(6,065,844)	(4,150,905)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		1,072,481	(6,142,506)	2,969,667	5,034,870
Distribution	4	(464,919)	(456,184)	(336,727)	(377,072)
Total increase/(decrease) in net assets attributable to unitholders		1,768,901	(4,157,240)	3,165,195	4,669,716
Net assets attributable to unitholders at the end of financial year	8	<u>15,226,439</u>	<u>13,457,538</u>	<u>26,989,627</u>	<u>23,824,432</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Movements of Unitholders' Funds

For the financial year ended 31 December 2017

	Notes	First State Global Resources		First State Regional China Fund	
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
Net assets attributable to unitholders at the beginning of financial year		469,263,913	312,977,062	401,966,348	460,285,228
Operations					
Change in net assets attributable to unitholders resulting from operations		39,319,654	142,273,282	140,178,024	13,107,311
Unitholders' contributions/ (withdrawals)					
Creation of units		101,028,523	96,374,995	88,068,196	37,536,788
Cancellation of units		(150,384,912)	(82,361,426)	(139,421,339)	(108,962,979)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(49,356,389)	14,013,569	(51,353,143)	(71,426,191)
Total (decrease)/increase in net assets attributable to unitholders		(10,036,735)	156,286,851	88,824,881	(58,318,880)
Net assets attributable to unitholders at the end of financial year	8	<u>459,227,178</u>	<u>469,263,913</u>	<u>490,791,229</u>	<u>401,966,348</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Movements of Unitholders' Funds***For the financial year ended 31 December 2017*

	Notes	First State Regional India Fund		First State Singapore Growth Fund	
		2017 S\$	2016 S\$	2017 S\$	2016 S\$
Net assets attributable to unitholders at the beginning of financial year		72,760,480	68,115,349	44,911,230	46,858,559
Operations					
Change in net assets attributable to unitholders resulting from operations		22,574,945	2,054,847	4,970,380	1,963,655
Unitholders' contributions/ (withdrawals)					
Creation of units		42,107,491	11,337,336	1,749,999	1,142,303
Cancellation of units		(27,033,198)	(8,747,052)	(6,280,493)	(5,053,287)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		15,074,293	2,590,284	(4,530,494)	(3,910,984)
Total increase/(decrease) in net assets attributable to unitholders		37,649,238	4,645,131	439,886	(1,947,329)
Net assets attributable to unitholders at the end of financial year	8	<u>110,409,718</u>	<u>72,760,480</u>	<u>45,351,116</u>	<u>44,911,230</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Movements of Unitholders' Funds

For the financial year ended 31 December 2017

	Notes	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
		2017	2016	2017	2016
		S\$	S\$	S\$	S\$
Net assets attributable to unitholders at the beginning of financial year		16,876,190	18,438,886	23,305,916	22,055,826
Operations					
Change in net assets attributable to unitholders resulting from operations		2,721,264	1,448,420	3,264,659	1,536,360
Unitholders' contributions/ (withdrawals)					
Creation of units		-	-	6,799,347	3,603,378
Cancellation of units		(3,667,573)	(3,011,116)	(6,988,064)	(3,889,648)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(3,667,573)	(3,011,116)	(188,717)	(286,270)
Total (decrease)/increase in net assets attributable to unitholders		(946,309)	(1,562,696)	3,075,942	1,250,090
Net assets attributable to unitholders at the end of financial year	8	<u>15,929,881</u>	<u>16,876,190</u>	<u>26,381,858</u>	<u>23,305,916</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Portfolio***As at 31 December 2017*

	Holdings at 31 December 2017	Fair value at 31 December 2017 S\$	Percentage of total net assets attributable to unitholders at 31 December 2017 %	Percentage of total net assets attributable to unitholders at 31 December 2016 %
<u>First State Asia Opportunities Fund ⁽¹⁾</u>				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Asia Opportunities Fund Class I	419,266	25,925,431	99.00	99.33
Portfolio of investments		25,925,431	99.00	99.33
Other net assets		262,947	1.00	0.67
Net assets attributable to unitholders		<u>26,188,378</u>	<u>100.00</u>	<u>100.00</u>
<u>First State Asian Growth Fund ⁽¹⁾</u>				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Asian Growth Fund Class I	1,110,664	69,628,091	99.27	99.31
Portfolio of investments		69,628,091	99.27	99.31
Other net assets		508,864	0.73	0.69
Net assets attributable to unitholders		<u>70,136,955</u>	<u>100.00</u>	<u>100.00</u>
<u>First State Asian Quality Bond ⁽¹⁾</u>				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Asian Quality Bond Fund Class I	613,700	13,581,671	98.29	102.95
Portfolio of investments		13,581,671	98.29	102.95
Other net assets/(liabilities)		236,608	1.71	(2.95)
Net assets attributable to unitholders		<u>13,818,279</u>	<u>100.00</u>	<u>100.00</u>

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Portfolio

As at 31 December 2017

	Holdings at 31 December 2017	Fair value at 31 December 2017 S\$	Percentage of total net assets attributable to unitholders at 31 December 2017 %	Percentage of total net assets attributable to unitholders at 31 December 2016 %
<u>First State Bridge</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Asian Equity Plus Fund Class I	10,650,275	753,781,103	50.73	50.32
First State Global Umbrella Fund plc - First State Asian Quality Bond Fund Class I	32,310,704	715,061,217	48.12	50.36
Portfolio of investments		1,468,842,320	98.85	100.68
Other net assets/(liabilities)		17,128,511	1.15	(0.68)
Net assets attributable to unitholders		<u>1,485,970,831</u>	100.00	100.00
<u>First State Dividend Advantage</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Asian Equity Plus Fund Class I	29,809,345	2,109,778,598	100.58	100.66
Portfolio of investments		2,109,778,598	100.58	100.66
Other net liabilities		(12,208,983)	(0.58)	(0.66)
Net assets attributable to unitholders		<u>2,097,569,615</u>	100.00	100.00
<u>First State Global Balanced Fund</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Global Bond Fund Class I	331,620	7,068,673	38.61	38.47
First State Global Umbrella Fund plc - Stewart Investors Worldwide Leaders Fund Class I	679,699	11,145,453	60.87	61.05
Portfolio of investments		18,214,126	99.48	99.52
Other net assets		95,691	0.52	0.48
Net assets attributable to unitholders		<u>18,309,817</u>	100.00	100.00

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Portfolio

As at 31 December 2017

	Holdings at 31 December 2017	Fair value at 31 December 2017 S\$	Percentage of total net assets attributable to unitholders at 31 December 2017 %	Percentage of total net assets attributable to unitholders at 31 December 2016 %
<u>First State Global Infrastructure</u> ⁽²⁾				
Quoted				
Great Britain				
First State Investments ICVC - First State Global Listed Infrastructure Fund Class A	4,434,814	14,881,756	97.74	97.83
Portfolio of investments		14,881,756	97.74	97.83
Other net assets		344,683	2.26	2.17
Net assets attributable to unitholders		15,226,439	100.00	100.00
<u>First State Global Property Investments</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Global Property Securities Fund Class I	1,576,183	26,688,222	98.88	98.75
Portfolio of investments		26,688,222	98.88	98.75
Other net assets		301,405	1.12	1.25
Net assets attributable to unitholders		26,989,627	100.00	100.00
<u>First State Global Resources</u> ^{(1) (2)}				
Quoted				
Great Britain				
First State Investments ICVC - First State Global Resources Fund Class B	75,939,392	449,729,899	97.93	98.19
Ireland				
First State Global Umbrella Fund plc - First State Global Resources Fund Class III	556,852	7,985,026	1.74	1.53
Portfolio of investments		457,714,925	99.67	99.72
Other net assets		1,512,253	0.33	0.28
Net assets attributable to unitholders		459,227,178	100.00	100.00

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

Statements of Portfolio

As at 31 December 2017

	Holdings at 31 December 2017	Fair value at 31 December 2017 S\$	Percentage of total net assets attributable to unitholders at 31 December 2017 %	Percentage of total net assets attributable to unitholders at 31 December 2016 %
<u>First State Regional China Fund</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Greater China Growth Fund Class I	3,365,582	488,861,929	99.61	99.59
Portfolio of investments		488,861,929	99.61	99.59
Other net assets		1,929,300	0.39	0.41
Net assets attributable to unitholders		490,791,229	100.00	100.00
<u>First State Regional India Fund</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Indian Subcontinent Fund Class I	742,482	109,326,493	99.02	99.01
Portfolio of investments		109,326,493	99.02	99.01
Other net assets		1,083,225	0.98	0.99
Net assets attributable to unitholders		110,409,718	100.00	100.00
<u>First State Singapore Growth Fund</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Singapore and Malaysia Growth Fund Class I	580,864	45,085,532	99.41	99.39
Portfolio of investments		45,085,532	99.41	99.39
Other net assets		265,584	0.59	0.61
Net assets attributable to unitholders		45,351,116	100.00	100.00

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Portfolio***As at 31 December 2017*

	Holdings at 31 December 2017	Fair value at 31 December 2017 S\$	Percentage of total net assets attributable to unitholders at 31 December 2017 %	Percentage of total net assets attributable to unitholders at 31 December 2016 %
<u>Stewart Investors Global Emerging Markets Leaders Fund</u> ⁽²⁾				
Quoted				
Great Britain				
First State Investments ICVC - Stewart Investors Global Emerging Markets Leaders Fund Class A	1,446,589	15,857,054	99.54	99.62
Portfolio of investments		15,857,054	99.54	99.62
Other net assets		72,827	0.46	0.38
Net assets attributable to unitholders		15,929,881	100.00	100.00

Stewart Investors Worldwide Leaders Fund ⁽¹⁾**Quoted****Ireland**

First State Global Umbrella Fund plc -
Stewart Investors Worldwide Leaders Fund
Class I

	1,596,079	26,171,910	99.20	99.05
Portfolio of investments		26,171,910	99.20	99.05
Other net assets		209,948	0.80	0.95
Net assets attributable to unitholders		26,381,858	100.00	100.00

⁽¹⁾ These sub-funds are invested wholly or substantially into other underlying funds domiciled in Dublin, Ireland and denominated in United States dollars ("US dollars").

⁽²⁾ These sub-funds are invested wholly or substantially into other underlying funds domiciled in England and Wales and denominated in Great British Pounds.

Note: Information on investment portfolio by industry segments is not presented as the sub-funds are invested wholly or substantially into other underlying funds.

The accompanying notes form an integral part of these financial statements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

First State Global Growth Funds (the "Fund") is a Singapore domiciled umbrella fund constituted by a Trust Deed dated 16 April 1998 between First State Investments (Singapore) (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Trust Deed and all supplemental deeds are governed by the laws of the Republic of Singapore.

The financial statements of the Fund for the year ended 31 December 2017 comprise the following sub-funds, (collectively referred to as the "Sub-Funds"):

First State Asia Opportunities Fund ("AIAT")
First State Asian Growth Fund ("APGF")
First State Asian Quality Bond ("QBON")
First State Bridge ("BRDG")
First State Dividend Advantage ("DIVA")
First State Global Balanced Fund ("GBFD")
First State Global Infrastructure ("GIFT")
First State Global Property Investments ("GLPR")
First State Global Resources ("GRES")
First State Regional China Fund ("RCFD")
First State Regional India Fund ("RIFD")
First State Singapore Growth Fund ("SPGF")
Stewart Investors Global Emerging Markets Leaders Fund ("GEML")
Stewart Investors Worldwide Leaders Fund ("G100")

The Sub-Funds are established as feeder funds investing directly into corresponding sub-funds (the "Underlying Sub-Funds") under the First State Global Umbrella Fund plc ("GUFDF"), an umbrella fund domiciled in Dublin, Ireland or under the First State Investments ICVC ("ICVC"), an umbrella fund domiciled in England and Wales.

GUFDF is an open-ended investment company incorporated under the laws of the Republic of Ireland and structured as an umbrella fund. GUFDF is managed by First State Investments (Hong Kong) Limited ("First State HK"), a related corporation of the Manager and incorporated in Hong Kong.

ICVC is an open-ended investment company incorporated under the laws of England and Wales and structured as an umbrella fund. ICVC is managed by First State Investments Management (UK) Limited ("First State UK"), a related corporation of the Manager and incorporated in the United Kingdom.

The investment objectives of the remaining sub-funds have been detailed below:

Sub-Fund: First State Asia Opportunities Fund (AIAT)

Launch date: 18 October 1999

Underlying Fund(s): GUFDF – First State Asia Opportunities Fund

Investment objectives

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in equity and equity-related securities (such as preference shares, rights issues and warrants) of companies that are listed, or have their registered offices in, or conduct a majority of their economic activity in the Asian Region (excluding Australia, New Zealand and Japan).

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any one or more Emerging Markets in the Asian Region (excluding Australia, New Zealand and Japan), any sector or any limitation on the market capitalisation of the companies in which it may invest.

Although the Underlying Sub-Fund has a regional investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain countries.

The Underlying Sub-Fund's maximum exposure to China A Shares (directly via the Stock Connects and/or indirectly through equity linked or participation notes) and China B Shares (through direct investment) in aggregate will not exceed 25% of the Underlying Sub-Fund's Net Asset Value.

The Underlying Sub-Fund may only use financial derivative instruments ("FDIs") for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

Sub-Fund: First State Asian Growth Fund (APGF)

Launch date: 17 September 1984

Underlying Fund(s): GUFDF – First State Asian Growth Fund

Investment objectives

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in equity securities of companies that are listed, or have their registered offices in, or conduct a majority of their economic activity in Asia (excluding Japan).

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any one or more Emerging Markets in Asia (excluding Japan), any sector, or any limitation on the market capitalisation of the companies in which it may invest.

Although the Underlying Sub-Fund has a regional investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain countries.

The Underlying Sub-Fund's maximum exposure to China A Shares (directly via the Stock Connects and/or indirectly through equity linked or participation notes and collective investment schemes) and China B Shares (through direct investment) in aggregate will be not exceed 25% of the Underlying Sub-Fund's Net Asset Value.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Sub-Fund: First State Asian Quality Bond (QBON)

Launch date: 1 November 2016

Underlying Fund(s): GUFN – First State Asian Quality Bond Fund

Investment objectives

To achieve long term returns through investment in a diversified portfolio of investment grade fixed income and similar transferable instruments issued primarily by government and corporate entities in Asia.

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in debt securities of governments or quasi-government organization issuers in Asia and/or issuers organised, headquartered or having their primary business operations in Asia. The Underlying Sub-Fund invests at least 70% of its Net Asset Value in investment grade debt securities and convertible securities (rated as Baa3 or above by Moody's Investor Services Inc or BBB- or above by Standard & Poor's Corporation or other recognised rating agencies) or if unrated, of comparable quality as determined by the First State HK.

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in debt securities in any one or more emerging markets in Asia, or any sector. In respect of the Underlying Sub-Fund's exposure to People's Republic of China ("PRC"), investment in onshore PRC debt securities and offshore debt securities denominated in RMB (including Dim Sum bonds) will be less than 30% of the Underlying Sub-Fund's Net Asset Value.

The debt securities in which the Underlying Sub-Fund invests are mainly denominated in US dollars or other major currencies.

Although the Underlying Sub-Fund has a regional investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain countries.

The Underlying Sub-Fund will not invest more than 10% of its Net Asset Value in debt securities issued by and/or guaranteed by a single sovereign issuer which is below investment grade.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Sub-Fund: First State Bridge (BRDG)

Launch date: 2 June 2003

Underlying Fund(s): Fixed income portion - GUFD – First State Asian Quality Bond Fund

Investment objectives

To achieve long term returns through investment in a diversified portfolio of investment grade fixed income and similar transferable instruments issued primarily by government and corporate entities in Asia.

Investment policy

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in debt securities of governments or quasi-government organization issuers in Asia and/or issuers organised, headquartered or having their primary business operations in Asia. The Underlying Sub-Fund invests at least 70% of its Net Asset Value in investment grade debt securities and convertible securities (rated as Baa3 or above by Moody's Investor Services Inc or BBB- or above by Standard & Poor's Corporation or other recognised rating agencies) or if unrated, of comparable quality as determined by the First State HK.

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in debt securities in any one or more emerging markets in Asia, or any sector. In respect of the Underlying Sub-Fund's exposure to PRC, investment in onshore PRC debt securities and offshore debt securities denominated in RMB (including Dim Sum bonds) will be less than 30% of the Underlying Sub-Fund's Net Asset Value.

The debt securities in which the Underlying Sub-Fund invests are mainly denominated in US dollars or other major currencies.

Although the Underlying Sub-Fund has a regional investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain countries.

The Underlying Sub-Fund will not invest more than 10% of its Net Asset Value in debt securities issued by and/or guaranteed by a single sovereign issuer which is below investment grade.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

Underlying Fund(s): Equity portion GUFD – First State Asian Equity Plus Fund

Investment objectives

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in equity securities of companies that are listed, or have their registered offices in, or conduct a majority of their economic activity in the Asia Pacific region (excluding Japan). Such companies will be selected on the basis of their high dividend yields and their potential for long term capital appreciation.

The First State HK will select investments which it believes offer the potential for sustainable above average dividend yields in addition to price appreciation.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any one or more Emerging Markets in the Asia Pacific region (excluding Japan), any sector or any limitation on the market capitalisation of the companies in which it may invest.

Although the Underlying Sub-Fund has a regional investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain countries.

The Underlying Sub-Fund's maximum exposure to China A Shares (whether directly through the QFII quota, directly via the Stock Connects or indirectly through equity linked or participation notes and collective investment schemes) and China B Shares (through direct investment) in aggregate will not exceed 25% of the Underlying Sub-Fund's Net Asset Value.

Direct investment in China A Shares through the QFII quota is limited to 10% of the Underlying Sub-Fund's Net Asset Value.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

Sub-Fund: First State Dividend Advantage (DIVA)

Launch date: 16 November 2004

Underlying Fund(s): GUFDF – First State Asian Equity Plus Fund

Investment objectives

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in equity securities of companies that are listed, or have their registered offices in, or conduct a majority of their economic activity in the Asia Pacific region (excluding Japan). Such companies will be selected on the basis of their high dividend yields and their potential for long term capital appreciation.

The First State HK will select investments which it believes offer the potential for sustainable above average dividend yields in addition to price appreciation.

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any one or more Emerging Markets in the Asia Pacific region (excluding Japan), any sector or any limitation on the market capitalisation of the companies in which it may invest.

Although the Underlying Sub-Fund has a regional investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain countries.

The Underlying Sub-Fund's maximum exposure to China A Shares (whether directly through the QFII quota, directly via the Stock Connects or indirectly through equity linked or participation notes and collective investment schemes) and China B Shares (through direct investment) in aggregate will not exceed 25% of the Underlying Sub-Fund's Net Asset Value.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Investment objectives (continued)

Direct investment in China A Shares through the QFII quota is limited to 10% of the Underlying Sub-Fund's Net Asset Value.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

Sub-Fund: First State Global Balanced Fund (GBFD)

Launch date: 6 February 1995

Underlying Fund(s): Fixed income portion - GUFDF – First State Global Bond Fund

Investment objectives

To provide a total return greater than the Citigroup World Government Bond Index ("WGBI"). The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in debt securities of governments or quasi-government organization issuers and/or issuers from countries organised, headquartered or having their primary business operations in the WGBI Index, although in the event of unusual market conditions, investments in countries not included in the WGBI Index may be included and may constitute up to 50% of the Net Asset Value of the Sub-Fund.

No more than 10% of the Underlying Sub-Fund's Net Asset Value will be invested in any country outside of the United States, the European Union, the United Kingdom, Switzerland, Australia, Canada, New Zealand, Japan or Norway and less than 30% of the Underlying Sub-Fund's Net Asset Value in aggregate will be invested outside these countries. The Underlying Sub-Fund will hold securities of issuers from at least three countries.

The Underlying Sub-Fund will normally invest at least 70% of its Net Asset Value in investment grade debt securities (rated as Baa3 or above by Moody's Investor Services, Inc or BBB- or above by Standard & Poor's Corporation, or other recognised rating agencies), or, if unrated, of comparable quality as determined by the First State HK. The Underlying Sub-Fund is not constrained as to the maximum maturity of its portfolio securities. The Underlying Sub-Fund may hold less than 30% of its Net Asset Value in debt securities rated below investment grade or if unrated, of comparable quality as determined by the First State HK.

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in debt securities in any sector.

Although the Underlying Sub-Fund has a global investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain geographical area(s).

The Underlying Sub-Fund will not invest more than 10% of its Net Asset Value in debt securities issued by and/or guaranteed by a single sovereign issuer which is below investment grade.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Underlying Fund(s): Equity portion- GUFDF –Stewart Investors Worldwide Leaders Fund

Investment objectives

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in a diverse portfolio of equity securities of larger capitalisation companies which are listed, traded or dealt in on any of the Regulated Markets worldwide. Larger capitalisation companies are currently defined for the purposes of this policy as companies with a minimum investible market cap (free float) of US\$3 billion at the time of investment. The First State HK may review this definition as considered appropriate.

In relation to the term Leaders, this indicates the Underlying Sub-Fund will not invest in securities of small capitalisation companies. Small capitalisation companies are currently defined for the purposes of this policy as companies with a minimum investible market cap (free float) of less than US\$1 billion at the time of investment.

Particular consideration is given to investment in companies that are positioned to benefit from, and contribute to, the sustainable development of the countries in which they operate.

The Underlying Sub-Fund is not managed to a benchmark.

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any one or more Emerging Markets or any sector.

Although the Underlying Sub-Fund has a global investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain geographical area(s).

The Underlying Sub-Fund's maximum exposure to China A Shares (directly via the Stock Connects and/or indirectly through equity linked or participation notes and collective investment schemes) and China B Shares (through direct investment) in aggregate will not exceed 25% of the Underlying Sub-Fund's Net Asset Value.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

Sub-Fund: First State Global Infrastructure (GIFT)

Launch date: 16 January 2008

Underlying Fund(s): ICVC – First State Global Listed Infrastructure Fund

Investment objectives

The Underlying Sub-Fund aims to achieve an investment return consistent with income and long term capital growth. The Underlying Sub-Fund invests in a diversified portfolio of listed infrastructure and infrastructure related securities from around the world.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Sub-Fund: First State Global Property Investments (GLPR)

Launch date: 21 February 2005

Underlying Fund(s): GUFDD- First State Global Property Securities Fund

Investment objectives

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in a broad selection of equity securities issued by real estate investment trusts or companies that own, develop or manage real property from around the world (including initially the European Economic Area ("EEA"), Russia, Switzerland, United States, and the Asian Region) and which are listed, traded or dealt in on Regulated Markets worldwide.

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any one or more Emerging Markets or any limitation on the market capitalisation of the companies in which it may invest.

Although the Underlying Sub-Fund has a global investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain geographical area(s).

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

Sub-Fund: First State Global Resources (GRES)

Launch date: 25 July 2005

Underlying Fund(s): ICVC/GUFDD - First State Global Resources Fund

Investment objectives

The Underlying Sub-Fund aims to achieve long-term capital growth.

The Underlying Sub-Fund invests in equities in the natural resources and energy sectors worldwide.

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in the equities of issuers engaged in the discovery, development, extraction, processing or distribution of natural resources (including without limitation minerals, water, metals and timber) and energy sectors (including without limitation oil, coal, gas, nuclear energy and renewable energy), or issuers of securities that provide services to the natural resources and energy sectors and which are listed, traded or dealt in on Regulated Markets worldwide.

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any one or more Emerging Markets or any limitation on the market capitalisation of the companies in which it may invest.

Although the Underlying Sub-Fund has a global investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain geographical area(s).

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

Sub-Fund: First State Regional China Fund (RCFD)

Launch date: 27 September 1993

Underlying Fund(s): GUF – First State Greater China Growth Fund

Investment objectives

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in equity securities issued by companies with either assets in, or revenues derived from, the People's Republic of China, Hong Kong, and Taiwan and which are listed, traded or dealt in on Regulated Markets in the People's Republic of China, Hong Kong, Taiwan, the U.S., Singapore, Korea, Thailand and Malaysia or in a member state of the OECD.

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

Although the Underlying Sub-Fund has a regional investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain countries.

The Underlying Sub-Fund's maximum exposure to China A Shares (whether directly through the QFII quota, directly through the RQFII quota, directly via the Stock Connects or indirectly through equity linked or participation notes and collective investment schemes and China B Shares (through direct investment) in aggregate will not exceed 25% of the Underlying Sub-Fund's Net Asset Value.

Direct investment in China A Shares through the QFII quota is limited to 10% of the Underlying Sub-Fund's Net Asset Value.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

Sub-Fund: First State Regional India Fund (RIFD)

Launch date: 18 July 1994

Underlying Fund(s): GUF – First State Indian Subcontinent Fund

Investment objectives

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in a diversified portfolio of equity securities issued by companies of the Indian subcontinent. Countries of the Indian subcontinent include India, Pakistan, Sri Lanka and Bangladesh. The Underlying Sub-Fund concentrates on securities that are listed, traded or dealt in on Regulated Markets in the Indian subcontinent and offshore instruments issued by companies established or operating or have significant interests in the Indian subcontinent and listed on other Regulated Markets.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any one or more Emerging Markets of the Indian subcontinent, any sector, or any limitation on the market capitalisation of the companies in which it may invest.

Although the Underlying Sub-Fund has a regional investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain countries.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

Sub-Funds: First State Singapore Growth Fund (SPGF)

Launch date: July 1969

Underlying Fund(s): GUFDF – First State Singapore and Malaysia Growth Fund

Investment objectives

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in securities issued by companies that are listed, traded or dealt in on Regulated Markets in Singapore or Malaysia or companies that are listed, traded or dealt in on another Regulated Market but that are incorporated in, have substantial assets in, or derive significant revenues from operations in Singapore or Malaysia.

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any sector or any limitation on the market capitalisation of the companies in which it may invest.

The Underlying Sub-Fund may from time to time also invest in companies that are listed, traded or dealt in on Regulated Markets in the Asia-Pacific region other than Singapore and Malaysia which, in the opinion of the First State HK, offer potential for diversification and capital growth, subject to a maximum of 20% of the Underlying Sub-Fund's Net Asset Value in aggregate being invested in such countries.

In its investment decisions the First State HK does not emphasise any particular company size but instead considers investments which in its opinion offer the potential for capital appreciation.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Sub-Fund: Stewart Investors Global Emerging Markets Leaders Fund (GEML)

Launch date: 1 June 2004

Underlying Fund(s): ICVC – Stewart Investors Global Emerging Markets Leaders Fund

Investment objectives

The Underlying Sub-Fund aims to achieve long-term capital growth.

The Underlying Sub-Fund invests worldwide in large and mid capitalisation equities in emerging economies, including those of companies listed on developed market exchanges whose activities predominantly take place in, emerging market countries.

Sub-Fund: Stewart Investors Worldwide Leaders Fund (G100)

Launch date: 15 July 1998

Underlying Fund(s): GUFDF – Stewart Investors Worldwide Leaders Fund

Investment objectives

The Underlying Sub-Fund invests primarily (at least 70% of its Net Asset Value) in a diverse portfolio of equity securities of larger capitalisation companies which are listed, traded or dealt in on any of the Regulated Markets worldwide. Larger capitalisation companies are currently defined for the purposes of this policy as companies with a minimum investible market cap (free float) of US\$3 billion at the time of investment. The First State HK may review this definition as considered appropriate.

In relation to the term Leaders, this indicates the Underlying Sub-Fund will not invest in securities of small capitalisation companies. Small capitalisation companies are currently defined for the purposes of this policy as companies with a minimum investible market cap (free float) of less than US\$1 billion at the time of investment.

Particular consideration is given to investment in companies that are positioned to benefit from, and contribute to, the sustainable development of the countries in which they operate.

The Underlying Sub-Fund is not managed to a benchmark.

The Underlying Sub-Fund is not subject to any limitation on the portion of its Net Asset Value that may be invested in any one or more Emerging Markets or any sector.

Although the Underlying Sub-Fund has a global investment universe, the securities selected for investment based on the First State HK approach may at times result in a portfolio that is concentrated in certain geographical area(s).

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund's maximum exposure to China A Shares (directly via the Stock Connects and/or indirectly through equity linked or participation notes and collective investment schemes) and China B Shares (through direct investment) in aggregate will not exceed 25% of the Underlying Sub-Fund's Net Asset Value.

The Underlying Sub-Fund may only use FDIs for purposes of hedging and efficient portfolio management. The Underlying Sub-Fund will not invest extensively or primarily in FDIs to achieve its investment objective. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The following sub-funds are included under the Central Provident Fund Investment Scheme ("CPFIS"):

First State Asian Growth Fund
First State Bridge
First State Dividend Advantage
First State Global Resources
First State Regional China Fund

The Manager may establish Classes of units within the Sub-Funds. Different Classes within a sub-fund have different features. Where a new Class is established, the Manager may at its discretion re-designate any existing Class as long as there is no prejudice to existing holders of such Class.

As at 31 December 2017, only Class A units and Class B units are being offered in relation to the First State Asia Opportunities Fund and only Class A units are being offered in relation to the other sub-funds. First State Asia Opportunities Fund's Class A units and Class B units have different minimum initial class investment, minimum subsequent class investment and minimum class holding amounts and are subject to a different annual investment management fee.

During the year ended 31 December 2017 the Manager has, at its own discretion, chosen to absorb certain expenses of APGF and GRES (2016: APGF and GRES).

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

2. Significant accounting policies

The principal accounting policies in the preparation of these financial statements are set out below:

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial instruments at fair value through profit or loss, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of Singapore Chartered Accountants in March 2017 for annual periods beginning on or after 1 July 2016.

The Sub-Funds have adopted the following Singapore Financial Reporting Standards (“FRS”) and related amendments in accordance with the recommendations of the RAP 7:

(i) Consolidation and disclosure of interests in other entities

FRS 110 “Consolidated financial statements”
FRS 112 “Disclosure of interests in other entities”
Amendments to FRS 110, FRS 112 and FRS 27 “Investment entities”

FRS 110 and the amendments define an investment entity and introduce an exception from the consolidation requirements for investment entities.

FRS 112 and the amendments require entities to disclose significant judgements and assumptions made in determining whether the entity controls, jointly controls, significantly influences or has some interests in other entities. Entities are also required to provide disclosure around certain “structured entities”. The amendments to FRS 112 introduce new disclosure requirements related to investment entities.

(ii) Offsetting financial assets and liabilities disclosures

Amendments to FRS 32 “Financial instruments: Presentation – Offsetting financial assets and financial liabilities”
Amendments to FRS 107 “Disclosures – Offsetting financial assets and financial liabilities”

The amendments to FRS 32 provide clarification on the offsetting criteria in FRS 32 and address inconsistencies in their application.

The amendments to FRS 107 require additional disclosures to enable users of financial statements to evaluate the effect or the potential effects of netting arrangements, including rights of set-off associated with an entity’s recognised financial assets and recognised financial liabilities, on the entity’s financial position.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

2. Significant accounting policies (continued)

(a) Basis of preparation (continued)

The adoption of these new or amended FRS impacted the Sub-Funds' level of disclosures in certain of the above noted areas, but did not result in substantial changes to the accounting policies of the Sub-Funds and had no material effect on the amounts reported for the current or prior financial years.

The financial statements are prepared in Singapore dollars (S\$), which is the functional currency of the Sub-Funds.

(b) Recognition of income

Dividend income is recorded gross in the Statement of Total Return in the financial year in which a dividend is declared payable by the investee company. Interest income on deposits is recognised on a time proportion basis using the effective interest method.

(c) Investments

Investments are classified as financial assets held at fair value through profit or loss. Purchases of investments are recognised on trade date. Investments are recorded at fair value on initial recognition, and subsequently carried at fair value. The fair value of investments held in Underlying Sub-Funds' is the quoted net asset value of the Underlying Sub-Funds' determined by the Underlying Sub-Funds' administrator. Net changes in fair value of investments are included in the Statement of Total Return in the year in which they arise.

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the disposal of investments are taken up in the Statement of Total Return as at trade date.

(d) Foreign currency translation

Foreign currency transactions during the year are translated into Singapore dollars at the rates of exchange ruling on the transaction dates. Foreign currency monetary assets and liabilities are translated into Singapore dollars at the rates of exchange ruling at the reporting date. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year end exchange rates of foreign currency monetary assets and liabilities, are taken to the Statement of Total Return.

(e) Financial derivatives

Financial derivatives are recognised at fair value on the date in which a derivative contract is entered into and are subsequently re-measured at their fair values. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and options pricing models, as appropriate. A derivative is carried as an asset when its fair value is positive, and as a liability when its fair value is negative. Subsequent changes in the fair value of any derivative instruments are recognised immediately in the Statement of Total Return.

Net gains and losses on financial derivatives held for protection or enhancement of investments are taken to the Statement of Total Return as gains or losses on financial derivatives. Such gains or losses on financial derivatives held for generating or protecting income are taken to the Statement of Total Return as income gains or losses.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

2. Significant accounting policies (continued)

(f) Distribution

The Manager shall have the absolute discretion to determine whether a distribution is to be made. In the event that the Manager determines that a distribution will be made, an amount required to effect such a distribution shall be transferred to a distribution account for payment on distribution date. This amount shall not be treated as part of the property of the Sub-Funds. Distributions are accrued for at the point in time when the necessary approvals have been obtained and a legal or constructive obligation has been created.

(g) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Sub-Funds or the counterparty.

(h) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Sub-Funds consider its investment in the Underlying Sub-Funds to be investment in unconsolidated structured entities. The Sub-Funds invest in the Underlying Sub-Funds whose objectives range from achieving short to long term capital growth and whose investment strategies do not include the use of leverage. The Underlying Sub-Funds are managed by related asset managers and apply various investment strategies to accomplish their respective investment objectives. The Underlying Sub-Funds finance their operations by issuing redeemable shares which are puttable at the holder's option and entitles the holder to a proportional stake in the respective fund's net assets. The Sub-Funds hold redeemable shares in each of the Underlying Sub-Funds.

The change in fair value of the Underlying Sub-Funds is included in the net gains or losses on investments taken up in the Statement of Total Return as described in Note 2(c).

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

3. Income Tax

The Sub-Funds were granted the status of Designated Unit Trusts ("DUT") in Singapore. The Trustee of the Sub-Funds will ensure the Sub-Funds fulfill its reporting obligations under the DUT scheme.

Under the DUT scheme, subject to certain conditions and reporting obligations being met. Certain income of the DUT Sub-Funds are not taxable in accordance with section 35(12) and (12A) of the Income Tax Act (Cap 134) including:

- (a) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (b) interest (other than interest for which tax has been deducted under section 45 of the Income Tax Act);
- (c) dividends derived from outside Singapore and received in Singapore;
- (d) gains or profits derived from foreign exchange transactions, transactions in futures contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities or financial index; and
- (e) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

The foreign income tax represents tax deducted at source on dividends derived from outside Singapore and received in Singapore and tax deducted with respect to gains on disposal of investments.

The Sub-Funds are required to recognise a tax liability when it is probable that the tax laws of foreign countries require a tax liability to be assessed on the Sub-Funds' gains on investments sourced from such foreign countries, assuming the relevant taxing authorities have full knowledge of all the facts and circumstances. The tax liability is then measured at the amount expected to be paid to the relevant taxation authorities using the tax laws and rates that have been enacted or substantively enacted by the end of the reporting period. There is sometimes uncertainty about the way enacted tax law is applied to offshore investment funds. This creates uncertainty about whether or not a tax liability will ultimately be paid by the Sub-Funds. Therefore when measuring any uncertain tax liabilities management considers all of the relevant facts and circumstances available at the time which could influence the likelihood of payment, including any formal or informal practices of the relevant tax authorities.

As at 31 December 2017 and 2016, the Sub-Funds' uncertain tax exposure with respect to gains on investment of which the tax liability is estimated to be nil. While this represents the Manager's best estimate, the estimated value could differ significantly from the amount ultimately payable.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***4. Distribution**

First State Asian Quality Bond 2017			
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 0.98 cents per unit	31 January 2017	15 February 2017	123,060
Distribution at 0.99 cents per unit	28 April 2017	17 May 2017	124,065
Distribution at 0.99 cents per unit	31 July 2017	16 August 2017	137,793
Distribution at 0.99 cents per unit	31 October 2017	15 November 2017	146,316
			<u>531,234</u>

First State Bridge 2017			
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 2.46 cents per unit	28 February 2017	16 March 2017 21 September	19,215,935
Distribution at 2.60 cents per unit	31 August 2017	2017	20,943,291
			<u>40,159,226</u>

First State Bridge 2016			
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 2.28 cents per unit	29 February 2016	17 March 2016 22 September	17,739,090
Distribution at 2.47 cents per unit	31 August 2016	2016	19,244,240
			<u>36,983,330</u>

First State Dividend Advantage 2017			
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 1.70 cents per unit	31 March 2017	20 April 2017	20,021,096
Distribution at 1.79 cents per unit	30 June 2017	20 July 2017	20,121,109
Distribution at 1.83 cents per unit	29 September 2017	19 October 2017	19,911,547
Distribution at 1.94 cents per unit	29 December 2017	18 January 2018	21,275,784
			<u>81,329,536</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***4. Distribution (continued)**

	First State Dividend Advantage 2016		
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 1.52 cents per unit	31 March 2016	21 April 2016	18,042,880
Distribution at 1.55 cents per unit	30 June 2016	21 July 2016	18,530,773
Distribution at 1.63 cents per unit	30 September 2016	20 October 2016	19,377,705
Distribution at 1.60 cents per unit	30 December 2016	19 January 2017	18,949,204
			<u>74,900,562</u>

	First State Global Infrastructure 2017		
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 1.59 cents per unit	31 March 2017	19 April 2017	227,882
Distribution at 1.65 cents per unit	29 September 2017	17 October 2017	237,037
			<u>464,919</u>

	First State Global Infrastructure 2016		
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 1.44 cents per unit	31 March 2016	20 April 2016	248,765
Distribution at 1.52 cents per unit	30 September 2016	19 October 2016	207,419
			<u>456,184</u>

	First State Global Property Investments 2017		
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 3.51 cents per unit	30 November 2017	15 December 2017	<u>336,727</u>

	First State Global Property Investments 2016		
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 3.55 cents per unit	30 November 2016	15 December 2016	<u>377,072</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***5. Other receivables**

	First State Asia Opportunities Fund		First State Asian Growth Fund	
	2017 S\$	2016 S\$	2017 S\$	2016 S\$
Amounts receivable from unitholders for creation of units	87,743	11,060	248,123	323,028
Management fee rebates receivable	114,448	112,009	271,676	299,040
Other receivables	7,536	-	17,775	-
	<u>209,727</u>	<u>123,069</u>	<u>537,574</u>	<u>622,068</u>

	First State Asian Quality Bond		First State Bridge	
	2017 S\$	2016 S\$	2017 S\$	2016 S\$
Amounts receivable from unitholders for creation of units	21,736	8,387	9,406,375	6,064,102
Management fee rebates receivable	35,169	19,286	4,563,606	4,089,005
Other receivables	4,440	6	269,165	-
	<u>61,345</u>	<u>27,679</u>	<u>14,239,146</u>	<u>10,153,107</u>

	First State Dividend Advantage		First State Global Balanced Fund	
	2017 S\$	2016 S\$	2017 S\$	2016 S\$
Amounts receivable from unitholders for creation of units	14,602,646	6,723,029	23,374	16,278
Management fee rebates receivable	7,762,427	7,327,292	59,311	61,827
Other receivables	493,229	-	4,019	-
	<u>22,858,302</u>	<u>14,050,321</u>	<u>86,704</u>	<u>78,105</u>

	First State Global Infrastructure		First State Global Property Investments	
	2017 S\$	2016 S\$	2017 S\$	2016 S\$
Amounts receivable from unitholders for creation of units	213,344	119,765	199,605	247,855
Management fee rebates receivable	58,499	47,867	98,409	86,664
Other receivables	3,975	58	6,285	-
	<u>275,818</u>	<u>167,690</u>	<u>304,299</u>	<u>334,519</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***5. Other receivables (continued)**

	First State Global Resources		First State Regional China Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Amounts receivable from				
unitholders for creation of units	1,426,603	1,634,356	2,906,819	409,110
Management fee rebates receivable	849,253	858,974	1,785,074	1,605,453
Other receivables	109,943	-	104,067	-
	<u>2,385,799</u>	<u>2,493,330</u>	<u>4,795,960</u>	<u>2,014,563</u>

	First State Regional India Fund		First State Singapore Growth Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Amounts receivable from				
unitholders for creation of units	817,052	483,875	15,602	21,127
Management fee rebates receivable	455,447	322,712	169,529	176,320
Other receivables	24,313	-	11,658	-
	<u>1,296,812</u>	<u>806,587</u>	<u>196,789</u>	<u>197,447</u>

	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Amounts receivable from				
unitholders for creation of units	-	-	99,369	111,275
Management fee rebates receivable	59,341	64,955	97,291	87,252
Other receivables	4,294	-	6,394	-
	<u>63,635</u>	<u>64,955</u>	<u>203,054</u>	<u>198,527</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***6. Other payables**

	First State Asia Opportunities Fund		First State Asian Growth Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Amounts payable to unitholders for cancellation of units	43,372	61,433	504,221	391,796
Accrued management fees	37,860	37,809	91,419	91,360
Accrued trustee's fees	1,650	1,573	4,428	4,425
Other accrued expenses	21,514	17,066	25,986	21,220
	<u>104,396</u>	<u>117,881</u>	<u>626,054</u>	<u>508,801</u>

	First State Asian Quality Bond		First State Bridge	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Amounts payable to unitholders for cancellation of units	149,082	43,493	3,815,880	3,545,166
Accrued management fees	12,075	10,614	1,606,843	1,351,727
Accrued trustee's fees	1,227	1,000	93,429	78,547
Other accrued expenses	19,573	21,220	161,997	111,945
	<u>181,957</u>	<u>76,327</u>	<u>5,678,149</u>	<u>5,087,385</u>

	First State Dividend Advantage		First State Global Balanced Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Amounts payable to unitholders for cancellation of units	6,663,466	7,926,690	13,024	43,984
Accrued management fees	2,739,368	2,467,754	20,004	20,204
Accrued trustee's fees	132,739	119,482	2,029	2,600
Other accrued expenses	221,997	259,251	16,489	17,010
	<u>9,757,570</u>	<u>10,773,177</u>	<u>51,546</u>	<u>83,798</u>

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

6. Other payables (continued)

	First State Global Infrastructure		First State Global Property Investments	
	2017 S\$	2016 S\$	2017 S\$	2016 S\$
Amounts payable to unitholders for cancellation of units	21,702	73,039	41,026	112,242
Accrued management fees	19,987	17,083	34,881	30,406
Accrued trustee's fees	1,295	969	1,689	1,473
Other accrued expenses	18,416	18,742	21,598	16,958
	<u>61,400</u>	<u>109,833</u>	<u>99,194</u>	<u>161,079</u>

	First State Global Resources		First State Regional China Fund	
	2017 S\$	2016 S\$	2017 S\$	2016 S\$
Amounts payable to unitholders for cancellation of units	2,892,067	913,882	1,862,334	919,884
Accrued management fees	575,813	609,088	633,839	532,529
Accrued trustee's fees	27,909	29,512	30,714	25,762
Other accrued expenses	31,073	45,878	47,619	34,367
	<u>3,526,862</u>	<u>1,598,360</u>	<u>2,574,506</u>	<u>1,512,542</u>

	First State Regional India Fund		First State Singapore Growth Fund	
	2017 S\$	2016 S\$	2017 S\$	2016 S\$
Amounts payable to unitholders for cancellation of units	159,747	79,641	180,833	62,452
Accrued management fees	165,662	109,669	59,855	59,554
Accrued trustee's fees	6,883	4,554	2,900	2,884
Other accrued expenses	22,721	25,102	17,308	18,636
	<u>355,013</u>	<u>218,966</u>	<u>260,896</u>	<u>143,526</u>

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

6. Other payables (continued)

	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Amounts payable to unitholders for cancellation of units	13,996	26,837	67,489	71,914
Accrued management fees	20,377	21,935	34,446	30,147
Accrued trustee's fees	2,430	3,082	1,669	1,460
Other accrued expenses	17,394	18,558	17,741	17,937
	<u>54,197</u>	<u>70,412</u>	<u>121,345</u>	<u>121,458</u>

7. Financial derivatives, at fair value

Financial derivative contracts comprise forward foreign exchange contracts for the sale and purchase of foreign currencies.

The contract or underlying principal amounts of these financial derivatives and their corresponding gross positive and negative fair values at the reporting date are as follows:

	First State Asian Quality Bond 31 December 2017		
	Notional amount	Fair value assets	Fair value liabilities
	S\$	S\$	S\$
Forward foreign exchange contracts	16,336,882	216,587	15,310

	First State Asian Quality Bond 31 December 2016		
	Notional amount	Fair value assets	Fair value liabilities
	S\$	S\$	S\$
Forward foreign exchange contracts	12,295,900	1,282	435,133

	First State Bridge 31 December 2017		
	Notional amount	Fair value assets	Fair value liabilities
	S\$	S\$	S\$
Forward foreign exchange contracts	724,731,467	9,574,752	11,136

	First State Bridge 31 December 2016		
	Notional amount	Fair value assets	Fair value liabilities
	S\$	S\$	S\$
Forward foreign exchange contracts	637,387,665	97,693	14,442,916

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

8. Units in issue

During the year ended 31 December 2017 and 2016 the number of units issued, redeemed and outstanding were as follows:

	First State Asia Opportunities Fund			
	2017 Units		2016 Units	
	Class A	Class B	Class A	Class B
Units at beginning of year	23,168,987	91,853	27,518,568	-
Units created	1,006,875	2,993,367	627,291	91,853
Units cancelled	(4,852,060)	(766,043)	(4,976,872)	-
Units at end of year*	<u>19,323,802</u>	<u>2,319,177</u>	<u>23,168,987</u>	<u>91,853</u>
* Included above are units denominated in USD	<u>661,525</u>	<u>-</u>	<u>800,267</u>	<u>-</u>
Net assets attributable to unitholders (S\$)	<u>23,360,618</u>	<u>2,827,760</u>	<u>24,580,198</u>	<u>97,553</u>
Net asset value per unit (S\$)	<u>1.2089</u>	<u>1.2193</u>	<u>1.0609</u>	<u>1.0621</u>

	First State Asian Growth Fund		First State Asian Quality Bond	
	2017 Units	2016 Units	2017 Units	2016 Units
				For the financial period from 1 November 2016 (date of inception) to 31 December
			Class A (Distribution)	
Units at beginning of year/period	29,230,407	31,691,910	12,537,531	-
Units created	6,455,147	5,097,091	4,255,305	12,612,710
Units cancelled	(10,140,637)	(7,558,594)	(2,630,732)	(75,179)
Units at end of year/period*	<u>25,544,917</u>	<u>29,230,407</u>	<u>14,162,104</u>	<u>12,537,531</u>
* Included above are units denominated in USD	<u>115,908</u>	<u>194,945</u>	<u>-</u>	<u>-</u>
Net assets attributable to unitholders (S\$)	<u>70,136,955</u>	<u>69,963,215</u>	<u>13,818,279</u>	<u>12,152,340</u>
Net asset value per unit (S\$)	<u>2.7456</u>	<u>2.3935</u>	<u>0.9757</u>	<u>0.9693</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***8. Units in issue (continued)**

	First State Bridge		First State Dividend Advantage	
	2017 Units	2016 Units	2017 Units	2016 Units
Units at beginning of year	784,197,782	781,236,282	1,184,325,242	1,185,557,826
Units created	212,076,432	130,905,388	326,554,214	279,173,145
Units cancelled	(157,472,866)	(127,943,888)	(414,189,548)	(280,405,729)
Units at end of year*	<u>838,801,348</u>	<u>784,197,782</u>	<u>1,096,689,908</u>	<u>1,184,325,242</u>
* Included above are units denominated in USD	-	-	183,925,633	206,210,511
Net assets attributable to unitholders (S\$)	<u>1,485,970,831</u>	<u>1,240,111,311</u>	<u>2,097,569,615</u>	<u>1,867,770,247</u>
Net asset value per unit (S\$)	<u>1.7715</u>	<u>1.5814</u>	<u>1.9126</u>	<u>1.5771</u>
	First State Global Balanced Fund		First State Global Infrastructure	
	2017 Units	2016 Units	2017 Units	2016 Units
Units at beginning of year	20,088,929	19,831,546	13,210,425	19,161,542
Units created	1,841,185	2,821,745	9,353,490	6,480,761
Units cancelled	(3,587,929)	(2,564,362)	(8,287,277)	(12,431,878)
Units at end of year*	<u>18,342,185</u>	<u>20,088,929</u>	<u>14,276,638</u>	<u>13,210,425</u>
* Included above are units denominated in USD	<u>415,300</u>	<u>493,658</u>	<u>5,190,617</u>	<u>5,062,884</u>
Net assets attributable to unitholders (S\$)	<u>18,309,817</u>	<u>18,615,395</u>	<u>15,226,439</u>	<u>13,457,538</u>
Net asset value per unit (S\$)	<u>0.9982</u>	<u>0.9266</u>	<u>1.0665</u>	<u>1.0187</u>

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

8. Units in issue (continued)

	First State Global Property Investments			
	2017		2016	
	Units		Units	
	Class A (Distribution)	Class A (Accumulation)	Class A (Distribution)	Class A (Accumulation)
Units at beginning of year	10,815,529	15,363,962	12,075,509	8,626,013
Units created	680,848	8,981,602	840,418	9,231,179
Units cancelled	(1,849,860)	(4,761,787)	(2,100,398)	(2,493,230)
Units at end of year	<u>9,646,517</u>	<u>19,583,777</u>	<u>10,815,529</u>	<u>15,363,962</u>
Net assets attributable to unitholders (S\$)	<u>8,194,064</u>	<u>18,795,563</u>	<u>9,376,524</u>	<u>14,447,908</u>
Net asset value per unit (S\$)	<u>0.8495</u>	<u>0.9598</u>	<u>0.8670</u>	<u>0.9404</u>
	First State Global Resources		First State Regional China Fund	
	2017		2016	
	Units		Units	
	2017	2016	2017	2016
	Units	Units	Units	Units
Units at beginning of year	505,019,825	486,152,651	139,499,569	165,545,666
Units created	108,180,840	121,023,302	24,821,975	13,994,394
Units cancelled	(160,301,383)	(102,156,128)	(41,201,410)	(40,040,491)
Units at end of year*	<u>452,899,282</u>	<u>505,019,825</u>	<u>123,120,134</u>	<u>139,499,569</u>
* Included above are units denominated in USD	<u>22,375,955</u>	<u>21,212,370</u>	<u>12,090,432</u>	<u>14,818,627</u>
Net assets attributable to unitholders (S\$)	<u>459,227,178</u>	<u>469,263,913</u>	<u>490,791,229</u>	<u>401,966,348</u>
Net asset value per unit (S\$)	<u>1.0140</u>	<u>0.9292</u>	<u>3.9863</u>	<u>2.8815</u>

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

8. Units in issue (continued)

	First State Regional India Fund		First State Singapore Growth Fund	
	2017 Units	2016 Units	2017 Units	2016 Units
Units at beginning of year	10,893,631	10,518,278	14,251,434	15,504,026
Units created	5,461,521	1,718,274	506,645	370,049
Units cancelled	(3,538,078)	(1,342,921)	(1,852,561)	(1,622,641)
Units at end of year*	12,817,074	10,893,631	12,905,518	14,251,434
* Included above are units denominated in USD	877,821	636,436	106,984	161,380
Net assets attributable to unitholders (S\$)	110,409,718	72,760,480	45,351,116	44,911,230
Net asset value per unit (S\$)	8.6143	6.6792	3.5141	3.1513

	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
	2017 Units	2016 Units	2017 Units	2016 Units
Units at beginning of year	6,194,304	7,366,167	16,166,303	16,422,396
Units created	-	-	4,362,647	2,565,130
Units cancelled	(1,246,818)	(1,171,863)	(4,478,162)	(2,821,223)
Units at end of year*	4,947,486	6,194,304	16,050,788	16,166,303
* Included above are units denominated in USD	78,100	153,879	566,400	837,320
Net assets attributable to unitholders (S\$)	15,929,881	16,876,190	26,381,858	23,305,916
Net asset value per unit (S\$)	3.2198	2.7245	1.6436	1.4416

There is no difference between the net assets attributable to unitholders per financial statements and the net assets attributable to unitholders for issuing/redeeming of units for the Sub-Funds, except for QBON, DIVA and SPGF.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***8. Units in issue (continued)**

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the financial year end date is presented below:

	First State Asian Quality Bond			
	2017		2016	
	S\$		S\$	
Net asset attributable to unitholders per unit for issuing/redeeming units (S\$)	0.9760		0.9696	
Effect of preliminary expenses	(0.0003)		(0.0003)	
Net asset attributable to unitholders per unit per the financial statements (S\$)	0.9757		0.9693	
	First State Dividend Advantage		First State Singapore Growth Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Net asset attributable to unitholders per unit for issuing/redeeming units (S\$)	1.9320	1.5931	3.5141	3.1514
Effect for movement in the net asset value between the last dealing date and the end of the reporting period	-	-	-	(0.0001)
Effect of distribution per unit	(0.0194)	(0.0160)	-	-
Net asset attributable to unitholders per unit per the financial statements (S\$)	1.9126	1.5771	3.5141	3.1513

9. Financial risk management

The Fund's activities expose it to a variety of financial risks including but not limited to market risk (including currency risk, interest rate risk and price risk), liquidity risk and credit risk. The Fund comprises the sub-funds as disclosed in Note 1. The sub-funds (collectively, the "Feeder Funds"), invest all or substantially all of their assets into underlying funds as disclosed in Note 1. These underlying funds are separately managed by their respective manager and the Manager does not view the risk exposures of the Feeder Funds to be the same as those of the underlying funds in which they hold investments.

The overall responsibility for the management of the Fund's financial risks lies with the Manager. The Fund's overall risk management programme seeks to minimise potential adverse effects on the Fund's financial performance. The Fund may use financial futures contracts, financial options contracts and/or forward foreign exchange contracts subject to the terms of the Trust Deed to moderate certain risk exposures. Specific guidelines on exposures to individual securities and certain industries are in place for the Fund at any time as part of the overall financial risk management to reduce the Fund's risk exposures.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

The Fund's assets are held in accordance with the published investment policies of the Fund. The allocation of assets between the various types of investments is determined by the Manager to achieve their investment objectives.

The data used and assumptions made in the sensitivity analyses below may not reflect actual market conditions, nor is it representative of any potential future market conditions. The sensitivity analyses can be complex and the disclosures made here are not exhaustive. The market exposures change regularly and the assumptions made below may not be representative of the risk taken throughout the year. The sensitivity analyses below should not be solely relied upon by investors in making their investment decisions.

At the reporting date, the Fund's financial risks comprise market risk (mainly price risk and currency risk), liquidity risk and credit risk.

a. Market risk

Market risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including interest rates, credit spreads and exchange rates. Market risk includes such factors as changes in the economic environment, consumption pattern and investor's expectation which may have a significant impact on the value of the investments. The Fund's investments are substantially dependent on changes in market prices. The Fund's investments are monitored by the Manager on a regular basis so as to assess changes in fundamentals and valuation. Although the Manager makes reasonable efforts in the choice of investments, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the net asset value of the Fund. Guidelines are set to reduce the Fund's risk exposures to market volatility such as diversifying the portfolio by investing across various industry sectors and geographies. Alternatively, the Fund may be hedged using derivative strategies.

(i) Price Risk

Price risk is the risk that the fair values of equities or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The Feeder Funds invest all or substantially all of their assets into the respective underlying funds whose investment objectives are disclosed in Note 1.

The investments held by the Feeder Funds in the underlying funds are subject to the fluctuations in the quoted net asset value of the underlying funds. Such risk is primarily managed by the respective manager of the underlying funds. The Manager also monitors the performance of the Feeder Funds against their respective benchmarks on a regular basis. A Feeder Fund Review Committee has also been established to ensure that there is appropriate and adequate oversight on the performance of the underlying sub-funds.

The Feeder Fund Review Committee of the Manager meets on a quarterly basis to perform an overall review of the Feeder Funds. Areas under review include performance of the Feeder Funds as well as their underlying funds, operational and compliance matters and specific issues that occurred in the relevant year. The objective of this meeting is to ensure delegation and management of the Feeder Funds have been performed in accordance with constituted documents and regulatory requirements.

The table below summarises the effect on the net assets attributable to unitholders for each sub-fund, as at 31 December 2017 and 2016, from a reasonable possible change in the benchmark market indices as applied to the respective beta reported by Lipper.

The reasonable possible change in the benchmark market indices has been determined by using the one year benchmark returns for the financial year ended 31 December 2017 and 2016, respectively. This is a reasonable possible change in the benchmark assuming similar volatility in the respective financial markets will be experienced in the next twelve months.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

a. Market risk (continued)

(i) Price Risk (continued)

<u>Sub-Funds</u>	Benchmark Components	Change in Benchmark Market Index 31 December 2017 %	Effect on net assets attributable to unitholders 31 December 2017 S\$	Change in Benchmark Market Index 31 December 2016 %	Effect on net assets attributable to unitholders 31 December 2016 S\$
First State Asia Opportunities Fund	MSCI AC Asia ex-Japan Index	31.43	7,112,653	7.71	1,133,948
First State Asian Growth Fund	MSCI AC Asia ex-Japan Index	31.43	23,853,679	7.71	3,482,012
First State Asian Quality Bond	JP Morgan Asia Credit Investment Grade Index (SGD Index)	5.12	702,335	4.64	580,525
First State Bridge	50% MSCI AC Asia Pacific ex-Japan Index (Unhedged) and 50% JP Morgan Asia Credit Investment Grade Index (Hedged to SGD)	17.25	174,828,957	6.37	65,214,736
First State Dividend Advantage	MSCI AC Asia Pacific ex-Japan Index	27.03	387,785,744	9.03	127,327,768

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

a. Market risk (continued)

(i) Price Risk (continued)

<u>Sub-Funds</u>	Benchmark Components	Change in Benchmark Market Index 31 December 2017 %	Effect on net assets attributable to unitholders 31 December 2017 S\$	Change in Benchmark Market Index 31 December 2016 %	Effect on net assets attributable to unitholders 31 December 2016 S\$
First State Global Balanced Fund	60% MSCI AC World Index and 40% Citigroup World Government Bond Index (Unhedged)	8.74	2,515,224	7.91	937,846
First State Global Infrastructure	FTSE Global Core Infrastructure 50-50 Index	10.37	1,342,617	13.75	1,194,751
First State Global Property Investments	FTSE EPRA/NAREIT Developed Index	3.07	966,808	6.92	1,465,192
First State Global Resources	75% Euromoney Global Mining Index and 25% MSCI AC World Energy Index	16.48	67,888,279	57.07	237,671,188
First State Regional China Fund	MSCI Golden Dragon Index	33.38	93,013,804	7.70	32,365,438
First State Regional India Fund	MSCI India Index	28.36	21,393,446	0.38	249,117

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(i) Price Risk (continued)*

<u>Sub-Funds</u>	<u>Benchmark Components</u>	<u>Change in Benchmark Market Index 31 December 2017</u> %	<u>Effect on net assets attributable to unitholders 31 December 2017</u> S\$	<u>Change in Benchmark Market Index 31 December 2016</u> %	<u>Effect on net assets attributable to unitholders 31 December 2016</u> S\$
First State Singapore Growth Fund	Market Capitalisation weighted of MSCI Singapore Free Index and MSCI Malaysia Index	21.55	7,578,427	1.09	340,591
Stewart Investors Global Emerging Markets Leaders Fund	MSCI Emerging Markets Index	27.43	3,392,679	13.66	1,883,120
Stewart Investors Worldwide Leaders Fund	MSCI AC World Index	13.85	4,748,501	10.14	1,357,659

The disclosure above is shown in absolute terms. Changes and impacts could be positive or negative.

(ii) Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Sub-Funds may hold assets and liabilities denominated in currencies other than Singapore dollars and therefore the Sub-Funds may be affected favourably or unfavourably by exchange rate regulators or changes in the exchange rates between the Singapore dollars and such other currencies. The Sub-Funds may enter into forward foreign exchange contracts designed to either hedge some or all of this exposure having regard to factors such as the currency denomination of units issued by the Sub-Funds, or alternatively increase exposure to preferred foreign currencies .

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)*

The table below summarises the Sub-Funds' exposure to key foreign currencies from its monetary and non-monetary assets and liabilities.

First State Asia Opportunities Fund**As at 31 December 2017**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	25,925,431	-	25,925,431
Other receivables	114,448	95,279	209,727
Cash and bank balances	70,709	86,907	157,616
Total assets	26,110,588	182,186	26,292,774
LIABILITIES			
Other payables	-	104,396	104,396
Total liabilities	-	104,396	104,396
Currency exposure	26,110,588	77,790	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	24,512,494	-	24,512,494
Sales awaiting settlement	39,007	-	39,007
Other receivables	112,009	11,060	123,069
Cash and bank balances	45,586	75,476	121,062
Total assets	24,709,096	86,536	24,795,632
LIABILITIES			
Other payables	-	117,881	117,881
Total liabilities	-	117,881	117,881
Currency exposure	24,709,096	(31,345)	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Asian Growth Fund****As at 31 December 2017**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	69,628,091	-	69,628,091
Sales awaiting settlement	225,852	-	225,852
Other receivables	263,055	274,519	537,574
Cash and bank balances	150,078	340,354	490,432
Total assets	70,267,076	614,873	70,881,949
LIABILITIES			
Purchases awaiting settlement	118,940	-	118,940
Other payables	-	626,054	626,054
Total liabilities	118,940	626,054	744,994
Currency exposure	70,148,136	(11,181)	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	69,480,445	-	69,480,445
Sales awaiting settlement	99,684	-	99,684
Other receivables	270,794	351,274	622,068
Cash and bank balances	2,941	388,233	391,174
Total assets	69,853,864	739,507	70,593,371
LIABILITIES			
Purchases awaiting settlement	121,355	-	121,355
Other payables	16,978	491,823	508,801
Total liabilities	138,333	491,823	630,156
Currency exposure	69,715,531	247,684	

First State Global Growth Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Asian Quality Bond

As at 31 December 2017

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	13,581,671	-	13,581,671
Sales awaiting settlement	74,838	-	74,838
Other receivables	35,169	26,176	61,345
Cash and bank balances	73,184	251,146	324,330
Total assets	13,764,862	277,322	14,042,184
LIABILITIES			
Purchases awaiting settlement	243,225	-	243,225
Other payables	-	181,957	181,957
Total liabilities	243,225	181,957	425,182
Notional value of forward foreign exchange contracts	(13,406,232)	13,607,509	
Currency exposure	115,405	13,702,874	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	12,511,307	-	12,511,307
Sales awaiting settlement	43,341	-	43,341
Other receivables	19,286	8,393	27,679
Cash and bank balances	26,768	53,423	80,191
Total assets	12,600,702	61,816	12,662,518
LIABILITIES			
Other payables	-	76,327	76,327
Total liabilities	-	76,327	76,327
Notional value of forward foreign exchange contracts	(12,514,653)	12,080,802	
Currency exposure	86,049	12,066,291	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Bridge****As at 31 December 2017**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	1,468,842,320	-	1,468,842,320
Other receivables	4,563,613	9,675,533	14,239,146
Cash and bank balances	1,199,472	2,451,089	3,650,561
Total assets	1,474,605,405	12,126,622	1,486,732,027
LIABILITIES			
Purchases awaiting settlement	4,646,663	-	4,646,663
Other payables	-	5,678,149	5,678,149
Total liabilities	4,646,663	5,678,149	10,324,812
Notional value of forward foreign exchange contracts	(705,850,514)	715,414,130	
Currency exposure	764,108,228	721,862,603	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	1,248,511,264	-	1,248,511,264
Sales awaiting settlement	329,392	-	329,392
Other receivables	4,089,005	6,064,102	10,153,107
Cash and bank balances	395,347	1,050,523	1,445,870
Total assets	1,253,325,008	7,114,625	1,260,439,633
LIABILITIES			
Purchases awaiting settlement	895,714	-	895,714
Other payables	-	5,087,385	5,087,385
Total liabilities	895,714	5,087,385	5,983,099
Notional value of forward foreign exchange contracts	(623,241,545)	608,896,322	
Currency exposure	629,187,749	610,923,562	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Dividend Advantage****As at 31 December 2017**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	2,109,778,598	-	2,109,778,598
Other receivables	11,154,630	11,703,672	22,858,302
Cash and bank balances	985,411	3,504,217	4,489,628
Total assets	2,121,918,639	15,207,889	2,137,126,528
LIABILITIES			
Distribution payable	-	21,275,784	21,275,784
Purchases awaiting settlement	8,523,559	-	8,523,559
Other payables	632,820	9,124,750	9,757,570
Total liabilities	9,156,379	30,400,534	39,556,913
Currency exposure	2,112,762,260	(15,192,645)	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	1,880,070,419	-	1,880,070,419
Sales awaiting settlement	2,406,870	-	2,406,870
Other receivables	9,308,527	4,741,794	14,050,321
Cash and bank balances	160,435	2,315,739	2,476,174
Total assets	1,891,946,251	7,057,533	1,899,003,784
LIABILITIES			
Distribution payable	-	18,949,204	18,949,204
Purchases awaiting settlement	1,511,156	-	1,511,156
Other payables	172,857	10,600,320	10,773,177
Total liabilities	1,684,013	29,549,524	31,233,537
Currency exposure	1,890,262,238	(22,491,991)	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Global Balanced Fund****As at 31 December 2017**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	18,214,126	-	18,214,126
Other receivables	59,311	27,393	86,704
Cash and bank balances	1,337	59,196	60,533
Total assets	18,274,774	86,589	18,361,363
LIABILITIES			
Other payables	-	51,546	51,546
Total liabilities	-	51,546	51,546
Currency exposure	18,274,774	35,043	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	18,525,747	-	18,525,747
Other receivables	61,827	16,278	78,105
Cash and bank balances	54,725	40,616	95,341
Total assets	18,642,299	56,894	18,699,193
LIABILITIES			
Other payables	-	83,798	83,798
Total liabilities	-	83,798	83,798
Currency exposure	18,642,299	(26,904)	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Global Infrastructure****As at 31 December 2017**

	GBP S\$	SGD S\$	USD S\$	Total S\$
	SGD Equivalent			
ASSETS				
Portfolio of investments	14,881,756	-	-	14,881,756
Other receivables	58,499	18,362	198,957	275,818
Cash and bank balances	43,568	396,305	1,336	441,209
Total assets	14,983,823	414,667	200,293	15,598,783
LIABILITIES				
Purchases awaiting settlement	310,944	-	-	310,944
Other payables	-	61,400	-	61,400
Total liabilities	310,944	61,400	-	372,344
Currency exposure	14,672,879	353,267	200,293	

As at 31 December 2016

	GBP S\$	SGD S\$	USD S\$	Total S\$
	SGD Equivalent			
ASSETS				
Portfolio of investments	13,165,305	-	-	13,165,305
Other receivables	47,867	118,378	1,445	167,690
Cash and bank balances	143	272,394	29,674	302,211
Total assets	13,213,315	390,772	31,119	13,635,206
LIABILITIES				
Distribution payable	67,835	-	-	67,835
Other payables	-	109,833	-	109,833
Total liabilities	67,835	109,833	-	177,668
Currency exposure	13,145,480	280,939	31,119	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Global Property Investments****As at 31 December 2017**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	26,688,222	-	26,688,222
Other receivables	98,409	205,890	304,299
Cash and bank balances	8,018	275,378	283,396
Total assets	26,794,649	481,268	27,275,917
LIABILITIES			
Purchases awaiting settlement	187,096	-	187,096
Other payables	-	99,194	99,194
Total liabilities	187,096	99,194	286,290
Currency exposure	26,607,553	382,074	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	23,525,888	-	23,525,888
Other receivables	86,664	247,855	334,519
Cash and bank balances	16,860	205,039	221,899
Total assets	23,629,412	452,894	24,082,306
LIABILITIES			
Purchases awaiting settlement	96,795	-	96,795
Other payables	-	161,079	161,079
Total liabilities	96,795	161,079	257,874
Currency exposure	23,532,617	291,815	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Global Resources****As at 31 December 2017**

	GBP S\$	SGD S\$	USD S\$	Total S\$
		SGD Equivalent		
ASSETS				
Portfolio of investments	449,729,899	-	7,985,026	457,714,925
Sales awaiting settlement	2,163,955	-	-	2,163,955
Other receivables	833,097	1,270,089	282,613	2,385,799
Cash and bank balances	225,540	248,264	15,557	489,361
Total assets	452,952,491	1,518,353	8,283,196	462,754,040
LIABILITIES				
Other payables	-	3,369,645	157,217	3,526,862
Total liabilities	-	3,369,645	157,217	3,526,862
Currency exposure	452,952,491	(1,851,292)	8,125,979	

As at 31 December 2016

	GBP S\$	SGD S\$	USD S\$	Total S\$
		SGD Equivalent		
ASSETS				
Portfolio of investments	460,779,080	-	7,148,513	467,927,593
Other receivables	843,862	1,630,834	18,634	2,493,330
Cash and bank balances	259,006	947,463	25,700	1,232,169
Total assets	461,881,948	2,578,297	7,192,847	471,653,092
LIABILITIES				
Purchases awaiting settlement	790,819	-	-	790,819
Other payables	-	1,598,360	-	1,598,360
Total liabilities	790,819	1,598,360	-	2,389,179
Currency exposure	461,091,129	979,937	7,192,847	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Regional China Fund****As at 31 December 2017**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	488,861,929	-	488,861,929
Sales awaiting settlement	466,404	-	466,404
Other receivables	1,879,995	2,915,965	4,795,960
Cash and bank balances	112,291	412,095	524,386
Total assets	491,320,619	3,328,060	494,648,679
LIABILITIES			
Purchases awaiting settlement	1,282,944	-	1,282,944
Other payables	-	2,574,506	2,574,506
Total liabilities	1,282,944	2,574,506	3,857,450
Currency exposure	490,037,675	753,554	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	400,314,632	-	400,314,632
Sales awaiting settlement	793,140	-	793,140
Other receivables	1,612,542	402,021	2,014,563
Cash and bank balances	249,778	106,777	356,555
Total assets	402,970,092	508,798	403,478,890
LIABILITIES			
Other payables	121,255	1,391,287	1,512,542
Total liabilities	121,255	1,391,287	1,512,542
Currency exposure	402,848,837	(882,489)	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Regional India Fund****As at 31 December 2017**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	109,326,493	-	109,326,493
Other receivables	533,226	763,586	1,296,812
Cash and bank balances	2,167	697,874	700,041
Total assets	109,861,886	1,461,460	111,323,346
LIABILITIES			
Purchases awaiting settlement	558,615	-	558,615
Other payables	-	355,013	355,013
Total liabilities	558,615	355,013	913,628
Currency exposure	109,303,271	1,106,447	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	72,040,546	-	72,040,546
Other receivables	467,182	339,405	806,587
Cash and bank balances	79,025	326,336	405,361
Total assets	72,586,753	665,741	73,252,494
LIABILITIES			
Purchases awaiting settlement	273,048	-	273,048
Other payables	2,889	216,077	218,966
Total liabilities	275,937	216,077	492,014
Currency exposure	72,310,816	449,664	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Singapore Growth Fund****As at 31 December 2017**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	45,085,532	-	45,085,532
Sales awaiting settlement	45,438	-	45,438
Other receivables	169,529	27,260	196,789
Cash and bank balances	74,838	230,797	305,635
Total assets	45,375,337	258,057	45,633,394
LIABILITIES			
Purchases awaiting settlement	21,382	-	21,382
Other payables	-	260,896	260,896
Total liabilities	21,382	260,896	282,278
Currency exposure	45,353,955	(2,839)	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	44,638,415	-	44,638,415
Other receivables	176,320	21,127	197,447
Cash and bank balances	104,349	114,545	218,894
Total assets	44,919,084	135,672	45,054,756
LIABILITIES			
Other payables	-	143,526	143,526
Total liabilities	-	143,526	143,526
Currency exposure	44,919,084	(7,854)	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***Stewart Investors Global Emerging Markets Leaders Fund****As at 31 December 2017**

	GBP S\$	SGD S\$	USD S\$	Total S\$
		SGD Equivalent		
ASSETS				
Portfolio of investments	15,857,054	-	-	15,857,054
Other receivables	59,341	4,294	-	63,635
Cash and bank balances	181	61,912	1,296	63,389
Total assets	15,916,576	66,206	1,296	15,984,078
LIABILITIES				
Other payables	-	54,197	-	54,197
Total liabilities	-	54,197	-	54,197
Currency exposure	15,916,576	12,009	1,296	

As at 31 December 2016

	GBP S\$	SGD S\$	USD S\$	Total S\$
		SGD Equivalent		
ASSETS				
Portfolio of investments	16,811,779	-	-	16,811,779
Other receivables	64,955	-	-	64,955
Cash and bank balances	179	68,288	1,401	69,868
Total assets	16,876,913	68,288	1,401	16,946,602
LIABILITIES				
Other payables	-	54,218	16,194	70,412
Total liabilities	-	54,218	16,194	70,412
Currency exposure	16,876,913	14,070	(14,793)	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***Stewart Investors Worldwide Leaders Fund****As at 31 December 2017**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	26,171,910	-	26,171,910
Other receivables	97,291	105,763	203,054
Cash and bank balances	1,336	162,986	164,322
Total assets	26,270,537	268,749	26,539,286
LIABILITIES			
Purchases awaiting settlement	36,083	-	36,083
Other payables	-	121,345	121,345
Total liabilities	36,083	121,345	157,428
Currency exposure	26,234,454	147,404	

As at 31 December 2016

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	23,084,727	-	23,084,727
Sales awaiting settlement	27,449	-	27,449
Other receivables	87,252	111,275	198,527
Cash and bank balances	87,693	85,321	173,014
Total assets	23,287,121	196,596	23,483,717
LIABILITIES			
Purchases awaiting settlement	56,343	-	56,343
Other payables	-	121,458	121,458
Total liabilities	56,343	121,458	177,801
Currency exposure	23,230,778	75,138	

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)*

Portfolio of investments, which is the most significant item on the statement of financial position is exposed to currency risk and price risk. The price risk sensitivity analyses in Note 9(a)(i) include the impact of currency risk on portfolio of investments which are non-monetary financial assets. The Sub-Funds' net financial assets comprise mainly portfolio of investments which are non-monetary financial assets, hence currency risk analyses have not been performed on the remaining financial assets.

(iii) Interest rate Risk

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

The majority of the Sub-Funds' financial assets and liabilities are non-interest bearing and therefore the Sub-Funds are not exposed to significant interest rate risk. No interest rate risk sensitivity analysis is presented.

b. Liquidity risk

The Sub-Funds' liquidity risk arises mainly from redemption of units. The Sub-Funds invest the majority of its assets in investments that are traded in an active market and can be readily disposed.

The Sub-Funds' policy with regard to liquidity is to ensure continuity of funding. The Manager has developed cash management guidelines to maintain a working capital cash balance within each sub-fund. Each sub-fund is not allowed to be in an overdraft position at all times.

Units are redeemable at the holder's option. However, the Manager also has the option to limit redemption requests to 10% of the total number of units then in issue, with the approval of the Trustee.

Aside from the redeemable units issued by the Sub-Funds, the tables below analyse the Sub-Funds' financial liabilities and net settled derivative financial liabilities into relevant maturity groupings based on the remaining year at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying values, as the impact of discounting is not significant.

First State Asia Opportunities Fund

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	104,396	-	117,881	-

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****b. Liquidity risk (continued)****First State Asian Growth Fund**

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	118,940	-	121,355	-
Other payables	626,054	-	508,801	-

First State Asian Quality Bond

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	243,225	-	-	-
Other payables	181,957	-	76,327	-

First State Bridge

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	4,646,663	-	895,714	-
Other payables	5,678,149	-	5,087,385	-

First State Dividend Advantage

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Distribution payable	21,275,784	-	18,949,204	-
Purchases awaiting settlement	8,523,559	-	1,511,156	-
Other payables	9,757,570	-	10,773,177	-

First State Global Balanced Fund

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	51,546	-	83,798	-

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****b. Liquidity risk (continued)****First State Global Infrastructure**

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	310,944	-	67,835	-
Other payables	61,400	-	109,833	-

First State Global Property Investments

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	187,096	-	96,795	-
Other payables	99,194	-	161,079	-

First State Global Resources

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	-	-	790,819	-
Other payables	3,526,862	-	1,598,360	-

First State Regional China Fund

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	1,282,944	-	-	-
Other payables	2,574,506	-	1,512,542	-

First State Regional India Fund

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	558,615	-	273,048	-
Other payables	355,013	-	218,966	-

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

b. Liquidity risk (continued)

First State Singapore Growth Fund

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	21,382	-	-	-
Other payables	260,896	-	143,526	-

Stewart Investors Global Emerging Markets Leaders Fund

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	54,197	-	70,412	-

Stewart Investors Worldwide Leaders Fund

	31 December 2017		31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	36,083	-	56,343	-
Other payables	121,345	-	121,458	-

The table below analyses the Fund's derivative financial instruments in a loss position that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 3 months equal their carrying balances, as the impact of discounting is not significant.

Less than 3 months	First State Asian Quality Bond		First State Bridge	
	31 December 2017 S\$	31 December 2016 S\$	31 December 2017 S\$	31 December 2016 S\$
Currency forwards				
-Outflow	(1,372,342)	(12,660,775)	(3,358,144)	(638,108,212)
-Inflow	1,357,032	12,225,642	3,347,008	623,665,296
Net inflow/(outflow)	(15,310)	(435,133)	(11,136)	(14,442,916)

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

c. Credit risk

The Sub-Funds take on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due, including transactions with counterparties such as issuers, brokers, custodians and banks. Impairment provisions are provided for losses that have been incurred by the reporting date, if any.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved,
- ensuring that transactions are undertaken with a large number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

All transactions in listed securities and collective investment schemes (underlying funds) are settled or paid upon delivery using approved brokers or the Sub-Funds' dealer. The risk of default is considered minimal, as delivery of securities is only made once the broker or Sub-Funds' dealer has received payment. Payment is made on a purchase once the securities have been received by the broker or Sub-Funds' dealer. The trade will fail if either party fails to meet its obligation.

The Sub-Funds' credit risk exposure arises mainly from portfolio of investments and cash and bank balances held with custodians and financial institutions. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. As at 31 December 2017, all investments are placed in custody with HSBC Institutional Trust Services (Singapore) Limited and UBS AG which had a credit rating of aa- (2016: aa-) and a+ (2016: a), respectively. There are risks involved in dealing with custodians who settle trades with regard to segregation of assets. It is expected that all investments and other assets deposited with custodians will be clearly identified as being assets of the Sub-Funds; the Sub-Funds should not therefore be exposed to credit risk with respect to such parties. However, it may not always be possible to achieve this segregation, so the portfolio of the Sub-Funds may experience increased exposure to credit risk associated with the applicable custodian. The custodian of the underlying funds under GUFD and ICVC (the "underlying custodians") is The Hongkong Shanghai Banking Corporation Limited.

As at 31 December 2017, the underlying custodian had a credit rating of aa- (2016: aa-) based on the viability of Fitch. The table below summarises the credit rating of banks with whom each sub-fund's cash and bank balances are held as at 31 December 2017 and 2016 and other key counterparties, where applicable.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****c. Credit risk (continued)****First State Asia Opportunities Fund****As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
---------------	-------------------------

aa-	Fitch
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As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
---------------	-------------------------

aa-	Fitch
-----	-------

First State Asian Growth Fund**As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
---------------	-------------------------

aa-	Fitch
-----	-------

As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
---------------	-------------------------

aa-	Fitch
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First State Asian Quality Bond**As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
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Counterparty-Forward foreign exchange contractsAustralia & New Zealand Banking Group Limited
Citibank NA

aa-	Fitch
a	Fitch

As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
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Counterparty-Forward foreign exchange contractsAustralia & New Zealand Banking Group Limited
Citibank NA

aa-	Fitch
a	Fitch

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****c. Credit risk (continued)****First State Bridge****As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
---------------	-------------------------

aa-	Fitch
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Counterparty-Forward foreign exchange contracts

Australia & New Zealand Banking Group Limited

aa-	Fitch
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Citibank NA

a	Fitch
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UBS AG

a+	Fitch
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As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
-----	-------

Counterparty-Forward foreign exchange contracts

Australia & New Zealand Banking Group Limited

aa-	Fitch
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Citibank NA

a	Fitch
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UBS AG

a	Fitch
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First State Dividend Advantage**As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
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As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
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First State Global Balanced Fund**As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
---------------	-------------------------

aa-	Fitch
-----	-------

As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
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First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****c. Credit risk (continued)****First State Global Infrastructure****As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

First State Global Property Investments**As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

First State Global Resources**As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****c. Credit risk (continued)****First State Regional China Fund****As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

First State Regional India Fund**As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

First State Singapore Growth Fund**As at 31 December 2017**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

As at 31 December 2016Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****c. Credit risk (continued)****Stewart Investors Global Emerging Markets Leaders Fund**

As at 31 December 2017	Credit rating	Source of credit rating
<u>Bank</u> The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

As at 31 December 2016	Credit rating	Source of credit rating
<u>Bank</u> The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

Stewart Investors Worldwide Leaders Fund

As at 31 December 2017	Credit rating	Source of credit rating
<u>Bank</u> The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

As at 31 December 2016	Credit rating	Source of credit rating
<u>Bank</u> The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

d. Capital management

The Sub-Funds' capital is represented by the net assets attributable to unitholders. The Sub-Funds strive to invest the subscriptions of redeemable participating units in investments that meet the Sub-Funds' investment objectives while maintaining sufficient liquidity to meet unitholders' redemptions.

e. Fair value estimation

The Sub-Funds' classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets 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 or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****e. Fair value estimation (continued)**

The following table analyses within the fair value hierarchy the Sub-Funds' financial assets and liabilities (by class) measured at fair value at 31 December 2017 and 2016:

First State Asia Opportunities Fund

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	25,925,431	-	-	25,925,431
	<u>25,925,431</u>	<u>-</u>	<u>-</u>	<u>25,925,431</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	24,512,494	-	-	24,512,494
	<u>24,512,494</u>	<u>-</u>	<u>-</u>	<u>24,512,494</u>

First State Asian Growth Fund

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	69,628,091	-	-	69,628,091
	<u>69,628,091</u>	<u>-</u>	<u>-</u>	<u>69,628,091</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	69,480,445	-	-	69,480,445
	<u>69,480,445</u>	<u>-</u>	<u>-</u>	<u>69,480,445</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****e. Fair value estimation (continued)****First State Asian Quality Bond**

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	13,581,671	-	-	13,581,671
- Financial derivatives	-	216,587	-	216,587
	<u>13,581,671</u>	<u>216,587</u>	<u>-</u>	<u>13,798,258</u>
Liabilities				
- Financial derivatives	-	15,310	-	15,310
	<u>-</u>	<u>15,310</u>	<u>-</u>	<u>15,310</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	12,511,307	-	-	12,511,307
- Financial derivatives	-	1,282	-	1,282
	<u>12,511,307</u>	<u>1,282</u>	<u>-</u>	<u>12,512,589</u>
Liabilities				
- Financial derivatives	-	435,133	-	435,133
	<u>-</u>	<u>435,133</u>	<u>-</u>	<u>435,133</u>

First State Bridge

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	1,468,842,320	-	-	1,468,842,320
- Financial derivatives	-	9,574,752	-	9,574,752
	<u>1,468,842,320</u>	<u>9,574,752</u>	<u>-</u>	<u>1,478,417,072</u>
Liabilities				
- Financial derivatives	-	11,136	-	11,136
	<u>-</u>	<u>11,136</u>	<u>-</u>	<u>11,136</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****e. Fair value estimation (continued)****First State Bridge**

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	1,248,511,264	-	-	1,248,511,264
- Financial derivatives	-	97,693	-	97,693
	<u>1,248,511,264</u>	<u>97,693</u>	<u>-</u>	<u>1,248,608,957</u>
Liabilities				
- Financial derivatives	-	14,442,916	-	14,442,916
	<u>-</u>	<u>14,442,916</u>	<u>-</u>	<u>14,442,916</u>

First State Dividend Advantage

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	2,109,778,598	-	-	2,109,778,598
	<u>2,109,778,598</u>	<u>-</u>	<u>-</u>	<u>2,109,778,598</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	1,880,070,419	-	-	1,880,070,419
	<u>1,880,070,419</u>	<u>-</u>	<u>-</u>	<u>1,880,070,419</u>

First State Global Balanced Fund

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	18,214,126	-	-	18,214,126
	<u>18,214,126</u>	<u>-</u>	<u>-</u>	<u>18,214,126</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****e. Fair value estimation (continued)****First State Global Balanced Fund**

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	18,525,747	-	-	18,525,747
	<u>18,525,747</u>	<u>-</u>	<u>-</u>	<u>18,525,747</u>

First State Global Infrastructure

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	14,881,756	-	-	14,881,756
	<u>14,881,756</u>	<u>-</u>	<u>-</u>	<u>14,881,756</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	13,165,305	-	-	13,165,305
	<u>13,165,305</u>	<u>-</u>	<u>-</u>	<u>13,165,305</u>

First State Global Property Investments

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	26,688,222	-	-	26,688,222
	<u>26,688,222</u>	<u>-</u>	<u>-</u>	<u>26,688,222</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	23,525,888	-	-	23,525,888
	<u>23,525,888</u>	<u>-</u>	<u>-</u>	<u>23,525,888</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****e. Fair value estimation (continued)****First State Global Resources**

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	457,714,925	-	-	457,714,925
	<u>457,714,925</u>	<u>-</u>	<u>-</u>	<u>457,714,925</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	467,927,593	-	-	467,927,593
	<u>467,927,593</u>	<u>-</u>	<u>-</u>	<u>467,927,593</u>

First State Regional China Fund

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	488,861,929	-	-	488,861,929
	<u>488,861,929</u>	<u>-</u>	<u>-</u>	<u>488,861,929</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	400,314,632	-	-	400,314,632
	<u>400,314,632</u>	<u>-</u>	<u>-</u>	<u>400,314,632</u>

First State Regional India Fund

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	109,326,493	-	-	109,326,493
	<u>109,326,493</u>	<u>-</u>	<u>-</u>	<u>109,326,493</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****e. Fair value estimation (continued)****First State Regional India Fund**

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	72,040,546	-	-	72,040,546
	<u>72,040,546</u>	<u>-</u>	<u>-</u>	<u>72,040,546</u>

First State Singapore Growth Fund

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	45,085,532	-	-	45,085,532
	<u>45,085,532</u>	<u>-</u>	<u>-</u>	<u>45,085,532</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	44,638,415	-	-	44,638,415
	<u>44,638,415</u>	<u>-</u>	<u>-</u>	<u>44,638,415</u>

Stewart Investors Global Emerging Markets Leaders Fund

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	15,857,054	-	-	15,857,054
	<u>15,857,054</u>	<u>-</u>	<u>-</u>	<u>15,857,054</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	16,811,779	-	-	16,811,779
	<u>16,811,779</u>	<u>-</u>	<u>-</u>	<u>16,811,779</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***9. Financial risk management (continued)****e. Fair value estimation (continued)****Stewart Investors Worldwide Leaders Fund**

As at 31 December 2017	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	26,171,910	-	-	26,171,910
	<u>26,171,910</u>	<u>-</u>	<u>-</u>	<u>26,171,910</u>

As at 31 December 2016	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	23,084,727	-	-	23,084,727
	<u>23,084,727</u>	<u>-</u>	<u>-</u>	<u>23,084,727</u>

Investments in listed equities whose values are based on quoted market prices in active markets are classified within Level 1. Investments in open-ended investment funds whose net asset value is struck daily, price information is published and readily available and units are subscribed and redeemable on demand at the published price, are classified within Level 1. The Sub-Funds do not adjust the quoted price for these instruments.

Financial derivatives that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2.

Except for cash and cash equivalents which are classified as Level 1, the Sub-Funds' assets and liabilities not measured at fair value at 31 December 2017 and 2016 have been classified as Level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the end of reporting date.

f. Offsetting financial assets and financial liabilities

The following tables present the Sub-Funds' financial assets and liabilities subject to offsetting, enforceable master netting arrangements or similar agreements.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

f. Offsetting financial assets and financial liabilities (continued)

The gross and net positions of financial assets and liabilities that have been offset in the Statements of Financial Position are disclosed in the first three columns of the tables below.

First State Asian Quality Bond

As at 31 December 2017

	Gross amounts of recognised financial assets S\$	Gross amounts of recognised financial liabilities set-off in the Statements of Financial Position S\$	Net amounts of financial assets presented in the Statements of Financial Position S\$	Related amounts not set-off in the Statements of Financial Position		Net amount S\$
				Financial instruments S\$	Cash collateral S\$	
Forward foreign exchange	216,587	-	216,587	-	-	216,587

	Gross amounts of recognised financial liabilities S\$	Gross amounts of recognised financial assets set-off in the Statements of Financial Position S\$	Net amounts of financial liabilities presented in the Statements of Financial Position S\$	Related amounts not set-off in the Statements of Financial Position		Net amount S\$
				Financial instruments S\$	Cash collateral S\$	
Forward foreign exchange	15,310	-	15,310	-	-	15,310

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

f. Offsetting financial assets and financial liabilities (continued)

First State Asian Quality Bond

As at 31 December 2016

	Gross amounts of recognised financial assets S\$	Gross amounts of recognised financial liabilities set-off in the Statements of Financial Position S\$	Net amounts of financial assets presented in the Statements of Financial Position S\$	Related amounts not set-off in the Statements of Financial Position		Net amount S\$
				Financial instruments S\$	Cash collateral S\$	
Forward foreign exchange	1,282	-	1,282	-	-	1,282

	Gross amounts of recognised financial liabilities S\$	Gross amounts of recognised financial assets set-off in the Statements of Financial Position S\$	Net amounts of financial liabilities presented in the Statements of Financial Position S\$	Related amounts not set-off in the Statements of Financial Position		Net amount S\$
				Financial instruments S\$	Cash collateral S\$	
Forward foreign exchange	435,133	-	435,133	-	-	435,133

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

f. Offsetting financial assets and financial liabilities (continued)

First State Bridge

As at 31 December 2017

	Gross amounts of recognised financial assets S\$	Gross amounts of recognised financial liabilities set-off in the Statements of Financial Position S\$	Net amounts of financial assets presented in the Statements of Financial Position S\$	Related amounts not set-off in the Statements of Financial Position		Net amount S\$
				Financial instruments S\$	Cash collateral S\$	
Forward foreign exchange	9,574,752	-	9,574,752	(3,472)	-	9,571,280

	Gross amounts of recognised financial liabilities S\$	Gross amounts of recognised financial assets set-off in the Statements of Financial Position S\$	Net amounts of financial liabilities presented in the Statements of Financial Position S\$	Related amounts not set-off in the Statements of Financial Position		Net amount S\$
				Financial instruments S\$	Cash collateral S\$	
Forward foreign exchange	11,136	-	11,136	(3,472)	-	7,664

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

9. Financial risk management (continued)

f. Offsetting financial assets and financial liabilities (continued)

First State Bridge

As at 31 December 2016

	Gross amounts of recognised financial assets S\$	Gross amounts of recognised financial liabilities set-off in the Statements of Financial Position S\$	Net amounts of financial assets presented in the Statements of Financial Position S\$	Related amounts not set-off in the Statements of Financial Position		Net amount S\$
				Financial instruments S\$	Cash collateral S\$	
Forward foreign exchange	97,693	-	97,693	(34,313)	-	63,380

	Gross amounts of recognised financial liabilities S\$	Gross amounts of recognised financial assets set-off in the Statements of Financial Position S\$	Net amounts of financial liabilities presented in the Statements of Financial Position S\$	Related amounts not set-off in the Statements of Financial Position		Net amount S\$
				Financial instruments S\$	Cash collateral S\$	
Forward foreign exchange	14,442,916	-	14,442,916	(34,313)	-	14,408,603

10. Interests in unconsolidated structured entities

The Sub-Funds' investment in the Underlying Sub-Fund is subject to the terms and conditions of the respective Underlying Sub-Fund's offering documentation and is susceptible to market price risk arising from uncertainties about future values of the Underlying Sub-Fund. The Manager makes investment decisions after extensive due diligence of each Underlying Sub-Fund, its investment strategies and the overall quality of the Underlying Sub-Fund's manager. The Underlying Sub-Funds in the investment portfolio are managed by portfolio managers who are compensated by the respective Underlying Sub-Fund for their services. Such compensation generally consists of an asset based fee and is reflected in the valuation of the Sub-Funds' investments in each of the Underlying Sub-Fund.

The Sub-Funds have right to request redemption of its investments in the Underlying Sub-Fund on a daily basis.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***10. Interests in unconsolidated structured entities (continued)**

The exposure to investments in the Underlying Sub-Funds at fair value is disclosed under the Statements of Portfolio. These investments are included within "Portfolio of investments" in the Statement of Financial Position.

The Sub-Funds' holdings in the Underlying Sub-Fund, as a percentage of the Underlying Sub-Fund total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the Underlying Sub-Fund level. It is possible that the Sub-Funds may, at any point in time, hold a majority of an Underlying Sub-Fund's total units in issue.

The Sub-Funds' maximum exposure to loss from its interests in the Underlying Sub-Funds is equal to the total fair value of its investments in the Underlying Sub-Funds.

Once the Sub-Funds have disposed of its shares in any of the Underlying Sub-Funds, the Sub-Funds ceases to be exposed to any risk from it.

11. Related party transactions

The Manager of the Sub-Funds is First State Investments (Singapore). The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

In addition to related party transactions shown elsewhere in the financial statements, including management fees charged by the Manager, management fee rebates received from the underlying fund's manager and trustee's fees charged by the Trustee, the significant transactions that took place during the financial year between the Sub-Funds and related parties and significant balances with related parties at the end of the financial year, at terms agreed between the parties and within the provisions of the Trust Deed, are as follows:

	First State Asia Opportunities Fund		First State Asian Growth Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Bank balances with a related party of the Trustee	157,616	121,062	490,432	391,174
Bank service fees charged by a related party of the Trustee	8,936	2,913	13,600	9,369
Expense ratio rebate from the fund manager	-	-	(8,622)#	(28,246)#

Expense ratio rebate for the fund manager is presented in the Statement of Total Return within "Management fee rebate".

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***11. Related party transactions (continued)**

	First State Asian Quality Bond		First State Bridge	
	2017 S\$	2016 S\$	2017 S\$	2016 S\$
Bank balances with a related party of the Trustee	324,330	80,191	3,650,561	1,445,870
Bank service fees charged by a related party of the Trustee	4,719	2,381	27,419	18,973
Interest income from a related party of the Trustee	-	-	(2,420)	(1,459)
	<hr/>			
	First State Dividend Advantage		First State Global Balanced Fund	
	2017 S\$	2016 S\$	2017 S\$	2016 S\$
Bank balances with a related party of the Trustee	4,489,628	2,476,174	60,533	95,341
Bank service fees charged by a related party of the Trustee	124,209	89,089	4,103	694
Interest income from a related party of the Trustee	(11,906)	(11,769)	-	-
	<hr/>			
	First State Global Infrastructure		First State Global Property Investments	
	2017 S\$	2016 S\$	2017 S\$	2016 S\$
Bank balances with a related party of the Trustee	441,209*	302,211*	283,396	221,899
Bank service fees charged by a related party of the Trustee	9,359	4,214	15,037	15,367
Interest income from a related party of the Trustee	(347)	(1,274)	-	-
	<hr/>			

* As at 31 December 2017, bank balances include fixed deposit with a related party of the Trustee of S\$228,901 (2016: S\$204,095), which has a maturity of 4 months (2016: 4 months) from the end of the financial year with effective interest rate of 0.20 % (2016: 0.19%).

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2017***11. Related party transactions (continued)**

	First State Global Resources		First State Regional China Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Bank balances with a related party of the Trustee	489,361	1,232,169	524,386	356,555
Bank service fees charged by a related party of the Trustee	46,949	29,460	42,445	30,351
Security processing fee charged by a related party of the Trustee	6,180	5,400	-	-
Expense ratio rebate from the fund manager	(13,118)#	(21,021) #	-	-

Expense ratio rebate for the fund manager is presented in the Statement of Total Return within "Management fee rebate".

	First State Regional India Fund		First State Singapore Growth Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Bank balances with a related party of the Trustee	700,041	405,361	305,635	218,894
Bank service fees charged by a related party of the Trustee	21,517	(1,628)	7,444	2,158

	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Bank balances with a related party of the Trustee	63,389	69,868	164,322	173,014
Bank service fees charged/(reversed) by a related party of the Trustee	3,299	(5,094)	12,371	2,399

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

12. Financial ratios

	First State Asia Opportunities Fund			
	Class A - Accumulation		Class B - Accumulation	
	2017	2016	2017	2016
	%	%	%	%
Expense ratio ¹	2.27	2.24	1.51	1.53
Turnover ratio ²	9.98	2.35	9.98	2.35
	<hr/>			
	First State Asian Growth Fund		First State Asian Quality Bond	
	2017	2016	2017	2016
	%	%	%	%
Expense ratio ¹ (excluding preliminary expenses)	1.75	1.73	1.48	2.27
Expense ratio ¹ (including preliminary expenses)	N/A	N/A	N/A	2.31
Turnover ratio ²	8.38	5.78	414.15	1.00
	<hr/>			
	First State Bridge		First State Dividend Advantage	
	2017	2016	2017	2016
	%	%	%	%
Expense ratio ¹	1.43	1.47	1.71	1.74
Turnover ratio ²	632.18	252.65	1,220.20	8.03
	<hr/>			
	First State Global Balanced Fund		First State Global Infrastructure	
	2017	2016	2017	2016
	%	%	%	%
Expense ratio ¹	1.71	1.72	1.93	1.88
Turnover ratio ²	5.30	8.65	989.78	1,064.89
	<hr/>			
	First State Global Property Investments Class A - Distribution		Class A - Accumulation	
	2017	2016	2017	2016
	%	%	%	%
Expense ratio ¹ (excluding preliminary expenses)	1.97	1.97	1.97	1.97
Expense ratio ¹ (including preliminary expenses)	N/A	N/A	N/A	1.98
Turnover ratio ²	217.34	417.89	217.34	417.89

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2017

12. Financial ratios (continued)

	First State Global Resources		First State Regional China Fund	
	2017 %	2016 %	2017 %	2016 %
Expense ratio ¹	1.67	1.70	1.71	1.72
Turnover ratio ²	6.00	7.10	6.36	2.46

	First State Regional India Fund		First State Singapore Growth Fund	
	2017 %	2016 %	2017 %	2016 %
Expense ratio ¹	2.06	1.95	1.89	1.91
Turnover ratio ²	15.53	8.61	3.58	1.90

	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
	2017 %	2016 %	2017 %	2016 %
Expense ratio ¹	1.84	1.79	1.96	1.96
Turnover ratio ²	22.82	17.49	15.50	11.98

1. The expense ratios have been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). This is the sum of the Sub-Funds' expense ratio and the weighted average of the underlying funds' unaudited expense ratio.

The calculation of the Sub-Funds' expense ratios at financial year end was based on total operating expenses divided by the average net asset value respectively for the year. The total operating expenses do not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Sub-Funds do not pay any performance fee. The average net asset value is based on the published daily balances.

The unaudited expense ratio of the Underlying Funds are obtained from the Underlying Funds' Manager.

Total operating expenses, average net asset value of the Sub-Funds and weighted average of the Underlying Funds' unaudited expense ratio are as below:

	First State Asia Opportunities Fund			
	Class A		Class B	
	2017	2016	2017	2016
Total operating expenses (annualised in accordance with IMAS guidelines)	S\$74,848	S\$63,694	S\$ (7,867)	S\$(337)
Average daily net asset value	S\$24,119,838	S\$25,685,825	S\$1,772,389	S\$73,347
Weighted average of the underlying funds' unaudited expense ratio	1.96%	1.99%	1.96%	1.99%

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

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For the financial year ended 31 December 2017

12. Financial ratios (continued)

	First State Asian Growth Fund		First State Asian Quality Bond	
	2017	2016	2017	2016
Total operating expenses (annualised in accordance with IMAS guidelines) (excluding preliminary expenses)	S\$113,717	S\$98,157	S\$54,269	S\$22,279
Total operating expenses (annualised in accordance with IMAS guidelines) (including preliminary expenses)	N/A	N/A	N/A	S\$26,737 **
Average daily net asset value	S\$70,430,857	S\$70,569,999	S\$13,142,710	S\$11,496,839
Weighted average of the underlying funds' unaudited expense ratio	1.59%	1.59%	1.06%	1.11%
	First State Bridge		First State Dividend Advantage	
	2017	2016	2017	2016
Total operating expenses	S\$1,463,228	S\$1,492,669	S\$2,390,155	S\$2,501,600
Average daily net asset value	S\$1,353,440,807	S\$1,233,051,155	S\$2,001,981,662	S\$1,840,246,366
Weighted average of the underlying funds' unaudited expense ratio	1.32%	1.34%	1.59%	1.60%
	First State Global Balanced Fund		First State Global Infrastructure	
	2017	2016	2017	2016
Total operating expenses	S\$38,125	S\$36,265	S\$59,522	S\$52,397
Average daily net asset value	S\$18,522,178	S\$18,057,694	S\$15,181,813	S\$15,490,066
Weighted average of the underlying funds' unaudited expense ratio	1.50%	1.52%	1.52%	1.54%
	First State Global Property Investments Class A - Distribution		First State Global Property Investments Class A - Accumulation	
	2017	2016	2017	2016
Total operating expenses (annualised in accordance with IMAS guidelines) (excluding preliminary expenses)	S\$27,186	S\$31,029	S\$51,168	S\$34,833
Total operating expenses (annualised in accordance with IMAS guidelines) (including preliminary expenses)	N/A	N/A	N/A	N/A
Average daily net asset value	S\$8,726,993	S\$9,951,984	S\$16,425,902	S\$11,171,947
Weighted average of the underlying funds' unaudited expense ratio	1.66%	1.66%	1.66%	1.66%
	First State Global Resources		First State Regional China Fund	
	2017	2016	2017	2016
Total operating expenses	S\$3,890,590	S\$3,452,981	S\$538,266	S\$559,252
Average daily net asset value	S\$448,711,558	S\$392,097,026	S\$436,915,496	S\$409,747,263
Weighted average of the underlying funds' unaudited expense ratio	0.81%	0.82%	1.58%	1.58%

** The preliminary expenses of SGD 4,458 is expensed off in financial period ended 31 December 2016 for the purpose of setting up new fund of First State Asian Quality Bond.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

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For the financial year ended 31 December 2017

12. Financial ratios (continued)

	First State Regional India Fund		First State Singapore Growth Fund	
	2017	2016	2017	2016
Total operating expenses	S\$171,179	S\$108,779	S\$79,078	S\$82,004
Average daily net asset value	S\$91,303,036	S\$66,572,691	S\$45,702,051	S\$46,303,157
Weighted average of the underlying funds' unaudited expense ratio	1.87%	1.79%	1.72%	1.73%

	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
	2017	2016	2017	2016
Total operating expenses	S\$44,492	S\$40,293	S\$67,423	S\$53,970
Average daily net asset value	S\$16,331,785	S\$17,255,481	S\$25,615,024	S\$21,853,792
Weighted average of the underlying funds' unaudited expense ratio	1.56%	1.56%	1.70%	1.71%

- 2 The portfolio turnover ratios are calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments divided by the average daily net asset value is based on the published daily balances respectively as below:

	First State Asia Opportunities Fund		First State Asian Growth Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	2,584,373	603,033	5,900,337	4,076,158
Average daily net asset value	25,894,023	25,697,788	70,430,857	70,569,999

	First State Asian Quality Bond		First State Bridge	
	2017	2015	2017	2016
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	54,431,026	114,513	8,556,137,332	3,115,336,946
Average daily net asset value	13,142,710	11,496,839	1,353,440,807	1,233,051,155

	First State Dividend Advantage		First State Global Balanced Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	24,428,155,272	147,765,754	980,959	1,561,899
Average daily net asset value	2,001,981,662	1,840,246,366	18,522,178	18,057,694

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)

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For the financial year ended 31 December 2017

12. Financial ratios (continued)

	First State Global Infrastructure		First State Global Property Investments	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	150,266,492	164,951,660	54,667,708	88,281,764
Average daily net asset value	15,181,813	15,490,066	25,152,895	21,125,428
	First State Global Resources		First State Regional China Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	26,929,636	27,849,516	27,784,464	10,066,310
Average daily net asset value	448,711,558	392,097,026	436,915,496	409,747,263
	First State Regional India Fund		First State Singapore Growth Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	14,180,563	5,733,628	1,634,353	879,751
Average daily net asset value	91,303,036	66,572,691	45,702,051	46,303,157
	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
	2017	2016	2017	2016
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	3,727,054	3,018,699	3,971,014	2,618,413
Average daily net asset value	16,331,785	17,255,481	25,615,024	21,853,792

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