

First State Global Growth Funds

2018 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 27 September 2018, the government will maintain the 4% per annum minimum rate for interest earned on all SMA and RA monies until 31 December 2019, subject to updates from the CPF board. 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. In addition, CPF members aged 55 and above will also earn an additional 1% extra interest on the first \$30,000 of their combined balances (with up to \$20,000 from 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 2018

First State Asia Opportunities Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

Class A	Sub-Fund	Benchmark
	%	%
3-mths	-4.8	-8.8
6-mths	-5.3	-10.0
1-year	-4.9	-12.4
3-years	3.6	7.4
5-years	6.8	5.9
10-years	11.2	9.8
Since Inception - 26 November 1999 (Calculated since date of first valuation)	1.0	-0.1

Class B	Sub-Fund	Benchmark
	%	%
3-mths	-4.6	-8.8
6-mths	-5.0	-10.0
1-year	-4.2	-12.4
3-years	n/a	n/a
5-years	n/a	n/a
10-years	n/a	n/a
Since Inception - 10 November 2016 (Calculated since date of first valuation)	3.9	6.3

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.

Annual Report for the financial year ended 31 December 2018

First State Asia Opportunities Fund

MANAGER'S REPORT

The MSCI AC Asia ex Japan index decreased by 14.4% in US dollar terms in the 12 months to the end of December 2018. China and South Korea were the worst performers, while Malaysia and Thailand declined the least. On a sector level, Information Technology and Consumer Discretionary lagged the most, while Utilities and Consumer Staples were the strongest.

Performance

The Sub-Fund declined by 6.5% over the 12 months to 31 December 2018. Detracting from performance, **Vodafone Idea** weakened as its subscriber numbers and revenue declined amid competitive pressures in the telecoms sector. **Hanssem** was lower, due to increased competition and a weaker property cycle, and **Cemex Holdings Philippines** was negative due to lower selling prices for domestic cement.

On the positive side, **Tata Consultancy Services ("TCS")** reported an uptick in revenue and margins. TCS's business model has evolved towards higher margin 'digital transformation' consultancy services, where it had secured a number of deals with large clients such as Transamerica, Marks and Spencer and Rolls Royce. **CSL Limited** saw accelerating demand for both its flu vaccines and its core immunoglobulin products, which can increasingly be used as a secondary treatment for haematological cancers. **Dairy Farm** was boosted by the leadership of its new CEO, Ian McLeod, with significant personnel and cultural shifts within the company. The company has started its rationalisation process in Southeast Asia, closing stores and cutting costs to improve business operations.

Transactions

Significant purchases over the year included **Cognizant Technology Solutions**, on expectations of a turnaround in the Indian technology outsourcing sector. The valuation seemed attractive for what looked like improving margins and steady growth. The Sub-Fund also added **DBS Group** after a good meeting with the CEO. Its market share had improved and cost-to-income had declined due to investments in technology – which suggests that the bank could earn higher returns-on-equity over this cycle.

The Sub-Fund divested **Sun Art Retail Group**, due to expensive valuations. Recent results were lacklustre, with a slowdown in same store sales growth and a fall in operating profit. The Sub-Fund also disposed of **HDFC Standard Life Insurance**, after the departure of their CEO and on valuation concerns.

Outlook

Despite the flurry of market outlooks typically written at the start of a new year, not much has actually changed. We fear that it is the same old issues – rising interest rates, slowing demand growth, lower global trade volumes, and debt-laden companies and governments – that will challenge Asian equity markets again this year. If, as some macro forecasters suggest, the US economy weakens this year (as fiscal stimulus packages expire), perhaps China's bolstering domestic policies might prop up the global economy instead. On the other hand, the ongoing war of attrition between the two countries on trade imbalances and other 'unfair trade practices' seems likely to weigh on global markets for some time yet.

We do not pay too much attention to the gyrations of market forecasters, however, preferring to spend our time researching companies and talking to management. We remain resolutely-focused on quality (of management, franchise and financials), which has helped our Asian portfolios remain relatively defensive amidst the market volatility. While we understand that such periods are worrying for clients, they provide us with opportunities to top up our holdings and buy into quality companies at cheaper prices – thus contributing to better long-term absolute returns.

Annual Report for the financial year ended 31 December 2018

First State Asia Opportunities Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE ASIA OPPORTUNITIES FUND			
Ireland			
First State Asia Opportunities Fund	342,328	20,194,146	99.04
Total investments		20,194,146	99.04
Other net assets		195,654	0.96
Total net assets attributable to unitholders		20,389,800	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Tata Consultancy Services Ltd	2,610,249	5.3
Newcrest Mining Ltd	2,428,024	4.9
Taiwan Semiconductor Mfg Co Ltd	2,339,374	4.7
Tech Mahindra Ltd	2,029,099	4.1
Haw Par Corp Ltd	1,817,324	3.7
HDFC Bank Limited	1,753,299	3.6
Housing Development Finance Corp Ltd	1,684,349	3.4
Dairy Farm International Holdings Ltd	1,516,899	3.1
Uni-President Enterprises Corp	1,447,949	2.9
CSL Ltd	1,403,624	2.9
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

Annual Report for the financial year ended 31 December 2018

First State Asia Opportunities Fund

DISCLOSURES

Subscriptions		S\$1,562,054
Redemptions		S\$6,400,931
	31 December 2018	31 December 2017
Expense Ratio** (Class A) (including that of the Underlying Fund)	2.25%	2.27%
Expense Ratio** (Class B) (including that of the Underlying Fund)	1.53%	1.51%
Portfolio Turnover	5.95%	9.98%
Disclosures on the Underlying Fund -		
Portfolio Turnover	28.3%	42.3%
Expense Ratio**	2.01%	1.98%

** 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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

	S\$
Bank service fees paid to HSBC	9,720

Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
Singapore Dollar	136,288
United States Dollar	16,356

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

	<u>Purchases</u>		<u>Sales</u>	
Currency	Amount	Currency	Amount	
Singapore Dollar	5,165,361	Singapore Dollar	144,528	
United States Dollar	108,120	United States Dollar	3,902,295	

Others

As at 31 December 2018, 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 99.04% of the Sub-Fund's Net Asset Value and at a market value of S\$20,194,146. 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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

First State Asian Growth Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mths	-3.9	-8.8
6-mths	-3.8	-10.0
1-year	-2.7	-12.4
3-years	3.9	7.4
5-years	6.7	5.9
10-years	9.6	9.8
Since Inception – 10 October 1984 (Calculated since date of first valuation)	7.2	n/a

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. Performance for 1 year and above has been annualised.

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 2018

First State Asian Growth Fund

MANAGER'S REPORT

The MSCI AC Asia ex Japan index declined by 14.4% in US dollar terms in the 12 months to the end of December 2018. China and South Korea were the worst performers, while Malaysia and Thailand declined the least. On a sector level, Information Technology and Consumer Discretionary lagged the most, while Utilities and Consumer Staples were the strongest.

Performance

The Sub-Fund declined by 3.0% over the 12 months to 31st December 2018. Detracting from performance, **Vodafone Idea** weakened due to rising competitive pressure in the telecoms sector. **Hanssem** was lower, due to increased competition and a weaker property cycle, and **Naver** declined as losses from Line, its Japan-based mobile messaging unit, hit profits.

On the positive side, **Tata Consultancy Services ("TCS")** reported an uptick in revenue and margins. TCS's business model is evolving towards higher margin 'digital transformation' consultancy services, where it has secured a number of deals with large clients such as Transamerica, Marks and Spencer and Rolls Royce. **Dairy Farm International** was boosted by the leadership of its new CEO, Ian McLeod, following significant personnel and cultural shifts within the company. **The Hong Kong and China Gas Company** benefitted from the government's push from coal to gas, with growth accelerating as projects in China ramped up.

Transactions

Significant purchases over the year included **Cognizant Technology Solutions**, on expectations of a turnaround in the Indian technology outsourcing sector. The valuation seemed attractive for what looked like improving margins and steady growth. The Sub-Fund also added **DBS Group** after a good meeting with the CEO. Its market share had improved and cost-to-income had declined due to investments in technology – which suggests that the bank could earn higher returns-on-equity over this cycle.

The Sub-Fund divested **Sun Art Retail Group**, due to expensive valuations. Recent results were lacklustre, with a slowdown in same store sales growth and a fall in operating profit. The Sub-Fund also disposed of **Vodafone Idea**, on concerns around the competitive challenges in the Indian telecom industry.

Outlook

Despite the flurry of market outlooks typically written at the start of a new year, not much has actually changed. We fear that it is the same old issues – rising interest rates, slowing demand growth, lower global trade volumes, and debt-laden companies and governments – that will challenge Asian equity markets again this year. If, as some macro forecasters suggest, the US economy weakens this year (as fiscal stimulus packages expire), perhaps China's bolstering domestic policies might prop up the global economy instead. On the other hand, the ongoing war of attrition between the two countries on trade imbalances and other 'unfair trade practices' seems likely to weigh on global markets for some time yet.

We do not pay too much attention to the gyrations of market forecasters, however, preferring to spend our time researching companies and talking to management. We remain resolutely-focused on quality (of management, franchise and financials), which has helped our Asian portfolios remain relatively defensive amidst the market volatility. While we understand that such periods are worrying for clients, they provide us with opportunities to top up our holdings and buy into quality companies at cheaper prices – thus contributing to better long-term absolute returns.

Annual Report for the financial year ended 31 December 2018

First State Asian Growth Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE ASIAN GROWTH FUND			
Ireland			
First State Asian Growth Fund	965,600	58,935,513	99.19
Total investments		58,935,513	99.19
Other net assets		479,350	0.81
Total net assets attributable to unitholders		59,414,863	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Housing Development Finance Corp Ltd	35,435,363	5.0
Oversea-Chinese Banking Corp	35,365,194	5.0
Tata Consultancy Services Ltd	35,295,025	5.0
Newcrest Mining Ltd	34,663,504	4.9
Taiwan Semiconductor Mfg Co Ltd	30,453,362	4.3
Dairy Farm International Holdings Ltd	29,330,657	4.2
HDFC Bank Limited	28,979,812	4.1
Tech Mahindra Ltd	26,313,389	3.8
Kotak Mahindra Bank	24,629,332	3.5
Jardine Matheson Holdings Ltd	20,068,344	2.9
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

Annual Report for the financial year ended 31 December 2018

First State Asian Growth Fund

DISCLOSURES

Subscriptions	S\$12,579,587
Redemptions	S\$21,667,059

	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.73%	1.75%
Portfolio Turnover	7.05%	8.38%
Disclosures on the Underlying Fund -		
Portfolio Turnover	27.4%	29.3%
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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

Bank service fees paid to HSBC	S\$ 13,852
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Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
Singapore Dollar	277,779
United States Dollar	1,363

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

	<u>Purchases</u>		<u>Sales</u>	
Currency	Amount	Currency	Amount	
Singapore Dollar	10,709,928	Singapore Dollar	380,948	
United States Dollar	284,904	United States Dollar	7,936,788	

Others

As at 31 December 2018, 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 99.19% of the Sub-Fund's Net Asset Value and at a market value of S\$58,935,513. 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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

First State Asian Quality Bond

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mths	0.2	0.9
6-mths	0.3	1.6
1-year	-2.6	-0.7
3-years	n/a	n/a
5-years	n/a	n/a
10-years	n/a	n/a
Since Inception – 1 November 2016 <i>(Calculated since date of first valuation)</i>	-0.5	0.7

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

The benchmark of the Sub-Fund is the JP Morgan Asia Credit Investment Grade Index (Hedged to SGD). Performance for 1 year and above has been annualised

* 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

2018 turned out to be a tumultuous year during which market sentiment was largely hampered by the escalating tension around the trade war between China and the US coupled with the Fed and ECB's continued tightening of monetary policies. Even though the Fed hiked policy rate gradually once a quarter, it brought about significant selling pressure in both emerging markets spreads and currencies. Asian credits were not spared especially in the second half of the year coinciding with a significant correction in global equity markets.

The year will also be best remembered as a year when we have a divergence in growth and monetary policies most notably between the US and China. As the negative impact of the trade war started to bite, the People's Bank of China cut its reserve requirement ratio for banks and continued boosting liquidity in the banking system and vowed to remain on an easing mode for as long as the trade tension persists.

Despite widening spreads and US treasuries yield normalizing, the JP Morgan Asia Credit Investment Grade Index (JACI IG) lost only 0.04%. For the year, investment grade spread widened by 55bps to 214bps while 10 year US treasury yield edged higher by 28bps to 2.68%.

New issuance market remained active though not as vibrant as the year before. Total issuance came in at USD 192b, representing a 29% decline year over year. The default by Noble group during the first quarter of the year along with the bearish sentiments led to investors putting more focus on credit differentiation. This also resulted in higher new issue premium in many of the issues that followed.

Outlook

While we are comforted by the generally strong credit fundamentals in Asia, the biggest risk for Asian Investment Grade Bond ("IG") at the moment would be a continued weakness in US Investment Grade Bond ("IG") as market continues to reprice to tighter global liquidity conditions. We believe focusing on credit fundamentals and relative value opportunities will yet again be key in delivering good performance in what could be another turbulent year.

Within China, we see value in the IG property space. Technology names look attractive too though they will still be vulnerable to headline news concerning US and China. We have turned cautious on Indian corporates amid the political uncertainty and an uncertain macro backdrop. We are positive on Indonesian's fundamentals though its performance will large hinge on how the broader emerging market performs.

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First State Asian Quality Bond

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE ASIAN QUALITY BOND			
Ireland			
First State Asian Quality Bond	393,390	8,761,364	97.91
Total investments		8,761,364	97.91
Other net assets		186,916	2.09
Total net assets attributable to unitholders		8,948,280	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Vanke Real Estate Co Ltd 3.975% 09/11/2027	36,428,132	3.9
Vigorous Champion International Ltd 4.375% 10/09/2023	28,803,639	3.1
Treasury Note (OTR) 2.50% 31/12/2020	27,391,696	2.9
Hyundai Capital Services Inc 3.00% 29/08/2022	26,450,400	2.8
Nuoxi Capital Ltd 5.35% 24/01/2023	25,320,846	2.7
United Overseas Bank Ltd 3.875% 31/12/2049	24,850,198	2.6
Azure Nova International Finance Ltd 3.50% 21/03/2022	23,814,773	2.5
Cnac HK Finbridge Co Ltd 5.125% 14/03/2028	22,779,348	2.4
Gohl Capital Ltd 4.25% 24/01/2027	21,743,923	2.3
Franshion Brilliant Ltd 3.60% 03/03/2022	19,861,333	2.1
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

Annual Report for the financial year ended 31 December 2018

First State Asian Quality Bond

DISCLOSURES

Subscriptions		S\$2,055,616
Redemptions		S\$6,154,555

	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.55%	1.48%
Portfolio Turnover	12.16%	414.15%
Disclosures on the Underlying Fund -		
Portfolio Turnover	45.9%	70.8%
Expense Ratio**	1.09%	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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

Bank service fees paid to HSBC	S\$ 5,321
--------------------------------	---------------------

Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
Singapore Dollar *	62,209
United States Dollar	7,779

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

There were no foreign exchange transaction with HSBC during the year from 1 January 2018 to 31 December

Annual Report for the financial year ended 31 December 2018

First State Asian Quality Bond

Others

As at 31 December 2018, 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 97.91% of the Sub-Fund's Net Asset Value and at a market value of S\$8,761,364). The Sub-Fund holds forward currency contracts with market value of unrealised gain of S\$105,200 (constituting 1.18% of the Sub-Fund's Net Asset Value) as at end of the period, and realised loss of S\$386,056 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.

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 2018.

c. *Securities Lending or Repurchase Transactions*

Nil for the year ended 31 December 2018.

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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

First State Bridge

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

Class A (Semi-Annually Distributing)	Fund	Benchmark
	%	%
3-mths	-2.7	-4.1
6-mths	-2.5	-4.3
1-year	-2.8	-6.3
3-years	5.2	5.1
5-years	6.2	4.8
10-years	8.7	8.1
Since Inception – 14 July 2003	6.9	6.5
<i>(Calculated since date of first valuation)</i>		

Class A (Monthly Distributing)	Sub-Fund	Benchmark
	%	%
3-mths	-2.7	-4.1
6-mths	-2.5	-4.3
1-year	n/a	n/a
3-years	n/a	n/a
5-years	n/a	n/a
10-years	n/a	n/a
Since Inception - 10 May 2018	-2.6	-5.5
<i>(Calculated since date of first valuation)</i>		

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 October 2005, 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 2018

First State Bridge

MANAGER'S REPORT

2018 turned out to be a tumultuous year, during which market sentiment was largely hampered by the escalating tension around the trade war between China and the US, coupled with the Fed and ECB's continued tightening of monetary policies. Even though the Fed hiked the policy rate only gradually (once a quarter), it brought about significant selling pressure in both emerging markets spreads and currencies. Asian equities and Asian credit markets were not spared, coinciding with a significant correction over the year.

The MSCI AC Asia Pacific ex Japan index decreased by 14% in US dollar terms in 2018. China and South Korea underperformed, while Thailand and Malaysia posted a more moderate decline. On a sector level, Information Technology and Consumer Discretionary fell the most, while Utilities and Consumer Staples were strongest.

Despite widening spreads and US treasuries yield normalizing, the JP Morgan Asia Credit Investment Grade Index (JACI IG) lost only 0.04%. For the year, investment grade spread widened by 55bps to 214bps while 10 year US treasury yield edged higher by 28bps to 2.68%.

New issuance market remained active though not as vibrant as the year before. Total issuance came in at USD 192bn, representing a 29% decline year over year. The default by Noble group during the first quarter of the year along with the bearish sentiments led to investors putting more focus on credit differentiation. This also resulted in higher new issue premium in many of the issues that followed.

The year will also be best remembered as a year of divergent growth and monetary policies, most notably between the US and China. As the negative impact of the trade war started to bite, the People's Bank of China cut its reserve requirement ratio for banks, boosted liquidity in the banking system and vowed to remain on an easing mode for as long as the trade tension persists.

Outlook

Despite the flurry of market outlooks typically written at the start of a new year, not much has actually changed. We fear that it is the same old issues – rising interest rates, slowing demand growth, lower global trade volumes, and debt-laden companies and governments – that will challenge Asian equity markets again this year. If, as some macro forecasters suggest, the US economy weakens this year (as fiscal stimulus packages expire), perhaps China's bolstering domestic policies might prop up the global economy instead. On the other hand, the ongoing war of attrition between the two countries on trade imbalances and other 'unfair trade practices' seems likely to weigh on global markets for some time yet.

We do not pay too much attention to the gyrations of market forecasters, however, preferring to spend our time researching companies and talking to management. We remain resolutely-focused on quality (of management, franchise and financials), which has helped our Asian portfolios remain relatively defensive amidst the market volatility. While we understand that such periods are worrying for clients, they provide us with opportunities to top up our holdings and buy into quality companies at cheaper prices – thus contributing to better long-term absolute returns.

While we are comforted by the generally strong credit fundamentals in Asia, the biggest risk for Asian Investment Grade ("IG") at the moment would be a continued weakness in US Investment Grade Bond ("IG") as market continues to reprice to tighter global liquidity conditions. We believe focusing on credit fundamentals and relative value opportunities will yet again be key in delivering good performance in what could be another turbulent year.

Within China, we see value in the IG property space. Technology names look attractive too though they will still be vulnerable to headline news concerning US and China. We have turned cautious on Indian corporates amid the political uncertainty and an uncertain macro backdrop. We are positive on Indonesian's fundamentals though its performance will large hinge on how the broader emerging market performs.

Annual Report for the financial year ended 31 December 2018

First State Bridge

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE BRIDGE			
Ireland			
First State Asian Equity Plus Fund	12,284,041	825,102,360	48.82
First State Asian Quality Bond Fund	38,324,372	853,538,185	50.50
Total investments		1,678,640,545	99.32
Other net assets		11,429,436	0.68
Total net assets attributable to unitholders		1,690,069,981	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Equities		
HDFC Bank Limited	251,769,078	5.1
Taiwan Semiconductor Mfg Co Ltd	245,287,893	4.9
Oversea-Chinese Banking Corp	177,484,736	3.6
Housing Development Finance Corp Ltd	171,502,104	3.4
CSL Ltd	168,510,789	3.4
Samsung Electronics Co Ltd	142,586,052	2.9
ENN Energy Holdings Ltd	113,669,999	2.3
Midea Group Co Ltd	112,174,341	2.3
China Mengniu Dairy Company Limited	110,678,684	2.2
AIA Group Limited	110,180,131	2.2
Fixed Income		
Vanke Real Estate Co Ltd 3.975% 09/11/2027	36,428,132	3.9
Vigorous Champion International Ltd 4.375% 10/09/2023	28,803,639	3.1
Treasury Note (OTR) 2.50% 31/12/2020	27,391,696	2.9
Hyundai Capital Services Inc 3.00% 29/08/2022	26,450,400	2.8
Nuoxi Capital Ltd 5.35% 24/01/2023	25,320,846	2.7
United Overseas Bank Ltd 3.875% 31/12/2049	24,850,198	2.6
Azure Nova International Finance Ltd 3.50% 21/03/2022	23,814,773	2.5
Cnac HK Finbridge Co Ltd 5.125% 14/03/2028	22,779,348	2.4
Gohl Capital Ltd 4.25% 24/01/2027	21,743,923	2.3
Franshion Brilliant Ltd 3.60% 03/03/2022	19,861,333	2.1

Annual Report for the financial year ended 31 December 2018

First State Bridge

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 2018

First State Bridge

DISCLOSURES

Subscriptions S\$570,557,811

Redemptions S\$255,793,791

	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.44%	1.43%
Portfolio Turnover	198.63%	632.18%

Disclosures on the Underlying Fund -

Portfolio Turnover

First State Asian Equity Plus Fund	13.1%	27.5%
First State Asian Quality Bond Fund	45.9%	70.8%

Expense Ratio**

First State Asian Equity Plus Fund	1.58%	1.58%
First State Asian Quality Bond Fund	1.09%	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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

	S\$
Bank service fees paid to HSBC	29,815
Interest received from Bank of HSBC	(16,026)

Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
Singapore Dollar	24,741
United States Dollar	1,441,495

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

Currency	<u>Purchases</u>		Currency	<u>Sales</u>	
		Amount			Amount
Singapore Dollar		12,631,445	United States Dollar		9,361,131

Annual Report for the financial year ended 31 December 2018

First State Bridge

Others

As at 31 December 2018, 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 48.82% of the Sub-Fund's Net Asset Value and at a market value of S\$825,102,360) and First State Asian Quality Bond Fund Class I shares (constituting 50.50% of the Sub-Fund's Net Asset Value and at a market value of S\$853,538,185). The Sub-Fund holds forward currency contracts with market value of unrealised gain of S\$6,015,770 (constituting 0.36% of the Sub-Fund's Net Asset Value) as at end of the period, and realised loss of S\$28,266,660 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.

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 2018.

c. *Securities Lending or Repurchase Transactions*

Nil for the year ended 31 December 2018.

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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

First State Dividend Advantage

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mths	-5.9	-9.0
6-mths	-5.6	-10.1
1-year	-3.7	-12.0
3-years	8.0	6.8
5-years	9.3	5.1
10-years	11.7	9.5
Since Inception - 20 December 2004 <i>(Calculated since date of first valuation)</i>	9.3	6.5

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 2018

First State Dividend Advantage

MANAGER'S REPORT

The MSCI AC Asia Pacific ex Japan index decreased by 14% in US dollar terms in 2018. China and South Korea underperformed, while Thailand and Malaysia posted a more moderate decline. On a sector level, Information Technology and Consumer Discretionary fell the most, while Utilities and Consumer Staples were strongest.

Performance

The Sub-Fund declined by 5.4% over the 12 months to 31 December 2018. Detracting from performance, **AAC Technologies** softened on concerns around weaker shipment expectations for the Apple iPhone in the second half of 2018, while **Minth Group** weakened on softer than expected results and fears of US protectionism impacting its North American business. **Hanssem** was also lower, due to increased competition and a weaker property cycle.

On the positive side, **CSL Limited** saw accelerating demand for both its flu vaccines and its core immunoglobulin products, which can increasingly be used as a secondary treatment for haematological cancers. **ENN Energy** strengthened, driven by growth expectations for the year ahead. China's environmental policies should continue to fuel higher levels of gas consumption. **Tata Consultancy Services ("TCS")** reported an uptick in revenue and margins. TCS's business model is evolving towards higher margin 'digital transformation' consultancy services, where it has secured a number of deals with large clients such as Transamerica, Marks and Spencer and Rolls Royce.

Transactions

Significant purchases over the year included **Cognizant Technology Solutions**, on expectations of a turnaround in the Indian technology outsourcing sector. The valuation seemed attractive for what looked like improving margins and steady growth. The Sub-Fund also purchased **Jardine Cycle & Carriage**, on signs of a recovery at subsidiary company Astra and a promising outlook for its investments in Vietnam.

Over the year, the Sub-Fund disposed of **Fast Retailing** due to expensive valuations. The Sub-Fund also sold **Hanon Systems** amid concerns over a downturn in the autos cycle. The company's recent acquisition at the top of the market raised fears of a highly geared balance sheet with slowing growth.

Outlook

Despite the flurry of market outlooks typically written at the start of a new year, not much has actually changed. We fear that it is the same old issues – rising interest rates, slowing demand growth, lower global trade volumes, and debt-laden companies and governments – that will challenge Asian equity markets again this year. If, as some macro forecasters suggest, the US economy weakens this year (as fiscal stimulus packages expire), perhaps China's bolstering domestic policies might prop up the global economy instead. On the other hand, the ongoing war of attrition between the two countries on trade imbalances and other 'unfair trade practices' seems likely to weigh on global markets for some time yet.

We do not pay too much attention to the gyrations of market forecasters, however, preferring to spend our time researching companies and talking to management. We remain resolutely-focused on quality (of management, franchise and financials), which has helped our Asian portfolios remain relatively defensive amidst the market volatility. While we understand that such periods are worrying for clients, they provide us with opportunities to top up our holdings and buy into quality companies at cheaper prices – thus contributing to better long-term absolute returns.

Annual Report for the financial year ended 31 December 2018

First State Dividend Advantage

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE DIVIDEND ADVANTAGE			
Ireland			
First State Asian Equity Plus Fund	37,048,301	2,488,484,007	100.55
Total investments		2,488,484,007	100.55
Other net liabilities		(13,556,433)	(0.55)
Total net assets attributable to unitholders		2,474,927,574	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
HDFC Bank Limited	251,769,078	5.1
Taiwan Semiconductor Mfg Co Ltd	245,287,893	4.9
Oversea-Chinese Banking Corp	177,484,736	3.6
Housing Development Finance Corp Ltd	171,502,104	3.4
CSL Ltd	168,510,789	3.4
Samsung Electronics Co Ltd	142,586,052	2.9
ENN Energy Holdings Ltd	113,669,999	2.3
Midea Group Co Ltd	112,174,341	2.3
China Mengniu Dairy Company Limited	110,678,684	2.2
AIA Group Limited	110,180,131	2.2
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

Annual Report for the financial year ended 31 December 2018

First State Dividend Advantage

DISCLOSURES

Subscriptions		S\$1,056,841,386
Redemptions		S\$479,636,946
	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.71%	1.71%
Portfolio Turnover	367.96%	1220.20%
Disclosures on the Underlying Fund -		
Portfolio Turnover	13.1%	27.5%
Expense Ratio**	1.58%	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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

	S\$
Bank service fees paid to HSBC	124,545
Interest received from Bank of HSBC	(45,048)

Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
Singapore Dollar	1,786,682
United States Dollar	170,681

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

Currency	<u>Purchases</u>		Currency	<u>Sales</u>	
		Amount			Amount
Singapore Dollar		46,406,361	Singapore Dollar		378,803,098
United States Dollar		280,550,095	United States Dollar		34,530,303

Others

As at 31 December 2018, 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 100.55% of the Sub-Fund's Net Asset Value and at a market value of S\$2,488,484,007. 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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

First State Global Balanced Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

	Sub-Fund %	Benchmark %
3-mths	-3.4	-7.2
6-mths	-3.1	-5.4
1-year	-1.7	-3.7
3-years	3.5	4.2
5-years	3.9	5.1
10-years	4.6	6.4
Since Inception – 4 January 1999 (Calculated since date of first valuation)	2.2	3.8

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% FTSE World Government Bond Index (Unhedged). It was renamed from 60% MSCI AC World Index and 40% Citigroup World Government Bond Index (Unhedged) with effect from 31 July 2018.

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)
- From 31 July 2018: Composite comprising 60% MSCI AC World Index and 40% FTSE 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 2018

First State Global Balanced Fund

MANAGER'S REPORT

Global equity markets declined in 2018 with the MSCI AC World Index falling by 8.9% in US dollar terms. At a sector level, Health Care and Utilities outperformed, while Communication Services and Materials were particularly weak.

In bond markets, early 2018 saw widespread optimism in financial markets with global government bond yields rising sharply in most major markets. In the US, for example, 10-years Treasury yields rose to their highest levels for more than four years. Risk appetite was supported by the passing of tax reforms in the US in late 2017 and economic data that suggested inflationary forces were gaining momentum.

In the US, 10-years Treasury yields rose above 3.10% in mid-May, driven by increased expectations of higher interest rates and rising oil prices. With yields breaking out of long-term trading ranges, investors suggested we could finally be about to see a significant and sustainable increase in yields globally.

US 10-years Treasury yields moved 20 basis points higher over the third quarter, but were reasonably volatile in doing so as interest rate expectations shifted. The last quarter of the year saw a sharp deterioration in risk appetite in global markets. This supported demand for government bonds as investors favoured defensive exposures. There was an unrelenting focus on the economic outlook in the US and, more specifically, how much more US interest rates might be increased in 2019.

Outlook

In equity markets, valuations for high-quality companies remain full. We prefer to back strong management teams who are focusing on sustainable development rather than descend the quality spectrum for notionally lower valuations.

In bond markets, there appears to be an increasing acceptance that global growth could tail off in 2019. Activity levels in the US are likely to moderate from an exceptionally strong 2018 and we have started to see signs of a slowdown in Asia. In Europe, Brexit issues continue to hamper business confidence and capital expenditure. These issues suggest global growth projections might have to be revised lower over the next few months which should support returns from government bond markets.

Annual Report for the financial year ended 31 December 2018

First State Global Balanced Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE GLOBAL BALANCED FUND			
Ireland			
Stewart Investors Worldwide Leaders Fund	631,572	10,080,345	58.28
First State Global Bond Fund	333,466	7,126,791	41.21
Total investments		17,207,136	99.49
Other net assets		87,422	0.51
Total net assets attributable to unitholders		17,294,558	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Equities		
Henkel AG & Co KGaA	5,395,791	8.5
Beiersdorf AG	4,582,291	7.2
Unilever Plc	4,569,580	7.2
Unicharm Corp	3,533,639	5.6
Tata Consultancy Services Ltd	3,222,221	5.1
Merck KGaA	2,732,850	4.3
Colgate-Palmolive Co	2,256,190	3.6
Cerner Corporation	2,230,769	3.5
Nestle S.A.	2,141,792	3.4
Housing Development Finance Corp Ltd	2,001,972	3.2
Fixed Income		
Santander Consumer Finance 0.68% 27/09/2022	1,241,865	5.6
Spain (Kingdom of) 3.80% 30/04/2024	1,188,163	5.3
US Treasury Bill 1.625% 15/08/2022	921,889	4.1
UK GILT 4.50% 07/03/2019	879,375	3.9
US Treasury Bill 3.125% 15/02/2043	789,871	3.5
Italy (Republic of) 2.80% 01/12/2028	702,605	3.1
Italy Buoni Poliennali Del Tesoro 4.50% 01/03/2019	684,704	3.1
US Treasury Bill 2.625% 30/06/2023	481,083	2.2
Italy Buoni Poliennali Del Tesoro 5.500% 01/11/2022	469,895	2.1
Japan (Govt) 20YR # 123 2.100% 20/12/2030	447,519	2.0

Annual Report for the financial year ended 31 December 2018

First State Global Balanced Fund

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 2018

First State Global Balanced Fund

DISCLOSURES

Subscriptions		S\$4,049,829
Redemptions		S\$4,752,381
	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.75%	1.71%
Portfolio Turnover	17.26%	5.30%
Disclosures on the Underlying Fund -		
Portfolio Turnover		
Stewart Investors Worldwide Leaders Fund	26.6%	17.9%
First State Global Bond Fund	130.0%	69.5%
Expense Ratio**		
Stewart Investors Worldwide Leaders Fund	1.68%	1.71%
First State Global Bond Fund	1.23%	1.19%

** 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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

	S\$
Bank service fees paid to HSBC	7,204

Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
Singapore Dollar	203,706
United States Dollar	1,363

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

	<u>Purchases</u>		<u>Sales</u>	
Currency	Amount	Currency	Amount	
Singapore Dollar	3,642,947	Singapore Dollar	2,412,214	
United States Dollar	1,764,331	United States Dollar	2,690,441	

Others

As at 31 December 2018, 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 41.21% of the Sub-Fund's Net Asset Value and at a market value of S\$7,126,791) and Stewart Investors Worldwide Leaders Fund Class I (constituting 58.28% of the Sub-Fund's Net Asset Value and at a market value of S\$10,080,345). 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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

First State Global Infrastructure

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mths	-2.6	-2.6
6-mths	-4.9	-1.7
1-year	-6.6	-1.3
3-years	4.8	7.4
5-years	6.1	8.3
10-years	7.8	8.1
Since Inception – 3 March 2008 (Calculated since date of first valuation)	3.4	4.0

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 2018

First State Global Infrastructure

MANAGER'S REPORT

Global listed infrastructure, along with other defensive assets, was hit by macroeconomic headwinds at the start of 2018. A sharp rise in US Treasury yields, together with synchronised global growth, resulted in a clear sector rotation away from defensive areas of the market into cyclicals.

However global listed infrastructure made up ground relative to global equities in the second half of the year, as concerns about slowing global growth rates highlighted the appeal of infrastructure's stable, long-life assets and predictable cashflows.

Performance

The largest positive contributor to Fund performance was **NextEra Energy** (US: Electric Utilities), which outperformed on investor enthusiasm for its robust balance sheet and renewables-driven earnings growth. **Evergy** (US: Electric Utilities) gained on demand for defensive assets. The company is carrying out a substantial share buy-back (equivalent to 22% of shares on issue). **American Tower** (US: Towers) was supported by structural growth in demand for mobile data, reflecting growing numbers of smartphone subscriptions and the ever-increasing popularity of video streaming on these devices.

On the negative side, the tragic collapse of a bridge in Genoa led the Italian government to call for the revocation of the motorway concession controlled by **Atlantia** (Italy: Toll Roads). **PG&E** (US: Electric Utilities) fell on concerns about potential liabilities for costs associated with California's devastating wildfires. **CCR** (Brazil: Toll Roads) underperformed as economic and political turmoil and an investigation into corruption weighed on the stock.

Transactions

A position was initiated in **SBA Communications** (US: Towers) after underperformance suggested that concerns about the company's exposure to Latin America had been discounted in valuations, providing an attractive entry point. **TransCanada** (Canada: Pipelines) was added after unfavourable sentiment towards the sector moved the stock higher in the Value/Quality rankings of our investment process. The portfolio also established a position in **Williams** (US: Pipelines), whose pipeline networks connect rising natural gas production with growing demand from eastern US population centres.

Enbridge Inc (Canada: Pipelines) was divested after the sale of non-core assets caused its share price to rise. **Enterprise Products Partners** (US: Pipelines) was sold after significant outperformance compared to its peers reduced mispricing. **Power Assets Holdings** (Hong Kong: Electric Utilities) was also sold following the payment of its latest special dividend.

Outlook

We anticipate slower global economic growth in 2019 as the robust US economy comes down from its tax cut-driven sugar high. This, combined with reduced monetary stimulus in Europe and Japan, implies a less positive economic growth environment in the year ahead.

Global listed infrastructure is well positioned to navigate a likely slower growth world in 2019, as its essential services have the ability to price at or above inflation without destroying demand.

Annual Report for the financial year ended 31 December 2018

First State Global Infrastructure

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE GLOBAL INFRASTRUCTURE			
Great Britain			
First State Global Listed Infrastructure Fund	3,471,250	10,542,741	96.98
Total investments		10,542,741	96.98
Other net assets		328,398	3.02
Total net assets attributable to unitholders		10,871,139	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Dominion Energy Inc	227,798,541	6.9
Transurban Group	206,515,174	6.2
NextEra Energy Inc	187,227,122	5.6
Kinder Morgan Inc	163,615,887	4.9
TransCanada Corporation	155,967,176	4.7
American Electric Power Company Inc	138,341,888	4.2
East Japan Railway Co	137,676,783	4.1
Atlantia SpA	103,756,416	3.1
Evergy Inc	97,437,916	2.9
Williams Companies Inc	94,444,943	2.8
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

Annual Report for the financial year ended 31 December 2018

First State Global Infrastructure

DISCLOSURES

Subscriptions	S\$2,300,419
Redemptions	S\$5,408,866

	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.91%	1.93%
Portfolio Turnover	11.44%	989.78%
Disclosures on the Underlying Fund -		
Portfolio Turnover	70.1%	76.2%
Expense Ratio**	1.53%	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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

	S\$
Bank service fees paid to HSBC	6,263
Interest received from Bank of HSBC	(1,653)

Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
British Pound Sterling	33,705
Singapore Dollar	277,798
United States Dollar	1,363

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

Currency	<u>Purchases</u>		<u>Sales</u>	
	Currency	Amount	Currency	Amount
British Pound Sterling		674,842	British Pound Sterling	2,531,550
Singapore Dollar		3,865,316	Singapore Dollar	2,256,922
United States Dollar		1,622,407	United States Dollar	323,922

Others

As at 31 December 2018, 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 96.98% of the Sub-Fund's Net Asset Value and at a market value of S\$10,542,741. 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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

First State Global Property Investments

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

Class A - Distribution	Sub-Fund	Benchmark
	%	%
3-mths	-10.5	-5.7
6-mths	-11.3	-5.6
1-year	-10.0	-2.8
3-years	-3.0	2.3
5-years	3.7	7.1
10-years	7.6	10.2
Since Inception – 11 April 2005 (Calculated since date of first valuation)	2.2	5.0

Class A - Accumulation	Sub-Fund	Benchmark
	%	%
3-mths	-10.5	-5.7
6-mths	-11.3	-5.6
1-year	-10.0	-2.8
3-years	-3.0	2.3
5-years	n/a	n/a
10-years	n/a	n/a
Since Inception – 14 September 2015 (Calculated since date of first valuation)	-1.7	4.3

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 14 September 2015.

The benchmark of the Sub-Fund is the FTSE EPRA/Nareit Developed Index. It was renamed from FTSE EPRA/NAREIT Developed Index with effect from 3 September 2018.

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

- Inception to 29 February 2008: Citigroup BMI World Property Index
- From 1 March 2008 to 16 January 2014: UBS Global Real Estate Investors Index
- From 17 January 2014: FTSE EPRA/NAREIT Developed Index
- From 03 September 2018: 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 2018

First State Global Property Investments

MANAGER'S REPORT

The FTSE EPRA/NAREIT Developed Index Total Return (USD) fell 5.63% in 2018, outperforming the broader equity market.

Global REITs struggled in 2018 amid rising interest rates and due to increased uncertainty arising from trade tensions, political discourse and weaker global economic growth, although M&A activity remained strong across several markets.

Performance

The largest positive contributor to performance was the Sub-Fund's average overweight position in Japanese developer **Mitsui Fudosan**, which performed well during the year with the company generating continued rental growth and posting positive quarterly results in August. The Sub-Fund's overweight exposure to US apartment real estate investment trust **Equity Residential** also contributed to performance, with the stock trading well following its Q3 results.

The largest detractors from the Sub-Fund's performance were positions in **Playa Hotels and Resorts** and US data centre company **Equinix**. Playa Hotels and Resorts underperformed after reducing its FY18 EBITDA guidance due to an unanticipated increase in utilities in Mexico and given global economic concerns. Equinix underperformed after the company failed to dispel concerns on the impact of the Verizon portfolio integration on US revenue growth in its 1Q earnings announcement. The stock was also impacted by the selloff in technology stocks late in the year.

Transactions

The Sub-Fund established a position in US logistics real estate investment trust **Prologis** due to the positive outlook for the industrial and logistics property sectors. A position was also initiated in the US apartment real estate investment trust **Equity Residential**, due to expectations of near-term improvements in market conditions and that the company's earnings guidance would be raised.

The Sub-Fund reduced its holdings in **Simon Property Group** early in the year due to expectations of a challenging year for the retail sector. The Sub-Fund also exited its position in **UDR** during the year after the stock started trading in line with the Sub-Fund's estimates.

Outlook

The Sub-Fund has become more constructive on the outlook for US real estate investment trusts given slowing economic growth and increasing risks. The outlook for UK real estate investment trusts remains highly dependent on the outcome of Brexit. On the Continent, the Sub-Fund prefers structural growth stories maintains selective exposure to offices and residential apartments.

The outlook for Australian real estate investment trusts with exposure to the residential development sector remains challenged, while office operating metrics are broadly positive.

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

Annual Report for the financial year ended 31 December 2018

First State Global Property Investments

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE GLOBAL PROPERTY INVESTMENTS			
Ireland			
First State Global Property Securities Fund	959,874	14,666,142	99.16
Total investments		14,666,142	99.16
Other net assets		124,901	0.84
Total net assets attributable to unitholders		14,791,043	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Invitation Homes Inc	858,932	5.5
Prologis Inc	841,627	5.3
Sun Hung Kai Properties Ltd	807,018	5.1
Simon Property Group Inc	728,362	4.6
Equity Residential	668,582	4.2
AvalonBay Communities Inc	633,973	4.0
Kilroy Realty Corporation	608,803	3.9
Grainger plc	583,633	3.7
Inmobiliaria Colonial S.A	536,439	3.4
Vicinity Centres	508,123	3.2

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

Annual Report for the financial year ended 31 December 2018

First State Global Property Investments

DISCLOSURES

Subscriptions	S\$4,149,924
Redemptions	S\$14,187,886

	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.97%	1.97%
Portfolio Turnover	134.75%	217.34%
Disclosures on the Underlying Fund -		
Portfolio Turnover	75.0%	67.8%
Expense Ratio**	1.72%	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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

Bank service fees paid to HSBC	S\$ 7,570
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Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent	% NAV
Singapore Dollar	(143,466)^	0.97
United States Dollar	1,363	0.01

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

Currency	Purchases		Sales	
	Currency	Amount	Currency	Amount
Singapore Dollar	Singapore Dollar	10,828,902	Singapore Dollar	779,122
United States Dollar	United States Dollar	586,810	United States Dollar	8,115,850

Others

As at 31 December 2018, 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 99.16% of the Sub-Fund's Net Asset Value and at a market value of S\$14,666,142. 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 2018 or at the year end 31 December 2017.

^The sub-fund has credit facility with a related party of the Trustee.

Annual Report for the financial year ended 31 December 2018

First State Regional China Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mths	-11.4	-10.5
6-mths	-15.5	-13.1
1-year	-12.4	-12.9
3-years	7.9	7.8
5-years	7.2	7.1
10-years	11.6	9.7
Since Inception – 1 November 1993 <i>(Calculated since date of first valuation)</i>	8.2	4.2

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 2018

First State Regional China Fund

MANAGER'S REPORT

The Greater China equity markets declined over the 12 months to 31 December 2018. The MSCI Golden Dragon Index fell by 14.8% in US dollar terms over the period, with China the worst-performing market, down 18.8% over the year. The MSCI Hong Kong declined by 7.8%, while Taiwan decreased by 8.2%.

Performance

The Sub-Fund declined by 14.1% over the 12 months to 31st December 2018. Detracting from performance, **AAC Technologies** softened on concerns around weaker shipment expectations for the Apple iPhone in the second half of 2018, while **Minth Group** weakened on softer than expected results and fears of US protectionism impacting its North American business. **Tencent** declined following a broad technology sell-off and on concerns around regulatory tightening.

On the positive side, **ENN Energy** outperformed on strong growth expectations. China's environmental policies and "coal-to-gas" projects for local governments should continue to fuel higher levels of gas consumption. **Shenzhou International** was boosted by a positive read-across from Nike's earnings results, as China sales accelerated across both apparel and footwear segments. Nike is one of Shenzhou's largest customers, contributing around 30% of sales. **Dairy Farm** was boosted by the leadership of its new CEO, Ian McLeod, with significant personnel and cultural shifts within the company. The company has started its rationalisation process in Southeast Asia, closing stores and cutting costs to improve business operations.

Transactions

Significant new purchases over the periods included **Silergy Corp**, the largest analogue integrated circuit designer in Asia. Although Silergy is relatively small, its superior products and competitive pricing should help it gain market share. The Sub-Fund also purchased **Mediatek**, which had showed signs of a turnaround. Although a recovery is unlikely to follow a straight line, the smartphone business and other new growth areas seem to be progressing well.

The Sub-Fund divested **Hangzhou Robam Appliances** due to margin concerns on its single-product strategy. **Sino Biopharm** was sold on portfolio consolidation; the proceeds were used to switch into CSPC Pharmaceutical, a higher conviction stock.

Outlook

The Chinese equity market corrected sharply in 2018. We took advantage of market weakness to add to our high quality portfolio holdings; and have started to reassess the companies on our watch-list which look more attractive on valuation metrics.

However, we remain cautious in our outlook for the coming year and expect market volatility to continue over the short term. Although the progress towards an entente cordiale with the US is encouraging, there remains a wide gulf between the two countries on a broad range of issues, which will take time to resolve.

In response to trade war uncertainties and slowing growth, we expect the Chinese government to continue its targeted approach to bolster the economy, with policies designed to ease conditions for businesses and households, while maintaining its line of attack on debt reduction. In addition, ongoing structural reforms should continue to enhance market-based efficiencies and improve corporate profitability in the state-owned sector.

On a longer-term basis, we believe that China's growth story remains intact. Chinese companies have been focusing more on research and development, and product innovation, in order to compete with global peers. Meanwhile, the structural trends of consumption upgrading and healthcare spending should persist as incomes continue to rise.

Annual Report for the financial year ended 31 December 2018

First State Regional China Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE REGIONAL CHINA FUND			
Ireland			
First State Greater China Growth Fund	3,414,930	434,734,947	99.53
Total investments		434,734,947	99.53
Other net assets		2,059,580	0.47
Total net assets attributable to unitholders		436,794,527	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Taiwan Semiconductor Mfg Co Ltd	53,341,912	7.1
Tencent Holdings	45,710,845	6.0
AIA Group Ltd	34,982,019	4.6
ENN Energy Holdings Ltd	32,110,924	4.3
China Merchants Bank Co Ltd	32,035,369	4.2
China Mengniu Dairy Company Limited	29,617,605	3.9
Advantech Co Ltd	24,404,302	3.2
Jardine Matheson Holdings Ltd	24,026,527	3.2
ASM Pacific Technology Ltd	23,573,196	3.1
Dairy Farm International Holdings Ltd	23,346,531	3.1
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

Annual Report for the financial year ended 31 December 2018

First State Regional China Fund

DISCLOSURES

Subscriptions	S\$128,212,999
Redemptions	S\$120,806,790

	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.71%	1.71%
Portfolio Turnover	10.07%	6.36%
Disclosures on the Underlying Fund -		
Portfolio Turnover	19.4%	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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

Bank service fees paid to HSBC	S\$ 51,688
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Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
Singapore Dollar	268,763
United States Dollar	107,004

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

Currency	Purchases		Currency	Sales	
		Amount			Amount
Singapore Dollar		19,882,745	Singapore Dollar		25,605,111
United States Dollar		18,955,207	United States Dollar		14,896,757

Others

As at 31 December 2018, 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 99.53% of the Sub-Fund's Net Asset Value and at a market value of S\$434,734,947. 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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

First State Regional India Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mths	5.4	2.3
6-mths	-4.3	0.2
1-year	-6.1	-5.5
3-years	7.7	6.8
5-years	16.4	9.7
10-years	17.8	10.0
Since Inception – 22 August 1994 (Calculated since date of first valuation)	9.2	6.6

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 2018

First State Regional India Fund

MANAGER'S REPORT

The MSCI India declined by 7.3% in 2018 amid rising oil prices, inflationary pressures and a widening deficit, as well as a broader regional sell-off on concerns over a US-China trade war and fears of a global slowdown. Brent crude soared to four-year highs, which, in combination with a decreasing rupee, has translated into a significant increase in domestic headline fuel prices. On the other hand, the weakening rupee has been positive for exporters such as IT services companies. Financials were shaken by the collapse and subsequent bailout of Infrastructure Leasing & Financial Services (IL&FS), one of the largest infrastructure lenders in India, as fears of worsening credit and liquidity issues at other non-banking financial companies (NBFCs) dampened sentiment towards the end of the year. Meanwhile, core CPI inflation rose to significantly in May, causing the Reserve Bank of India to raise interest rates by 25bps in June – the first hike in more than four years.

Performance

On portfolio holdings, **Bharti Airtel** continued to face intense competitive pressure, as Reliance Jio released further aggressive tariff cuts, causing industry pricing to crash. Revenues are expected to fall significantly at all the incumbent telecom operators, with this market having shrunk to three main players. **Blue Star** reported weaker than expected results, mainly due to slower activity in its Electro Mechanical projects business. GST also had an impact, as customers renegotiated their projects contracts. An early onset of the monsoon season, as well as flooding in Kerala, resulted in a disappointing summer for sales of air conditioning units.

Nestle India's operating performance has been positive, with its strategy of focusing on volume growth starting to pay dividends. The business has reported strong domestic sales growth after new product expansions and launches. **Tech Mahindra** reported expanded margins, with additional tailwinds from FX weakness. Digital revenue has grown in excess of 20% and there are anecdotal signs of a recovery in the finance sector (its biggest customer segment).

Transactions

Significant purchases over the year included **Bosch (India)**, the market leader in fuel injection systems in India. Bosch has a dominant franchise, with more than 50% market share in most segments that it operates in. There should be significant growth potential from increased regulation on emission standards. The Sub-Fund also bought back **Infosys**, after management changes at the company. The new CEO, Salil S. Parekh, is the second outsider at the company and has the support of the ex-founders. The strength of the franchise seemed secure as, despite the noise around the political, the business had continued to perform well throughout.

The Sub-Fund divested **Lupin** on concerns around the challenging environment in the US generics market and sold **Hindustan Unilever** on concerns around expensive valuations and high margins.

Annual Report for the financial year ended 31 December 2018

First State Regional India Fund

Outlook

The challenging global backdrop of rising interest rates, slowing demand growth and trade war uncertainty continues to weigh on investor sentiment. In India, much has been made of the upcoming General Elections, with swinging opinion polls having the potential to disrupt financial markets. Volatility, particularly over the short term, is likely to persist.

We do not pay too much attention to the gyrations of market forecasters, however, preferring to spend our time researching companies and talking to management. We remain resolutely-focused on quality (of management, franchise and financials), which has helped our portfolios remain relatively defensive amidst the market volatility. While we understand that such periods are worrying for clients, they provide us with opportunities to top up our holdings and buy into quality companies at cheaper prices – thus contributing to better long-term absolute returns.

From a bottom-up perspective, our meetings with management suggest that earnings growth within our universe of quality companies should be relatively robust, particularly those that are supported by long-term secular growth themes; and valuations remain stubbornly expensive. The portfolio currently has a relatively high cash weighting, so that we have some 'dry powder' ready to invest when the market falls.

Annual Report for the financial year ended 31 December 2018

First State Regional India Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE REGIONAL INDIA FUND			
Ireland			
First State Indian Subcontinent Fund	765,172	105,784,335	99.12
Total investments		105,784,335	99.12
Other net assets		940,428	0.88
Total net assets attributable to unitholders		106,724,763	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
HDFC Bank Limited	46,981,594	6.8
Ambuja Cements Ltd	36,830,826	5.4
Nestle India	33,264,340	4.8
SKF India Ltd	30,452,303	4.4
Godrej Consumer Products Limited	29,766,441	4.3
Kotak Mahindra Bank	29,217,750	4.3
Bharti Airtel Ltd	27,777,439	4.1
Colgate-Palmolive (India) Limited	25,788,437	3.8
Jyothy Laboratories Ltd	24,828,229	3.6
Bosch Ltd	24,622,470	3.6

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

Annual Report for the financial year ended 31 December 2018

First State Regional India Fund

DISCLOSURES

Subscriptions		S\$32,329,070
Redemptions		S\$28,752,588
	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	2.06%	2.06%
Portfolio Turnover	16.30%	15.53%
Disclosures on the Underlying Fund -		
Portfolio Turnover	41.2%	54.8%
Expense Ratio**	1.91%	1.89%

** 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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

	S\$
Bank service fees paid to HSBC	20,905

Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
Singapore Dollar	223,422
United States Dollar	272,834

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

	<u>Purchases</u>		<u>Sales</u>	
Currency	Amount	Currency	Amount	
Singapore Dollar	11,851,097	Singapore Dollar	12,299,172	
United States Dollar	9,138,452	United States Dollar	8,829,014	

Others

As at 31 December 2018, 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 99.12% of the Sub-Fund's Net Asset Value and at a market value of S\$105,784,335. 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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

First State Singapore Growth Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mths	-4.5	-6.6
6-mths	-4.5	-3.7
1-year	-0.3	-6.2
3-years	5.0	4.8
5-years	2.1	0.4
10-years	12.0	8.1
Since Inception – 28 July 1969 (Calculated since date of first valuation)	8.2	n/a

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 1 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 2018

First State Singapore Growth Fund

MANAGER'S REPORT

The MSCI Singapore and Malaysia Index declined by 8.1% in 2018. Materials and Energy were the best performing sectors, while Information Technology and Consumer Discretionary lagged.

Performance

The Sub-Fund declined by 2.1% over the 12 months to 31st December 2018. Detracting from performance, **City Developments** declined after the Singapore government announced unexpected cooling measures and **Great Eastern Holdings** was marked down by investor sentiment. Delfi, which derives the majority of revenue from Indonesia, suffered from a weakening rupiah and rising interest rates, which put pressure on inflation and consumer spending.

On the positive side, **Dairy Farm International** was boosted by the leadership of its new CEO, Ian McLeod, with significant personnel and cultural shifts within the company. **Nestle Malaysia** continued to deliver steady business performance and earnings growth and **Jardine Matheson** strengthened on steady earnings results.

Transactions

Significant purchases over the period included **Kasikornbank**, which had fallen to attractive valuations. Kasikornbank had been de-rated due to high credit costs, weak loan growth and pressure on fee income. However, the worst of it seems to be over and the bank should benefit from a recovery in exports and the trickle-down effect of government infrastructure projects. The Sub-Fund also bought **Bank Central Asia (BCA)**, a high quality Indonesian bank that had outgrown the market on key metrics and has been a consistent compounder of growth. With banking penetration at just 40% of a population of 173 million, the long-term opportunity for BCA seems attractive.

The Sub-Fund divested **Glow Energy** due to its lack of growth and sold **Kuala Lumpur Kepong (KLK)** on concerns about its low profitability metrics. KLK, which refines palm oil into oleo-chemicals for multinational corporations, lacked pricing power and was increasingly squeezed on margins due to chronic over-supply.

Outlook

As Singapore's economic growth is largely dependent on external factors, slowing global growth and weakening demand would imply a challenging environment for equities in the year ahead. As such, we maintain our cautious approach and remain resolutely-focused on quality (of management, franchise and financials), which has helped our Asian portfolios remain relatively defensive amidst the market volatility. While we understand that such periods are worrying for clients, they provide us with opportunities to top up our holdings and buy into quality companies at cheaper prices – thus contributing to better long-term absolute returns.

Annual Report for the financial year ended 31 December 2018

First State Singapore Growth Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
FIRST STATE SINGAPORE GROWTH FUND			
Ireland			
First State Singapore and Malaysia Growth Fund	536,552	41,582,870	99.34
Total investments		41,582,870	99.34
Other net assets		278,323	0.66
Total net assets attributable to unitholders		41,861,193	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Haw Par Corp Ltd	4,821,465	7.8
Great Eastern Holdings Ltd	4,014,808	6.5
DBS Group Holdings Ltd	3,608,401	5.9
United Overseas Bank Ltd	3,534,509	5.7
Oversea-Chinese Banking Corp	3,534,509	5.7
Dairy Farm International Holdings Ltd	3,214,310	5.2
Jardine Matheson Holdings Ltd	2,826,376	4.6
Jardine Cycle & Carriage Ltd	2,777,114	4.5
Public Bank Bhd	2,112,085	3.4
Heineken Malaysia Bhd.	2,081,296	3.4
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

Annual Report for the financial year ended 31 December 2018

First State Singapore Growth Fund

DISCLOSURES

Subscriptions	S\$1,386,085
Redemptions	S\$4,896,711

	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.90%	1.89%
Portfolio Turnover	2.63%	3.58%

Disclosures on the Underlying Fund -

Portfolio Turnover	16.5%	15.1%
Expense Ratio**	1.73%	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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

Bank service fees paid to HSBC	S\$ 7,315
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Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
Singapore Dollar	85,981
United States Dollar	125,396

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

Currency	Purchases		Currency	Sales	
		Amount			Amount
Singapore Dollar		4,529,764	Singapore Dollar		309,393
United States Dollar		234,050	United States Dollar		3,372,798

Others

As at 31 December 2018, 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 99.34% of the Sub-Fund's Net Asset Value and at a market value of S\$41,582,870. 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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

Stewart Investors Global Emerging Markets Leaders Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mths	-3.5	-7.6
6-mths	-8.3	-8.3
1-year	-12.0	-12.5
3-years	4.2	8.2
5-years	2.6	3.6
10-years	9.1	7.8
Since Inception – 5 July 2004 <i>(Calculated since date of first valuation)</i>	7.8	7.0

Note: The Sub-Fund invests all or substantially all of its assets in the Stewart Investors Global Emerging Markets Leaders 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 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 2018

Stewart Investors Global Emerging Markets Leaders Fund

MANAGER'S REPORT

Emerging markets declined over the twelve months to 31 December 2018 in US dollar terms with the MSCI Emerging Markets Index falling by 14.2% over the period. Qatar and Peru outperformed, while Greece and Turkey were particularly weak. At a sector level, Energy and Utilities outperformed, while Consumer Discretionary and Information Technology lagged.

Performance

Tata Consultancy Services (India: Information Technology) and **Infosys** (India: Information Technology) both rose on good results and rupee weakness, while **Uni-President Enterprises** (Taiwan: Consumer Staples) gained as it continued to show improvements in its Chinese business.

On the negative side, **Vodafone Idea** (India: Communication Services) declined on concerns about poor profitability caused by intense competition (this company was called Idea Cellular until a merger with Vodafone was completed in August 2018). **Tiger Brands** (South Africa: Consumer Staples) was hit by a listeria outbreak which was traced to two of its manufacturing facilities and **Li & Fung** (Hong Kong: Consumer Discretionary) was weak on concerns over succession and the strength of the franchise.

Transactions

Over the period, significant purchases included **Ultrapar** (Brazil: Energy), a quality, reasonably valued fuel distribution company, and **Delta Electronics** (Taiwan: Information Technology), an out-of-favour franchise with a track record of evolution. We also bought **VTech** (Hong Kong: Information Technology), a cash-generative business managed by the founder and largest shareholder Allan Wong.

We sold CCU (Chile: Consumer Staples) and **Mahindra & Mahindra** (India: Consumer Discretionary) on valuation concerns. We also sold **Klabin** (Brazil: Materials) because of its level of debt in a highly cyclical industry.

Outlook

Many companies remain expensive across emerging markets, despite falling in recent months. We continue to be cautious with a low exposure to banks and a focus on net cash, cash-generative, companies with hard currency earnings which are run and stewarded by high-quality management and owners.

Annual Report for the financial year ended 31 December 2018

Stewart Investors Global Emerging Markets Leaders Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
STEWART INVESTORS GLOBAL EMERGING MARKETS LEADERS FUND			
Great Britain			
Stewart Investors Global Emerging Markets Leaders Fund	1,146,358	11,097,928	99.15
Total investments		11,097,928	99.15
Other net assets		95,194	0.85
Total net assets attributable to unitholders		11,193,122	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Tata Consultancy Services Ltd	161,567,337	4.0
Tata Power Co Ltd	160,751,341	3.9
Tiger Brands Ltd	159,935,344	3.9
Unilever PLC	148,103,392	3.6
Dr. Reddy's Laboratories Ltd	142,799,414	3.5
Remgro Ltd	136,679,439	3.3
Infosys Ltd	135,863,443	3.3
Cipla Ltd	131,783,459	3.2
Ultrapar Participacoes S.A.	122,399,498	3.0
Newcrest Mining Limited	122,399,498	3.0
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 Cervecerias Unidas S.A.	133,544,159	2.6
MediaTek Inc	133,544,159	2.6
Infosys Ltd	130,995,606	2.6

Annual Report for the financial year ended 31 December 2018

Stewart Investors Global Emerging Markets Leaders Fund

DISCLOSURES

Subscriptions		-
Redemptions		S\$3,056,686
	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.88%	1.84%
Portfolio Turnover	23.29%	22.82%
Disclosures on the Underlying Fund -		
Portfolio Turnover	37.3%	31.3%
Expense Ratio**	1.55%	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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

Bank service fees paid to HSBC	S\$ 2,370
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Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
British Pound Sterling	55,723
Singapore Dollar	13,416
United States Dollar	1,322

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

	<u>Purchases</u>		<u>Sales</u>	
Currency	Amount	Currency	Amount	
Singapore Dollar	3,260,328	British Pound Sterling	1,810,627	
United States Dollar	76,308	Singapore Dollar	104,244	

Others

As at 31 December 2018, 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 99.15% of the Sub-Fund's Net Asset Value and at a market value of S\$11,097,928. 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 2018 or at the year end 31 December 2017.

Annual Report for the financial year ended 31 December 2018

Stewart Investors Worldwide Leaders Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2018

Historical performance*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mths	-6.3	-12.9
6-mths	-4.9	-8.8
1-year	-2.9	-7.1
3-years	5.9	5.8
5-years	6.1	6.5
10-years	8.1	9.6
Since Inception – 24 August 1998 (<i>Calculated since date of first valuation</i>)	2.6	3.9

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 2018

Stewart Investors Worldwide Leaders Fund

MANAGER'S REPORT

Global markets declined in 2018 with the MSCI AC World Index falling by 8.9% in US dollar terms. At a sector level, Health Care and Utilities outperformed, while Communication Services and Materials were particularly weak.

Performance

Tata Consultancy Services (India: Information Technology) rose on good results and rupee weakness, while **Unicharm** (Japan: Consumer Staples) contributed positively as it delivered reasonable earnings on the back of compelling demographic and sustainability tailwinds. **Kikkoman** (Japan: Consumer Staples) gained on solid earnings, robust performance in the US market, strong growth of soy milk and the hint of price hikes towards the end of the year.

On the negative side, **Henkel KGaA** (Germany: Consumer Staples) declined due to the impact of negative currency moves, slower-than-expected M&A integration and soft end-markets. **Cerner** (US: Health Care) suffered on expectations of weaker software demand, although we maintain that the long-term outlook for the franchise remains compelling. **Beiersdorf** (Germany: Consumer Staples) declined on flattish earnings despite a robust balance sheet and long-term owner.

Transactions

Major purchases during the period included **Johnson & Johnson** (US: Health Care), a quality health care company with a positive long-term record and strong culture, and **Tech Mahindra** (India: Information Technology), a tech outsourcer which is part of the well-regarded Mahindra Group. We also bought **Cerner** (US: Health Care), a company which is well placed for taking costs out of the US healthcare system.

We sold **Varian Medical Systems** (US: Health Care) because the valuation appeared increasingly stretched given concerns about the company's Asian exposure. We sold **Novo Nordisk** (Denmark: Health Care) because of worries that excess profitability in the United States might pose a long-term risk to the franchise. We also sold **Tesco** (UK: Consumer Staples) on supply chain challenges and valuation concerns for what is increasingly a single-market retailer.

Outlook

Valuations for high-quality companies remain full. We prefer to back strong management teams who are focusing on sustainable development rather than descend the quality spectrum for notionally lower valuations.

Annual Report for the financial year ended 31 December 2018

Stewart Investors Worldwide Leaders Fund

DISTRIBUTION OF INVESTMENTS

As at 31 December 2018

	Holdings	Market Value S\$	% of NAV
STEWART INVESTORS WORLDWIDE LEADERS FUND			
Ireland			
Stewart Investors Worldwide Leaders Fund	1,491,253	23,801,481	98.89
Total investments		23,801,481	98.89
Other net assets		266,824	1.11
Total net assets attributable to unitholders		24,068,305	100.00

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
Top 10 holdings (as at 31 December 2018)		
Henkel AG & Co KGaA	5,395,791	8.5
Beiersdorf AG	4,582,291	7.2
Unilever Plc	4,569,580	7.2
Unicharm Corp	3,533,639	5.6
Tata Consultancy Services Ltd	3,222,221	5.1
Merck KGaA	2,732,850	4.3
Colgate-Palmolive Co	2,256,190	3.6
Cerner Corporation	2,230,769	3.5
Nestle S.A.	2,141,792	3.4
Housing Development Finance Corp Ltd	2,001,972	3.1
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

Annual Report for the financial year ended 31 December 2018

Stewart Investors Worldwide Leaders Fund

DISCLOSURES

Subscriptions	S\$4,010,266
Redemptions	S\$5,632,704

	31 December 2018	31 December 2017
Expense Ratio** (including that of the Underlying Fund)	1.93%	1.96%
Portfolio Turnover	8.09%	15.50%
Disclosures on the Underlying Fund -		
Portfolio Turnover	26.6%	17.9%
Expense Ratio**	1.68%	1.71%

** 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

In the normal course of business of the Sub-Fund, trustee's fees and registration fees have been paid or are payable to the Trustee, while management fees have been paid or are payable to the Manager, as noted in the Statement of Total Return (Page 65 – 71). Transactions with related parties were at terms agreed between the parties and within the provisions of the Trust Deed.

For the financial year ended 31 December 2018

The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

Bank service fees paid to HSBC S\$ 11,457

Bank balances outstanding with HSBC as at 31 December 2018

	S\$ equivalent
Singapore Dollar	157,193
United States Dollar	1,363

Foreign exchange transacted with HSBC for the financial year ended 31 December 2018

Currency	Purchases		Sales	
	Currency	Amount	Currency	Amount
Singapore Dollar	Singapore Dollar	2,504,869	Singapore Dollar	779,089
United States Dollar	United States Dollar	572,572	United States Dollar	1,844,178

Others

As at 31 December 2018 the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the Stewart Investors Worldwide Leaders Fund Class I, constituting 98.89% of the Sub-Fund's Net Asset Value and at a market value of S\$23,801,481. 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 2018 or at the year end 31 December 2017.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore)

Report of the Trustee**For the financial year ended 31 December 2018**

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 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 65 to 170, 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 2019

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore)

Statement by the Manager**For the financial year ended 31 December 2018**

In the opinion of First State Investments (Singapore), the accompanying financial statements set out on pages 65 to 170, 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 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 2018 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 FIRST STATE INVESTMENTS (SINGAPORE)

Lauren Prendiville

Director

12 March 2019

**Independent Auditor's Report to the Unitholders of
First State Global Growth Funds**
(Constituted under a Trust Deed in the Republic of Singapore)

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 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 2018, 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 2018;
- the Statements of Financial Position as at 31 December 2018;
- the Statements of Movements of Unitholders' Funds for the financial year ended 31 December 2018; and
- the Statements of Portfolio as at 31 December 2018;
- 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 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)

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, 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)

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 2019

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore)

Statements of Total Return

For the financial year ended 31 December 2018

	Notes	First State Asia			
		Opportunities Fund		First State Asian Growth Fund	
		2018	2017	2018	2017
		S\$	S\$	S\$	S\$
Income		-	-	-	-
Less: Expenses					
Management fees	11	383,627	439,787	980,157	1,056,390
Management fee rebates	11	(383,834)	(450,130)	(974,471)	(1,059,560)
Registration fees	11	8,780	13,149	15,663	9,131
Trustee's fees	11	16,559	19,422	49,008	52,819
Audit fees		14,701	12,673	14,701	12,673
Others		15,063	32,080	5,412	42,264
		54,896	66,981	90,470	113,717
Net loss		(54,896)	(66,981)	(90,470)	(113,717)
Net gains or losses on value of investments					
Net (losses)/gains on investments		(910,175)	3,465,582	(1,551,970)	9,862,806
Net foreign exchange gains/(losses)		5,370	(17,020)	7,820	(37,020)
		(904,805)	3,448,562	(1,544,150)	9,825,786
Total (deficit)/return for the financial year before taxation		(959,701)	3,381,581	(1,634,620)	9,712,069
Less: Income tax	3	-	-	-	-
Total (deficit)/return for the financial year after income tax		(959,701)	3,381,581	(1,634,620)	9,712,069

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)

Statements of Total Return

For the financial year ended 31 December 2018

	Notes	First State Asian		First State Bridge	
		Quality Bond			
		2018	2017	2018	2017
		S\$	S\$	S\$	S\$
Income					
Dividends		-	-	12,656,014	13,841,956
Interest		-	-	16,026	2,420
		-	-	12,672,040	13,844,376
Less: Expenses					
Management fees	11	107,400	131,424	19,790,784	16,920,841
Management fee rebates	11	(106,832)	(129,665)	(19,775,047)	(16,911,214)
Registration fees	11	7,336	6,574	78,579	18,881
Trustee's fees	11	12,000	12,000	1,187,447	1,015,251
Audit fees		14,701	12,673	14,701	12,673
Others		16,943	21,263	428,692	406,796
		51,548	54,269	1,725,156	1,463,228
Net (loss)/income		(51,548)	(54,269)	10,946,884	12,381,148
Net gains or losses on value of investments and financial derivatives					
Net (losses)/gains on investments		(616)	(269,584)	(39,014,481)	145,437,975
Net (losses)/gains on forward foreign exchange contracts		(280,856)	1,026,330	(22,250,890)	49,061,162
Net foreign exchange gains/(losses)		2,209	(108,942)	3,584,356	(14,803,380)
		(279,263)	647,804	(57,681,015)	179,695,757
Total (deficit)/return for the financial year before taxation		(330,811)	593,535	(46,734,131)	192,076,905
Less: Income tax	3	-	-	-	-
Total (deficit)/return for the financial year after income tax		(330,811)	593,535	(46,734,131)	192,076,905

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)***Statements of Total Return***For the financial year ended 31 December 2018*

	Notes	First State		First State Global	
		Dividend Advantage		Balanced Fund	
		2018	2017	2018	2017
		S\$	S\$	S\$	S\$
Income					
Dividends		37,851,916	40,431,548	-	-
Interest		45,048	11,906	-	-
		<u>37,896,964</u>	<u>40,443,454</u>	<u>-</u>	<u>-</u>
Less: Expenses					
Management fees	11	35,703,397	30,031,982	225,550	231,536
Management fee rebates	11	(35,518,812)	(29,925,694)	(233,306)	(240,791)
Registration fees	11	122,750	39,457	9,001	6,552
Trustee's fees	11	1,785,170	1,501,599	15,015	15,000
Audit fees		14,701	12,673	14,701	12,673
Others		808,534	730,138	16,253	13,155
		<u>2,915,740</u>	<u>2,390,155</u>	<u>47,214</u>	<u>38,125</u>
Net income/(loss)		34,981,224	38,053,299	(47,214)	(38,125)
Net gains or losses on value of investments					
Net (losses)/gains on investments		(144,046,547)	454,222,091	(262,039)	1,424,476
Net foreign exchange gains/(losses)		7,003,138	(28,559,645)	(3,454)	(8,271)
		<u>(137,043,409)</u>	<u>425,662,446</u>	<u>(265,493)</u>	<u>1,416,205</u>
Total (deficit)/return for the financial year before taxation		(102,062,185)	463,715,745	(312,707)	1,378,080
Less: Income tax	3	-	-	-	-
Total (deficit)/return for the financial year after income tax		(102,062,185)	463,715,745	(312,707)	1,378,080

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)

Statements of Total Return

For the financial year ended 31 December 2018

	Notes	First State		First State Global	
		Global Infrastructure		Property Investments	
		2018	2017	2018	2017
		S\$	S\$	S\$	S\$
Income					
Dividends		466,906	389,736	-	-
Interest		1,653	347	-	-
		<u>468,559</u>	<u>390,083</u>	<u>-</u>	<u>-</u>
Less: Expenses					
Management fees	11	191,285	227,768	310,036	377,371
Management fee rebates	11	(185,062)	(222,048)	(308,725)	(374,442)
Registration fees	11	7,829	7,086	7,789	13,819
Trustee's fees	11	11,999	12,000	15,502	18,869
Audit fees		14,701	12,673	14,701	12,673
Others		14,942	22,043	14,377	30,064
		<u>55,694</u>	<u>59,522</u>	<u>53,680</u>	<u>78,354</u>
Net income/(loss)		<u>412,865</u>	<u>330,561</u>	<u>(53,680)</u>	<u>(78,354)</u>
Net gains or losses on value of investments					
Net (losses)/gains on investments		(1,288,785)	1,059,743	(1,973,758)	612,836
Net foreign exchange gains/(losses)		2,132	(228,965)	82,206	(2,227)
		<u>(1,286,653)</u>	<u>830,778</u>	<u>(1,891,552)</u>	<u>610,609</u>
Total (deficit)/return for the financial year before taxation		<u>(873,788)</u>	<u>1,161,339</u>	<u>(1,945,232)</u>	<u>532,255</u>
Add: Income tax	3	-	-	-	-
Total (deficit)/return for the financial year after income tax		<u>(873,788)</u>	<u>1,161,339</u>	<u>(1,945,232)</u>	<u>532,255</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)

Statements of Total Return

For the financial year ended 31 December 2018

	Notes	First State Regional China Fund		First State Regional India Fund	
		2018 S\$	2017 S\$	2018 S\$	2017 S\$
Income		-	-	-	-
Less: Expenses					
Management fees	11	7,304,234	6,555,261	1,880,758	1,599,046
Management fee rebates	11	(7,279,178)	(6,541,279)	(1,867,251)	(1,586,576)
Registration fees	11	42,788	10,604	21,148	10,413
Trustee's fees	11	365,212	327,763	80,604	68,530
Audit fees		14,701	12,673	14,701	12,673
Transaction costs		-	-	-	-
Others		164,230	173,244	55,110	67,093
		611,987	538,266	185,070	171,179
Net loss		(611,987)	(538,266)	(185,070)	(171,179)
Net gains or losses on value of investments					
Net (losses)/gains on investments		(60,928,681)	141,272,027	(6,995,758)	22,719,520
Net foreign exchange gains/(losses)		137,757	(555,737)	(80,609)	26,604
		(60,790,924)	140,716,290	(7,076,367)	22,746,124
Total (deficit)/return for the financial year before taxation		(61,402,911)	140,178,024	(7,261,437)	22,574,945
Less: Income tax	3	-	-	-	-
Total (deficit)/return for the financial year after income tax		(61,402,911)	140,178,024	(7,261,437)	22,574,945

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)***Statements of Total Return***For the financial year ended 31 December 2018*

	Notes	First State Singapore Growth Fund		Stewart Investors Global Emerging Markets	
		2018	2017	2018	2017
		S\$	S\$	S\$	S\$
Income		-	-	-	-
Less: Expenses					
Management fees	11	680,748	685,639	201,801	244,984
Management fee rebates	11	(678,002)	(683,194)	(200,246)	(243,560)
Registration fees	11	10,696	5,824	6,599	3,925
Trustee's fees	11	34,037	34,282	15,000	15,000
Audit fees		14,701	12,673	14,701	12,673
Others		19,524	23,854	7,404	11,470
		81,704	79,078	45,259	44,492
Net loss		(81,704)	(79,078)	(45,259)	(44,492)
Net gains or losses on value of investments					
Net gains/(losses) on investments		104,881	5,082,747	(1,624,189)	2,772,329
Net foreign exchange losses		(2,474)	(33,289)	(10,625)	(6,573)
		102,407	5,049,458	(1,634,814)	2,765,756
Total (deficit)/return for the financial year before taxation		20,703	4,970,380	(1,680,073)	2,721,264
Less: Income tax	3	-	-	-	-
Total (deficit)/return for the financial year after income tax		20,703	4,970,380	(1,680,073)	2,721,264

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)

Statements of Total Return
For the financial year ended 31 December 2018

	Notes	Stewart Investors Worldwide Leaders Fund	
		2018	2017
		S\$	S\$
Income		-	-
Less: Expenses			
Management fees	11	387,491	384,260
Management fee rebates	11	(384,857)	(381,480)
Registration fees	11	11,460	7,350
Trustee's fees	11	19,375	19,213
Audit fees		14,701	12,673
Others		22,371	25,407
		<u>70,541</u>	<u>67,423</u>
Net loss		(70,541)	(67,423)
Net gains or losses on value of investments			
Net (losses)/gains on investments		(621,629)	3,374,788
Net foreign exchange gains/(losses)		1,055	(42,706)
		<u>(620,574)</u>	<u>3,332,082</u>
Total (deficit)/return for the financial year before taxation		(691,115)	3,264,659
Less: Income tax	3	-	-
Total (deficit)/return for the financial year after income tax		<u>(691,115)</u>	<u>3,264,659</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)***Statements of Financial Position***As at 31 December 2018*

	Notes	First State Asia		First State Asian Growth Fund	
		2018	2017	2018	2017
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		20,194,146	25,925,431	58,935,513	69,628,091
Sales awaiting settlement		-	-	107,677	225,852
Other receivables	5	122,427	209,727	305,796	537,574
Cash and bank balances	11	152,644	157,616	279,142	490,432
Total assets		20,469,217	26,292,774	59,628,128	70,881,949
LIABILITIES					
Purchases awaiting settlement		-	-	-	118,940
Other payables	6	79,417	104,396	213,265	626,054
Total liabilities		79,417	104,396	213,265	744,994
EQUITY					
Net assets attributable to unitholders	8	20,389,800	26,188,378	59,414,863	70,136,955

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)

Statements of Financial Position
As at 31 December 2018

	Notes	First State Asian Quality Bond		First State Bridge	
		2018	2017	2018	2017
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		8,761,364	13,581,671	1,678,640,545	1,468,842,320
Sales awaiting settlement		58,609	74,838	-	-
Other receivables	5	40,050	61,345	11,446,664	14,239,146
Cash and bank balances	11	69,988	324,330	1,466,236	3,650,561
Financial derivatives, at fair value	7	112,308	216,587	6,094,678	9,574,752
Total assets		9,042,319	14,258,771	1,697,648,123	1,496,306,779
LIABILITIES					
Distribution payable		-	-	248,589	-
Financial derivatives, at fair value	7	7,108	15,310	78,908	11,136
Purchases awaiting settlement		-	243,225	1,679,216	4,646,663
Other payables	6	86,931	181,957	5,571,429	5,678,149
Total liabilities		94,039	440,492	7,578,142	10,335,948
EQUITY					
Net assets attributable to unitholders	8	8,948,280	13,818,279	1,690,069,981	1,485,970,831

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)

Statements of Financial Position
As at 31 December 2018

	Notes	First State Dividend Advantage		First State Global Balanced Fund	
		2018 S\$	2017 S\$	2018 S\$	2017 S\$
ASSETS					
Portfolio of investments		2,488,484,007	2,109,778,598	17,207,136	18,214,126
Other receivables	5	20,704,967	22,858,302	66,498	86,704
Cash and bank balances	11	1,957,363	4,489,628	205,069	60,533
Total assets		2,511,146,337	2,137,126,528	17,478,703	18,361,363
LIABILITIES					
Distribution payable		25,025,822	21,275,784	-	-
Purchases awaiting settlement		3,756,428	8,523,559	122,670	-
Other payables	6	7,436,513	9,757,570	61,475	51,546
Total liabilities		36,218,763	39,556,913	184,145	51,546
EQUITY					
Net assets attributable to unitholders	8	2,474,927,574	2,097,569,615	17,294,558	18,309,817

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)

Statements of Financial Position
As at 31 December 2018

	Notes	First State		First State Global	
		Global Infrastructure		Property Investments	
		2018	2017	2018	2017
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		10,542,741	14,881,756	14,666,142	26,688,222
Sales awaiting settlement		39,926	-	242,614	-
Other receivables	5	49,648	275,818	150,312	304,299
Cash and bank balances	11	312,866	441,209	1,363	283,396
Total assets		10,945,181	15,598,783	15,060,431	27,275,917
LIABILITIES					
Bank overdraft	11	-	-	143,466	-
Purchases awaiting settlement		-	310,944	-	187,096
Other payables	6	74,042	61,400	125,922	99,194
Total liabilities		74,042	372,344	269,388	286,290
EQUITY					
Net assets attributable to unitholders	8	10,871,139	15,226,439	14,791,043	26,989,627

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)

Statements of Financial Position
As at 31 December 2018

	Notes	First State Regional China Fund		First State Regional India Fund	
		2018 S\$	2017 S\$	2018 S\$	2017 S\$
ASSETS					
Portfolio of investments		434,734,947	488,861,929	105,784,335	109,326,493
Sales awaiting settlement		346,202	466,404	-	-
Other receivables	5	2,562,274	4,795,960	750,849	1,296,812
Cash and bank balances	11	375,767	524,386	496,256	700,041
Total assets		438,019,190	494,648,679	107,031,440	111,323,346
LIABILITIES					
Purchases awaiting settlement		-	1,282,944	-	558,615
Other payables	6	1,224,663	2,574,506	306,677	355,013
Total liabilities		1,224,663	3,857,450	306,677	913,628
EQUITY					
Net assets attributable to unitholders	8	436,794,527	490,791,229	106,724,763	110,409,718

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)

Statements of Financial Position
As at 31 December 2018

	Notes	First State Singapore Growth Fund		Stewart Investors Global Emerging Markets	
		2018	2017	2018	2017
		S\$	S\$	S\$	S\$
ASSETS					
Portfolio of investments		41,582,870	45,085,532	11,097,928	15,857,054
Sales awaiting settlement		-	45,438	26,039	-
Other receivables	5	219,260	196,789	50,567	63,635
Cash and bank balances	11	211,377	305,635	70,461	63,389
Total assets		42,013,507	45,633,394	11,244,995	15,984,078
LIABILITIES					
Purchases awaiting settlement		-	21,382	-	-
Other payables	6	152,314	260,896	51,873	54,197
Total liabilities		152,314	282,278	51,873	54,197
EQUITY					
Net assets attributable to unitholders	8	41,861,193	45,351,116	11,193,122	15,929,881

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)

Statements of Financial Position
As at 31 December 2018

	Notes	Stewart Investors Worldwide Leaders Fund	
		2018 S\$	2017 S\$
ASSETS			
Portfolio of investments		23,801,481	26,171,910
Sales awaiting settlement		27,260	-
Other receivables	5	257,780	203,054
Cash and bank balances	11	158,556	164,322
Total assets		24,245,077	26,539,286
LIABILITIES			
Purchases awaiting settlement		54,520	36,083
Other payables	6	122,252	121,345
Total liabilities		176,772	157,428
EQUITY			
Net assets attributable to unitholders	8	24,068,305	26,381,858

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)***Statements of Movements of Unitholders' Funds***For the financial year ended 31 December 2018*

	Notes	First State Asia Opportunities Fund		First State Asian Growth Fund	
		2018 S\$	2017 S\$	2018 S\$	2017 S\$
Net assets attributable to unitholders at the beginning of financial year		26,188,378	24,677,751	70,136,955	69,963,215
Operations					
Change in net assets attributable to unitholders resulting from operations		(959,701)	3,381,581	(1,634,620)	9,712,069
Unitholders' contributions/ (withdrawals)					
Creation of units		1,562,054	4,614,855	12,579,587	16,823,209
Cancellation of units		(6,400,931)	(6,485,809)	(21,667,059)	(26,361,538)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(4,838,877)	(1,870,954)	(9,087,472)	(9,538,329)
Total (decrease)/increase in net assets attributable to unitholders		(5,798,578)	1,510,627	(10,722,092)	173,740
Net assets attributable to unitholders at the end of financial year	8	<u>20,389,800</u>	<u>26,188,378</u>	<u>59,414,863</u>	<u>70,136,955</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)***Statements of Movements of Unitholders' Funds***For the financial year ended 31 December 2018*

	Notes	First State Asian Quality Bond		First State Bridge	
		2018 S\$	2017 S\$	2018 S\$	2017 S\$
Net assets attributable to unitholders at the beginning of financial year		13,818,279	12,152,340	1,485,970,831	1,240,111,311
Operations					
Change in net assets attributable to unitholders resulting from operations		(330,811)	593,535	(46,734,131)	192,076,905
Unitholders' contributions/ (withdrawals)					
Creation of units		2,055,616	4,183,308	570,557,811	360,158,643
Cancellation of units		(6,154,555)	(2,579,670)	(255,793,791)	(266,216,802)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(4,098,939)	1,603,638	314,764,020	93,941,841
Distributions	4	(440,249)	(531,234)	(63,930,739)	(40,159,226)
Total (decrease)/increase in net assets attributable to unitholders		(4,869,999)	1,665,939	204,099,150	245,859,520
Net assets attributable to unitholders at the end of financial year	8	<u>8,948,280</u>	<u>13,818,279</u>	<u>1,690,069,981</u>	<u>1,485,970,831</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)***Statements of Movements of Unitholders' Funds***For the financial year ended 31 December 2018*

	Notes	First State		First State Global	
		Dividend Advantage		Balanced Fund	
		2018	2017	2018	2017
		S\$	S\$	S\$	S\$
Net assets attributable to unitholders at the beginning of financial year		2,097,569,615	1,867,770,247	18,309,817	18,615,395
Operations					
Change in net assets attributable to unitholders resulting from operations		(102,062,185)	463,715,745	(312,707)	1,378,080
Unitholders' contributions/ (withdrawals)					
Creation of units		1,056,841,386	574,972,378	4,049,829	1,793,070
Cancellation of units		(479,636,946)	(727,559,219)	(4,752,381)	(3,476,728)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		577,204,440	(152,586,841)	(702,552)	(1,683,658)
Distributions	4	(97,784,296)	(81,329,536)	-	-
Total increase/(decrease) in net assets attributable to unitholders		377,357,959	229,799,368	(1,015,259)	(305,578)
Net assets attributable to unitholders at the end of financial year	8	<u>2,474,927,574</u>	<u>2,097,569,615</u>	<u>17,294,558</u>	<u>18,309,817</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)***Statements of Movements of Unitholders' Funds***For the financial year ended 31 December 2018*

	Notes	First State		First State Global			
		Global Infrastructure	Property Investments	2018	2017	2018	2017
		2018	2017	2018	2017	2018	2017
		S\$	S\$	S\$	S\$	S\$	S\$
Net assets attributable to unitholders at the beginning of financial year		15,226,439	13,457,538	26,989,627	23,824,432		
Operations							
Change in net assets attributable to unitholders resulting from operations		(873,788)	1,161,339	(1,945,232)	532,255		
Unitholders' contributions/ (withdrawals)							
Creation of units		2,300,419	9,884,706	4,149,924	9,035,511		
Cancellation of units		(5,408,866)	(8,812,225)	(14,187,886)	(6,065,844)		
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(3,108,447)	1,072,481	(10,037,962)	2,969,667		
Distributions	4	(373,065)	(464,919)	(215,390)	(336,727)		
Total (decrease)/increase in net assets attributable to unitholders		(4,355,300)	1,768,901	(12,198,584)	3,165,195		
Net assets attributable to unitholders at the end of financial year	8	<u>10,871,139</u>	<u>15,226,439</u>	<u>14,791,043</u>	<u>26,989,627</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)

Statements of Movements of Unitholders' Funds

For the financial year ended 31 December 2018

	Notes	First State Regional China Fund		First State Regional India Fund	
		2018 S\$	2017 S\$	2018 S\$	2017 S\$
Net assets attributable to unitholders at the beginning of financial year		490,791,229	401,966,348	110,409,718	72,760,480
Operations					
Change in net assets attributable to unitholders resulting from operations		(61,402,911)	140,178,024	(7,261,437)	22,574,945
Unitholders' contributions/ (withdrawals)					
Creation of units		128,212,999	88,068,196	32,329,070	42,107,491
Cancellation of units		(120,806,790)	(139,421,339)	(28,752,588)	(27,033,198)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		7,406,209	(51,353,143)	3,576,482	15,074,293
Total (decrease)/increase in net assets attributable to unitholders		(53,996,702)	88,824,881	(3,684,955)	37,649,238
Net assets attributable to unitholders at the end of financial year	8	<u>436,794,527</u>	<u>490,791,229</u>	<u>106,724,763</u>	<u>110,409,718</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)***Statements of Movements of Unitholders' Funds***For the financial year ended 31 December 2018*

	Notes	First State Singapore Growth Fund		Stewart Investors Global Emerging Markets	
		2018 S\$	2017 S\$	2018 S\$	2017 S\$
Net assets attributable to unitholders at the beginning of financial year		45,351,116	44,911,230	15,929,881	16,876,190
Operations					
Change in net assets attributable to unitholders resulting from operations		20,703	4,970,380	(1,680,073)	2,721,264
Unitholders' contributions/ (withdrawals)					
Creation of units		1,386,085	1,749,999	-	-
Cancellation of units		(4,896,711)	(6,280,493)	(3,056,686)	(3,667,573)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(3,510,626)	(4,530,494)	(3,056,686)	(3,667,573)
Total (decrease)/increase in net attributable to unitholders		(3,489,923)	439,886	(4,736,759)	(946,309)
Net assets attributable to unitholders at the end of financial year	8	<u>41,861,193</u>	<u>45,351,116</u>	<u>11,193,122</u>	<u>15,929,881</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)

Statements of Movements of Unitholders' Funds
For the financial year ended 31 December 2018

	Notes	Stewart Investors Worldwide Leaders Fund	
		2018 S\$	2017 S\$
Net assets attributable to unitholders at the beginning of financial year		26,381,858	23,305,916
Operations			
Change in net assets attributable to unitholders resulting from operations		(691,115)	3,264,659
Unitholders' contributions/ (withdrawals)			
Creation of units		4,010,266	6,799,347
Cancellation of units		(5,632,704)	(6,988,064)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(1,622,438)	(188,717)
Total (decrease)/increase in net assets attributable to unitholders		(2,313,553)	3,075,942
Net assets attributable to unitholders at the end of financial year	8	<u>24,068,305</u>	<u>26,381,858</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)

Statements of Portfolio
As at 31 December 2018

	Holdings at 31 December 2018	Fair value at 31 December 2018 S\$	Percentage of total net assets attributable to unitholders at 31 December 2018 %	Percentage of total net assets attributable to unitholders at 31 December 2017 %
<u>First State Asia Opportunities Fund</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Asia Opportunities Fund Class I	342,328	20,194,146	99.04	99.00
Portfolio of investments		20,194,146	99.04	99.00
Other net assets		195,654	0.96	1.00
Net assets attributable to unitholders		20,389,800	100.00	100.00
<u>First State Asian Growth Fund</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Asian Growth Fund Class I	965,600	58,935,513	99.19	99.27
Portfolio of investments		58,935,513	99.19	99.27
Other net assets		479,350	0.81	0.73
Net assets attributable to unitholders		59,414,863	100.00	100.00
<u>First State Asian Quality Bond</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Asian Quality Bond Fund Class I	393,390	8,761,364	97.91	98.29
Portfolio of investments		8,761,364	97.91	98.29
Other net assets		186,916	2.09	1.71
Net assets attributable to unitholders		8,948,280	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)

Statements of Portfolio
As at 31 December 2018

	Holdings at 31 December 2018	Fair value at 31 December 2018 S\$	Percentage of total net assets attributable to unitholders at 31 December 2018 %	Percentage of total net assets attributable to unitholders at 31 December 2017 %
<u>First State Bridge</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Asian Equity Plus Fund Class I	12,284,041	825,102,360	48.82	50.73
First State Global Umbrella Fund plc - First State Asian Quality Bond Fund Class I	38,324,372	853,538,185	50.50	48.12
Portfolio of investments		1,678,640,545	99.32	98.85
Other net assets		11,429,436	0.68	1.15
Net assets attributable to unitholders		1,690,069,981	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	37,048,301	2,488,484,007	100.55	100.58
Portfolio of investments		2,488,484,007	100.55	100.58
Other net liabilities		(13,556,433)	(0.55)	(0.58)
Net assets attributable to unitholders		2,474,927,574	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	333,466	7,126,791	41.21	38.61
First State Global Umbrella Fund plc - Stewart Investors Worldwide Leaders Fund Class I	631,572	10,080,345	58.28	60.87
Portfolio of investments		17,207,136	99.49	99.48
Other net assets		87,422	0.51	0.52
Net assets attributable to unitholders		17,294,558	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)

Statements of Portfolio
As at 31 December 2018

	Holdings at 31 December 2018	Fair value at 31 December 2018 S\$	Percentage of total net assets attributable to unitholders at 31 December 2018 %	Percentage of total net assets attributable to unitholders at 31 December 2017 %
<u>First State Global Infrastructure</u> ⁽²⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Global Listed Infrastructure Fund Class A				
	3,471,250	10,542,741	96.98	97.74
Portfolio of investments		10,542,741	96.98	97.74
Other net assets		328,398	3.02	2.26
Net assets attributable to unitholders		10,871,139	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				
	959,874	14,666,142	99.16	98.88
Portfolio of investments		14,666,142	99.16	98.88
Other net assets		124,901	0.84	1.12
Net assets attributable to unitholders		14,791,043	100.00	100.00
<u>First State Regional China Fund</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Greater China Growth Fund Class I				
	3,414,930	434,734,947	99.53	99.61
Portfolio of investments		434,734,947	99.53	99.61
Other net assets		2,059,580	0.47	0.39
Net assets attributable to unitholders		436,794,527	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)

Statements of Portfolio
As at 31 December 2018

	Holdings at 31 December 2018	Fair value at 31 December 2018 S\$	Percentage of total net assets attributable to unitholders at 31 December 2018 %	Percentage of total net assets attributable to unitholders at 31 December 2017 %
<u>First State Regional India Fund</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - First State Indian Subcontinent Fund Class I	765,172	105,784,335	99.12	99.02
Portfolio of investments		105,784,335	99.12	99.02
Other net assets		940,428	0.88	0.98
Net assets attributable to unitholders		106,724,763	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	536,552	41,582,870	99.34	99.41
Portfolio of investments		41,582,870	99.34	99.41
Other net assets		278,323	0.66	0.59
Net assets attributable to unitholders		41,861,193	100.00	100.00
<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	1,146,358	11,097,928	99.15	99.54
Portfolio of investments		11,097,928	99.15	99.54
Other net assets		95,194	0.85	0.46
Net assets attributable to unitholders		11,193,122	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)

Statements of Portfolio
As at 31 December 2018

	Holdings at 31 December 2018	Fair value at 31 December 2018 S\$	Percentage of total net assets attributable to unitholders at 31 December 2018 %	Percentage of total net assets attributable to unitholders at 31 December 2017 %
<u>Stewart Investors Worldwide Leaders Fund</u> ⁽¹⁾				
Quoted				
Ireland				
First State Global Umbrella Fund plc - Stewart Investors Worldwide Leaders Fund Class I	1,491,253	23,801,481	98.89	99.20
Portfolio of investments		23,801,481	98.89	99.20
Other net assets		266,824	1.11	0.80
Net assets attributable to unitholders		24,068,305	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)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

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 2018 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 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")

First State Global Resources ("GRES") was terminated on 4 December 2018, hence it is not presented in these financial statements.

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 ("GUFD"), an umbrella fund domiciled in Dublin, Ireland or under the First State Investments ICVC ("ICVC"), an umbrella fund domiciled in England and Wales.

GUFD is an open-ended investment company incorporated under the laws of the Republic of Ireland and structured as an umbrella fund. GUFD 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): GUFD – First State Asia Opportunities Fund

Investment objectives

The investment objective of the First State Asia Opportunities Fund is to achieve long term capital appreciation.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

Investment objectives (continued)

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 Asia region (excluding Australia, New Zealand and 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 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 approach of the investment manager of the Underlying Sub-Fund 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 employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in Foreign Direct Investments ("**FDIs**") for investment purposes.

The Underlying Sub-Fund invests primarily in equity and equity related securities (including warrants, preference shares, rights issues, convertible bonds, depository receipts such as American Depository Receipt ("**ADR**") and Global Depository Receipt ("**GDR**"), equity linked or participation notes etc.) that are listed, traded or dealt in regulated markets provided the Underlying Sub-Fund may not invest more than 15% in aggregate of its net asset value in warrants or equity linked or participation notes. The Underlying Sub-Fund may invest up to 10% of its net asset value in transferable securities that are not listed, traded or dealt in regulated markets and up to 5% of its net asset value in open ended collective investment schemes (including exchange traded funds).

The Underlying Sub-Fund may invest cash balances in short-term securities listed, traded or dealt in on a regulated market. The short-term securities in which the Underlying Sub-Fund may invest will include securities such as commercial paper, certificates of deposit, treasury bills, and bankers' acceptances all rated above investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Underlying Sub-Fund may also hold all or part of its assets in fixed or floating rate corporate and/or government debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality and which are listed, traded or dealt in on a regulated market.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

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

Launch date: 17 September 1984

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

Investment objectives

The investment objective of the First State Asian Growth Fund is to achieve long term capital appreciation.

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 approach of the investment manager of the Underlying Sub-Fund 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 not exceed 25% of the Underlying SubFund's net asset value.

The Underlying Sub-Fund may also employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The Underlying Sub-Fund invests primarily in equity and equity related securities (including warrants, preference shares, rights issues, convertible bonds, depository receipts such as ADR and GDR, equity linked or participation notes etc.) that are listed, traded or dealt in regulated markets provided the Underlying Sub-Fund may not invest more than 15% in aggregate of its net asset value in warrants or equity linked or participation notes. The Underlying Sub-Fund may invest up to 10% of its net asset value in transferable securities that are not listed, traded or dealt in regulated markets and up to 5% of its net asset value in open ended collective investment schemes (including exchange traded funds).

The Underlying Sub-Fund may invest cash balances in short-term securities listed, traded or dealt in on a regulated market. The short-term securities in which the Underlying Sub-Fund may invest will include securities such as commercial paper, certificates of deposit, treasury bills, and bankers' acceptances all rated above investment grade or in the opinion of the sub-manager of the Underlying Sub-Fund to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Underlying Sub-Fund may also hold all or part of its assets in fixed or floating rate corporate and/or government debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the sub-manager of the Underlying Sub-Fund to be of comparable quality and which are listed, traded or dealt in on a regulated market.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

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

Launch date: 1 November 2016

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

Investment objectives

The investment objective of the First State Asian Quality Bond is 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 investment manager of the Underlying Sub-Fund.

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 People's Republic of China ("**PRC**") debt securities and offshore debt securities denominated in Chinese Renminbi ("**RMB**") (including Dim Sum bonds) will be less than 30% of the Underlying Sub-Fund's net asset value respectively.

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 approach of the investment manager of the Underlying Sub-Fund 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 employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The securities in which the Underlying Sub-Fund invests include but are not limited to convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, mortgaged-backed and asset-backed securities, commercial paper, certificates of deposits of variable and fixed interest rates listed, traded or dealt in regulated markets.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

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

The investment objective of the First State Bridge is to provide investors with income and medium term capital stability from investments focused in the Asia Pacific ex-Japan region.

The Underlying Sub-Fund invests primarily (at least 70% of its net asset value) in debt securities of governments or quasi-government organisation 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 or BBB- or above by S&P or other recognised rating agencies) or if unrated, of comparable quality as determined by the investment manager of the Underlying Sub-Fund.

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 respectively.

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 approach of the investment manager of the Underlying Sub-Fund 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 employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The securities in which the Underlying Sub-Fund invests include but are not limited to convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, mortgaged backed and asset-backed securities, commercial paper, certificates of deposits of variable and fixed interest rates listed, traded or dealt in regulated markets.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

1. General (continued)

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 potential dividend growth and long term capital appreciation.

The investment manager of the Underlying Sub-Fund will select investments which it believes offer the potential for dividend growth and 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 approach of the investment manager of the Underlying Sub-Fund 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 employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The Underlying Sub-Fund invests primarily in equity and equity related securities (including warrants, preference shares, rights issues, convertible bonds, depository receipts such as ADR and GDR, equity linked or participation notes etc.) that are listed, traded or dealt in regulated markets provided the Underlying Sub-Fund may not invest more than 15% in aggregate of its net asset value in warrants or equity linked or participation notes. The Underlying Sub-Fund may invest up to 10% of its net asset value in transferable securities that are not listed, traded or dealt in regulated markets and up to 5% of its net asset value in open ended collective investment schemes (including exchange traded funds).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund may invest cash balances in short-term securities listed, traded or dealt in on a regulated market. The short-term securities in which the Underlying Sub-Fund may invest will include securities such as commercial paper, certificates of deposit, treasury bills, and bankers' acceptances all rated above investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Underlying Sub-Fund may also hold all or part of its assets in fixed or floating rate corporate and/or government debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality and which are listed, traded or dealt in on a regulated market.

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 investment objective of the First State Dividend Advantage is to provide investors with regular distributions and long-term growth from high dividend yielding equity investments focused in the Asia Pacific region (excluding Japan).

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 potential dividend growth and long-term capital appreciation.

The investment manager of the Underlying Sub-Fund will select investments which it believes offer the potential for dividend growth and 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 approach of the investment manager of the Underlying Sub-Fund 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 SubFund's net asset value.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund may employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The Underlying Sub-Fund invests primarily in equity and equity related securities (including warrants, preference shares, rights issues, convertible bonds, depository receipts such as ADR and GDR, equity linked or participation notes etc.) that are listed, traded or dealt in regulated markets provided the Underlying Sub-Fund may not invest more than 15% in aggregate of its net asset value in warrants or equity linked or participation notes. The Underlying Sub-Fund may invest up to 10% of its net asset value in transferable securities that are not listed, traded or dealt in regulated markets and up to 5% of its net asset value in open ended collective investment schemes (including exchange traded funds).

The Underlying Sub-Fund may invest cash balances in short-term securities listed, traded or dealt in on a regulated market. The short-term securities in which the Underlying Sub-Fund may invest will include securities such as commercial paper, certificates of deposit, treasury bills, and bankers' acceptances all rated above investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Underlying Sub-Fund may also hold all or part of its assets in fixed or floating rate corporate and/or government debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality and which are listed, traded or dealt in on a regulated market.

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

Launch date: 6 February 1995

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

Investment objectives

The investment objective of the First State Global Balanced Fund is to achieve a balance of long term capital appreciation and current income.

Investment policy

The Underlying Sub-Fund invests primarily (at least 70% of its net asset value) in debt securities of governments or quasi-government organisation issuers and/or issuers organised, headquartered or having their primary business operations in the countries included in the World Government Bond Index ("**WGBI**"), 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 Underlying 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

Investment objectives (continued)

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 or BBB- or above by S&P or other recognised rating agencies), or, if unrated, of comparable quality as determined by the investment manager of the Underlying Sub-Fund. 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 investment manager of the Underlying Sub-Fund.

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 approach of the investment manager of the Underlying Sub-Fund 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 employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The securities in which the Underlying Sub-Fund invests include but are not limited to convertible, exchangeable and non-exchangeable and non-convertible debt securities, fixed and floating rate bonds, zero coupon and discount bonds, transferable notes, mortgaged-backed and asset-backed securities, commercial paper, certificates of deposits of variable and fixed interest rates listed, traded or dealt in regulated markets.

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 investment manager of the Underlying Sub-Fund 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.

The investment manager / sub-manager for the Underlying Sub-Fund gives particular consideration to investment in companies that are positioned to benefit from, and contribute to, the sustainable development of the countries in which they operate.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

1. General (continued)

Investment objectives (continued)

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 approach of the investment manager of the Underlying Sub-Fund 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 employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The Underlying Sub-Fund invests primarily in equity and equity related securities (including warrants, preference shares, rights issues, convertible bonds, depository receipts such as ADR and GDR, equity linked or participation notes etc.) that are listed, traded or dealt in regulated markets provided the Underlying Sub-Fund may not invest more than 15% in aggregate of its net asset value in warrants or equity linked or participation notes. The Underlying Sub-Fund may invest up to 10% of its net asset value in transferable securities that are not listed, traded or dealt in regulated markets and up to 5% of its net asset value in open ended collective investment schemes (including exchange traded funds).

The Underlying Sub-Fund may invest cash balances in short-term securities listed, traded or dealt in on a regulated market. The short-term securities in which the Underlying Sub-Fund may invest will include securities such as commercial paper, certificates of deposit, treasury bills, and bankers' acceptances all rated above investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Underlying Sub-Fund may also hold all or part of its assets in fixed or floating rate corporate and/or government debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality and which are listed, traded or dealt in on a regulated market.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

1. General (continued)

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 investment objective of the First State Global Infrastructure is to achieve total 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. The Underlying Sub-Fund will at all times be invested in accordance with its investment policy and therefore at least two thirds of the Underlying Sub-Fund's total assets will at all times be invested in listed infrastructure securities or infrastructure related securities from around the world.

The Underlying Sub-Fund may invest up to 5% of its net assets in warrants. The Underlying Sub-Fund may employ a portion of its assets in futures contracts, options and forward currency transactions and securities lending transactions for the purposes of efficient portfolio management.

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 investment objective of the First State Global Property Investments is to maximise the total return to investors.

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 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 approach of the investment manager of the Underlying Sub-Fund may at times result in a portfolio that is concentrated in certain geographical area(s).

The Underlying Sub-Fund may employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund invests primarily in equity and equity related securities (including warrants, preference shares, rights issues, convertible bonds, depository receipts such as ADR and GDR, equity linked or participation notes etc.) that are listed, traded or dealt in regulated markets provided the Underlying Sub-Fund may not invest more than 15% in aggregate of its net asset value in warrants or equity linked or participation notes. The Underlying Sub-Fund may invest up to 10% of its net asset value in transferable securities that are not listed, traded or dealt in regulated markets and up to 5% of its net asset value in open ended collective investment schemes (including exchange traded funds).

The Underlying Sub-Fund may invest cash balances in short-term securities listed, traded or dealt in on a regulated market. The short-term securities in which the Underlying Sub-Fund may invest will include securities such as commercial paper, certificates of deposit, treasury bills, and bankers' acceptances all rated above investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Underlying Sub-Fund may also hold all or part of its assets in fixed or floating rate corporate and/or government debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality and which are listed, traded or dealt in on a regulated market.

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

Launch date: 27 September 1993

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

Investment objectives

The investment objective of the First State Regional China Fund is to achieve long term capital appreciation.

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 approach of the investment manager of the Underlying Sub-Fund 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund may employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The Underlying Sub-Fund invests primarily in equity and equity related securities (including warrants, preference shares, rights issues, convertible bonds, depository receipts such as ADR and GDR, equity linked or participation notes etc.) that are listed, traded or dealt in regulated markets provided the Underlying Sub-Fund may not invest more than 15% in aggregate of its net asset value in warrants or equity linked or participation notes. The Underlying Sub-Fund may invest up to 10% of its net asset value in transferable securities that are not listed, traded or dealt in regulated markets and up to 5% of its net asset value in open ended collective investment schemes (including exchange traded funds).

The Underlying Sub-Fund may invest cash balances in short-term securities listed, traded or dealt in on a regulated market. The short-term securities in which the Underlying Sub-Fund may invest will include securities such as commercial paper, certificates of deposit, treasury bills, and bankers' acceptances all rated above investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Underlying Sub-Fund may also hold all or part of its assets in fixed or floating rate corporate and/or government debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality and which are listed, traded or dealt in on a regulated market.

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

Launch date: 18 July 1994

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

Investment objectives

The investment objective of the First State Regional India Fund is to achieve long term capital appreciation.

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.

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 approach of the investment manager of the Underlying Sub-Fund may at times result in a portfolio that is concentrated in certain countries.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund may employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The Underlying Sub-Fund invests primarily in equity and equity related securities (including warrants, preference shares, rights issues, convertible bonds, depository receipts such as ADR and GDR, equity linked or participation notes etc.) that are listed, traded or dealt in regulated markets provided the Underlying Sub-Fund may not invest more than 15% in aggregate of its net asset value in warrants or equity linked or participation notes. The Underlying Sub-Fund may invest up to 10% of its net asset value in transferable securities that are not listed, traded or dealt in regulated markets and up to 5% of its net asset value in open ended collective investment schemes (including exchange traded funds).

The Underlying Sub-Fund may invest cash balances in short-term securities listed, traded or dealt in on a regulated market. The short-term securities in which the Underlying Sub-Fund may invest will include securities such as commercial paper, certificates of deposit, treasury bills, and bankers' acceptances all rated above investment grade or in the opinion of the sub-manager of the Underlying Sub-Fund to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Underlying Sub-Fund may also hold all or part of its assets in fixed or floating rate corporate and/or government debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the sub-manager of the Underlying Sub-Fund to be of comparable quality and which are listed, traded or dealt in on a regulated market.

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

Launch date: July 1969

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

Investment objectives

The investment objective of the First State Singapore Growth Fund is to achieve long term capital appreciation.

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 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 may from time to time also invest in companies that are listed, traded or dealt in regulated markets in the Asia-Pacific region other than Singapore and Malaysia which, in the opinion of the sub-manager, offer potential for diversification and capital growth, subject to a maximum of 20% of its net asset value in aggregate being invested in such countries. In its investment decisions the sub-manager 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 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund may employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

The Underlying Sub-Fund invests primarily in equity and equity related securities (including warrants, preference shares, rights issues, convertible bonds, depository receipts such as ADR and GDR, equity linked or participation notes etc.) that are listed, traded or dealt in regulated markets provided the Underlying Sub-Fund may not invest more than 15% in aggregate of its net asset value in warrants or equity linked or participation notes. The Underlying Sub-Fund may invest up to 10% of its net asset value in transferable securities that are not listed, traded or dealt in regulated markets and up to 5% of its net asset value in open ended collective investment schemes (including exchange traded funds).

The Underlying Sub-Fund may invest cash balances in short-term securities listed, traded or dealt in on a regulated market. The short-term securities in which the Underlying Sub-Fund may invest will include securities such as commercial paper, certificates of deposit, treasury bills, and bankers' acceptances all rated above investment grade or in the opinion of the sub-manager of the Underlying Sub-Fund to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Underlying Sub-Fund may also hold all or part of its assets in fixed or floating rate corporate and/or government debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the sub-manager of the Underlying Sub-Fund to be of comparable quality and which are listed, traded or dealt in on a regulated market.

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 investment objective of the Stewart Investors Global Emerging Markets Leaders Fund is to achieve long term capital growth.

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

The Underlying Sub-Fund may invest up to 5% of its net assets in warrants. The Underlying Sub-Fund may employ a portion of its assets in futures contracts, options and forward currency transactions and securities lending transactions for the purposes of efficient portfolio management.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

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

Launch date: 15 July 1998

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

Investment objectives

The investment objective of the Stewart Investors Worldwide Leaders Fund is to achieve long term capital appreciation.

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 investment manager of the Underlying Sub-Fund 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.

The investment manager / sub-manager for the Underlying Sub-Fund gives particular consideration 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 approach of the investment manager of the Underlying Sub-Fund 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 SubFund's net asset value.

The Underlying Sub-Fund may employ a portion of its assets in futures contracts, options, swaps (including credit default swaps), forward currency transactions and securities lending transactions for the purposes of efficient portfolio management and to hedge against exchange rate risk under the conditions and limitations as laid down by the Central Bank of Ireland. It is not intended that the Underlying Sub-Fund will avail of the opportunity to invest in FDIs for investment purposes.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

1. General (continued)

Investment objectives (continued)

The Underlying Sub-Fund invests primarily in equity and equity related securities (including warrants, preference shares, rights issues, convertible bonds, depository receipts such as ADR and GDR, equity linked or participation notes etc.) that are listed, traded or dealt in regulated markets provided the Underlying Sub-Fund may not invest more than 15% in aggregate of its net asset value in warrants or equity linked or participation notes. The Underlying Sub-Fund may invest up to 10% of its net asset value in transferable securities that are not listed, traded or dealt in regulated markets and up to 5% of its net asset value in open ended collective investment schemes (including exchange traded funds).

The Underlying Sub-Fund may invest cash balances in short-term securities listed, traded or dealt in on a regulated market. The short-term securities in which the Underlying Sub-Fund may invest will include securities such as commercial paper, certificates of deposit, treasury bills, and bankers' acceptances all rated above investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality. For defensive purposes during periods of perceived uncertainty and volatility (e.g. market crash or major financial crisis), the Underlying Sub-Fund may also hold all or part of its assets in fixed or floating rate corporate and/or government debt securities, asset-backed and mortgage-backed securities which must be rated at least investment grade or in the opinion of the investment manager of the Underlying Sub-Fund to be of comparable quality and which are listed, traded or dealt in on a regulated market.

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 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.

Only Class A units and Class B units are being offered in relation to the AIAT and only Class A units are being offered in relation to the other sub-funds. AIAT'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. Within Class A, the following Classes are available for BRDG and GLPR:

BRDG

Class A (Semi-Annually Distributing) units

Class A (Monthly Distributing) units

GLPR

Class A (Distribution) units

Class A (Accumulation) units

The difference of above share classes are the distribution class, accumulation class and the frequency of distribution.

During the year ended 31 December 2018 the Manager has, at its own discretion, chosen to absorb certain expenses of APGF (2017: APGF and GRES).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

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.

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.

First State Global Growth Funds

(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

2. Significant accounting policies (continued)

(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.

(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)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

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 2018 and 2017, 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.

4. Distributions

First State Asian Quality Bond			
2018			
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 0.98 cents per unit	31 January 2018	15 February 2018	126,291
Distribution at 0.95 cents per unit	30 April 2018	16 May 2018	114,608
Distribution at 0.94 cents per unit	31 July 2018	16 August 2018	102,126
Distribution at 0.92 cents per unit	31 October 2018	15 November 2018	97,224
			440,249

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

4. Distributions (continued)

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 2018			
	Entitlement cut off date	Payment date	Distribution amount S\$
Class A (Semi-annually distributing)			
Distribution at 3.55 cents per unit	28 February 2018	15 March 2018	30,300,069
		20 September	
Distribution at 3.51 cents per unit	31 August 2018	2018	32,639,961
Class A (Monthly distributing)			
Distribution at 0.58 cents per unit	29 June 2018	16 July 2018	17,931
Distribution at 0.58 cents per unit	31 July 2018	16 August 2018	51,657
		17 September	
Distribution at 0.59 cents per unit	31 August 2018	2018	106,847
Distribution at 0.58 cents per unit	28 September 2018	15 October 2018	154,529
Distribution at 0.55 cents per unit	31 October 2018	16 November 2018	187,133
Distribution at 0.56 cents per unit	30 November 2018	17 December 2018	224,023
Distribution at 0.56 cents per unit	31 December 2018	16 January 2019	248,589
			<u>63,930,739</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	19,215,935
		21 September	
Distribution at 2.60 cents per unit	31 August 2017	2017	20,943,291
			<u>40,159,226</u>

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

4. Distributions (continued)

First State Dividend Advantage 2018			
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 1.90 cents per unit	29 March 2018	19 April 2018	22,566,742
Distribution at 1.94 cents per unit	29 June 2018	19 July 2018	24,450,494
Distribution at 1.92 cents per unit	28 September 2018	18 October 2018	25,741,238
Distribution at 1.79 cents per unit	31 December 2018	17 January 2019	25,025,822
			<u>97,784,296</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 Infrastructure 2018			
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 1.47 cents per unit	29 March 2018	18 April 2018	191,310
Distribution at 1.52 cents per unit	28 September 2018	16 October 2018	181,755
			<u>373,065</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 Property Investments 2018			
	Entitlement cut off date	Payment date	Distribution amount S\$
Distribution at 2.48 cents per unit	30 November 2018	17 December 2018	215,390

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2018***4. Distributions (continued)**

	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	336,727

5. Other receivables

	First State Asia Opportunities Fund		First State Asian Growth Fund	
	2018 S\$	2017 S\$	2018 S\$	2017 S\$
Amounts receivable from unitholders for creation of units	18,039	87,743	22,906	248,123
Management fee rebates receivable	90,141	114,448	226,812	271,676
Other receivables	14,247	7,536	56,078	17,775
	122,427	209,727	305,796	537,574

	First State Asian Quality Bond		First State Bridge	
	2018 S\$	2017 S\$	2018 S\$	2017 S\$
Amounts receivable from unitholders for creation of units	11,006	21,736	5,564,508	9,406,375
Management fee rebates receivable	23,665	35,169	5,263,211	4,563,606
Other receivables	5,379	4,440	618,945	269,165
	40,050	61,345	11,446,664	14,239,146

	First State Dividend Advantage		First State Global Balanced Fund	
	2018 S\$	2017 S\$	2018 S\$	2017 S\$
Amounts receivable from unitholders for creation of units	10,232,023	14,602,646	1,050	23,374
Management fee rebates receivable	9,387,433	7,762,427	57,018	59,311
Other receivables	1,085,511	493,229	8,430	4,019
	20,704,967	22,858,302	66,498	86,704

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

5. Other receivables (continued)

	First State Global Infrastructure		First State Global Property Investments	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Amounts receivable from unitholders for creation of units	-	213,344	73,602	199,605
Management fee rebates receivable	41,244	58,499	63,558	98,409
Other receivables	8,404	3,975	13,152	6,285
	49,648	275,818	150,312	304,299

	First State Regional China Fund		First State Regional India Fund	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Amounts receivable from unitholders for creation of units	592,451	2,906,819	239,144	817,052
Management fee rebates receivable	1,725,501	1,785,074	449,084	455,447
Other receivables	244,322	104,067	62,621	24,313
	2,562,274	4,795,960	750,849	1,296,812

	First State Singapore Growth Fund		Stewart Investors Global Emerging Markets	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Amounts receivable from unitholders for creation of units	33,555	15,602	-	-
Management fee rebates receivable	161,777	169,529	42,200	59,341
Other receivables	23,928	11,658	8,367	4,294
	219,260	196,789	50,567	63,635

	Stewart Investors Worldwide Leaders Fund	
	2018	2017
	S\$	S\$
Amounts receivable from unitholders for creation of units	150,608	99,369
Management fee rebates receivable	93,407	97,291
Other receivables	13,765	6,394
	257,780	203,054

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2018***6. Other payables**

	First State Asia Opportunities Fund		First State Asian Growth Fund	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Amounts payable to unitholders for cancellation of units	24,975	43,372	107,412	504,221
Accrued management fees	31,377	37,860	78,361	91,419
Accrued trustee's fees	1,302	1,650	3,794	4,428
Other accrued expenses	21,763	21,514	23,698	25,986
	79,417	104,396	213,265	626,054

	First State Asian Quality Bond		First State Bridge	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Amounts payable to unitholders for cancellation of units	53,314	149,082	3,486,974	3,815,880
Accrued management fees	7,849	12,075	1,844,417	1,606,843
Accrued trustee's fees	1,665	1,227	107,209	93,429
Other accrued expenses	24,103	19,573	132,829	161,997
	86,931	181,957	5,571,429	5,678,149

	First State Dividend Advantage		First State Global Balanced Fund	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Amounts payable to unitholders for cancellation of units	3,724,460	6,663,466	21,839	13,024
Accrued management fees	3,292,905	2,739,368	19,015	20,004
Accrued trustee's fees	159,455	132,739	1,989	2,029
Other accrued expenses	259,693	221,997	18,632	16,489
	7,436,513	9,757,570	61,475	51,546

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2018***6. Other payables (continued)**

	First State Global Infrastructure		First State Global Property Investments	
	2018 S\$	2017 S\$	2018 S\$	2017 S\$
Amounts payable to unitholders for cancellation of units	35,768	21,702	83,676	41,026
Accrued management fees	14,849	19,987	20,841	34,881
Accrued trustee's fees	3,154	1,295	1,008	1,689
Other accrued expenses	20,271	18,416	20,397	21,598
	<u>74,042</u>	<u>61,400</u>	<u>125,922</u>	<u>99,194</u>

	First State Regional China Fund		First State Regional India Fund	
	2018 S\$	2017 S\$	2018 S\$	2017 S\$
Amounts payable to unitholders for cancellation of units	563,986	1,862,334	113,995	159,747
Accrued management fees	589,892	633,839	161,046	165,662
Accrued trustee's fees	28,553	30,714	6,683	6,883
Other accrued expenses	42,232	47,619	24,953	22,721
	<u>1,224,663</u>	<u>2,574,506</u>	<u>306,677</u>	<u>355,013</u>

	First State Singapore Growth Fund		Stewart Investors Global Emerging Markets	
	2018 S\$	2017 S\$	2018 S\$	2017 S\$
Amounts payable to unitholders for cancellation of units	74,691	180,833	15,598	13,996
Accrued management fees	55,484	59,855	14,788	20,377
Accrued trustee's fees	2,686	2,900	2,506	2,430
Other accrued expenses	19,453	17,308	18,981	17,394
	<u>152,314</u>	<u>260,896</u>	<u>51,873</u>	<u>54,197</u>

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NOTES TO THE FINANCIAL STATEMENTS
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6. Other payables (continued)

	Stewart Investors Worldwide Leaders Fund	
	2018	2017
	S\$	S\$
Amounts payable to unitholders for cancellation of units	67,790	67,489
Accrued management fees	32,031	34,446
Accrued trustee's fees	1,551	1,669
Other accrued expenses	20,880	17,741
	<u>122,252</u>	<u>121,345</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 2018		
	Notional amount	Fair value assets	Fair value liabilities
	S\$	S\$	S\$
Forward foreign exchange contracts	10,656,102	112,308	7,108

	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 Bridge 31 December 2018		
	Notional amount	Fair value assets	Fair value liabilities
	S\$	S\$	S\$
Forward foreign exchange contracts	871,851,652	6,094,678	78,908

	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 Global Growth Funds
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NOTES TO THE FINANCIAL STATEMENTS
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8. Units in issue

During the year ended 31 December 2018 and 2017 the number of units issued, redeemed and outstanding were as follows:

	First State Asia Opportunities Fund			
	2018 Units		2017 Units	
	Class A	Class B	Class A	Class B
Units at beginning of year	19,323,802	2,319,177	23,168,987	91,853
Units created	1,068,955	229,925	1,006,875	2,993,367
Units cancelled	(2,694,609)	(2,517,357)	(4,852,060)	(766,043)
Units at end of year*	<u>17,698,148</u>	<u>31,745</u>	<u>19,323,802</u>	<u>2,319,177</u>
* Included above are units denominated in USD	<u>444,198</u>	-	<u>661,525</u>	-
Net assets attributable to unitholders (S\$)	<u>20,352,701</u>	<u>37,099</u>	<u>23,360,618</u>	<u>2,827,760</u>
Net asset value per unit (S\$)	<u>1.1500</u>	<u>1.1686</u>	<u>1.2089</u>	<u>1.2193</u>
	First State Asian Growth Fund		First State Asian Quality Bond	
	2018 Units	2017 Units	2018 Units	2017 Units
			Class A (Distribution)	
Units at beginning of year	25,544,917	29,230,407	14,162,104	12,537,531
Units created	4,558,556	6,455,147	2,198,301	4,255,305
Units cancelled	(7,852,734)	(10,140,637)	(6,550,598)	(2,630,732)
Units at end of year*	<u>22,250,739</u>	<u>25,544,917</u>	<u>9,809,807</u>	<u>14,162,104</u>
* Included above are units denominated in USD	<u>117,857</u>	<u>115,908</u>	-	-
Net assets attributable to unitholders (S\$)	<u>59,414,863</u>	<u>70,136,955</u>	<u>8,948,280</u>	<u>13,818,279</u>
Net asset value per unit (S\$)	<u>2.6702</u>	<u>2.7456</u>	<u>0.9121</u>	<u>0.9757</u>

First State Global Growth Funds
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8. Units in issue (continued)

	First State Bridge			
	2018		2017	
	Units		Units	
	Class A (Semi-Annually Distributing)	Class A (Monthly Distributing)	Class A (Semi-Annually Distributing)	Class A (Monthly Distributing)
Units at beginning of year	838,801,348	-	784,197,782	NA
Units created	286,605,235	45,620,490	212,076,432	NA
Units cancelled	(147,436,151)	(1,229,595)	(157,472,866)	NA
Units at end of year*	<u>977,970,432</u>	<u>44,390,895</u>	<u>838,801,348</u>	<u>NA</u>
Net assets attributable to unitholders (S\$)	<u>1,616,919,715</u>	<u>73,150,266</u>	<u>1,485,970,831</u>	<u>NA</u>
Net asset value per unit (S\$)	<u>1.6533</u>	<u>1.6479</u>	<u>1.7715</u>	<u>NA</u>
	First State			
	Dividend Advantage		First State Global Balanced Fund	
	2018	2017	2018	2017
	Units	Units	Units	Units
Units at beginning of year	1,096,689,908	1,184,325,242	18,342,185	20,088,929
Units created	552,384,903	326,554,214	3,988,298	1,841,185
Units cancelled	(250,984,171)	(414,189,548)	(4,704,691)	(3,587,929)
Units at end of year*	<u>1,398,090,640</u>	<u>1,096,689,908</u>	<u>17,625,792</u>	<u>18,342,185</u>
* Included above are units	<u>249,847,737</u>	<u>183,925,633</u>	<u>545,088</u>	<u>415,300</u>
Net assets attributable to	<u>2,474,927,574</u>	<u>2,097,569,615</u>	<u>17,294,558</u>	<u>18,309,817</u>
Net asset value per unit (S\$)	<u>1.7702</u>	<u>1.9126</u>	<u>0.9812</u>	<u>0.9982</u>
			First State Global Infrastructure	
			2018	2017
			Units	Units
Units at beginning of year			14,276,638	13,210,425
Units created			2,218,176	9,353,490
Units cancelled			(5,251,098)	(8,287,277)
Units at end of year*			<u>11,243,716</u>	<u>14,276,638</u>
* Included above are units denominated in USD			<u>3,416,075</u>	<u>5,190,617</u>
Net assets attributable to unitholders (S\$)			<u>10,871,139</u>	<u>15,226,439</u>
Net asset value per unit (S\$)			<u>0.9669</u>	<u>1.0665</u>

First State Global Growth Funds
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8. Units in issue (continued)

	First State Global Property Investments			
	2018		2017	
	Units		Units	
	Class A	Class A	Class A	Class A
	(Distribution)	(Accumulation)	(Distribution)	(Accumulation)
Units at beginning of year	9,646,517	19,583,777	10,815,529	15,363,962
Units created	316,282	4,155,812	680,848	8,981,602
Units cancelled	(1,635,796)	(13,769,304)	(1,849,860)	(4,761,787)
Units at end of year	<u>8,327,003</u>	<u>9,970,285</u>	<u>9,646,517</u>	<u>19,583,777</u>
Net assets attributable to unitholders (S\$)	<u>6,177,207</u>	<u>8,613,836</u>	<u>8,194,064</u>	<u>18,795,563</u>
Net asset value per unit (S\$)	<u>0.7418</u>	<u>0.8640</u>	<u>0.8495</u>	<u>0.9598</u>
	First State Regional China Fund		First State Regional India Fund	
	2018		2017	
	Units		Units	
Units at beginning of year	123,120,134	139,499,569	12,817,074	10,893,631
Units created	31,865,220	24,821,975	3,911,429	5,461,521
Units cancelled	(29,854,395)	(41,201,410)	(3,527,618)	(3,538,078)
Units at end of year*	<u>125,130,959</u>	<u>123,120,134</u>	<u>13,200,885</u>	<u>12,817,074</u>
* Included above are units denominated in USD	<u>10,878,247</u>	<u>12,090,432</u>	<u>1,101,050</u>	<u>877,821</u>
Net assets attributable to unitholders (S\$)	<u>436,794,527</u>	<u>490,791,229</u>	<u>106,724,763</u>	<u>110,409,718</u>
Net asset value per unit (S\$)	<u>3.4907</u>	<u>3.9863</u>	<u>8.0847</u>	<u>8.6143</u>

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2018***8. Units in issue (continued)**

	First State Singapore Growth Fund		Stewart Investors Global Emerging Markets Leaders Fund	
	2018 Units	2017 Units	2018 Units	2017 Units
Units at beginning of year	12,905,518	14,251,434	4,947,486	6,194,304
Units created	375,666	506,645	-	-
Units cancelled	(1,330,239)	(1,852,561)	(998,809)	(1,246,818)
Units at end of year*	<u>11,950,945</u>	<u>12,905,518</u>	<u>3,948,677</u>	<u>4,947,486</u>
* Included above are units denominated in USD	<u>95,293</u>	<u>106,984</u>	<u>43,220</u>	<u>78,100</u>
Net assets attributable to unitholders (S\$)	<u>41,861,193</u>	<u>45,351,116</u>	<u>11,193,122</u>	<u>15,929,881</u>
Net asset value per unit (S\$)	<u>3.5028</u>	<u>3.5141</u>	<u>2.8347</u>	<u>3.2198</u>

	Stewart Investors Worldwide Leaders Fund	
	2018 Units	2017 Units
Units at beginning of year	16,050,788	16,166,303
Units created	2,434,322	4,362,647
Units cancelled	(3,404,011)	(4,478,162)
Units at end of year*	<u>15,081,099</u>	<u>16,050,788</u>
* Included above are units denominated in USD	<u>322,649</u>	<u>566,400</u>
Net assets attributable to unitholders (S\$)	<u>24,068,305</u>	<u>26,381,858</u>
Net asset value per unit (S\$)	<u>1.5959</u>	<u>1.6436</u>

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, BRDG-Class A (Monthly Distributing), DIVA, RIFD and SPGF.

First State Global Growth Funds

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NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

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		First State Bridge Class A (Monthly Distributing)	
	2018 S\$	2017 S\$	2018 S\$	2017 S\$
Net asset attributable to unitholders per unit for issuing/redeeming units (S\$)	0.9124	0.9760	1.6535	NA
Effect of preliminary expenses	(0.0003)	(0.0003)	-	NA
Effect of distribution per unit	-	-	(0.0056)	NA
Net asset attributable to unitholders per unit per the financial statements (S\$)	<u>0.9121</u>	<u>0.9757</u>	<u>1.6479</u>	<u>NA</u>
	First State Dividend Advantage		First State Regional India Fund	
	2018 S\$	2017 S\$	2018 S\$	2017 S\$
Net asset attributable to unitholders per unit for issuing/redeeming units (S\$)	1.7881	1.9320	8.0846	8.6143
Effect of accrued expenses	-	-	0.0001	-
Effect of distribution per unit	(0.0179)	(0.0194)	-	-
Net asset attributable to unitholders per unit per the financial statements (S\$)	<u>1.7702</u>	<u>1.9126</u>	<u>8.0847</u>	<u>8.6143</u>
	First State Singapore Growth Fund			
	2018 S\$	2017 S\$		
Net asset attributable to unitholders per unit for issuing/redeeming units (S\$)	3.5027	3.5141		
Effect of accrued expenses	0.0001	-		
Net asset attributable to unitholders per unit per the financial statements (S\$)	<u>3.5028</u>	<u>3.5141</u>		

NOTES TO THE FINANCIAL STATEMENTS
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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 "Sub-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.

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

First State Global Growth Funds

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9. Financial risk management (continued)

a. Market risk (continued)

(i) Price Risk (continued)

The investments held by the Sub-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 Sub-Funds against their respective benchmarks on a regular basis. A Sub-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 Sub-Funds Review Committee of the Manager meets on a quarterly basis to perform an overall review of the Sub-Funds. Areas under review include performance of the Sub-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 Sub-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 2018 and 2017, 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 2018 and 2017, 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

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9. Financial risk management (continued)

a. Market risk (continued)

(i) Price Risk (continued)

Sub-Funds	Benchmark Components	Change in Benchmark Market Index 31 December 2018 %	Effect on net assets attributable to unitholders 31 December 2018 S\$	Change in Benchmark Market Index 31 December 2017 %	Effect on net assets attributable to unitholders 31 December 2017 S\$
First State Asia Opportunities Fund	MSCI AC Asia ex-Japan Index	12.41	1,779,326	31.43	7,112,653
First State Asian Growth Fund	MSCI AC Asia ex-Japan Index	12.41	5,924,257	31.43	23,853,679
First State Asian Quality Bond	JP Morgan Asia Credit Investment Grade Index (SGD Index) (Hedged to SGD)	0.73	58,202	5.12	702,335
First State Bridge	50% MSCI Asia Pacific ex-Japan Index (Unhedged) and 50% JP Morgan Asia Credit Investment Grade Index (Hedged to SGD)	6.53	93,172,943	17.25	174,828,957
First State Dividend Advantage	MSCI AC Asia Pacific ex-Japan	11.97	268,084,383	27.03	387,785,744

First State Global Growth Funds

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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 2018 %	Effect on net assets attributable to unitholders 31 December 2018 S\$	Change in Benchmark Market Index 31 December 2017 %	Effect on net assets attributable to unitholders 31 December 2017 S\$
First State Global Balanced Fund	60% MSCI AC World Index and 40% FTSE World Government Bond Index (Unhedged) (2017: 60% MSCI AC World Index and 40% Citygroup World Government Bond Index (Unhedged))	3.65	515,011	8.74	2,515,224
First State Global Infrastructure	FTSE Global Core Infrastructure 50-50 Index	1.25	134,420	10.37	1,342,617
First State Global Property Investments	FTSE EPRA/Nareit Developed Index	2.85	388,726	3.07	966,808
First State Regional China Fund	MSCI Golden Dragon Index	12.86	53,111,568	33.38	93,013,804
First State Regional India Fund	MSCI India Index	5.46	4,678,419	28.36	21,393,446

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2018***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 2018 %	Effect on net assets attributable to unitholders 31 December 2018 S\$	Change in Benchmark Market Index 31 December 2017 %	Effect on net assets attributable to unitholders 31 December 2017 S\$
First State Singapore Growth Fund	Market Capitalisation weighted of MSCI Singapore Indices and MSCI Malaysia Index	6.22	1,681,195	21.55	7,578,427
Stewart Investors Global Emerging Markets Leaders Fund	MSCI Emerging Markets Index	12.54	765,425	27.43	3,392,679
Stewart Investors Worldwide Leaders Fund	MSCI AC World Index	6.38	1,108,531	13.85	4,748,501

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 .

NOTES TO THE FINANCIAL STATEMENTS
 For the financial year ended 31 December 2018

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 2018

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	20,194,146	-	20,194,146
Other receivables	90,141	32,286	122,427
Cash and bank balances	16,356	136,288	152,644
Total assets	20,300,643	168,574	20,469,217
LIABILITIES			
Other payables	-	79,417	79,417
Total liabilities	-	79,417	79,417
Currency exposure	20,300,643	89,157	

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	

First State Global Growth Funds
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NOTES TO THE FINANCIAL STATEMENTS
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9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Asian Growth Fund

As at 31 December 2018

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	58,935,513	-	58,935,513
Sales awaiting settlement	107,677	-	107,677
Other receivables	226,812	78,984	305,796
Cash and bank balances	1,363	277,779	279,142
Total assets	59,271,365	356,763	59,628,128
LIABILITIES			
Other payables	-	213,265	213,265
Total liabilities	-	213,265	213,265
Currency exposure	59,271,365	143,498	

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)	

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Asian Quality Bond

As at 31 December 2018

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	8,761,364	-	8,761,364
Sales awaiting settlement	58,609	-	58,609
Other receivables	23,665	16,385	40,050
Cash and bank balances	7,779	62,209	69,988
Total assets	8,851,417	78,594	8,930,011
LIABILITIES			
Other payables	-	86,931	86,931
Total liabilities	-	86,931	86,931
Notional value of forward foreign exchange contracts	(8,826,413)	8,931,613	
Currency exposure	25,004	8,923,276	

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	

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Bridge

As at 31 December 2018

	USD S\$	SGD S\$	Total S\$
		SGD Equivalent	
ASSETS			
Portfolio of investments	1,678,640,545	-	1,678,640,545
Other receivables	5,263,247	6,183,417	11,446,664
Cash and bank balances	1,441,495	24,741	1,466,236
Total assets	1,685,345,287	6,208,158	1,691,553,445
LIABILITIES			
Purchases awaiting settlement	1,679,216	-	1,679,216
Other payables	-	5,571,429	5,571,429
Distribution payable	-	248,589	248,589
Total liabilities	1,679,216	5,820,018	7,499,234
Notional value of forward foreign exchange contracts	(853,410,591)	859,426,361	
Currency exposure	830,255,480	859,814,501	

As at 31 December 2017

	USD S\$	SGD S\$	Total S\$
		SGD Equivalent	
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	

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Dividend Advantage

As at 31 December 2018

	USD S\$	SGD S\$	Total S\$
		SGD Equivalent	
ASSETS			
Portfolio of investments	2,488,484,007	-	2,488,484,007
Other receivables	10,647,657	10,057,310	20,704,967
Cash and bank balances	170,681	1,786,682	1,957,363
Total assets	2,499,302,345	11,843,992	2,511,146,337
LIABILITIES			
Distribution payable	-	25,025,822	25,025,822
Purchases awaiting settlement	3,756,428	-	3,756,428
Other payables	383,820	7,052,693	7,436,513
Total liabilities	4,140,248	32,078,515	36,218,763
Currency exposure	2,495,162,097	(20,234,523)	

As at 31 December 2017

	USD S\$	SGD S\$	Total S\$
		SGD Equivalent	
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)	

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Global Balanced Fund

As at 31 December 2018

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	17,207,136	-	17,207,136
Other receivables	57,018	9,480	66,498
Cash and bank balances	1,363	203,706	205,069
Total assets	17,265,517	213,186	17,478,703
LIABILITIES			
Purchases awaiting settlement	122,670	-	122,670
Other payables	-	61,475	61,475
Total liabilities	122,670	61,475	184,145
Currency exposure	17,142,847	151,711	

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	

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Global Infrastructure

As at 31 December 2018

	GBP S\$	SGD S\$	USD S\$	Total S\$
		SGD Equivalent		
ASSETS				
Portfolio of investments	10,542,741	-	-	10,542,741
Sales awaiting settlement	39,926			39,926
Other receivables	41,244	8,404		49,648
Cash and bank balances	33,705	277,798	1,363	312,866
Total assets	10,657,616	286,202	1,363	10,945,181
LIABILITIES				
Other payables	-	74,042	-	74,042
Total liabilities	-	74,042	-	74,042
Currency exposure	10,657,616	212,160	1,363	

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	

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Global Property Investments

As at 31 December 2018

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	14,666,142	-	14,666,142
Sales awaiting settlement	242,614	-	242,614
Other receivables	63,558	86,754	150,312
Cash and bank balances	1,363	-	1,363
Total assets	14,973,677	86,754	15,060,431
LIABILITIES			
Bank overdraft	-	143,466	143,466
Other payables	-	125,922	125,922
Total liabilities	-	269,388	269,388
Currency exposure	14,973,677	(182,634)	

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	

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Regional China Fund

As at 31 December 2018

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	434,734,947	-	434,734,947
Sales awaiting settlement	346,202	-	346,202
Other receivables	1,725,501	836,773	2,562,274
Cash and bank balances	107,004	268,763	375,767
Total assets	<u>436,913,654</u>	<u>1,105,536</u>	<u>438,019,190</u>
LIABILITIES			
Other payables	2,725	1,221,938	1,224,663
Total liabilities	<u>2,725</u>	<u>1,221,938</u>	<u>1,224,663</u>
Currency exposure	<u>436,910,929</u>	<u>(116,402)</u>	

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	<u>491,320,619</u>	<u>3,328,060</u>	<u>494,648,679</u>
LIABILITIES			
Purchases awaiting settlement	1,282,944	-	1,282,944
Other payables	-	2,574,506	2,574,506
Total liabilities	<u>1,282,944</u>	<u>2,574,506</u>	<u>3,857,450</u>
Currency exposure	<u>490,037,675</u>	<u>753,554</u>	

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Regional India Fund

As at 31 December 2018

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	105,784,335	-	105,784,335
Other receivables	449,084	301,765	750,849
Cash and bank balances	272,834	223,422	496,256
Total assets	106,506,253	525,187	107,031,440
LIABILITIES			
Other payables	-	306,677	306,677
Total liabilities	-	306,677	306,677
Currency exposure	106,506,253	218,510	

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	

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

First State Singapore Growth Fund

As at 31 December 2018

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	41,582,870	-	41,582,870
Other receivables	161,777	57,483	219,260
Cash and bank balances	125,396	85,981	211,377
Total assets	41,870,043	143,464	42,013,507
LIABILITIES			
Other payables	-	152,314	152,314
Total liabilities	-	152,314	152,314
Currency exposure	41,870,043	(8,850)	

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)	

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) *Currency Risk (continued)*

Stewart Investors Global Emerging Markets Leaders Fund

As at 31 December 2018

	GBP S\$	SGD S\$	USD S\$	Total S\$
		SGD Equivalent		
ASSETS				
Portfolio of investments	11,097,928	-	-	11,097,928
Sales awaiting settlement	26,039	-	-	26,039
Other receivables	42,200	8,367	-	50,567
Cash and bank balances	55,723	13,416	1,322	70,461
Total assets	11,221,890	21,783	1,322	11,244,995
LIABILITIES				
Other payables	-	51,873	-	51,873
Total liabilities	-	51,873	-	51,873
Currency exposure	11,221,890	(30,090)	1,322	

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	

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

Stewart Investors Worldwide Leaders Fund

As at 31 December 2018

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
ASSETS			
Portfolio of investments	23,801,481	-	23,801,481
Sales awaiting settlement	27,260	-	27,260
Other receivables	93,407	164,373	257,780
Cash and bank balances	1,363	157,193	158,556
Total assets	23,923,511	321,566	24,245,077
LIABILITIES			
Purchases awaiting settlement	54,520	-	54,520
Other payables	-	122,252	122,252
Total liabilities	54,520	122,252	176,772
Currency exposure	23,868,991	199,314	

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	

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

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 2018		31 December 2017	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	79,417	-	104,396	-

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

b. Liquidity risk (continued)

First State Asian Growth Fund

	31 December 2018		31 December 2017	
	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	-
Other payables	213,265	-	626,054	-

First State Asian Quality Bond

	31 December 2018		31 December 2017	
	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	86,931	-	181,957	-

First State Bridge

	31 December 2018		31 December 2017	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Distribution payable	248,589	-	-	-
Purchases awaiting settlement	1,679,216	-	4,646,663	-
Other payables	5,571,429	-	5,678,149	-

First State Dividend Advantage

	31 December 2018		31 December 2017	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Distribution payable	25,025,822	-	21,275,784	-
Purchases awaiting settlement	3,756,428	-	8,523,559	-
Other payables	7,436,513	-	9,757,570	-

First State Global Balanced Fund

	31 December 2018		31 December 2017	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	122,670	-	-	-
Other payables	61,475	-	51,546	-

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

b. Liquidity risk (continued)

First State Global Infrastructure

	31 December 2018		31 December 2017	
	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	-
Other payables	74,042	-	61,400	-

First State Global Property Investments

	31 December 2018		31 December 2017	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Bank overdraft	143,466	-	-	-
Purchases awaiting settlement	-	-	187,096	-
Other payables	125,922	-	99,194	-

First State Regional China Fund

	31 December 2018		31 December 2017	
	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	1,224,663	-	2,574,506	-

First State Regional India Fund

	31 December 2018		31 December 2017	
	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	-
Other payables	306,677	-	355,013	-

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

b. Liquidity risk (continued)

First State Singapore Growth Fund

	31 December 2018		31 December 2017	
	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	152,314	-	260,896	-

Stewart Investors Global Emerging Markets Leaders Fund

	31 December 2018		31 December 2017	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	51,873	-	54,197	-

Stewart Investors Worldwide Leaders Fund

	31 December 2018		31 December 2017	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	54,520	-	36,083	-
Other payables	122,252	-	121,345	-

The table below analyses the Sub-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.

	First State Asian Quality Bond		First State Bridge	
	31 December 2018 S\$	31 December 2017 S\$	31 December 2018 S\$	31 December 2017 S\$
Less than 3 months				
Currency forwards				
-Outflow	(865,798)	(1,372,342)	(10,905,457)	(3,358,144)
-Inflow	858,690	1,357,032	10,826,549	3,347,008
Net inflow/(outflow)	(7,108)	(15,310)	(78,908)	(11,136)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

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 2018, all investments are placed in custody with HSBC Institutional Trust Services (Singapore) Limited and UBS AG which had a credit rating of aa- (2017: aa-) and a+ (2017: 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 2018, the underlying custodian had a credit rating of aa- (2017: 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 2018 and 2017 and other key counterparties, where applicable.

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

c. Credit risk (continued)

First State Asia Opportunities Fund

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

As at 31 December 2017

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

First State Asian Growth Fund

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

As at 31 December 2017

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

First State Asian Quality Bond

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

Counterparty-Forward foreign exchange contracts

Australia & New Zealand Banking Group Limited
Citibank NA

aa-

a

Fitch

Fitch

As at 31 December 2017

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

Counterparty-Forward foreign exchange contracts

Australia & New Zealand Banking Group Limited
Citibank NA

aa-

a

Fitch

Fitch

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

c. Credit risk (continued)

First State Bridge

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating **Source of credit rating**

aa- Fitch

Counterparty-Forward foreign exchange contracts

Australia & New Zealand Banking Group Limited

aa- Fitch

Citibank NA

a Fitch

UBS AG

a+ Fitch

As at 31 December 2017

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating **Source of credit rating**

aa- Fitch

Counterparty-Forward foreign exchange contracts

Australia & New Zealand Banking Group Limited

aa- Fitch

Citibank NA

a Fitch

UBS AG

a+ Fitch

First State Dividend Advantage

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating **Source of credit rating**

aa- Fitch

As at 31 December 2017

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating **Source of credit rating**

aa- Fitch

First State Global Balanced Fund

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating **Source of credit rating**

aa- Fitch

As at 31 December 2017

Bank

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)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

c. Credit risk (continued)

First State Global Infrastructure

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

As at 31 December 2017

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

First State Global Property Investments

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

As at 31 December 2017

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

c. Credit risk (continued)

First State Regional China Fund

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

As at 31 December 2017

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

First State Regional India Fund

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

As at 31 December 2017

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

First State Singapore Growth Fund

As at 31 December 2018

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

As at 31 December 2017

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

aa-

**Source of
credit rating**

Fitch

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

c. Credit risk (continued)

Stewart Investors Global Emerging Markets Leaders Fund

	Credit rating	Source of credit rating
As at 31 December 2018		
<u>Bank</u>		
The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

	Credit rating	Source of credit rating
As at 31 December 2017		
<u>Bank</u>		
The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

Stewart Investors Worldwide Leaders Fund

	Credit rating	Source of credit rating
As at 31 December 2018		
<u>Bank</u>		
The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

	Credit rating	Source of credit rating
As at 31 December 2017		
<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).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

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 2018 and 2017:

First State Asia Opportunities Fund

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	20,194,146	-	-	20,194,146
	<u>20,194,146</u>	<u>-</u>	<u>-</u>	<u>20,194,146</u>

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>

First State Asian Growth Fund

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	58,935,513	-	-	58,935,513
	<u>58,935,513</u>	<u>-</u>	<u>-</u>	<u>58,935,513</u>

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>

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

e. Fair value estimation (continued)

First State Asian Quality Bond

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	8,761,364	-	-	8,761,364
- Financial derivatives	-	112,308	-	112,308
	<u>8,761,364</u>	<u>112,308</u>	<u>-</u>	<u>8,873,672</u>
Liabilities				
- Financial derivatives	-	7,108	-	7,108
	<u>-</u>	<u>7,108</u>	<u>-</u>	<u>7,108</u>

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>

First State Bridge

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	1,678,640,545	-	-	1,678,640,545
- Financial derivatives	-	6,094,678	-	6,094,678
	<u>1,678,640,545</u>	<u>6,094,678</u>	<u>-</u>	<u>1,684,735,223</u>
Liabilities				
- Financial derivatives	-	78,908	-	78,908
	<u>-</u>	<u>78,908</u>	<u>-</u>	<u>78,908</u>

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

e. Fair value estimation (continued)

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 Dividend Advantage

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	2,488,484,007	-	-	2,488,484,007
	<u>2,488,484,007</u>	<u>-</u>	<u>-</u>	<u>2,488,484,007</u>

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>

First State Global Balanced Fund

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	17,207,136	-	-	17,207,136
	<u>17,207,136</u>	<u>-</u>	<u>-</u>	<u>17,207,136</u>

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

e. Fair value estimation (continued)

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 Infrastructure

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	10,542,741	-	-	10,542,741
	<u>10,542,741</u>	<u>-</u>	<u>-</u>	<u>10,542,741</u>

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>

First State Global Property Investments

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	14,666,142	-	-	14,666,142
	<u>14,666,142</u>	<u>-</u>	<u>-</u>	<u>14,666,142</u>

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>

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

e. Fair value estimation (continued)

First State Regional China Fund

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	434,734,947	-	-	434,734,947
	<u>434,734,947</u>	<u>-</u>	<u>-</u>	<u>434,734,947</u>

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>

First State Regional India Fund

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	105,784,335	-	-	105,784,335
	<u>105,784,335</u>	<u>-</u>	<u>-</u>	<u>105,784,335</u>

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

e. Fair value estimation (continued)

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 Singapore Growth Fund

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	41,582,870	-	-	41,582,870
	<u>41,582,870</u>	<u>-</u>	<u>-</u>	<u>41,582,870</u>

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>

Stewart Investors Global Emerging Markets Leaders Fund

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	11,097,928	-	-	11,097,928
	<u>11,097,928</u>	<u>-</u>	<u>-</u>	<u>11,097,928</u>

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>

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

e. Fair value estimation (continued)

Stewart Investors Worldwide Leaders Fund

As at 31 December 2018	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	23,801,481	-	-	23,801,481
	<u>23,801,481</u>	<u>-</u>	<u>-</u>	<u>23,801,481</u>
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>

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 2018 and 2017 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)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

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 2018

	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	112,308	

	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	6,799	

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

f. Offsetting financial assets and financial liabilities (continued)

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)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

9. Financial risk management (continued)

f. Offsetting financial assets and financial liabilities (continued)

First State Bridge

As at 31 December 2018

	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	3,302,514	-	3,302,514	-	-	3,302,514

	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	77,308	-	77,308	-	-	77,308

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

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)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2018

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.

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

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.

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2018***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 Sub-Fund's Manager, trustee's fees charged by the Trustee and registration fees charged by a related company of 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		First State Asian Growth Fund	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Bank balances with a related party of the Trustee	152,644	157,616	279,142	490,432
Bank service fees charged by a related party of the Trustee	9,720	8,936	13,852	13,600
Expense ratio rebate from the fund manager	-	-	-	(8,622) [#]

[#] 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)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

11. Related party transactions (continued)

	First State Asian Quality Bond		First State Bridge	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Bank balances with a related party of the Trustee	69,988	324,330	1,466,236	3,650,561
Bank service fees charged by a related party of the Trustee	5,321	4,719	29,815	27,419
Interest income from a related party of the Trustee	-	-	(16,026)	(2,420)

	First State Dividend Advantage		First State Global Balanced Fund	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Bank balances with a related party of the Trustee	1,957,363 [^]	4,489,628 [^]	205,069	60,533
Bank service fees charged by a related party of the Trustee	124,545	124,209	7,204	4,103
Interest income from a related party of the Trustee	(45,048)	(11,906)	-	-

	First State Global Infrastructure		First State Global Property Investments	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Bank balances with a related party of the Trustee	312,866 [*]	441,209 [*]	(142,103) [^]	283,396 [^]
Bank service fees charged by a related party of the Trustee	6,263	9,359	7,570	15,037
Interest income from a related party of the Trustee	(1,653)	(347)	-	-

* As at 31 December 2018, bank balances include fixed deposit with a related party of the Trustee of S\$243,704 (2017: S\$228,901), which has a maturity of 4 months (2017: 4 months) from the end of the financial year with effective interest rate of 1.20% (2017: 0.20%).

[^] DIVA and GLPR have the following credit facilities with a related party of the Trustee. The sub-funds have not utilised the overdraft facility (in SGD or USD equivalents) as at 31 December 2018, except for GLPR which has bank overdraft of S\$143,466 (2017: S\$Nil).

	<u>SGD</u>
DIVA	2,500,000
GLPR	500,000

First State Global Growth Funds*(Constituted under a Trust Deed in the Republic of Singapore)***NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2018***11. Related party transactions (continued)**

	First State Regional China Fund		First State Regional India Fund	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Bank balances with a related party of the Trustee	375,767	524,386	496,256	700,041
Bank service fees charged by a related party of the Trustee	51,688	42,445	20,905	21,517
	First State Singapore Growth Fund		Stewart Investors Global Emerging Markets Leaders Fund	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Bank balances with a related party of the Trustee	211,377	305,635	70,461 [^]	63,389 [^]
Bank service fees charged by a related party of the Trustee	7,315	7,444	2,370	3,299
			Stewart Investors Worldwide Leaders Fund	
			2018	2017
			S\$	S\$
Bank balances with a related party of the Trustee			158,556	164,322
Bank service fees charged by a related party of the Trustee			11,457	12,371

[^] GEML has the following credit facilities with a related party of the Trustee. The sub-fund has not utilised the overdraft facility (in SGD or USD or GBP equivalents) as at 31 December 2018.

	<u>SGD</u>
GEML	200,000

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

12. Financial ratios

	First State Asia Opportunities Fund			
	Class A - Accumulation		Class B - Accumulation	
	2018	2017	2018	2017
Expense ratio ¹	2.25	2.27	1.53	1.51
Turnover ratio ²	5.95	9.98	5.95	9.98
	First State Asian Growth Fund		First State Asian Quality Bond	
	2018	2017	2018	2017
	%	%	%	%
Expense ratio ¹	1.73	1.75	1.55	1.48
Turnover ratio ²	7.05	8.38	12.16	414.15
	First State Bridge		First State Dividend Advantage	
	2018	2017	2018	2017
	%	%	%	%
Expense ratio ¹	1.44	1.43	1.71	1.71
Turnover ratio ²	198.63	632.18	367.96	1,220.20
	First State Global Balanced Fund		First State Global Infrastructure	
	2018	2017	2018	2017
	%	%	%	%
Expense ratio ¹	1.75	1.71	1.91	1.93
Turnover ratio ²	17.26	5.30	11.44	989.78
	First State Global Property Investments		First State Regional China Fund	
	2018	2017	2018	2017
	%	%	%	%
Expense ratio ¹	1.97	1.97	1.71	1.71
Turnover ratio ²	134.75	217.34	10.07	6.36

First State Global Growth Funds
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NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

12. Financial ratios (continued)

	First State Regional India Fund		First State Singapore Growth Fund	
	2018 %	2017 %	2018 %	2017 %
Expense ratio ¹	2.06	2.06	1.90	1.89
Turnover ratio ²	16.30	15.53	2.63	3.58

	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
	2018 %	2017 %	2018 %	2017 %
Expense ratio ¹	1.88	1.84	1.93	1.96
Turnover ratio ²	23.29	22.82	8.09	15.50

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	
	2018	2017	2018	2017
Total operating expenses (annualised in accordance with IMAS guidelines)	S\$56,644	S\$74,848	S\$ (1,748)	S\$ (7,867)
Average daily net asset value	S\$21,710,028	S\$24,119,838	S\$379,715	S\$1,772,389
Weighted average of the underlying funds' unaudited expense ratio	1.99%	1.96%	1.99%	1.96%

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

12. Financial ratios (continued)

	First State Asian Growth Fund		First State Asian Quality Bond	
	2018	2017	2018	2017
Total operating expenses (annualised in accordance with IMAS guidelines)	S\$90,470	S\$113,717	S\$51,548	S\$54,269
Average daily net asset value	S\$65,341,857	S\$70,430,857	S\$10,744,655	S\$13,142,710
Weighted average of the underlying funds' unaudited expense ratio	1.59%	1.59%	1.07%	1.06%
	First State Bridge		First State Dividend Advantage	
	2018	2017	2018	2017
Total operating expenses	S\$1,725,156	S\$1,463,228	S\$2,915,740	S\$2,390,155
Average daily net asset value	S\$1,582,727,406	S\$1,353,440,807	S\$2,379,432,194	S\$2,001,981,662
Weighted average of the underlying funds' unaudited expense ratio	1.33%	1.32%	1.59%	1.59%
	First State Global Balanced Fund		First State Global Infrastructure	
	2018	2017	2018	2017
Total operating expenses	S\$47,214	S\$38,125	S\$55,694	S\$59,522
Average daily net asset value	S\$18,044,691	S\$18,522,178	S\$12,760,619	S\$15,181,813
Weighted average of the underlying funds' unaudited expense ratio	1.49%	1.50%	1.47%	1.52%
	First State Global Property Investments		First State Regional China Fund	
	2018	2017	2018	2017
Total operating expenses	S\$53,679	S\$78,354	S\$611,987	S\$538,266
Average daily net asset value	S\$20,691,144	S\$25,152,895	S\$486,991,919	S\$436,915,496
Weighted average of the underlying funds' unaudited expense ratio	1.71%	1.66%	1.58%	1.58%

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

12. Financial ratios (continued)

	First State Regional India Fund		First State Singapore Growth Fund	
	2018	2017	2018	2017
Total operating expenses	S\$185,070	S\$171,179	S\$81,704	S\$79,078
Average daily net asset value	S\$107,433,032	S\$91,303,036	S\$45,380,235	S\$45,702,051
Weighted average of the underlying funds' unaudited expense ratio	1.89%	1.87%	1.72%	1.72%

	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
	2018	2017	2018	2017
Total operating expenses	S\$45,259	S\$44,492	S\$70,541	S\$67,423
Average daily net asset value	S\$13,457,771	S\$16,331,785	S\$25,838,206	S\$25,615,024
Weighted average of the underlying funds' unaudited expense ratio	1.54%	1.56%	1.66%	1.70%

- 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	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	1,314,450	2,584,373	4,609,230	5,900,337
Average daily net asset value	22,089,742	25,894,023	65,341,857	70,430,857

	First State Asian Quality Bond		First State Bridge	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	1,306,059	54,431,026	3,143,723,652	8,556,137,332
Average daily net asset value	10,744,655	13,142,710	1,582,727,406	1,353,440,807

	First State Dividend Advantage		First State Global Balanced Fund	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	8,755,450,707	24,428,155,272	3,115,308	980,959
Average daily net asset value	2,379,432,194	2,001,981,662	18,044,691	18,522,178

First State Global Growth Funds
(Constituted under a Trust Deed in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2018

12. Financial ratios (continued)

	First State Global Infrastructure		First State Global Property Investments	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	1,460,376	150,266,492	27,881,339	54,667,708
Average daily net asset value	12,760,619	15,181,813	20,691,144	25,152,895

	First State Regional China Fund		First State Regional India Fund	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	49,025,054	27,784,464	17,507,067	14,180,563
Average daily net asset value	486,991,919	436,915,496	107,433,032	91,303,036

	First State Singapore Growth Fund		Stewart Investors Global Emerging Markets Leaders Fund	
	2018	2017	2018	2017
	S\$	S\$	S\$	S\$
Total value of purchases or sales of the underlying investments	1,194,470	1,634,353	3134937.68 [#]	3727054 [#]
Average daily net asset value	45,380,235	45,702,051	13,457,771	16,331,785

	Stewart Investors Worldwide Leaders Fund	
	2018	2017
	S\$	S\$
Total value of purchases or sales of the underlying investments	2,090,980	3,971,014
Average daily net asset value	25,838,206	25,615,024

[#] There were no purchases during the financial year ended 31 December 2018 and 2017. Therefore, the total value of sales is used in the calculation of portfolio turnover ratio.

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