

RHB CHINA-ASEAN FUND

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

FINANCIAL STATEMENTS

For the financial period from 01 January 2019 to 30 June 2019 (unaudited)

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Contents

	Page
FUND INFORMATION	1
MANAGER'S REPORT	2
FINANCIAL STATEMENTS	
Statement of Total Return	8
Statement of Financial Position	9
Statement of Movements of Unitholders' Funds	10
Statement of Portfolio	11

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FUND INFORMATION

Managers

RHB Asset Management Pte. Ltd.
(Company Registration No. 200615687E)
10 Collyer Quay, #09-08 Ocean Financial Centre
Singapore 049315

Directors of the Managers

Mr. Yap Chee Meng
Dr. Ngo Get Ping
Ms. Ong Yin Suen, Eliza

Trustee & Registrar

BNP Paribas Trust Services Singapore Limited
(Company Registration No. 200800851W)
20 Collyer Quay, #01-01
Singapore 049319

Investment Advisor

Shenwan Hongyuan Singapore Private Limited
(Company Registration No. 201134060D)
61 Robinson Road, #12-02
Robinson Centre
Singapore 068893

Custodian & Administrator

BNP Paribas Securities Services, operating through its Singapore branch
(Company Registration No. T08FC7287D)
20 Collyer Quay, #01-01
Singapore 049319

AUDITORS

PricewaterhouseCoopers LLP
7 Straits View, Marina One
East Tower, Level 12
Singapore 018936

Solicitors to the Managers

Chan & Goh LLP
50 Craig Road, #03-01
Singapore 089688

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PERFORMANCE SUMMARY

FUND PERFORMANCE ANALYSIS

Fund Performance - Class A (SGD %)**

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	YTD	Since Inception
Fund	5.17	(2.95)	11.74	-	-	-	11.74	0.03
Benchmark	5.22	1.76	17.90	-	-	-	17.90	12.08

Source: Lipper as at 30 June 2019

*Chart performance is rebased to 100 beginning on the last business day on the month of inception and is updated on a monthly basis with figures of the last business day of the current month.

**Fund performance figures in the table above are calculated on a NAV to NAV single pricing basis, after deducting subscription fees and realisation charges (if any).

Only performance figures for Class A (SGD) is shown because, as at 31 May 2019, there are no investments in other share classes.

Past performance is not an indication of future performance. The value of the units in the funds and the income accruing to the units, if any, may fall or rise.

MANAGER'S COMMENTS

FUND PERFORMANCE

The fund returned 5.17% against the benchmark* which returned 5.22% for June (in SGD term).

Note: *Composite benchmark consisting of 50% MSCI South East Asia Index and 50% Chinese Securities Index 100. Source: Lipper

MARKET REVIEW

China A share market rebounded in June. The SHSZ100 Index was up 6.58% during the period and closed at 4103.71, while ChiNext index was up by 1.88% during the month. All sectors saw rebounds, with large cap blue chips outperformed small cap growth stocks during the month.

China economy data remained soft in June. China official manufacturing PMI in June was 49.4, flat from last month and maintained below the 50 threshold. New orders index was 49.6, down from 49.8 in June and maintained below the 50 threshold, and new export orders index was 46.3, down from 46.5 in May and kept below the 50 threshold, reflecting contracted demand for both domestic and external markets. PMI production index was down from 51.7 to 51.3 and the employment index was down from 47 to 46.9 in June. Purchasing Price Index was 49 in May, down from 51.8 in May and below the expansion territory, showing commodities prices softened. International crude oil price rebounded by 8% to USD 58.18/bbl during June, as US-China trade war tension eased and higher expectation for US Fed rates cut this year.

Global Markets recovered in June. Both domestic market and oversea markets sentiments became better in June due to higher expectation of US Fed rates cut this year, with US Dow Jones Index up 7.19% and Nasdaq Index up 6.14%. The onshore RMB appreciated by 0.55% in June and ended at 6.87, while USD index was down 1.63% and ended at 96.16. US 10-year treasury yield was down from 2.13% to 2.05% at the end of June, and China 10-year treasury yield was down from 3.297% to 3.279% at the end of June. US yield curves kept reversed in June, which showed concerns for US economy recession. While domestically, margin financing continued to drop in June and outstanding balance of the A share stock market margin trading was down from RMB 0.915tn at the end of May to RMB 0.902tn at the end of June, showing overall market sentiment remained cautious.

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PERFORMANCE SUMMARY

MANAGER'S COMMENTS

MARKET REVIEW (continued)

The ASEAN markets rallied on a couple of macro driven factors. First, the retreat of global central banks reached its climax at the Fed's June meeting, opening the path for rate cuts which may happen as soon as July. Markets are pricing in two more cuts in 2019, with one cut in July and a second one in either September or December. Second, the G-20 summit saw Trump walk back on several of his previous threats – saying he would hold off raising tariffs on an additional USD300 billion of Chinese imports and allowing US firms to conduct business with Huawei.

Singapore and Thai market, led the rally in ASEAN, 6.5% and 6.8% respectively. Followed by the Indonesia and Malaysia markets, 2.4% and 1.3% respectively in local currency terms. ASEAN currencies also appreciated against the greenback as expectations of rate cuts set in. Thai Baht appreciated the most, at 3.1%.

OUTLOOK & STRATEGY

We believe market sentiment will recover in near term, and market focus will return to economic performance and government's monetary policies as US-China relationship saw stabilization. More domestic supporting policies will be released if macro situation turns worse. We will also monitor domestic credit expansion especially for the property market, which should be an important indicator for economy stabilization. Global economy is estimated to slow down, and US's economy outlook should continue to create market worries this year. We will closely monitor the development of US-China disputes, and adjust our portfolio accordingly. We believe progress of US-China trade talk and more supporting domestic policies will be positive for the A share market. We believe China market will further open in the future, and MSCI & FTSE Russell's A share inclusion will have long-term positive effects.

China economy may face more pressures under current external headwinds, and domestic monetary policies will be more supportive to avoid a hard landing. We will continue to closely monitor the impact of market liquidity situation, and the effects of domestic stimulated policies on economy. External factors such as US Fed's rate guidance and balance sheet normalization progress, US president Donald Trump's protectionistic policies, Brexit and other geopolitical events and emerging markets turbulences.

Over the next 5-10 years, Asia, and especially ASEAN, will emerge as the region with relatively stronger growth compared the rest of the world. ASEAN, with its structural advantage in demographics, will emerge as the complimentary piece to China's evolution into a giant consumption economy. Adding on to the commitments by the governments in Asia/ASEAN towards infrastructure development, the region will feature prominently as the place for equity investments. We would look to buy stocks during periods where investors largely ignore these positive developments in the region.

RHB CHINA-ASEAN FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***MANAGER'S REPORT***For the financial period from 01 January 2019 to 30 June 2019 (unaudited)***a) Investments at fair value and as a percentage of net asset value (“NAV”) as at 30 June 2019 under review classified by:****i) Country**

Please refer to Statement of Portfolio.

ii) Industry

Please refer to Statement of Portfolio.

iii) Asset class

	Fair value US\$	% of NAV
Equities and REITS	1,131,543	96.19
Other net assets	44,833	3.81
Total	1,176,376	100.00

iv) Credit rating of Debt securities

N/A.

b) Top Ten holdings

10 largest holdings at 30 June 2019

	Fair value US\$	% of NAV
Ping An Insurance Group Company of China Limited	73,487	6.25
China Merchants Bank Company Limited	40,309	3.43
Bank Central Asia TBK PT	38,404	3.26
DBS Group Holdings Limited	34,538	2.94
Inner Mongolia Yili Industrial Group Company Limited	31,597	2.69
Oversea-Chinese Banking Corporation Limited	29,491	2.51
United Overseas Bank Limited	28,970	2.46
Gree Electric Appliances Incorporation of Zhuhai	28,808	2.45
Kweichow Moutai Company Limited	28,634	2.43
Bank Of Ningbo Company Limited	28,398	2.41

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MANAGER'S REPORT

For the financial period from 01 January 2019 to 30 June 2019 (unaudited)

c) Exposure to derivatives

- i) Fair value of derivative contracts and as a percentage of NAV as at 30 June 2019.

N/A.

- ii) Net gains/(losses) on derivative contracts realized during the financial year ended 30 June 2019.

N/A.

- iii) Net gains/(losses) on outstanding derivative contracts marked to market as at 30 June 2019.

N/A.

d) Amount and percentage of NAV invested in other schemes as at 30 June 2019.

	Fair value US\$	% of NAV
Capitaland Commercial Trust	19,247	1.64

e) Amount and percentage of borrowings to NAV as at 30 June 2019

N/A.

f) Amount of redemptions and subscriptions for the period from 01 January 2019 to 30 June 2019

Please refer to Statement of Movements of Unitholder's Funds.

RHB CHINA-ASEAN FUND

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

MANAGER'S REPORT

For the financial period from 01 January 2019 to 30 June 2019 (unaudited)

g) The amount of related-party transactions for the period from 01 January 2019 to 30 June 2019

In addition to related party information shown elsewhere in the financial statements, the following significant transactions took place during the financial period between the Fund and a related party at terms agreed between the parties and within the provisions of the Deeds:

	30 June 2019 US\$	31 December 2018 US\$
Bank balances held with related party of the Trustee	<u>62,525</u>	<u>112,702</u>

h) Expense ratio

	30 June 2019	
Class A Units (SGD)		
Total operating expenses (annualised)		
- Including set up cost	US\$	100,521
- Excluding set up cost	US\$	66,166
Average daily net asset value	US\$	1,173,014
Total expense ratio¹		
- Including set up cost (annualised)	%	8.57
- Excluding set up cost (annualised)	%	<u>5.64</u>

Note: The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio at financial year end was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions 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 Fund does not pay any performance fee. The average net asset value is based on the daily balances.

RHB CHINA-ASEAN FUND

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MANAGER'S REPORT

For the financial period from 01 January 2019 to 30 June 2019 (unaudited)

i) Turnover ratio

30 June 2019

Lower of total value of purchases or sales	US\$	707,491
Average daily net asset value	US\$	1,180,244
Total turnover ratio ^{Note}	%	<u>59.94</u>

Note: The portfolio turnover ratio is 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.

j) Any other material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts

N/A.

k) For schemes which invest more than 30% of NAV in another scheme, the following key information the underlying fund should be disclosed.

i) top 10 holdings at fair value and as percentage of NAV as at 30 June 2019

N/A.

ii) expense ratios for the financial period ended 30 June 2019.

N/A.

iii) turnover ratios for the financial period ended 30 June 2019.

N/A.

l) Soft dollar commission/arrangements

Nil.

m) Where the scheme offers pre-determined payouts, an explanation on the calculation of the actual received by participants and any significant deviation from the predetermined payouts

N/A.

RHB CHINA-ASEAN FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF TOTAL RETURN***For the financial period from 01 January 2019 to 30 June 2019 (unaudited)*

	30 June 2019
	US\$
Income	
Dividends	17,080
Interest on cash and bank balances	592
	<hr/> 17,672
Less: Expenses	
Management fee	8,777
Registrar fee	2,211
Trustee fee	4,945
Custody fee	8,822
Audit fee	1,917
Valuation fee	4,955
Transaction costs	4,449
Other expenses	12,045
	<hr/> 48,121
Net expenses	<hr/> (30,449)
Net gains or losses on value of investments and financial derivatives	
Net gain on investments	200,451
Net foreign exchange loss	(3,981)
	<hr/> 196,470
Total return for the financial period before income tax	166,021
Less: Income tax	(1,487)
Total return for the financial period after income tax	<hr/> 164,534

RHB CHINA-ASEAN FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF FINANCIAL POSITION***As at 30 June 2019 (unaudited)*

	30 June 2019	31 December 2018
	US\$	US\$
ASSETS		
Portfolio of investments	1,131,543	1,019,400
Receivables	54	683
Cash and bank balances	62,525	112,702
Total assets	1,194,122	1,132,785
LIABILITIES		
Payables	17,746	12,872
Set-up cost payable	-	34,355
Total liabilities	17,746	47,227
EQUITY		
Net assets attributable to unitholders	1,176,376	1,085,558

RHB CHINA-ASEAN FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial period from 01 January 2019 to 30 June 2019 (unaudited)*

	30 June 2019	31 December 2018
	US\$	US\$
Net assets attributable to unitholders at the beginning of the financial period/year	1,085,558	-
Operations		
Change in net assets attributable to unitholders resulting from operations	164,534	(155,441)
Unitholders' contributions/(withdrawals)		
Creation of units	1,034	1,240,999
Cancellation of units	(74,750)	-
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(73,716)	1,240,999
Total increases in net assets attributable to unitholders	90,818	1,085,558
Net assets attributable to unitholders at the end of the financial period/year	1,176,376	1,085,558

RHB CHINA-ASEAN FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019 (unaudited)*

By Geography (Primary)	Holdings at 30 June 2019	Fair value at 30 June 2019 US\$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
Quoted Equities			
CHINA			
AVIC Shenyang Aircraft Company Limited	1,400	5,913	0.50
Bank Of Ningbo Company Limited	8,052	28,398	2.41
BYD Company Limited	2,200	16,235	1.38
China International Travel Service Corporation Limited	1,300	16,768	1.43
China Jushi Company Limited	16,943	23,493	2.00
China Merchants Bank Company Limited	7,700	40,309	3.43
China Vanke Company Limited	5,500	22,255	1.89
Citic Securities Company Limited	6,300	21,825	1.86
Daqin Railway Company Limited	13,700	16,126	1.37
Fuyao Glass Industry Group Company Limited	1,700	5,622	0.48
Gree Electric Appliances Incorporation Of Zhuhai	3,600	28,808	2.45
Huadong Medicine Company Limited	6,600	24,929	2.12
Hundsun Technologies Incorporated	2,470	24,492	2.08
Inner Mongolia Yili Industrial Group Company Limited	6,500	31,597	2.69
Jiangsu Hengrui Medicine Company Limited	2,520	24,199	2.06
Kweichow Moutai Company Limited	200	28,634	2.43
Midea Group Company Limited	2,800	21,127	1.80
Perfect World Company Limited	1,500	5,633	0.47
Ping An Insurance Group Company Of China Limited	5,700	73,487	6.25
Poly Developments And Holdings Group Company Limited	8,400	15,595	1.33
Shaanxi Coal Industry Company Limited	4,200	5,646	0.47
Shandong Sinocera Functional Material Company Limited	9,400	23,264	1.98
Shanghai Ganglian E-Commerce Holdings Company Limited	2,263	24,681	2.10
Shanghai International Airport Company Limited	1,600	19,504	1.66
Songcheng Performance Development Company Limited	3,400	11,447	0.97
Suofeiya Home Collection Company Limited	3,600	9,722	0.82
Tongkun Group Company Limited	4,600	10,381	0.88
Wanhua Chemical Group Company Limited	3,800	23,658	2.01
Winning Health Technology Group Company Limited	6,200	12,792	1.09
Wuxi Aptec Company Limited	800	10,089	0.86
Zhejiang Weixing New Building Materials Company Limited	4,800	12,152	1.03
Total CHINA		638,781	54.30
INDONESIA			
Adaro Energy TBK PT	60,400	5,814	0.49
Astra International TBK PT	23,300	12,287	1.05
Bank Central Asia TBK PT	18,100	38,404	3.26
Bank Danamon Indonesia TBK PT	13,900	4,723	0.40
Bank Rakyat Indonesia Persero TBK PT	85,600	26,418	2.25
Gudang Garam TBK PT	1,300	7,074	0.60
Hanjaya Mandala Sampoerna TBK PT	23,300	5,179	0.44
Semen Indonesia Persero TBK PT	9,000	7,374	0.63
Telekomunikasi Indonesia Persero TBK PT	43,500	12,747	1.08
Wijaya Karya Persero TBK PT	35,700	6,141	0.52
Total INDONESIA		126,161	10.72

RHB CHINA-ASEAN FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019 (unaudited)***By Geography (Primary) (continued)**

	Holdings at 30 June 2019	Fair value at 30 June 2019 US\$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
Quoted Equities (continued)			
MALAYSIA			
Dialog Group Berhad	19,000	14,988	1.27
Genting Berhad	3,700	6,061	0.52
Hartalega Holdings Berhad	4,900	6,213	0.53
Malayan Banking Berhad	5,000	10,744	0.91
Petronas Chemicals Group Berhad	2,700	5,488	0.47
Total MALAYSIA		43,494	3.70
PHILIPPINES			
Ayala Corporation	340	5,933	0.51
Ayala Land Incorporated	13,100	12,989	1.10
Bank Of The Philippine Islands	3,700	5,669	0.48
SM Investments Corporation	630	11,915	1.01
Total PHILIPPINES		36,506	3.10
SINGAPORE			
Capitaland Limited	9,100	23,743	2.03
DBS Group Holdings Limited	1,800	34,538	2.94
First Resources Limited	4,700	5,523	0.47
Keppel Corporation Limited	2,400	11,814	1.00
Oversea-Chinese Banking Corporation Limited	3,500	29,491	2.51
Singapore Technologies Engineering Limited	2,200	6,732	0.57
Singapore Telecommunications Limited	4,700	12,159	1.03
Starhub Limited	5,000	5,691	0.48
United Overseas Bank Limited	1,500	28,970	2.46
Total SINGAPORE		158,661	13.49
THAILAND			
Advanced Info Service Public Company Limited	3,300	23,458	1.98
Bangkok Bank Public Company Limited	1,800	11,563	0.98
Bangkok Dusit Medical Services Public Company Limited	8,000	6,782	0.58
Central Pattana Public Company Limited	2,000	4,891	0.42
CP All Public Company Limited	4,900	13,741	1.17
Major Cineplex Group Public Company Limited	8,100	7,726	0.66
PTT Global Chemical Public Company Limited	4,300	8,974	0.76
PTT Public Company Limited	11,600	18,440	1.57
Srisawad Corporation Public Company Limited	3,960	7,263	0.62
Thai Oil Public Company Limited	2,700	5,855	0.50
Total THAILAND		108,693	9.24
Total Quoted Equities		1,112,296	94.55

RHB CHINA-ASEAN FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019 (unaudited)***By Geography (Primary) (continued)**

	Holdings at 30 June 2019	Fair value at 30 June 2019 US\$	Percentage of total net assets attributable to unitholders at 30 June 2019 %
Quoted Real Estate Investment Trusts			
SINGAPORE			
Capitaland Commercial Trust	12,000	19,247	1.64
Total SINGAPORE		<u>19,247</u>	<u>1.64</u>
Total Quoted Real Estate Investment Trusts		<u>19,247</u>	<u>1.64</u>
Portfolio of investments		1,131,543	96.19
Other net assets		<u>44,833</u>	<u>3.81</u>
Net assets attributable to unitholders		<u>1,176,376</u>	<u>100.00</u>

RHB CHINA-ASEAN FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019***By Geography (Summary)**

	Percentage of total net assets attributable to unitholders at 30 June 2019 %	Percentage of total net assets attributable to unitholders at 31 December 2018 %
Quoted Equities		
China	54.30	45.26
Indonesia	10.72	12.10
Malaysia	3.70	8.50
Philippines	3.10	3.44
Singapore	13.49	15.52
Thailand	9.24	7.67
Total Quoted Equities	94.55	92.49
Quoted Real Estate Investment Trusts		
Singapore	1.64	1.42
Total Quoted Real Estate Investment Trusts	1.64	1.42
Portfolio of investments	96.19	93.91
Other net assets	3.81	6.09
Net assets attributable to unitholders	100.00	100.00

RHB CHINA-ASEAN FUND*(Constituted under a Trust Deed registered in the Republic of Singapore)***STATEMENT OF PORTFOLIO***As at 30 June 2019*

By Industry (Secondary)	Fair value at 30 June 2019 US\$	Percentage of total net assets attributable to unitholders at 30 June 2019 %	Percentage of total net assets attributable to unitholders at 31 December 2018 %
Aerospace/Defense	5,913	0.49	2.15
Agriculture	17,776	1.50	1.18
Airlines	-	-	0.38
Auto Manufacturers	16,235	1.38	-
Auto Parts & Equipment	5,622	0.48	2.08
Banks	259,227	22.04	28.93
Beverages	28,634	2.43	2.92
Building Materials	7,374	0.63	3.45
Chemicals	61,384	5.22	2.97
Coal	11,460	0.97	1.43
Distribution/Wholesale	-	-	0.48
Diversified Financial Services	29,088	2.47	-
Electric	-	-	1.06
Electronics	-	-	0.47
Engineering and Construction	44,191	3.76	3.84
Entertainment	24,806	2.11	0.59
Food	31,597	2.69	2.94
Holding Companies-Diversified	-	-	0.62
Home Builders	-	-	0.81
Healthcare-Services	6,782	0.58	-
Home Furnishings	59,657	5.07	-
Insurance	73,487	6.25	5.11
Iron/Steel	-	-	1.42
Internet	24,681	2.10	-
Leisure Time	16,768	1.43	1.94
Lodging	6,061	0.52	-
Machinery-Construction & Mining	-	-	2.27
Machinery-Diversified	-	-	1.24
Miscellaneous Manufacture	41,858	3.56	2.85
Oil and Gas	24,295	2.07	1.51
Oil and Gas Services	14,988	1.27	1.32
Pharmaceuticals	59,217	5.03	2.75
Real Estate	85,406	7.26	5.94
Real Estate Investment Trusts (REITS)	19,247	1.64	1.42
Retail	37,943	3.23	2.57
Software	37,284	3.17	-
Telecommunications	54,055	4.59	5.04
Textiles	10,381	0.88	-
Transportation	16,126	1.37	2.23
Portfolio of investments	1,131,543	96.19	93.91
Other net assets	44,833	3.81	6.09
Net assets attributable to unitholders	1,176,376	100.00	100.00