

CIMB FTSE ASEAN 40 MALAYSIA

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

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INVESTORS' LETTER

Dear Valued Investors,

Thank you for investing in CIMB-Principal Asset Management Berhad (“CIMB-Principal”) funds. Our commitment to you is to deliver consistent risk-adjusted returns by combining sound investment and strong corporate governance. By placing clients at the heart of everything we do, we will continue to strive in delivering quality products and services that meet our clients’ financial and investment needs.

CIMB-Principal continues to shine in the industry by bagging more industry awards! These awards recognize CIMB-Principal's dedication in providing the best total asset management solutions and this augurs well with our aspirations to be Southeast Asia’s most valued investment management company offering total asset management solutions. Please find below our latest coveted awards:

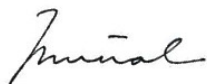
1. **The Asset Triple A Asset Servicing, Investor and Fund Management Awards 2015**
Fund Management Company of the Year, Malaysia (2nd year in a row)
2. **Alpha Southeast Asia 9th Annual Best Financial Institution Awards in Southeast Asia**
Marquee Award: Best Asset Manager in Southeast Asia (6th year in a row)

Not only that the funds below have recently been selected as Fundsupermart’s Recommended Unit Trusts 2015/16.

Category	Fund Name
Core Equity, Global – Developed Markets	CIMB-Principal Global Titans Fund
Asia ex-Japan	CIMB-Principal Asia Pacific Dynamic Income Fund
Asia ex-Japan (Islamic)	CIMB Islamic Asia Pacific Equity Fund
Supplementary, Sub Regional Equity - Greater China	CIMB-Principal Greater China Equity Fund

Winning these awards is a reflection of the capabilities of our experienced fund managers in managing diversified funds in the market. We are pleased to be able to share these awards with our clients, and would like to thank you for your continuous support and confidence in our services. CIMB-Principal remains committed in helping you to grow your investment.

Yours faithfully,
for **CIMB-Principal Asset Management Berhad**



Munirah Khairuddin
Chief Executive Officer/Executive Director

MANAGER'S REPORT

FUND OBJECTIVE AND POLICIES

What is the investment objective of the Fund?

The Fund aims to provide investment results that, before expenses, closely correspond to the performance of the Financial Times Stock Exchange ("FTSE")/ASEAN 40 Index (the "Underlying Index") regardless of its performance.

Has the Fund achieved its objective?

For the financial year under review, the Fund gained 5.14%, while the CIMB FTSE ASEAN 40 (the "Singapore Fund" or "Underlying Fund") gained 7.25%. In the mean time, the Benchmark gained 5.37%

What are the Fund investment policy and principal investment strategy?

The Fund is a feeder Exchange-Traded Fund ("ETF") listed on the main market of Bursa Securities which aims to invest at least 95% of its Net Asset Value ("NAV") in the Singapore Fund. The Singapore Fund is an ETF listed on the Singapore Exchange Securities Trading Limited ("SGX-ST") which aims at providing the Singapore Fund Unit holders a return that closely corresponds to the performance of the Underlying Index. Therefore, the Manager adopts a passive strategy in the management of the Fund.

Fund category/type

Feeder ETF/Equity/Index Tracking

How long should you invest for?

Recommended three (3) to five (5) years

Indication of short-term risk (low, moderate, high)

High

When was the Fund launched?

9 July 2010*

* Listing date

What was the size of the Fund as at 30 June 2015?

RM2.35 million (1.35 million units)

What is the Fund's benchmark?

The benchmark index, namely the FTSE/ASEAN 40 Index is designed to represent the performance of the ASEAN region by measuring the eligible securities listed on the stock exchanges of Indonesia, Malaysia, the Philippines, Singapore and Thailand which consists of the 40 largest companies by full market value listed on the stock exchange of Indonesia, Malaysia, the Philippines, Singapore and Thailand that qualify for inclusion in the FTSE/ASEAN Index or such replacement index as may be determined by the Singapore Fund Manager and/or the Manager.

What is the Fund distribution policy?

Annually, subject to the discretion of the Manager.

What was the net income distribution for the financial year ended 30 June 2015?

The Fund distributed a total net income of RM84,510 to unit holders for the financial year ended 30 June 2015. As a result, the NAV per unit had dropped from RM1.8043 to RM1.7347 on 15 June 2015.

PERFORMANCE DATA

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

	30.06.2015	30.06.2014	30.06.2013
	%	%	%
Collective investment scheme	97.55	99.17	99.08
Cash and other net assets	2.45	0.83	0.92
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

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

	30.06.2015	30.06.2014	30.06.2013
Total asset value (RM million)	2.38	2.35	13.95
NAV (RM million)	2.35	2.32	13.91
Units In circulation (Million)	1.35	1.35	8.10
NAV per Unit (RM)	1.7407	1.7154	1.7177
Highest NAV per Unit (RM)	1.9059	1.7803	1.8536
Lowest NAV per Unit (RM)	1.6765	1.5836	1.5588
Market Price per Unit (RM)	1.7400	1.7100	1.7150
Highest Market Price per Unit (RM)	1.8900	1.7850	1.7800
Lowest Market Price per Unit (RM)	1.6900	1.6300	1.5300
Total return (%) ^	5.14	2.73	14.62
- Capital growth (%)	1.48	(0.02)	12.34
- Income distribution (%)	3.44	2.75	2.03
Management Expense Ratio ("MER") (%)*	2.00	0.65	0.46
Portfolio Turnover Ratio ("PTR") (times) #	0.02	0.71	-

^ based on NAV per unit

* The Fund's MER increased from 0.65% to 2.00% due to a lower average NAV during the financial year.

The Fund's PTR decreased from 0.71 times to 0.02 times as there were less trading activities during the financial year.

Date of distribution	15.06.2015	22.05.2014	06.06.2013
Gross distribution per unit (sen)	6.26	5.03	4.20
Net distribution per unit (sen)	6.26	5.00	3.70

PERFORMANCE DATA (CONTINUED)

	30.06.2015	30.06.2014	30.06.2013	30.06.2012	Since inception to 30.06.2011
	%	%	%	%	%
Annual total return	5.14	2.73	14.62	1.00	13.01

(Listing date : 9 July 2010)

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures for the financial year have been extracted from Lipper.

MARKET REVIEW (1 JULY 2014 TO 30 JUNE 2015)

ASEAN markets were mixed throughout the third quarter of 2014. In Thailand, the National Telecom Regulator had decided to scrap the controversial draft auction design for the 4G spectrum, opening the door to other methods of spectrum allocation. This created uncertainty for incumbent telecommunication companies, and is an indicator that the recovery of Thailand will not be a linear one. July 2014 saw Mr. Joko Widodo the Indonesian Presidential winning elections. This is perceived as positive for the Indonesian economy, as Mr. Joko Widodo is seen to be the better candidate to implement reforms in the country. In August 2014, sentiment in Thailand has progressively turned positive on macro data readings and business and consumer indicators continue to tick upwards.

The regional markets followed the sell-off in the global markets during mid October 2014 due to concerns on global growth and declining oil prices. However, regional markets had quickly rebounded, recuperating the losses in the later part of the month, after realizing markets were oversold. In November 2014, crude oil prices declined further by -18.00% due to oversupply concerns caused by increasing production in the United States ("US"). The decision by Organization of the Petroleum Exporting Countries ("OPEC") at the end of November 2014 not to cut production did not improve the situation. Lower oil price affected sentiment in Malaysia, where the government relies heavily on contributions through royalty, dividends and taxes from national-owned oil company Petronas. In Indonesia, Jokowi cut the fuel subsidies in November 2014. In an anticipatory move, the Central Bank decided to tighten monetary policy slightly by raising the reference rate by 25 basis points ("bps") to 7.75%. This shows that the new government is determined to root out the cause of the structural deficit, and better reallocate resources to infrastructure. ASEAN markets were generally weaker at the end of 2014 as investor concerns focused on the plunge in oil prices and the impact on the emerging markets. Investors also took the opportunity to take profit towards the close of the year.

ASEAN markets in general had a good start in 2015 with the strong performance of market on the back of a stronger than expected fourth quarter 2014 Gross Domestic Product ("GDP") data point which came in at 6.90%. ASEAN markets continued to head northwards in February 2015 as concerns receded that the US Federal Reserve (the "Fed") would be raising interest rates anytime soon. Comments by the Fed Chairman Yellen that interest rates in the US will continue to remain low provided temporary reprieve for the ASEAN markets over concerns about potential fund outflows. In Indonesia, the Central Bank Governor said that Indonesia, along with other emerging markets do not have the luxury to make a policy that is against the global financial market, suggesting they would maintain a tight policy.

ASEAN markets started to decline in the second quarter of 2015 as investor concerns focused on the ongoing debt negotiations in Greece and on increased market volatility in emerging markets like China. Poor first quarter corporate results prompted an outflow of funds in Indonesia. Market movements were also reflective of regional trends as investors shifted out of ASEAN markets to China.

MARKET REVIEW (1 JULY 2014 TO 30 JUNE 2015) (CONTINUED)

The Indonesian Central Bank maintained the policy rate at 7.50% in April 2015. Thailand's data reports highlight the fragile growth outlook. Private consumption was sliding, only to rebound in May 2015 largely driven by tourist receipts. Private investment was declining as external demand was weak. However, the larger fall in imports compared to exports saw the trade surplus widen, providing for a current account surplus. Bank of Thailand held the benchmark policy rate at 1.50% as expected after two consecutive rate cuts this year, while slashing its economic growth forecast for this year to 3.00% from previously 3.80% in March 2015, saying export growth has slowed, private consumption remains tepid, and private investment is weak. The Monetary Authority of Singapore kept its policy stance unchanged, maintaining a modest and gradual appreciation of the Singapore Dollar Nominal Effective Exchange Rate policy band, with no change to the slope, width, or midpoint. It appeared to be more optimistic on growth compared to its January 2015 assessment, noting that "the sustained, albeit uneven recovery in the global economy should provide a mild uplift to the external-oriented sectors in Singapore," which in turn should support GDP growth of 2.00% - 4.00%. The central bank in the Philippines kept both policy and Special Deposit Account ("SDA") rate at 4.00% and 2.50% respectively as inflation expectations remain well-anchored. It also trimmed its 2015/16 inflation forecasts to 2.01%/2.50% from 2.30%/2.60%. Seasonally adjusted, Malaysian exports contracted while imports were down due to a drop in intermediate and investment goods imports. Going into third quarter of 2015, natural gas export prices are expected to decline materially, while crude palm oil prices continue to remain at 5-year lows.

FUND PERFORMANCE

	1 year to 30.06.2015	3 years to 30.06.2015	Since inception to 30.06.2015
	%	%	%
Income	3.44	8.44	12.19
Capital ^	1.48	13.78	25.52
Total Return ^	5.14	23.80	41.29
Average Total Return ^	5.14	7.37	7.19
Underlying Fund^^	7.25	19.34	32.99
Benchmark (Underlying Index)	5.37	17.37	34.82
Changes in Market Price per Unit	1.75	13.73	25.18

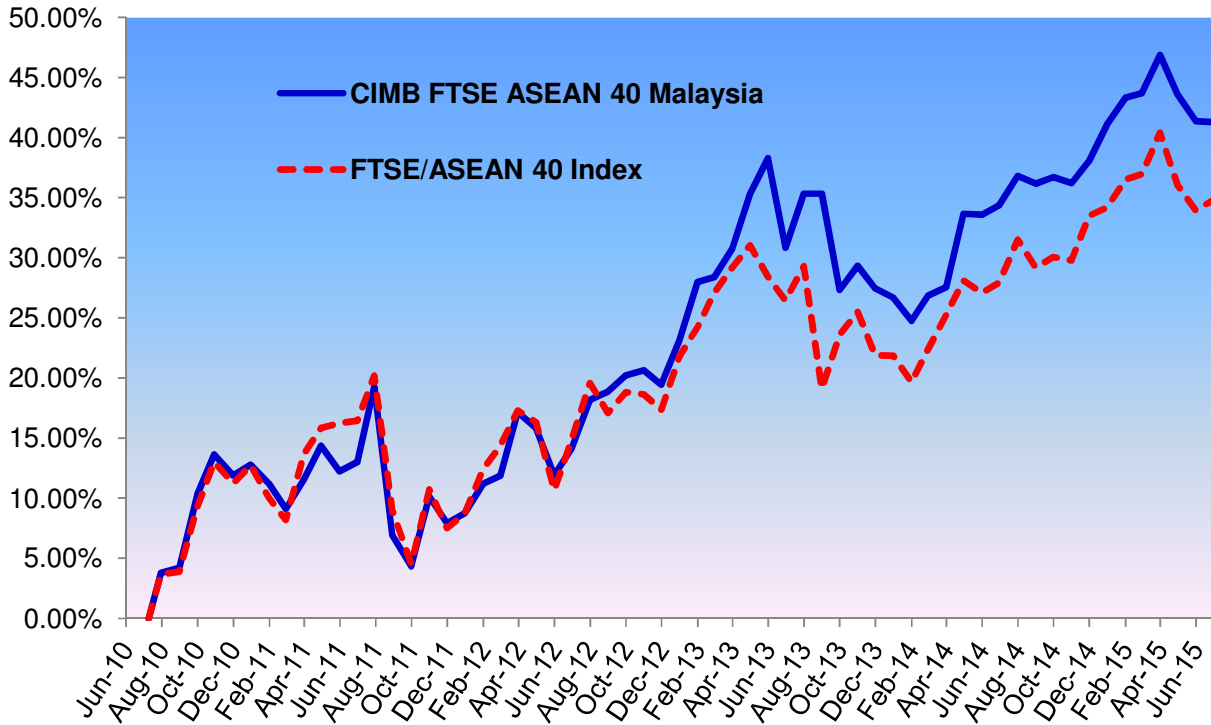
^ Based on NAV per Unit

^^ Based on Last Published Market Price

For the financial year under review, the Fund gained 5.14%, while the Underlying Fund gained 7.25%. In the mean time, the Underlying Index gained 5.37%.

The last available published market price of the Fund quoted on Bursa Malaysia was RM1.7400. This represents a gain of 1.75% for the same reporting period.

FUND PERFORMANCE (CONTINUED)



Changes in NAV

	30.06.2015	30.06.2014	Changes %
NAV (RM million)	2.35	2.32	1.29
NAV per Unit (RM)	1.7407	1.7154	1.47

Over the 1-year financial period, total NAV increased by 1.29 %, while the NAV per unit increased by 1.47%. The increase in the total NAV and NAV per unit was due to investment performance of the combined ASEAN markets over the financial year.

Performance data represents the combined income and capital return as a result of holding units in the Fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the Fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures for the financial year have been extracted from Lipper.

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	30.06.2015	30.06.2014
Collective investment scheme	97.55	99.17
Cash and other net assets	2.45	0.83
TOTAL	100.00	100.00

The Fund remained fully invested in the Underlying Fund for the financial year under review. A minimal level of liquid assets was maintained primarily for liquidity purposes.

MARKET OUTLOOK*

ASEAN is likely to face an equally challenging second half of 2015 as the market awaits the Fed's interest rate lift-off. Divergent US and Asia growth performance and consequently monetary policy, will be likely drivers for currencies and markets.

Fiscal spending and investments have thus far failed to provide the sufficient stimulus to negate the impact of weaker exports and moderate private consumption across ASEAN.

The lack of progress on reforms and the government's evidently increased intervention in markets are some of the headwinds facing Indonesia in the near term. Recent data indicate disappointing budget disbursement.

Despite elevated valuations, we see the Philippine market supported by decent earnings growth, policy stability and strong macroeconomic fundamentals. Inflation remains contained for now.

*This market outlook does not constitute an offer, invitation, commitment, advice or recommendation to make a purchase of any investment. The information given in this article represents the views of CIMB-Principal or based on data obtained from sources believed to be reliable by CIMB-Principal. Whilst every care has been taken in preparing this, CIMB-Principal makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook.

INVESTMENT STRATEGY

As this is a feeder ETF, the Fund will continue to remain fully invested in the Underlying Fund with minimal cash kept for liquidity purposes.

UNIT HOLDINGS STATISTICS AS AT 30 JUNE 2015

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
Less than 100	4	-	-
100 to 1,000	23	0.01	0.80
1,001 to 10,000	35	0.13	9.36
10,001 to 100,000	13	0.30	22.20
100,001 to less than 5% of approved fund size	4	0.91	67.64
5% and above the approved fund size	-	-	-
Total	79	1.35	100.00

SOFT COMMISSIONS AND REBATES

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

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

ADDITIONAL INFORMATION

Key Personnel of the Manager

There are twelve (12) members sitting on the Board of Directors of CIMB-Principal including four (4) Independent Directors and one (1) Alternate Directors. The Board of Directors oversees the management and operations of CIMB-Principal and meets at least once every quarter.

Details of the Directors of the management company are set out as below:

Name:	Hisham bin Zainal Mokhtar*																														
Designation:	Director of CIMB-Principal																														
Qualifications:	Master in Business Administration, Massachusetts Institute of technology – Sloan School of Management; Master of Science (MS) Mathematics, Illinois State University; Bachelor of Science (BS) Mathematics, Illinois State University; Chartered Financial Analyst Charterholder.																														
Experience:	<table border="0"> <tr> <td>Since July 2014</td> <td>Chief Operating Officer – Astro Overseas Limited</td> </tr> <tr> <td>April 2009 – Jun 2014</td> <td>Director, Investments – Khazanah Nasional Berhad</td> </tr> <tr> <td>May 2007 – Mac 2009</td> <td>Senior Vice President, Investments – Khazanah Nasional Berhad</td> </tr> <tr> <td>May 2005 – April 2007</td> <td>Vice President, Investments – Khazanah Nasional Berhad</td> </tr> <tr> <td>April 2001 – April 2005</td> <td>Executive Director and Vice President, Corporate & Financial Planning – Tricubes Berhad</td> </tr> <tr> <td>January 2001 – April 2001</td> <td>Head, Analyst – Britac Capital Sdn Bhd</td> </tr> <tr> <td>April 2000 – December 2000</td> <td>Executive Director – K..E. Malaysian Capital Partners Sdn Bhd</td> </tr> <tr> <td>August 1999 – February 2000</td> <td>Financial Consultant – Santander Investment Research (Malaysia) Sdn Bhd</td> </tr> <tr> <td>August 1998 – July 1999</td> <td>Financial Consultant – Sithe Pacific LLC</td> </tr> <tr> <td>May 1998 – Aug 1998</td> <td>Dealer’s Representative – CIMB Securities Sdn Bhd</td> </tr> <tr> <td>October 1996 – March 1998</td> <td>Senior Research Analyst – UBS Research (Malaysia) Sdn Bhd</td> </tr> <tr> <td>December 1995 – September 1996</td> <td>Investment Analyst – Crosby Research (Malaysia) Sdn Bhd</td> </tr> <tr> <td>September 1994 – December 1995</td> <td>Investment Analyst – Baring Research (Malaysia) Sdn Bhd</td> </tr> <tr> <td>March 1994 – July 1994</td> <td>Head of Research – Keluangsa Sdn Bhd</td> </tr> <tr> <td>May 1991 – March 1994</td> <td>Research Executive – Crosby Research (Malaysia) Sdn Bhd</td> </tr> </table>	Since July 2014	Chief Operating Officer – Astro Overseas Limited	April 2009 – Jun 2014	Director, Investments – Khazanah Nasional Berhad	May 2007 – Mac 2009	Senior Vice President, Investments – Khazanah Nasional Berhad	May 2005 – April 2007	Vice President, Investments – Khazanah Nasional Berhad	April 2001 – April 2005	Executive Director and Vice President, Corporate & Financial Planning – Tricubes Berhad	January 2001 – April 2001	Head, Analyst – Britac Capital Sdn Bhd	April 2000 – December 2000	Executive Director – K..E. Malaysian Capital Partners Sdn Bhd	August 1999 – February 2000	Financial Consultant – Santander Investment Research (Malaysia) Sdn Bhd	August 1998 – July 1999	Financial Consultant – Sithe Pacific LLC	May 1998 – Aug 1998	Dealer’s Representative – CIMB Securities Sdn Bhd	October 1996 – March 1998	Senior Research Analyst – UBS Research (Malaysia) Sdn Bhd	December 1995 – September 1996	Investment Analyst – Crosby Research (Malaysia) Sdn Bhd	September 1994 – December 1995	Investment Analyst – Baring Research (Malaysia) Sdn Bhd	March 1994 – July 1994	Head of Research – Keluangsa Sdn Bhd	May 1991 – March 1994	Research Executive – Crosby Research (Malaysia) Sdn Bhd
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ADDITIONAL INFORMATION (CONTINUED)**Key Personnel of the Manager (continued)**

Name: **Tengku Dato' Zafrul Bin Tengku Abdul Aziz**
Designation: Group Chief Executive Officer, CIMB Group
Qualifications: Bachelor of Science (Hons) in Economics & Accounting, University of Bristol, UK; Master Degree from University of Exeter, UK.
Experience: He joined CIMB Investment Bank Berhad on 2 January 2014, as the Chief Executive Officer (CEO). Previously, he was the CEO of Maybank Investment Bank Berhad, CEO of Maybank Kim Eng Holdings, and Acting Head of Global Banking. Prior to joining Maybank, he was the Group Director of Kenanga Holdings Berhad and Director of Kenanga Investment Bank Berhad. He was also the CEO and substantial shareholder of Tune Money Sdn Bhd. Prior to that, he was the Head of Investment Banking in Citigroup Malaysia, he also served as the Group Managing Director of Avenue Capital Resources (ECM Libra) and as the CEO of Avenue Securities and Chairman of Avenue Asset Management. He started as a corporate finance executive in AM Investment Bank and after that joined Credit Agricole as an investment analyst, and became the Advisor to the President of Tenaga Nasional.

Name: **Luis Eduardo Valdés Illanes**
Designation: President & CEO of Principal International
Qualifications: 1988 - MBA Degree of Civil Industrial Engineering
 1982 - Degree of Civil Industrial Engineering
 1980 - Bachelor of Physics and Math Degree
Experience: Mr. Valdés is President & CEO, Principal International. He is responsible for managing businesses of the Principal Group outside the United States in the company's international asset management and accumulation segment. Mr. Valdés joined The Principal® in 1994. Previously he was managing director of BanRenta Compañía de Seguros de Vida, which was purchased by Principal International to become Principal Vida Chile. Prior to BanRenta, he was an insurance market consultant for The World Bank, Intendente de Seguros (Insurance Commissioner) in Chile. Valdés serves on the boards of BrasilPrev Seguros & Previdencia (Brazil), Principal International (Chile) and Principal AFORE and Principal Life (Mexico).

Name: **Nor Azzam Abdul Jalil**
Designation: Managing Director of CIMB Bank Berhad
Qualifications: Bachelors Business Administration (Finance), George Washington University, Washington DC.
Experience: He has been the Regional Director for the Consumer Sales and Distribution Division of CIMB Bank Berhad since 2007, managing the retail branches in Kuala Lumpur. He is also the chairman for the Disciplinary Committee of the Bank and committee member of the Consumer Credit Committee, CSD Management Committee, and others in the bank.
 Graduated in 1987 in Bachelor Business Administration (Finance) from George Washington University, Washington DC, he joined Bank of Commerce Bhd later that year, and he has since been with the group in various positions and departments including Treasury, Corporate Banking, Business Banking, Islamic Banking and in 2000 retail. He also served as the General Manager of BCB Tokyo Branch in 2000 then became the CEO of Commerce Tijari Bank Berhad in 2005 before taking the current role of Regional Director / Managing Director of Central Region 1.

ADDITIONAL INFORMATION (CONTINUED)

Key Personnel of the Manager (continued)

Name: **Dato' Anwar bin Aji***

Designation: Chairman of Zelan Bhd, Director of Terminal Bersepadu Gombak Sdn. Bhd., Director of Konsesi Pusat Asasi Gambang Sdn Bhd, Director of SKS PARS Refining Company Sdn. Bhd., Director of Sistem Transit Aliran Ringan Sdn. Bhd. and Independent Director of CIMB-Principal.

Qualifications: Master of Arts, International Studies, Ohio University USA (1981 - 1982) and Bachelor of Economics (Hons.), University of Malaya (1970 - 1973).

Experience: Has been a Director of CIMB-Principal since 24 April 2007.

Re-designated

w.e.f.

1 January 2012 Chairman - Zelan Berhad

Re-designated

w.e.f.

19 January 2011 Executive Chairman - Zelan Berhad

Appointed w.e.f.

11 December 2008 Chairman - Zelan Berhad

2001-2008 Chairman - Faber Group Berhad

1994-2004 Managing Director - Khazanah Nasional Berhad

Special Assistant - The Secretary General of Ministry of Finance

1993-1994 Principal Assistant Secretary - Finance Division, Federal

Treasury, Ministry of Finance

1991-1993 Deputy Director - Petroleum Development Division, Prime Minister's Department

1986-1991 Principal Assistant Secretary - Investment Division of the Malaysian Tobacco Company Bhd under the British Malaysia Industry and Trade Association training scheme

1984-1985 Principal Assistant Secretary - Foreign Investment Committee, Economic Planning Unit, Prime Minister's Department

1982-1984 Principal Assistant Secretary - Economic and International Division, Federal Treasury, Ministry of Finance

1980-1981 Principal Assistant Secretary - Budget Division, Federal Treasury, Ministry of Finance

1978-1980 Assistant Director - Industries Division, Ministry of International Trade & Industry

1973-1978

Name: **Auyeung Rex Pak Kuen**

Designation: Senior Vice President of Principal Financial Group; President – Asia of Principal Financial Group; Director of CIMB-Principal.

Qualifications: Bachelor of Environmental Studies (Honours) in Urban and Regional Planning, University of Waterloo, Canada.

Experience: Has been a Director of CIMB-Principal since 11 July 2003 and has over 30 years of experience in insurance industry in Canada and Hong Kong.

ADDITIONAL INFORMATION (CONTINUED)**Key Personnel of the Manager (continued)**

Name: **Wong Joon Hian***
Designation: Managing Director of Advance Synergy Capital Sdn. Bhd. Director in several companies under the Advance Synergy Berhad Group and the CIMB Group Holdings Berhad
Qualifications: Member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants and a fellow member of the Institute of Chartered Accountants in England and Wales
Experience: Mr. Wong Joon Hian, aged 66, has accumulated over 30 years of working experience in the areas of audit, accountancy, financial services and corporate management. He commenced his career when he joined Price Waterhouse & Co. in England after qualifying as a Chartered Accountant in 1973. He returned to Malaysia in 1975 to work for Price Waterhouse (now known as PricewaterhouseCoopers), Malaysia until 1985. He then served as the Technical Manager of The Malaysian Association of Certified Public Accountants from 1986 until he was appointed as the General Manager-Operations of Supreme Finance (Malaysia) Berhad in December 1987. After Mayban Finance Berhad had completed the acquisition of Supreme Finance (Malaysia) Berhad in 1991, he joined BDO Binder as an Audit Principal until 1994 when he left to work for Advance Synergy Berhad. He was appointed the managing director of United Merchant Group Berhad (now known as Advance Synergy Capital Sdn Bhd) in 1995 and continues to hold that position to date. During the period from 1995 till 2007 he was a director of Ban Hin Lee Bank Berhad, Southern Investment Bank Berhad and United Merchant Finance Berhad. Currently, he is designated as the Chief Operating Officer-Financial Services of Advance Synergy Berhad.

Name: **Ned Alan Burmeister (Alternate director to Luis Eduardo Valdés Illanes)**
Designation: Senior Vice President, Principal Financial Group. Chief Operating Officer, Principal International, Inc. Director, CWA. Director, CIMB-Principal. Director, Principal Financial Group (Mauritius) Limited. Director, Principal International (Asia) Limited. Director, Principal International Holding Company, Limited Liability Company. Director, Principal International, Inc. Director, Principal Retirement Advisors Private Limited. Director, Principal Trust Company (Asia) Limited. Director, Principal Trustee Company Private Limited.
Qualifications: Bachelor's degree from Drake University, Des Moines, Iowa. Member of Society of Actuaries and the American Academy of Actuaries.
Experience: Appointed as a Director of CIMB-Principal on 30 November 2007. Has been with Principal Financial Group, Sociedad Anonima de Capital Variable for more than 28 years in the area of actuarial and pension services.

ADDITIONAL INFORMATION (CONTINUED)**Key Personnel of the Manager (continued)**

Name: **A.Huzaim Bin Dato' Abdul Hamid***
Designation: Director of CIMB-Principal
Qualifications: Master of Science, Financial Economics, School of Oriental and African Studies (SOAS), University of London, United Kingdom, 2010; Bachelor of Science, Economics, Louisiana State University, Baton Rouge Louisiana, United States of America, 1988.
Experience: Has been a Director of CIMB-Principal since 2 May 2013.
 Huzaim has spent 26 years in various aspects of finance, economics, and public policy advisory. 12 of those years was spent as a fund manager, where he was, among others, a Chief Investment Officer with Alliance Capital Asset Management and as a member of the Pacific Region Team and a Global Commodities Specialist with Hong Kong's Jardine Fleming Investment Management which is now part of JP Morgan, Chase and Co. He was an independent Investment Committee member for 6 years for CIMB-Principal, as well as being the same for CIMB-Principal Islamic Asset Management and CWA for several years. He also served as an independent Investment Committee member for CIMB Aviva Assurance and CIMB Aviva Takaful for two years.
 Huzaim is the Chairman & CEO of Ingenium Advisors, a financial economics advisory established in 2013. He was, prior to that, the Head of Strategic Operations at Malaysia's Employees Provident Fund, where he was deeply engaged in the reform of the Malaysian pension and social security system, which resulted in the private pension system, minimum wages, and minimum retirement age acts.
 Huzaim also spent several years serving as a Senior Fellow at the then renowned Institute of Strategic and International Studies (ISIS) Malaysia, reporting directly to its late Chairman, Tan Sri Noordin Sopiee. He was most active in economic, finance, and geostrategic issues. He was engaged heavily in OIC and East Asian matters, and was appointed the Deputy Secretary General for the Malaysian chapter of the Network of East Asian Think-tanks (NEAT).
 Huzaim speaks and writes in 5 languages.

Name: **Effendy Shahul Hamid^**
Designation: Chief Executive Officer, Group Asset Management & Investments / Group Chief Marketing & Communications Officer
Qualifications: Honours in Electronic Engineering with Optoelectronics, University College London; Alumni of CIMB-INSEAD Leadership Programme
Experience: Effendy oversees all of CIMB Group's asset management and investments business across both public and private markets. This includes CIMB Group's regional asset management business (CIMB-Principal), its private equity fund management business and the Group's strategic investments portfolio in companies such as Touch n Go and Bank of Yingkou.
 In addition to his current role, Effendy is also CIMB Group's Chief Marketing and Communications Officer where he oversees the Group's entire marketing and communications initiatives, and lead franchise-wide efforts to ensure a consistent and differentiated CIMB brand for all of the Group's businesses across the region.
 Prior to this, Effendy was an investment banker and a corporate development professional. He was most recently a Director in CIMB Group's Investment Banking Division, primarily focusing on corporate advisory and origination. Previously, Effendy also served with several companies in a corporate development capacity, mostly involved in private equity, merger and acquisition activities across Asia Pacific and general business expansion initiatives.

ADDITIONAL INFORMATION (CONTINUED)**Key Personnel of the Manager (continued)**

Name: **Pedro Esteban Borda**
Designation: Chief Executive Officer, ASEAN Region/Executive Director
Qualifications: Bachelor Degree in Business Administration and a Master Degree in Finance, both from Universidad Argentina de la Empresa (U.A.D.E).
Experience: He is the Chief Executive Officer, ASEAN Region of CIMB-Principal. He joined CIMB-Principal on 18 March 2013. He has been a Director of CIMB-Principal since 20 June 2013. Previously, he was the Country Head of Principal Financial Group Mexico. He joined Principal in 1996 as the Managing Director of Ethika AFJP S.A., a pension company in Argentina. In 1999, he was relocated to Mexico to become the Managing Director of Principal Afore (wholly-owned affiliate of PFG). In 2004, he was promoted to Country Head of Principal Mexico.

Name: **Munirah binti Khairuddin**
Designation: Chief Executive Officer/Executive Director
Qualifications: Bachelor of Arts (Honours) in Accounting & Financial Analysis, University of Newcastle Upon Tyne, UK; Chartered Financial Analyst Charterholder; Capital Markets Services Representative's License holder for fund management
Experience: She is the Chief Executive Officer of CIMB-Principal in August 2013. She joined CIMB-Principal on 1 November 2006 and was appointed as Deputy Chief Executive Officer in November 2008. She has been an Executive Director of CIMB-Principal since 31 January 2012. Previously worked as a G7 Economist and strategist for a Fortune 500 multinational oil and gas company. Prior to that, she was a fixed income portfolio manager for emerging markets at Rothschild Asset Management in London. Apart from her Senior Management role, she has been instrumental in helping the company to grow its AUM, deepening its retail leadership with new focus in private retirement space, and maintaining consistent risk management and investment performance whilst elevating the overall customer experience. Munirah also oversees both the retail and corporate businesses for Singapore. During her tenure as Deputy CEO from November 2008 to July 2013, she was responsible for the development of institutional, corporate and international business opportunities and institutional sales. In Malaysia, she has overseen retail funds marketing, market development and fund operations. Under her ambit, the company has spearheaded an international client base, listed exchange traded funds ("ETF") in Malaysia and Singapore, and developed products for regional distribution. She also played an integral part in strategic business development initiatives of CWA.

* Independent Director

^ With effect from 1 June 2015

ADDITIONAL INFORMATION (CONTINUED)**The Investment Committee**

As required by the ETF Guidelines, the Manager is required to establish an Investment Committee for the Fund whose role is to ensure that the investment management of the Fund is consistent with:

- (a) the Fund's investment objective;
- (b) the Deed;
- (c) the Prospectus;
- (d) the ETF Guidelines and other applicable laws;
- (e) internal investment restrictions and policies; and
- (f) acceptable and efficacious investment management practices within the industry.

The powers and duties of the Investment Committee include formulating and monitoring the implementation by the Manager of appropriate investment management strategies for the Fund and the measurement and evaluation of the performance of the Manager. The Investment Committee generally meets every month.

Accordingly, the Manager has appointed an Investment Committee for the Fund, comprising of 5 members.

The following table sets out information on the members of the Investment Committee:

Name:	Effendy Shahul Hamid¹
Designation:	Chief Executive Officer, Group Asset Management & Investments / Group Chief Marketing & Communications Officer
Qualifications:	Honours in Electronic Engineering with Optoelectronics, University College London; Alumni of CIMB-INSEAD Leadership Programme
Experience:	Effendy oversees all of CIMB Group's asset management and investments business across both public and private markets. This includes CIMB Group's regional asset management business (CIMB-Principal), its private equity fund management business and the Group's strategic investments portfolio in companies such as Touch n Go and Bank of Yingkou. In addition to his current role, Effendy is also CIMB Group's Chief Marketing and Communications Officer where he oversees the Group's entire marketing and communications initiatives, and lead franchise-wide efforts to ensure a consistent and differentiated CIMB brand for all of the Group's businesses across the region. Prior to this, Effendy was an investment banker and a corporate development professional. He was most recently a Director in CIMB Group's Investment Banking Division, primarily focusing on corporate advisory and origination. Previously, Effendy also served with several companies in a corporate development capacity, mostly involved in private equity, merger and acquisition activities across Asia Pacific and general business expansion initiatives.

ADDITIONAL INFORMATION (CONTINUED)

The Investment Committee (continued)

Name: **Mohamad Safri bin Shahul Hamid**
Designation: Deputy Chief Executive Officer/Senior Managing Director of CIMB Islamic (CIMB Investment Bank)
Qualifications: Master of Business Administration (Globalisation) from Maastricht School Of Management, The Netherlands; Bachelor of Accounting (Honours) from International Islamic University Malaysia; Chartered Accountant (CA) with the Malaysian Institute of Accountants (MIA).
Experience: 2011 - Present Deputy Chief Executive Officer/ Senior Managing Director (since April 2014) – CIMB Islamic (CIMB Investment Bank)
 2009 - 2011 Deputy Chief Executive Officer – MIDF Amanah Investment Bank, Kuala Lumpur
 Feb 2008 - Dec 2008 Director – Global Markets & Regional Head, Islamic Structuring (Asia) of Deutsche Bank Dubai International Financial Centre (Dubai)
 2003 – 2008 Director & Head – Debt Capital Markets, CIMB Islamic
 2000 – 2003 Senior Analyst – Malaysian Rating Corporation Berhad

Name: **Kim Teo Poh Jin***
Designation: Chairman of the Investment Committee. Director and Group Chief Executive Officer, Boardroom Limited. Director, Livet Company Pte. Ltd. Director, Marina Yacht Services Pte. Ltd.
Qualifications: Bachelor of Arts (Hons) in Economics from the Heriot-Watt University of Edinburgh
Experience: He has about 25 years of experience in the financial industry, having worked in senior positions of major financial institutions.

Name: **Wong Fook Wah***
Designation: Ex-Deputy Group Chief Executive for RAM Holdings Berhad
Qualifications: Bachelor of Arts (Economics) from Universiti Malaya (1977) and a Masters degree in Policy Science from Saitama University, Japan (1987)
 Wong had served 20 years in RAM Holdings Bhd., from its inception as Malaysia's first credit rating agency in 1991. He held several positions over the years including Managing Director/CEO of RAM Rating Services Sdn. Bhd. His last position was that of Deputy Group Executive Officer of RAM Holdings Berhad ("RAM"). He retired from RAM in March 2011.
 Prior to joining RAM, Wong worked for the Ministry of Finance, Malaysia from 1977 to April 1991. He first served as an economist in the Economics Planning Division for the first 8 years. Then, for 4 years from 1987 to 1991, he worked as an analyst in a special task unit handling rehabilitational and restructuring work on ailing Government-owned enterprises.
 He was on the Board of Directors of the Malaysia Derivatives Exchange Bhd. (MDEX) from 2001 to May 2004 as an appointee of the Ministry of Finance. He also served on the Board of Directors of RAM Rating Services Bhd., Bond Pricing Agency Sdn. Bhd. and RAM Credit Information Sdn. Bhd., representing the interest of RAM Holdings Bhd. prior to retirement.
Experience:

ADDITIONAL INFORMATION (CONTINUED)**The Investment Committee (continued)**

Name: **A.Huzaim Bin Dato' Abdul Hamid***
Designation: Director of CIMB-Principal
Qualifications: Master of Science, Financial Economics, School of Oriental and African Studies (SOAS), University of London, United Kingdom, 2010; Bachelor of Science, Economics, Louisiana State University, Baton Rouge Louisiana, United States of America, 1988
Experience: Has been a Director of CIMB-Principal since 2 May 2013.
 Huzaim has spent 26 years in various aspects of finance, economics, and public policy advisory. 12 of those years was spent as a fund manager, where he was, among others, a Chief Investment Officer with Alliance Capital Asset Management and as a member of the Pacific Region Team and a Global Commodities Specialist with Hong Kong's Jardine Fleming Investment Management which is now part of JP Morgan, Chase and Co. He was an independent Investment Committee member for 6 years for CIMB-Principal, as well as being the same for CIMB-Principal Islamic Asset Management and CWA for several years. He also served as an independent Investment Committee member for CIMB Aviva Assurance and CIMB Aviva Takaful for two years.
 Huzaim is the Chairman & CEO of Ingenium Advisors, a financial economics advisory established in 2013. He was, prior to that, the Head of Strategic Operations at Malaysia's Employees Provident Fund, where he was deeply engaged in the reform of the Malaysian pension and social security system, which resulted in the private pension system, minimum wages, and minimum retirement age acts.
 Huzaim also spent several years serving as a Senior Fellow at the then renowned Institute of Strategic and International Studies (ISIS) Malaysia, reporting directly to its late Chairman, Tan Sri Noordin Sopiee. He was most active in economic, finance, and geostrategic issues. He was engaged heavily in OIC and East Asian matters, and was appointed the Deputy Secretary General for the Malaysian chapter of the Network of East Asian Think-tanks (NEAT).
 Huzaim speaks and writes in 5 languages.

Name: **Alejandro Elias Echegarri Rodriguez²**
Designation: Deputy Chief Executive Officer, ASEAN Region
Qualifications: Degree in Economics from the Universidad Mayor de la Republica, Uruguay and a Master in Economics degree from Universidad Centro de Estudios Macroeconomicos de Argentina
Experience: He is the Deputy Chief Executive Officer, ASEAN Region of CIMB-Principal. He joined CIMB-Principal on 1 March 2015. Previously, he was the Chief Investment Officer for Principal International in Latin America, where he was responsible for the overall investment strategy and the investment process for the group and for overseeing the management of pension, mutual funds and general accounts in the region as well as for supporting the overall development of the asset management business in the region. He joined Principal in 2003 as Head of Institutional Asset Management and Chief Investment Officer for Principal Financial Group in Mexico. Prior to that, he was the Senior Investment Officer for Citibank's Pension Fund Business in Latin America. He had also held different positions in the investment area in countries such as Uruguay, Argentina, Chile, Mexico and the United Kingdom.

*Independent member

¹With effect from 17 August 2015

²With effect from 28 July 2015

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF
CIMB FTSE ASEAN 40 MALAYSIA**

I, being a Director of CIMB-Principal Asset Management Berhad (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 21 to 44 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 30 June 2015 and of its financial performance, changes in equity and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager
CIMB-Principal Asset Management Berhad
(Company No.: 304078-K)

MUNIRAH KHAIRUDDIN
Chief Executive Officer/Executive Director

Kuala Lumpur
28 August 2015

**TRUSTEE'S REPORT TO THE UNIT HOLDERS OF
CIMB FTSE ASEAN 40 MALAYSIA**

We have acted as the Trustee for CIMB FTSE ASEAN 40 Malaysia (the "Fund") for the financial year ended 30 June 2015. To the best of our knowledge, for the financial year under review, CIMB-Principal Asset Management Berhad (the "Manager") has operated and managed the Fund in accordance with the following:-

- (a) limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the Securities Commission's Guidelines on Exchange-Traded Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) the valuation/pricing for the Fund has been carried out in accordance with the Deed of the Fund and applicable regulatory requirements; and
- (c) creation and cancellation of units for the Fund have been carried out in accordance with the Deed of the Fund and applicable regulatory requirements.

The distribution of 6.26 sen per unit (gross) for the financial year ended 30 June 2015 is consistent with the objective of the Fund.

For **Deutsche Trustees Malaysia Berhad**

Wong Mun Loong
Manager, Trustee Operations

Soon Lai Ching
Manager, Trustee Operations

Kuala Lumpur
28 August 2015

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
CIMB FTSE ASEAN 40 MALAYSIA**

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of CIMB FTSE ASEAN 40 Malaysia on pages 21 to 44, which comprise the statement of financial position as at 30 June 2015 of the Fund, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on Note 1 to 19.

Manager's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Fund's preparation of financial statements that give a true and fair view 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 Manager's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as of 30 June 2015 and of its financial performance and cash flows for the financial year then ended, in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
CIMB FTSE ASEAN 40 MALAYSIA (CONTINUED)**

REPORT ON THE FINANCIAL STATEMENTS (CONTINUED)

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 19 on page 44 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Manager is responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS

(No. AF: 1146)
Chartered Accountants

Kuala Lumpur
28 August 2015

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

	Note	2015 RM	2014 RM
INVESTMENT INCOME			
Dividend income		86,015	76,658
Net gain/(loss) on financial assets at fair value through profit or loss	9	80,543	(590,907)
Net foreign exchange gain		459	48,474
		<u>167,017</u>	<u>(465,775)</u>
EXPENSES			
Trustee's fee	5	12,000	12,000
Audit fee		25,000	25,000
Tax agent's fee		6,800	3,000
Transaction costs		52	1,445
Other expenses	6	4,446	9,566
		<u>48,298</u>	<u>51,011</u>
PROFIT/(LOSS) BEFORE TAXATION		118,719	(516,786)
Taxation	7	-	-
PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL YEAR		<u>118,719</u>	<u>(516,786)</u>
Profit/(Loss) after taxation is made up as follows:			
Realised amount		48,033	1,229,720
Unrealised amount		70,686	(1,746,506)
		<u>118,719</u>	<u>(516,786)</u>

The accompanying notes to the financial statements form an integral part of the audited financial statements.

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Note	2015 RM	2014 RM
CURRENT ASSETS			
Financial assets at fair value through profit or loss	9	2,292,338	2,296,590
Cash and cash equivalents	10	89,745	49,582
TOTAL ASSETS		<u>2,382,083</u>	<u>2,346,172</u>
CURRENT LIABILITIES			
Amount due to Trustee		986	986
Other payables and accruals	11	31,152	29,450
TOTAL LIABILITIES		<u>32,138</u>	<u>30,436</u>
NET ASSET VALUE OF THE FUND		<u>2,349,945</u>	<u>2,315,736</u>
EQUITY			
Unit holders' capital		1,312,065	1,312,065
Retained earnings		1,037,880	1,003,671
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>2,349,945</u>	<u>2,315,736</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)	12	<u>1,350,000</u>	<u>1,350,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>1.7407</u>	<u>1.7154</u>

The accompanying notes to the financial statements form an integral part of the audited financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

	Note	Unit holders' capital RM	Retained earnings RM	Total RM
Balance as at 1 July 2014		1,312,065	1,003,671	2,315,736
Total comprehensive income for the financial year		-	118,719	118,719
Distribution	8	-	(84,510)	(84,510)
Balance as at 30 June 2015		<u>1,312,065</u>	<u>1,037,880</u>	<u>2,349,945</u>
Balance as at 1 July 2013		11,169,090	2,744,907	13,913,997
Movement in unit holders' contributions:				
- Cancellation of units		(9,857,025)	(1,156,950)	(11,013,975)
Total comprehensive loss for the financial year		-	(516,786)	(516,786)
Distribution	8	-	(67,500)	(67,500)
Balance as at 30 June 2014		<u>1,312,065</u>	<u>1,003,671</u>	<u>2,315,736</u>

The accompanying notes to the financial statements form an integral part of the audited financial statements.

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015**

	Note	2015 RM	2014 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from disposal of collective investment scheme		84,743	11,462,512
Purchase of collective investment scheme		-	(564,132)
Dividend income received		86,015	76,581
Trustee's fee paid		(12,000)	(12,000)
Net realised foreign exchange (loss)/gain		(1,555)	43,123
Payments for other fees and expenses		(34,544)	(42,611)
Net cash generated from operating activities		<u>122,659</u>	<u>10,963,473</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments for cancellation of units		-	(11,013,975)
Distribution paid		(84,510)	(67,500)
Net cash used in financing activities		<u>(84,510)</u>	<u>(11,081,475)</u>
Net increase/(decrease) in cash and cash equivalents		38,149	(118,002)
Effects of foreign exchange differences		2,014	5,427
Cash and cash equivalents at the beginning of the financial year		<u>49,582</u>	<u>162,157</u>
Cash and cash equivalents at the end of the financial year	10	<u>89,745</u>	<u>49,582</u>

The accompanying notes to the financial statements form an integral part of the audited financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITY**

CIMB FTSE ASEAN 40 Malaysia (the “Fund”) was constituted pursuant to the execution of a Deed dated 19 April 2010 (the “Deed”), made between CIMB-Principal Asset Management Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”).

The principal activity of the Fund is to invest at least 95% of its NAV in the Singapore Fund. The Singapore Fund is an ETF listed on the SGX-ST which aims at providing the Singapore Fund unit holders a return that closely corresponds to the performance of the Underlying Index. Therefore, the Manager adopts a passive strategy in the management of the Fund.

All investments will be subjected to the Securities Commission Malaysia (“SC”) Guidelines on ETFs, SC requirements, the Deed, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

The Manager, a company incorporated in Malaysia, is a subsidiary of CIMB Group Sdn Bhd and regards CIMB Group Holdings Berhad as its ultimate holding company. The Manager is also an associate of Principal International (Asia) Limited, which is a subsidiary of Principal Financial Group Inc. The principal activities of the Manager are the establishment and management of unit trust funds and fund management activities.

The financial statements have been approved for issue by the Manager on 28 August 2015.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS and IFRS.

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

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial year. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

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

(i) Financial year beginning on/after 1 July 2017

MFRS 15 “Revenue from Contracts with Customers” (effective from 1 January 2017) deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces MFRS 118 “Revenue” and MFRS 111 “Construction Contracts” and related interpretations.

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

(ii) Financial year beginning on/after 1 July 2018

MFRS 9 “Financial Instruments” (effective from 1 January 2018) will replace MFRS 139 “Financial Instruments: Recognition and Measurement”. The complete version of MFRS 9 was issued in November 2014.

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

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

There is now a new expected credit losses model on impairment for all financial assets that replaces the incurred loss impairment model used in MFRS 139. The expected credit losses model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognised.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(ii) Financial year beginning on/after 1 July 2018 (continued)

MFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

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

(b) Financial assets and financial liabilities

Classification

The Fund designates its investments in collective investment scheme as financial assets at fair value through profit or loss at inception.

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

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and have been included in current assets. The Fund's loans and receivables comprise cash and cash equivalents.

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

The Fund classifies amount due to Trustee, and other payables and accruals as other financial liabilities.

Recognition and measurement

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

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

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

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

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

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

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund's right to receive payments is established.

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

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

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

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

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

If, in a subsequent financial year, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in statement of comprehensive income.

When an asset is uncollectible, it is written off against the related allowance account. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Foreign currency

Functional and presentation currency

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

Transactions and balances

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

(d) Income recognition

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

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

(e) Creation and cancellation of units

The Fund issues cancellable units, which are cancelled upon accepted redemption applications submitted by Participating Dealer to the Manager in accordance with the terms of a Participating Dealer Agreement and the Deed, and are classified as equity. Cancellable units can be put back to the Fund at any Dealing Day for cash equal to a proportionate share of the Fund’s NAV. The outstanding units are carried at the redemption amount that is payable at the statement of financial position date if the unit holder exercises the right to put back the unit to the Fund.

Units are created and cancelled at the Participating Dealer’s option at prices based on the Fund’s NAV per unit at the time of creation or cancellation. The Fund’s NAV per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

(f) Cash and cash equivalents

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

(g) Taxation

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

Tax on dividend income from collective investment scheme is based on the tax regime of the respective countries that the Fund invests in.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Distribution

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the year in which it is approved by the Trustee.

(i) Unit holders' capital

The unit holders' contributions to the Fund meet the definition of puttable instruments classified as equity instruments under MFRS 132 "Financial Instruments: Presentation".

The units in the Fund are puttable instruments which entitle the unit holders to a pro-rata share of the net asset of the Fund. The units are subordinated and have identical features. There is no contractual obligation to deliver cash or another financial asset other than the obligation on the Fund to repurchase the units. The total expected cash flows from the units in the Fund over the life of the units are based on the change in the net asset of the Fund.

(j) Transactions costs

Transaction costs are costs incurred to acquire or dispose financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

(k) Segment information

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

(l) Realised and unrealised portions of net income after tax

The analysis of realised and unrealised net income after tax as presented on the statement of comprehensive income is prepared in accordance with SC Guidelines on ETFs.

(m) Critical accounting estimates and judgments in applying accounting policies

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

Estimates and judgments are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC Guidelines on ETFs.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments of the Fund are as follows:

	Financial asset at fair value through profit or loss RM	Loans and receivables RM	Total RM
2015			
Collective investment scheme (Note 9)	2,292,338	-	2,292,338
Cash and cash equivalents (Note 10)	-	89,745	89,745
	<u>2,292,338</u>	<u>89,745</u>	<u>2,382,083</u>
2014			
Collective investment scheme (Note 9)	2,296,590	-	2,296,590
Cash and cash equivalents (Note 10)	-	49,582	49,582
	<u>2,296,590</u>	<u>49,582</u>	<u>2,346,172</u>

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

The investment objective of the Fund is to provide investment results that, before expenses, closely correspond to the performance of the FTSE/ASEAN 40 Index, regardless of its performance.

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

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

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk

(i) Price risk

This is the risk that the fair value of an investment in collective investment scheme will fluctuate because of changes in market prices (other than those arising from currency risk). The value of collective investment scheme may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

The very nature of an ETF, however, helps mitigate this risk because a fund would generally hold a well-diversified portfolio of securities from different market sectors so that the collapse of any one security or any one market sector would not impact too greatly on the value of the Fund.

The Fund's overall exposure to price risk was as follows:

	2015	2014
	RM	RM
Financial assets at fair value through profit or loss:		
- Collective investment scheme	2,292,338	2,296,590

The table below summarises the sensitivity of the Fund's profit after tax and NAV to movements in prices of the Underlying Index. The analysis is based on the assumptions that the Underlying Index fluctuates by 10.30% (2014: 12.81%), which is the standard deviation of the daily fluctuation of the Underlying Index, with all other variables held constant, and that the fair value of the investments moved in the same quantum with the fluctuation in the Underlying Index. This represents management's best estimate of a reasonable possible shift in the collective investment scheme, having regard to the historical volatility of the prices.

The Underlying Index is used as the Fund is designed to provide investment results that closely correspond to the performance of the Underlying Index.

% Change in Underlying Index	Underlying Index	Market value RM	Impact on profit after tax/ NAV RM
2015			
-10.30%	9,004	2,056,227	(236,111)
0%	10,038	2,292,338	-
10.30%	11,072	2,528,449	236,111
2014			
-12.81%	9,760	2,002,437	(294,153)
0%	11,193	2,296,590	-
12.81%	12,627	2,590,743	294,153

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(ii) Currency risk

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

The following table sets out the foreign currency risk concentrations arising from the denomination of the Fund's financial instruments in foreign currency:

	Financial assets at fair value through profit or loss RM	Cash and cash equivalents RM	Total RM
2015			
USD	<u>2,292,338</u>	<u>86,926</u>	<u>2,379,264</u>
2014			
USD	<u>2,296,590</u>	<u>41,454</u>	<u>2,338,044</u>

The table below summarises the sensitivity of the Fund's profit after tax and NAV to changes in foreign exchange movements for the Fund. The analysis is based on the assumption that the foreign exchange rate fluctuates by 7.64% (2014: 6.61%), which is the standard deviation of the daily fluctuation of the exchange rate of USD against MYR, with all other variables remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(ii) Currency risk (continued)

	Change in foreign exchange rate %	Impact on profit after tax/ NAV RM
2015 USD	<u>7.64</u>	<u>181,776</u>
2014 USD	<u>6.61</u>	<u>154,545</u>

(b) Credit risk

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

The credit risk arising from cash and cash equivalents is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC Guidelines on ETFs.

The following table sets out the credit risk concentration of the Fund at the end of each financial year:

	Cash and cash equivalents	
	2015	2014
	RM	RM
Finance		
- Deutsche Bank (M) Berhad (AA1)	<u>89,745</u>	<u>49,582</u>

All financial assets of the Fund as at the end of each financial year are neither past due nor impaired.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balance, which are capable of being converted into cash within 7 business days. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining year as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month RM	Between 1 month to 1 year RM	Total RM
2015			
Amount due to Trustee	986	-	986
Other payables and accruals	-	31,152	31,152
Contractual undiscounted cash flows	<u>986</u>	<u>31,152</u>	<u>32,138</u>
2014			
Amount due to Trustee	986	-	986
Other payables and accruals	-	29,450	29,450
Contractual undiscounted cash flows	<u>986</u>	<u>29,450</u>	<u>30,436</u>

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Fair value estimation

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

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

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

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

Fair value hierarchy

(i) The table in the following page analyses financial instruments carried at fair value. The different levels have been defined as follows:

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

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

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

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

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Fair value estimation (continued)

Fair value hierarchy (continued)

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2015				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	<u>2,292,338</u>	<u>-</u>	<u>-</u>	<u>2,292,338</u>
2014				
Financial assets at fair value through profit or loss:				
- Collective investment scheme	<u>2,296,590</u>	<u>-</u>	<u>-</u>	<u>2,296,590</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include collective investment scheme. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

- (ii) The carrying values of cash and cash equivalents and all current liabilities are a reasonable approximation of their fair values due to their short term nature.

4. MANAGEMENT FEE

In accordance with the Deed, there is no management fee charged at the Fund level.

5. TRUSTEE'S FEE

In accordance with the Deed, the Trustee is entitled to a fee not exceeding a maximum of 0.20% per annum, calculated daily based on the NAV of the Fund, subject to a minimum fee of RM12,000 per annum, excluding foreign sub-custodian fees and charges.

For the financial year ended 30 June 2015, the Trustee's fee is recognised at a rate of 0.08% per annum (2014: 0.08% per annum).

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

6. OTHER EXPENSES

	2015 RM	2014 RM
Printing costs	200	200
Other expenses	4,246	9,366
	<u>4,446</u>	<u>9,566</u>

7. TAXATION

	2015 RM	2014 RM
Tax charged for the financial year:		
- Current taxation	<u>-</u>	<u>-</u>

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

	2015 RM	2014 RM
Profit/(loss) before taxation	<u>118,719</u>	<u>(516,786)</u>
Taxation at Malaysian statutory rate of 25% (2014: 25%)	29,680	(129,197)
Tax effects of:		
(Investment income not subject to tax)/Investment loss not deductible for tax purposes	(41,755)	116,444
Expenses not deductible for tax purposes	5,775	6,503
Restriction on tax deductible expenses for ETFs	<u>6,300</u>	<u>6,250</u>
Taxation	<u>-</u>	<u>-</u>

8. DISTRIBUTION

Distribution to unit holders are derived from the following sources:

	2015	2014
	RM	RM
Dividend income	86,015	4,801
Net realised gain on disposals of collective investment scheme	11,871	66,045
Prior financial year's realised income	34,922	-
	<u>132,808</u>	<u>70,846</u>
Less:		
Expenses	(48,298)	(2,902)
Taxation	-	(444)
Net distribution amount	<u>84,510</u>	<u>67,500</u>
Distribution on 15 June 2015		
Gross distribution per unit (sen)	6.26	-
Net distribution per unit (sen)	<u>6.26</u>	<u>-</u>
Distribution on 22 May 2014		
Gross distribution per unit (sen)	-	5.03
Net distribution per unit (sen)	<u>-</u>	<u>5.00</u>

Net distribution is derived using total income less total expenses. Gross distribution above is sourced from previous and current financial year's realised income.

Gross distribution per unit is derived from gross realised income less expense, divided by the number of units in circulation. Net distribution for unit is derived from gross realised income less expenses and taxation, divided by the number of units in circulation.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2015	2014
	RM	RM
Designated at fair value through profit or loss at inception:		
- Collective investment scheme	<u>2,292,338</u>	<u>2,296,590</u>
Net gain/(loss) on financial assets at fair value through profit or loss:		
- Realised gain on disposals	11,871	1,160,949
- Unrealised fair value gain/(loss)	68,672	(1,751,856)
	<u>80,543</u>	<u>(590,907)</u>

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

Name of counter	Quantity Units	Aggregate cost RM	Market value RM	Percentage of NAV %
2015				
COLLECTIVE INVESTMENT SCHEME				
SINGAPORE				
CIMB FTSE ASEAN 40	<u>64,600</u>	<u>1,962,860</u>	<u>2,292,338</u>	<u>97.55</u>
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>64,600</u>	<u>1,962,860</u>	<u>2,292,338</u>	<u>97.55</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>329,478</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>2,292,338</u>		
2014				
COLLECTIVE INVESTMENT SCHEME				
SINGAPORE				
CIMB FTSE ASEAN 40	<u>67,000</u>	<u>2,035,784</u>	<u>2,296,590</u>	<u>99.17</u>
TOTAL COLLECTIVE INVESTMENT SCHEME	<u>67,000</u>	<u>2,035,784</u>	<u>2,296,590</u>	<u>99.17</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>260,806</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		<u>2,296,590</u>		

10. CASH AND CASH EQUIVALENTS

	2015 RM	2014 RM
Bank balances	<u>89,745</u>	<u>49,582</u>

11. OTHER PAYABLES AND ACCRUALS

	2015 RM	2014 RM
Provision for audit fee	25,000	25,000
Provision for tax agent's fee	4,600	2,400
Other accruals	<u>1,552</u>	<u>2,050</u>
	<u>31,152</u>	<u>29,450</u>

12. NUMBER OF UNITS IN CIRCULATION

	2015 No. of units	2014 No. of units
At the beginning of the financial year	1,350,000	8,100,000
Less: Cancellation of units during the financial year	<u>-</u>	<u>(6,750,000)</u>
At the end of the financial year	<u>1,350,000</u>	<u>1,350,000</u>

13. MANAGEMENT EXPENSE RATIO ("MER")

	2015 %	2014 %
MER	<u>2.00</u>	<u>0.65</u>

MER is derived from the following calculation:

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

A = Trustee's fees

B = Audit fee

C = Tax agent's fee

D = Other expenses excluding Goods and Services Tax ("GST") on transaction costs

E = Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis is RM2,406,831 (2014: RM7,631,075).

14. PORTFOLIO TURNOVER RATIO (“PTR”)

	2015	2014
PTR (times)	<u>0.02</u>	<u>0.71</u>

PTR is derived based on the following calculation:

$$\frac{(\text{Total acquisition for the financial year} + \text{total disposal for the financial year}) \div 2}{\text{Average NAV of the Fund for the financial year calculated on a daily basis}}$$

where:

total acquisition for the financial year = RM Nil (2014: RM564,132)
 total disposal for the financial year = RM72,924 (2014: RM10,301,562)

15. UNITS HELD BY THE MANAGER, PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

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

<u>Related parties</u>	<u>Relationship</u>
CIMB-Principal Asset Management Berhad	The Manager
CIMB-Principal Asset Management (S) Pte. Ltd.	Investment Adviser of the Fund
CIMB Group Sdn Bhd	Holding company of the Manager
CIMB Group Holdings Berhad (“CIMB”)	Ultimate holding company of the Manager
CIMB FTSE ASEAN 40	Underlying Fund
Subsidiaries and associates of CIMB as disclosed in its financial statements	Subsidiary and associated companies of the ultimate holding company of the Manager

Units held by the Manager and parties related to the Manager

There were no units held by the Manager, Directors and parties related to the Manager as at the end of each financial year.

Significant related party transactions

There were no other significant related party transactions during each of the financial year.

Significant related party balances

	2015	2014
	RM	RM
Investment in collective investment scheme:		
- CIMB FTSE ASEAN 40	<u>2,292,338</u>	<u>2,296,590</u>

16. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with broker/dealer for financial year ended 30 June 2015 are as follows:

Broker/Dealer	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
CIMB Bank Berhad #	84,794	100.00	42	100.00
	<u>84,794</u>	<u>100.00</u>	<u>42</u>	<u>100.00</u>

Details of transactions with brokers/dealers for financial year ended 30 June 2014 are as follows:

Brokers/Dealers	Value of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
CIMB Bank Berhad #	11,462,512	95.32	-	-
Citigroup Global Markets Asia Ltd	464,568	3.86	-	-
Credit Suisse (Hong Kong) Limited	98,217	0.82	59	100.00
	<u>12,025,297</u>	<u>100.00</u>	<u>59</u>	<u>100.00</u>

Included in the transactions are trades conducted with CIMB Bank Berhad, a fellow subsidiary to the Manager amounting to RM84,794 (2014: RM11,462,512). The Manager is of the opinion that all transactions with the related company have been entered into normal course of business at agreed terms between the related parties.

17. SEGMENT INFORMATION

The internal reporting provided to the chief operating decision-maker for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS. The chief operating decision-maker is responsible for the performance of the Fund and considers the business to have a single operating segment located in Malaysia. Asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The investment objective of the Fund is to provide investment results that, before expenses, closely correspond to the performance of the FTSE/ASEAN 40 Index, regardless of its performance. The reportable operating segment derives its income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within the portfolio. These returns consist of dividend income earned from investments and gains on the appreciation in the value of investments, which is derived from an ETF listed on the SGX-ST, Singapore.

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

18. NON CASH TRANSACTIONS

Creation and cancellation are done by transferring the In-Kind Creation Basket from and to the Participating Dealers respectively. A reconciliation of the cash flows used in creation and cancellation and the total creation and cancellation as presented in the statement of changes in equity is presented below:

	2015	2014
	RM	RM
Cancellation:		
- Non cash component	-	-
- Cash component	-	(11,013,975)
	<u>-</u>	<u>(11,013,975)</u>
	<u>-</u>	<u>(11,013,975)</u>

19. SUPPLEMENTARY INFORMATION DISCLOSED PURSUANT TO BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

The following analysis of realised and unrealised retained earnings at the legal entity level is prepared in accordance with Bursa Malaysia Securities Berhad's Listing Requirements and the Guidance on Special Matter No.1, "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements", as issued by the Malaysian Institute of Accountants whilst the disclosure is based on the prescribed format by Bursa Malaysia Securities Berhad.

	2015	2014
	RM	RM
Total retained earnings of the Fund:		
- Realised	646,350	737,516
- Unrealised	391,530	266,155
	<u>1,037,880</u>	<u>1,003,671</u>
	<u>1,037,880</u>	<u>1,003,671</u>

The analysis between realised and unrealised retained earnings above is prepared on a different basis as compared to the analysis of realised and unrealised retained earnings as disclosed in the statement of comprehensive income.

DIRECTORY

TRUST DIRECTORY

Manager

Registered Address

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TRUST DIRECTORY (CONTINUED)**Board of Directors**

Effendy Shahul Hamid[^]
 Hisham Zainal Mokhtar*
 Tengku Dato' Zafrul Tengku Abdul Aziz
 Luis Eduardo Valdés Illanes
 Nor Azzam Abdul Jalil
 Dato' Anwar Aji*
 Wong Joon Hian*
 Ned Alan Burmeister#
 A.Huzaima Dato' Abdul Hamid*
 Auyeung Rex Pak Kuen
 Pedro Esteban Borda
 Munirah Khairuddin

* *Independent director*

Alternate director to Luis Eduardo Valdés Illanes

[^] *With effect from 1 June 2015*

Investment Committee

Effendy Shahul Hamid¹
 Mohamad Safri Shahul Hamid
 Kim Teo Poh Jin*
 A.Huzaima Bin Dato' Abdul Hamid*
 Wong Fook Wah*
 Alejandro Elias Echegarri Rodriguez²

* *Independent member*

¹ *With effect from 17 August 2015*

² *With effect from 28 July 2015*

Audit Committee

Wong Joon Hian*
 Effendy Shahul Hamid
 Dato' Anwar Bin Aji*

* *Independent member*

Company Secretaries

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 Halimah binti Habib (LS 0007999)
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 Tel: (03) 2261 8888

Investment Adviser

CIMB-Principal Asset Management (S) Pte Ltd
 50 Raffles Place
 Singapore Land Tower, #26-05,
 Singapore 048623
 Tel: (+65) 6210 8488 Fax: (+65) 6210 8489

CORPORATE DIRECTORY

Fund Administration and Fund Accounting Service Provider

Deutsche Bank (Malaysia) Berhad

Registered Address

Level 18, Menara IMC
8, Jalan Sultan Ismail
50250 Kuala Lumpur

Business Address

Level 18-20, Menara IMC
8, Jalan Sultan Ismail
50250 Kuala Lumpur

Tel: (03) 2053 6788

Trustee

Deutsche Trustees Malaysia Berhad

Registered/Business Address

Level 20, Menara IMC
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50250 Kuala Lumpur

Tel No: (+603) 2053 7522

Fax: (+603) 2053 7526

Email: dtmb.cis@list.db.com

Custodian

(Trustee's delegate)

Deutsche Bank (Malaysia) Berhad

Registered Address

Level 18, Menara IMC
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50250 Kuala Lumpur

Business Address

Level 18-20, Menara IMC
8, Jalan Sultan Ismail
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Auditors of the Manager and of the Fund

PricewaterhouseCoopers Chartered Accountants

Level 10, 1 Sentral,

Jalan Travers, Kuala Lumpur Sentral,

PO Box 10192, 50706 Kuala Lumpur, Malaysia.

Tax Adviser

PricewaterhouseCoopers Taxation Services Sdn Bhd