

# First State Global Growth Funds

2016 Annual Report

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\* Eligible for CPFIS-OA investments

\*\* Eligible for both CPFIS-OA and SA investments

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

# Annual Report for the financial year ended 31 December 2016

## First State Asia Opportunities Fund

(formerly known as First State Asia Innovation Fund)

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

in Singapore dollars

##### Class A

	Sub-Fund	Benchmark
	%	%
3-mth	-0.2	-0.7
6-mth	3.6	11.0
1-year	2.7	7.7
3-year	8.7	5.0
5-year	9.2	7.4
10-year	5.5	3.2
Since Inception - 26 November 1999 (Calculated since date of first valuation)	0.6	-0.9

\* No performance for Class B of the Sub-Fund launched less than 1 year

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

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

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

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

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

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

# Annual Report for the financial year ended 31 December 2016

## First State Asia Opportunities Fund

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### MANAGER'S REPORT

The MSCI AC Asia ex Japan index increased by 5.8% in US Dollar terms in the 12 months to the end of December 2016. Thailand and Taiwan outperformed, while Malaysia and the Philippines declined. On a sector level, Energy and Materials gained the most, while Health Care and Industrial stocks lagged.

### Performance

The Sub-Fund provided a positive return over the period. **Newcrest Mining** rose along with the gold price but fell back after the US presidential election in November as the US Dollar strengthened. **Taiwan Semiconductor (TSMC)** continued to outperform on strong demand and solid revenue growth due to broad sales of the Apple iPhone 7. **HDFC** was positive, with core growth maintained despite slowing loan growth and the short-term shock of India's demonetisation.

Meanwhile, **Idea Cellular** was under pressure from increased competition and slowing data revenue growth. The Indian telecoms sector has been shaken up by new entrant Reliance Jio which started operating in September 2016. Jio claims to have acquired around 50 million mobile subscribers since launch, driving incumbents into price-cuts and special offers in a bid to compete. Since the year-end, Idea Cellular and Vodafone have announced that the two companies are exploring a merger of business operations, which, if combined, could create the largest telecoms company in India. **Li & Fung** declined over the year, as continued headwinds in the global sourcing market and weak demand from the US and Europe weighed on profits. **CK Hutchison Holdings** had a tumultuous year and fell back in early June as the surprise Brexit vote raised concerns around its exposure to Europe and the UK in particular. However, the company has a strong balance sheet and free cash flow yield, which should provide some support.

### Transactions

During the period, significant purchases included **Lupin**, a generic drugs manufacturer which had fallen to more attractive levels due to increased scrutiny from the US Food and Drug Administration (US FDA), and **Tech Mahindra**, an IT outsourcing business with a strong franchise and experienced management team.

We divested **DBS Group** on concerns around its exposure to the offshore and marine industry and to reduce our exposure to Singapore banks and sold **Tata Global Beverages**, on concerns around the management team and the company's underwhelming growth prospects.

### Outlook

Our generally cautious stance and positioning across the Asia Pacific portfolios have not changed. Recent 'surprise' political events have again proven, in our view, that the future is thoroughly unpredictable. We fear that this could mean a more politicised world and a rise in protectionism, which is likely to be negative for Asia. This, coupled with rising levels of inflation and tightening measures in the US, has the potential to accelerate capital outflows from the region and weaken Asian currencies. However, as bottom-up investors, our focus remains on finding high-quality management teams and businesses that have, over time, delivered predictable and sustainable returns comfortably in excess of the cost of capital, despite the prevailing headwinds. We believe that finding and investing in these companies and holding for the long-term is the most important foundation for compounding financial value over time.

# Annual Report for the financial year ended 31 December 2016

## First State Asia Opportunities Fund

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### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE ASIA OPPOTUNITIES FUND</b>			
<b>Dublin</b>			
First State Asia Opportunities Fund	453,668	24,512,494	99.33
Total investments		24,512,494	99.33
Other net assets		165,257	0.67
Total net assets attributable to unitholders		24,677,751	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
CK Hutchison Holding	2,984,612	6.0
Taiwan Semiconductor Mfg Co Ltd	2,869,627	5.7
Haw Par Corp Ltd	2,394,689	4.8
Newcrest Mining Ltd	2,304,700	4.6
Infosys Ltd Ltd	1,934,749	3.9
Tata Consultancy Services Ltd	1,904,752	3.8
Singapore Telecommunications	1,899,753	3.8
Hong Kong & China Gas	1,789,767	3.6
Dr Reddy's Laboratories Ltd	1,704,778	3.4
Dairy Farm International Holdings Ltd	1,649,786	3.3

### Top 10 holdings (as at 31 December 2015)

Infosys Ltd Ltd	2,637,520	5.5
Newcrest Mining Ltd	2,323,204	4.8
CK Hutchison Holding	2,253,283	4.7
Haw Par Corp Ltd	2,185,054	4.5
HDFC Bank Ltd	2,085,932	4.3
Taiwan Semiconductor Mfg Co Ltd	2,032,058	4.2
CSL Ltd	1,913,166	4.0
Hong Kong & China Gas	1,767,940	3.7
Marico Ltd	1,621,008	3.4
Li & Fung Ltd	1,612,041	3.4

# Annual Report for the financial year ended 31 December 2016

## First State Asia Opportunities Fund

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### DISCLOSURES

Subscriptions	S\$736,881
Redemptions	S\$5,104,505

**31 December 2016    31 December 2015**

<b>Expense Ratio** (Class A)</b> (including that of the Underlying Fund)	2.24%	2.15%
<b>Expense Ratio** (Class B)</b> (including that of the Underlying Fund)	1.53%	N/A

### Disclosures on the Underlying Fund -

<b>Portfolio Turnover</b>	33.7%	29.4%
<b>Expense Ratio**</b>	2.00%	1.96%

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

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

### Related Party Transactions

#### For the financial year ended 31 December 2016

Bank service fees paid to HSBC	<b>S\$</b> 2,913
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#### Bank balances outstanding with HSBC as at 31 December 2016

	<b>S\$ equivalent</b>
Singapore Dollar	75,476
United States Dollar	45,586

#### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

	<u>Purchases</u>		<u>Sales</u>	
<b>Currency</b>	<b>Amount</b>	<b>Currency</b>	<b>Amount</b>	
Singapore Dollar	4,637,065	Singapore Dollar	33,991	
United States Dollar	24,000	United States Dollar	3,364,424	

### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Asia Opportunities Fund Class I shares, constituting 99.33% of the Sub-Fund's Net Asset Value and at a market value of S\$24,512,494. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## First State Asian Growth Fund

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

in Singapore dollars

	<b>Sub-Fund</b>	<b>Benchmark</b>
	<b>%</b>	<b>%</b>
3-mth	-0.8	-0.7
6-mth	3.1	11.0
1-year	0.6	7.7
3-year	7.4	5.0
5-year	7.6	7.4
10-year	5.6	3.4
Since Inception – 10 October 1984 (Calculated since date of first valuation)	7.3	6.4

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

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

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

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

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

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



# Annual Report for the financial year ended 31 December 2016

## First State Asian Growth Fund

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### MANAGER'S REPORT

The MSCI AC Asia ex Japan index increased by 5.8% in US Dollar terms in the 12 months to the end of December 2016. Thailand and Taiwan outperformed, while Malaysia and the Philippines declined. On a sector level, Energy and Materials gained the most, while Health Care and Industrial stocks lagged.

### Performance

The Sub-Fund provided a positive return over the period. **Newcrest Mining** rose along with the gold price but fell back after the US presidential election in November as the US Dollar strengthened. **Taiwan Semiconductor (TSMC)** continued to outperform on strong demand and solid revenue growth due to broad sales of the Apple iPhone 7. **Sun Art Retail Group** rallied after a lacklustre performance for most of the year. Sun Art has been keeping a tight hold on costs and despite the low growth environment has managed to expand gross margins, providing some compensation for weak sales. In addition, losses from its e-commerce platform looks like it should be more modest than expected.

Meanwhile, **Idea Cellular** was under pressure from increased competition and slowing data revenue growth. The Indian telecoms sector has been shaken up by new entrant Reliance Jio which started operating in September 2016. Jio claims to have acquired around 50 million mobile subscribers since launch, driving incumbents into price-cuts and special offers in a bid to compete. Since the year-end, Idea Cellular and Vodafone have announced that the two companies are exploring a merger of business operations, which, if combined, could create the largest telecoms company in India. **Li & Fung** declined over the year, as continued headwinds in the global sourcing market and weak demand from the US and Europe weighed on profits. **CK Hutchison** had a tumultuous year and fell back in early June as the surprise Brexit vote raised concerns around its exposure to Europe and the UK in particular. However, the company has a strong balance sheet and free cash flow yield, which should provide some support.

### Transactions

During the period, significant purchases included **Tech Mahindra**, an IT outsourcing business with a strong franchise and experienced management team, as well as **AmorePacific Group**, a leading household goods and cosmetics firm. AmorePacific had been sold off sharply, due to geopolitical issues between China and South Korea, and was trading on more reasonable valuations.

We divested **China Mengniu Dairy** on general concerns around slowing growth and more specific concerns on the large amount of wealth management products on its balance sheet. Meanwhile, we sold **DBS Group** on concerns around its exposure to the offshore and marine industry and to reduce our exposure to Singapore banks.

### Outlook

Our generally cautious stance and positioning across the Asia Pacific portfolios have not changed. Recent 'surprise' political events have again proven, in our view, that the future is thoroughly unpredictable. We fear that this could mean a more politicised world and a rise in protectionism, which is likely to be negative for Asia. This, coupled with rising levels of inflation and tightening measures in the US, has the potential to accelerate capital outflows from the region and weaken Asian currencies. However, as bottom-up investors, our focus remains on finding high-quality management teams and businesses that have, over time, delivered predictable and sustainable returns comfortably in excess of the cost of capital, despite the prevailing headwinds. We believe that finding and investing in these companies and holding for the long-term is the most important foundation for compounding financial value over time.

# Annual Report for the financial year ended 31 December 2016

## First State Asian Growth Fund

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### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE ASIAN GROWTH FUND</b>			
<b>Dublin</b>			
First State Asian Growth Fund	1,274,671	69,480,445	99.31
Total investments		69,480,445	99.31
Other net assets		482,770	0.69
Total net assets attributable to unitholders		69,963,215	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
CK Hutchison Holding	47,561,493	6.3
Taiwan Semiconductor Mfg Co Ltd	47,106,359	6.2
Newcrest Mining Ltd	41,417,185	5.5
Infosys Ltd	35,879,723	4.7
Tata Consultancy Services Ltd	32,086,940	4.2
Dr Reddy's Laboratories Ltd	30,493,971	4.0
Dairy Farm International Holdings Ltd	28,901,003	3.8
Hong Kong & China Gas	26,397,766	3.5
HDFC Bank Limited	25,563,354	3.4
Oversea-Chinese Banking Corp	24,653,086	3.3
<b>Top 10 holdings (as at 31 December 2015)</b>		
CK Hutchison Holding	40,001,393	5.1
Infosys Ltd	39,573,169	5.0
Taiwan Semiconductor Mfg Co Ltd	39,221,065	5.0
Newcrest Mining Ltd	31,318,316	4.0
Hong Kong & China Gas	28,483,243	3.6
Dr Reddy's Laboratories Ltd	28,437,915	3.6
Singapore Telecommunications	28,017,389	3.5
Idea Cellular Ltd	26,135,982	3.3
Li & Fung Ltd	24,113,420	3.1
Oversea-Chinese Banking Corp	23,848,193	3.0

# Annual Report for the financial year ended 31 December 2016

## First State Asian Growth Fund

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### DISCLOSURES

Subscriptions	S\$11,888,990
Redemptions	S\$17,603,874

**31 December 2016    31 December 2015**

<b>Expense Ratio**</b> (including that of the Underlying Fund)	1.73%	1.76%
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### Disclosures on the Underlying Fund -

<b>Portfolio Turnover</b>	24.8%	33.6%
<b>Expense Ratio**</b>	1.60%	1.60%

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

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

### Related Party Transactions

#### For the financial year ended 31 December 2016

	<b>S\$</b>
Bank service fees paid to HSBC	9,369
Expense ratio rebate from the underlying fund manager	(28,246)

#### Bank balances outstanding with HSBC as at 31 December 2016

	<b>S\$ equivalent</b>
Singapore Dollar	388,233
United States Dollar	2,941

#### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

	<u>Purchases</u>		<u>Sales</u>	
<b>Currency</b>	<b>Amount</b>	<b>Currency</b>	<b>Amount</b>	
Singapore Dollar	7,299,936	Singapore Dollar	588,330	
United States Dollar	419,178	United States Dollar	5,333,876	

### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Asian Growth Fund Class I shares, constituting 99.31% of the Sub-Fund's Net Asset Value and at a market value of S\$69,480,445. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## First State Asian Quality Bond

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### MANAGER'S REPORT

for the period from 1 November to 31 December 2016

#### Historical performance\*

*in Singapore dollars*

\* No performance for Sub-Fund launched less than 1 year

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

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

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

# Annual Report for the financial year ended 31 December 2016

## First State Asian Quality Bond

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### MANAGER'S REPORT

Asian credit market posted yet another year of stellar return despite being hampered by a collapsed oil price, concerns over China's growth, BREXIT and a surprise Donald Trump victory in the US election. The JP Morgan Asia Credit Investment Grade Index (JACI IG) gained 4.49%. The positive return was largely attributed to interest return, which more than offset the impact of higher US treasury yield. Average spread of the JACI IG index tightened by 30 bps to 185 bps while 10 year US treasury yield edged higher from 2.27% to 2.44%

The continued collapse in oil price, concerns over China's growth and the inability of the Chinese authority to control the stampede in the A share market all presented the perfect ingredients for the storm in risky assets as we begin the 2016. Asian credit market was not spared with the JACI investment spread widening by almost 40 bps by February before staging a remarkable recovery lasting through the rest of the year. This feat looked even more incredible if you factor in the risk events we had in Brexit and Donald Trump's victory, both of which were unexpected outcomes.

The Asian credit market continue to expand at a robust pace. On a full year basis, new issues increased by 15% over 2015, coming in at USD 205 billion. Chinese issuers accounted for 60% of the total, up from the 55% last year. At a distant second is South Korea at 12% while Hong Kong came in at 9%.

### Outlook

Moving into 2017, we continue to face a lot of uncertainties. We have the French and German elections coming up, BREXIT negotiations will soon start and what is now on every investors' mind Donald Trump's protectionism and fiscal policies. Fiscal stimulus from the US if implemented on a large scale could provide immediate boost to both consumers' and market's confidence, which is good for risky assets. However, if this leads to higher inflation and more US treasuries issuance, bond market might come under further pressure.

While short term outlook for fixed income looks challenging, we are still mired in a long term sluggish global growth environment amidst low productivity and deteriorating demographics in both the US and other developed economies, all of which are structural in nature. This means interest rates globally is likely to remain much lower when compared to historical levels. Also, China looks to be doing a good job in maneuvering its growth lower without causing much disruption to its economy. A China growing slower but on a firmer footing would certainly bode well for Asian economies as this will likely underpin a case for more robust intra-Asia trades.

# Annual Report for the financial year ended 31 December 2016

## First State Asian Quality Bond

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### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE ASIAN QUALITY BOND</b>			
<b>Dublin</b>			
First State Asian Quality Bond	552,305	12,511,307	102.95
Total investments		12,511,307	102.95
Other net liabilities		(358,967)	(2.95)
Total net assets attributable to unitholders		12,152,340	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
OCBC Ltd 4.25% 19/06/2024	28,366,996	3.1
DBS Group Holdings Ltd 3.63% 31/12/2049	28,182,195	3.1
US Treasury Bill 0.625% 31/05/2017	21,714,150	2.4
Alibaba Group Holdings Ltd 4.50% 28/11/2034	21,067,346	2.3
Pertamina (Persero) 6.00% 03/05/2042	18,295,327	2.0
Sinochem Overseas Capital Co Ltd 4.50% 12/11/2020	17,463,721	1.9
CHN Clean Energy Develop 3.905% 29/10/2026	16,724,516	1.8
Malayan Banking Bhd 3.905% 29/10/2026	14,044,897	1.5
Indonesia (Republic of) 7.875% 15/04/2019	13,767,695	1.5
China Resources Land Ltd 4.375% 27/02/2019	13,675,295	1.5

# Annual Report for the financial year ended 31 December 2016

## First State Asian Quality Bond

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### DISCLOSURES

Subscriptions S\$12,575,641

Redemptions S\$72,820

#### 31 December 2016

**Expense Ratio\*\*** 2.27%  
(including that of the Underlying Fund  
and excluding preliminary expenses)

**Expense Ratio\*\*** 2.31%  
(including that of the Underlying Fund  
and including preliminary expenses)

#### Disclosures on the Underlying Fund -

**Portfolio Turnover** 45.2%

**Expense Ratio\*\*** 1.08%

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

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

#### Related Party Transactions

##### For the financial year ended 31 December 2016

Bank service fees paid to HSBC S\$ 2,381

##### Bank balances outstanding with HSBC as at 31 December 2016

	S\$ equivalent
Singapore Dollar	53,423
United States Dollar	26,768

##### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

There were no foreign exchange transaction with HSBC during the period from 1 November 2016 to 31 December 2016.

#### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds or other unit trusts, other than the First State Asian Quality Bond Fund Class I shares (constituting 102.95% of the Sub-Fund's Net Asset Value and at a market value of S\$12,511,307). The Sub-Fund holds forward currency contracts and the net change in fair value is S\$433,851 or 3.57% of NAV. The total amount of realised gain on forward currency contracts is S\$15,385, for the period. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings or material information that would adversely impact the valuation of the Sub-Fund.

# Annual Report for the financial year ended 31 December 2016

## First State Asian Quality Bond

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### Financial Derivative Instruments

#### *a. Global Exposure*

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

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

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

#### *b. Collateral*

Nil for the period ended 31 December 2016.

#### *c. Securities Lending or Repurchase Transactions*

Nil for the period ended 31 December 2016.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the period or at the period ended 31 December 2016.



# Annual Report for the financial year ended 31 December 2016

## First State Bridge

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

in Singapore dollars

	<b>Sub-Fund</b>	<b>Benchmark</b>
	<b>%</b>	<b>%</b>
3-mth	-2.7	-2.3
6-mth	1.4	4.4
1-year	3.7	6.4
3-year	6.4	5.6
5-year	6.8	6.4
10-year	4.9	4.7
Since Inception – 14 July 2003 (Calculated since date of first valuation)	7.1	6.5

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

Performance for 1 year and above has been annualised.

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

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

# Annual Report for the financial year ended 31 December 2016

## First State Bridge

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### MANAGER'S REPORT

The Asian equity and Asian credit markets both delivered a positive return, despite being hampered by a collapsed oil price, concerns over China's growth, Brexit and a surprise Donald Trump victory in the US election.

The MSCI AC Asia Pacific ex Japan index increased by 7.1%, with outperformance being led by the Thailand and Taiwan equity markets. Malaysia, the Philippines and India recorded a negative return over the year. On a sector level, Energy and Materials gained the most, while Health Care and Industrial stocks lagged.

Meanwhile, the JP Morgan Asia Credit Investment Grade Index (JACI IG) gained 4.49% in US dollar terms in the 12 months to the end of December 2016. The positive return was largely attributed to interest return, which more than offset the impact of higher US treasury yield.

The Asian credit market continue to expand at a robust pace. On a full year basis, new issues increased by 15% over 2015, coming in at USD 205b. Chinese issuers accounted for 60% of the total, up from the 55% last year. At a distant second is South Korea at 12% while Hong Kong came in at 9%.

### Outlook

Moving into 2017, there are many uncertainties still ahead. There are the French and German elections to contend with, the Brexit negotiations, as well as protectionist policies from the US. As such, our general cautious stance and positioning across the equity portfolio have not changed.

We fear that a more politicised world and a rise in protectionism is likely to be negative for Asian equities. This, coupled with rising levels of inflation and tightening measures in the US, has the potential to accelerate capital outflows from the region and weaken Asian currencies.

Fiscal stimulus from the US, if implemented on a large scale, could provide an immediate boost to both consumers' and market's confidence, which is good for risky assets. However, if this leads to higher inflation and more US treasuries issuance, the bond market might come under further pressure.

On the Asian fixed income side, while the short-term outlook looks challenging, we are still mired in a long-term sluggish global growth environment amidst low productivity and deteriorating demographics in both the US and other developed economies, all of which are structural in nature. This means interest rates globally are likely to remain much lower when compared to historical levels.

On the other hand, China seems to be doing a good job in maneuvering its growth lower without causing much disruption to its economy. This would certainly bode well for Asian economies as it will likely underpin a case for more robust intra-Asia trades.

# Annual Report for the financial year ended 31 December 2016

## First State Bridge

### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE BRIDGE</b>			
<b>Dublin</b>			
First State Asian Equity Plus Fund	10,932,486	624,027,380	50.32
First State Asian Quality Bond Fund	27,567,508	624,483,884	50.36
Total investments		1,248,511,264	100.68
Other net liabilities		(8,399,953)	(0.68)
Total net assets attributable to unitholders		1,240,111,311	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

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

# Annual Report for the financial year ended 31 December 2016

## First State Bridge

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### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2015)</b>		
<b>Equities</b>		
Taiwan Semiconductor Mfg Co Ltd	170,479,450	4.3
CK Hutchison Holding	159,758,877	4.1
Delta Electronics Inc	117,032,695	3.0
CSL Ltd	111,678,938	2.8
Housing Development Finance Corp	98,279,550	2.5
Dr Reddy's Laboratories Ltd	95,251,733	2.4
Oversea-Chinese Banking Corp	93,628,578	2.4
LG Household & Health Care Ltd	93,514,914	2.4
Brambles Ltd	92,777,446	2.4
LG Corp	91,919,975	2.3
<b>Fixed Income</b>		
Oversea Chinese Banking Corp Ltd 4.25% 19/06/2024	19,452,993	2.8
Pertamina (Perserso) 6.00% 03/05/2042	15,394,455	2.2
CMHI Finance 7.125% 18/06/2018	15,184,530	2.2
Citi Pacific Ltd 6.8% 17/01/2023	15,114,555	2.2
ICBCIL Finance Co Ltd 3.20% 10/11/2020	13,785,034	2.0
Alibaba Group Holding Ltd 4.50% 28/11/2034	13,085,286	1.9
China Overseas Finance 6.375% 29/10/2043	11,755,765	1.7
Cnooc Nexen Finance 4.25% 30/04/2024	11,545,841	1.7
Citic Pacific Ltd 6.625% 15/04/2021	11,475,866	1.6
Mega Advance Investments Ltd 6.375% 12/05/2041	11,056,017	1.6

# Annual Report for the financial year ended 31 December 2016

## First State Bridge

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### DISCLOSURES

Subscriptions S\$206,989,082

Redemptions S\$202,547,491

**31 December 2016    31 December 2015**

<b>Expense Ratio**</b>	1.47%	1.42%
(including that of the Underlying Fund)		

### Disclosures on the Underlying Fund -

#### Portfolio Turnover

First State Asian Equity Plus Fund	20.7%	18.4%
First State Asian Quality Bond Fund	45.2%	36.8%

#### Expense Ratio\*\*

First State Asian Equity Plus Fund	1.59%	1.58%
First State Asian Quality Bond Fund	1.08%	1.07%

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

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

### Related Party Transactions

#### For the financial year ended 31 December 2016

	<b>S\$</b>
Bank service fees paid to HSBC	18,973
Interest received from Bank of HSBC	(1,459)

#### Bank balances outstanding with HSBC as at 31 December 2016

	<b>S\$ equivalent</b>
Singapore Dollar	1,050,523
United States Dollar	395,347

#### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

	<u>Purchases</u>		<u>Sales</u>	
Currency	Amount	Currency	Amount	Amount
Singapore Dollar	12,654,427	United States Dollar		9,264,460

### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds or other unit trusts, other than the First State Asian Equity Plus Fund Class I (Dist) Shares (constituting 50.32% of the Sub-Fund's Net Asset Value and at a market value of S\$624,027,380) and First State Asian Quality Bond Fund Class I shares (constituting 50.36% of the Sub-Fund's Net Asset Value and at a market value of S\$624,483,884). The Sub-Fund holds forward currency contracts and the net change in fair value is 14,345,223 or 1.16% of NAV. The total amount of realised gain on forward currency contracts is S\$3,748,235, for the period. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings or material information that would adversely impact the valuation of the Sub-Fund.

# Annual Report for the financial year ended 31 December 2016

## First State Bridge

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### Financial Derivative Instruments

#### *a. Global Exposure*

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

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

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

#### *b. Collateral*

Nil for the year ended 31 December 2016.

#### *c. Securities Lending or Repurchase Transactions*

Nil for the year ended 31 December 2016.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## First State Dividend Advantage

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

*in Singapore dollars*

	<b>Sub-Fund</b>	<b>Benchmark</b>
	<b>%</b>	<b>%</b>
3-mth	-1.1	0.8
6-mth	5.2	12.1
1-year	3.6	9.0
3-year	8.7	4.7
5-year	10.1	7.3
10-year	6.9	3.3
Since Inception - 20 December 2004 <i>(Calculated since date of first valuation)</i>	9.1	6.6

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

Performance for 1 year and above has been annualised.

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

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

# Annual Report for the financial year ended 31 December 2016

## First State Dividend Advantage

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### MANAGER'S REPORT

The MSCI AC Asia Pacific ex Japan index increased by 7.1% in US dollar terms in the 12 months to the end of December 2016. Thailand and Taiwan outperformed, while Malaysia and the Philippines declined. On a sector level, Energy and Materials gained the most, while Health Care and Industrial stocks lagged.

#### Performance

The Sub-Fund provided a positive return over the period. **Taiwan Semiconductor (TSMC)** continued to outperform on strong demand and solid revenue growth due to broad sales of the Apple iPhone 7, while Advantech gained on strong earnings results. Fuyao Group Glass increased, as renminbi depreciation led to FX gains, which added to solid operating results.

Meanwhile, **CK Hutchison Holdings** had a tumultuous year and fell back in early June as the surprise Brexit vote raised concerns around its exposure to Europe and the UK in particular. However, the company has a strong balance sheet and free cash flow yield, which should provide some support. **LG Household & Healthcare** declined due to geopolitical tension between South Korea and China (a significant proportion of sales is derived from the Mainland). **Lupin**, a generic drugs manufacturer fell back due to increased scrutiny from the US Food and Drug Administration (US FDA). India's drug manufacturers in general have been under pressure. There have been questions from the US FDA on a host of issues, including data integrity, quality control and even standard packaging procedures. We think this is a good thing to improve quality overall; but as the drug companies scramble to comply there may be volatility in the share price over the short-term.

#### Transactions

During the period, significant purchases included **Misumi Group**, an innovative factory automation manufacturer with a growing presence overseas, and **Ryohin**, a strong consumer brand with the potential to establish a large footprint in Asia.

We divested **Hong Kong & China Gas**, given the recent de-rating of China gas companies, and sold **Hyundai Mobis** on concerns around its corporate governance.

#### Outlook

Our generally cautious stance and positioning across the Asia Pacific portfolios have not changed. Recent 'surprise' political events have again proven, in our view, that the future is thoroughly unpredictable. We fear that this could mean a more politicised world and a rise in protectionism, which is likely to be negative for Asia. This, coupled with rising levels of inflation and tightening measures in the US, has the potential to accelerate capital outflows from the region and weaken Asian currencies. However, as bottom-up investors, our focus remains on finding high-quality management teams and businesses that have, over time, delivered predictable and sustainable returns comfortably in excess of the cost of capital, despite the prevailing headwinds. We believe that finding and investing in these companies and holding for the long-term is the most important foundation for compounding financial value over time.



# Annual Report for the financial year ended 31 December 2016

## First State Dividend Advantage

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### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE DIVIDEND ADVANTAGE</b>			
<b>Dublin</b>			
First State Asian Equity Plus Fund	32,937,408	1,880,070,419	100.66
Total investments		1,880,070,419	100.66
Other net liabilities		(12,300,172)	(0.66)
Total net assets attributable to unitholders		1,867,770,247	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
Taiwan Semiconductor Mfg Co Ltd	210,878,239	5.7
CSL Ltd	158,713,622	4.3
CK Hutchison Holding	151,314,386	4.1
HDFC Bank Limited	113,208,318	3.1
Brambles Ltd	101,739,501	2.8
Delta Electronics Inc	92,120,494	2.5
Oversea-Chinese Banking Corp	91,010,608	2.5
Advantech Co Ltd	90,640,647	2.5
Dr Reddy's Laboratories Ltd	83,611,372	2.3
LG Household & Health Care Ltd	81,021,639	2.2

### Top 10 holdings (as at 31 December 2015)

Taiwan Semiconductor Mfg Co Ltd	170,479,450	4.3
CK Hutchison Holding	159,758,877	4.1
Delta Electronics Inc	117,032,695	3.0
CSL Ltd	111,678,938	2.8
Housing Development Finance Corp	98,279,550	2.5
Dr Reddy's Laboratories Ltd	95,251,733	2.4
Oversea-Chinese Banking Corp	93,628,578	2.4
LG Household & Health Care Ltd	93,514,914	2.4
Brambles Ltd	92,777,446	2.4
LG Corp	91,919,975	2.3

# Annual Report for the financial year ended 31 December 2016

## First State Dividend Advantage

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### DISCLOSURES

Subscriptions S\$438,387,375

Redemptions S\$441,827,945

**31 December 2016    31 December 2015**

**Expense Ratio\*\*** 1.74% 1.70%  
(including that of the Underlying Fund)

#### Disclosures on the Underlying Fund -

**Portfolio Turnover** 20.7% 18.40%

**Expense Ratio\*\*** 1.59% 1.58%

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

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

#### Related Party Transactions

##### For the financial year ended 31 December 2016

	<b>S\$</b>
Bank service fees paid to HSBC	89,089
Interest received from Bank of HSBC	(11,769)

##### Bank balances outstanding with HSBC as at 31 December 2016

	<b>S\$ equivalent</b>
Singapore Dollar	2,315,739
United States Dollar	160,435

##### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

<b>Currency</b>	<b><u>Purchases</u></b>	<b>Amount</b>	<b>Currency</b>	<b><u>Sales</u></b>	<b>Amount</b>
Singapore Dollar		1,987,438	Singapore Dollar		1,385,099
United States Dollar		1,008,620	United States Dollar		1,442,178

#### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Asian Equity Plus Fund Class I shares (Dist), constituting 100.66% of the Sub-Fund's Net Asset Value and at a market value of S\$1,880,070,419. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

#### Soft dollar commissions

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

#### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## First State Global Balanced Fund

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	-1.2	3.1
6-mth	2.1	7.9
1-year	4.7	7.9
3-year	4.5	6.9
5-year	6.3	8.4
10-year	1.8	3.6
Since Inception – 4 January 1999 (Calculated since date of first valuation)	2.1	4.0

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

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

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

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

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

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

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

# Annual Report for the financial year ended 31 December 2016

## First State Global Balanced Fund

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### MANAGER'S REPORT

Global equity markets rose in 2016 with the MSCI AC World Index gaining 8.5% in US dollar terms. The strongest markets over the year were Brazil and Russia which bounced sharply as commodity prices recovered. Denmark and Israel were the weakest markets over the period. Cyclical companies were particularly strong with the Energy and Materials sectors outperforming. The more defensive Health Care sector underperformed over the year as investors rotated into more cyclical names.

The markets dealt with four bouts of excessive volatility. Early in the year, concerns over China and the plummet in A-share market amid further collapse of oil price caused risk-off sentiment. This was later met with a less hawkish US Fed, further monetary easing from the Bank of Japan (BoJ) and The European Central Bank (ECB). This helped risk assets rebound and sent global yields lower, interestingly at the time was the initial response to the ECB easing.

Towards the end of June, the UK's shock decision to leave the European Union put markets into a tailspin. Central banks made no changes in policy following the UK referendum but continued to be vocal on being positioned to ensure markets continue to function in times of extreme stress. This drove yields even lower and risk asset continued to rally.

In the last quarter, however, bond yields rose on the expectation that the BoJ and ECB were to wind back or change the focus of their quantitative easing programs. This was significantly added to with the surprise appointment of Donald Trump as the 45th President of the United States in late November. On the back of the perceived pro-growth environment under Trump's presidency, inflation expectations and equities moved higher and subsequently bond yields rose sharply. In early December, the US Federal Open Market Committee (FOMC) finally increased the cash rate by 25bps to 0.50%-0.75%.

Currency fluctuations continued throughout the year, driven by USD strength. The USD entered another period of strength mid-year. This pressured major currencies at a time when GBP was under pressure following BREXIT. The year saw major currencies all weaker against the dollar with Yen the main decliner falling 17%, followed by GBP 16%, RmB 7.5% and EUR3%.

### Outlook

We believe that stock markets are as vulnerable as they have been for many years, likely driven by the irresponsible monetary policies being pursued by global central banks. We are also concerned about rising debt levels in China. We aim to find high quality management with predictable and stable businesses at acceptable valuations. We continue to invest in those companies which should benefit from and contribute to sustainable investment over the long-term.

# Annual Report for the financial year ended 31 December 2016

## First State Global Balanced Fund

### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE GLOBAL BALANCED FUND</b>			
<b>Dublin</b>			
Stewart Investors Worldwide Leaders Fund	793,800	11,364,815	61.05
First State Global Bond Fund	330,887	7,160,932	38.47
Total investments		18,525,747	99.52
Other net assets		89,648	0.48
Total net assets attributable to unitholders		18,615,395	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

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

# Annual Report for the financial year ended 31 December 2016

## First State Global Balanced Fund

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### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2015)</b>		
<b>Equities</b>		
Henkel AG & Co KGaA	5,389,655	9.7
Unilever Plc	5,299,702	9.6
Berkshire Hathaway Inc	3,107,932	5.6
Waters Corp	2,492,043	4.5
Oversea-Chinese Banking Corp	2,476,835	4.5
Markel Corp	2,476,833	4.5
Nestle	2,331,806	4.2
Colgate-Palmolive Co	1,888,362	3.4
Unicharm Corp	1,864,202	3.4
SGS SA	1,808,416	3.3
<b>Fixed Income</b>		
US Treasury Bill 1.00% 15/09/2017	1,924,986	8.9
US Treasury Bill 1.00% 15/09/2018	1,275,384	5.9
US Treasury Bill 1.625% 15/08/2022	976,568	4.5
Japan (Govt) 0.6% 20/03/2024	918,103	4.2
Japan (Govt) 1.40% 20/09/2019	844,482	3.9
US Treasury Bill 3.125% 15/02/2043	827,159	3.8
Japan (Govt) 1.3% 20/03/2019	779,522	3.6
UK CONV GILT 4.50% 07/03/2019	708,066	3.3
Germany (Federal Republic of) 0.25% 13/04/2018	705,900	3.3
Japan (Govt) 2.20% 20/03/2051	658,263	3.0

# Annual Report for the financial year ended 31 December 2016

## First State Global Balanced Fund

### DISCLOSURES

Subscriptions	S\$2,571,838
Redemptions	S\$2,327,265

**31 December 2016    31 December 2015**

<b>Expense Ratio**</b> (including that of the Underlying Fund)	1.72%	1.73%
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### Disclosures on the Underlying Fund -

#### Portfolio Turnover

Stewart Investors Worldwide Leaders Fund	22.9%	30.2%
First State Global Bond Fund	91.8%	169.6%

#### Expense Ratio\*\*

Stewart Investors Worldwide Leaders Fund	1.73%	1.75%
First State Global Bond Fund	1.20%	1.17%

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

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

### Related Party Transactions

#### For the financial year ended 31 December 2016

Bank service fees paid to HSBC	<b>S\$</b> 694
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#### Bank balances outstanding with HSBC as at 31 December 2016

	<b>S\$ equivalent</b>
Singapore Dollar	40,616
United States Dollar	54,725

#### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

Currency	<u>Purchases</u>		<u>Sales</u>	
		Amount	Currency	Amount
Singapore Dollar		1,388,410	Singapore Dollar	1,281,148
United States Dollar		930,736	United States Dollar	1,014,307

### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Bond Fund Class I shares (constituting 38.47% of the Sub-Fund's Net Asset Value and at a market value of S\$7,160,932) and Stewart Investors Worldwide Leaders Fund Class I (constituting 61.05% of the Sub-Fund's Net Asset Value and at a market value of S\$11,364,815). In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## First State Global Infrastructure

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

in Singapore dollars

	<b>Sub-Fund</b>	<b>Benchmark</b>
	<b>%</b>	<b>%</b>
3-mth	2.5	2.3
6-mth	6.6	4.8
1-year	14.2	13.8
3-year	10.1	10.9
5-year	10.8	12.0
Since Inception – 3 March 2008 (Calculated since date of first valuation)	4.1	3.9

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

Performance for 1 year and above has been annualised.

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

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

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

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



# Annual Report for the financial year ended 31 December 2016

## First State Global Infrastructure

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### MANAGER'S REPORT

After strong gains in the first half of 2016, political change and a sharp rise in bond yields dampened global listed infrastructure returns during the second half of the year. These two key risks for the sector are now better reflected in valuations.

#### Performance

The largest contributor to positive performance was **Spectra Energy**, which was acquired by Canadian peer Enbridge Inc at a substantial premium to its undisturbed share price. **CCR** rallied on resilient traffic volumes and a less pessimistic market view on Brazil's political and economic outlooks. **Union Pacific** gained on volume and efficiency improvements, capped by a Trump-inspired surge of optimism towards the sector in the fourth quarter.

**China Merchants Ports** detracted from performance on market unease about the outlook for global trade. **Eurotunnel** was impacted by Brexit uncertainty. **United Utilities** underperformed as higher bond yields weighed on the share price of this stable, defensive company.

#### Transactions

Additions to the Sub-Fund included **Dominion Resources** following a period of underperformance compared to peers; and **American Electric Power**, which is deriving low risk earnings growth from the build-out of transmission infrastructure. A position was also initiated in **Enterprise Products Partners**, whose robust earnings growth profile is based on exposure to US energy exports.

The Sub-Fund's holdings in **Duke Energy** and **CSX** were divested after strong share price gains reduced mispricing. **ITC Holdings** was also sold, after receiving a takeover bid from Canadian peer Fortis.

#### Outlook

Our outlook for global listed infrastructure is positive. Most listed infrastructure companies are in good financial shape, with prudent levels of debt and conservative dividend pay-out ratios. These metrics suggest that listed infrastructure will continue to offer reasonable risk-adjusted returns to investors. Mispricing and value opportunities can be found both between and within infrastructure sectors, presenting scope for active managers to add value.

The Sub-Fund's positioning remains tilted towards growth infrastructure such as the toll road sector, which contains high quality companies generating healthy cash flows and trading at discounts to intrinsic value. An underweight exposure has been maintained in interest rate sensitive utilities, especially those with lower earnings growth outlooks.

We see a number of tailwinds ahead, including ongoing structural drivers (like demand for mobile data or renewable energy); and shifting asset allocation from low-yielding bonds and volatile equities towards real assets.

# Annual Report for the financial year ended 31 December 2016

## First State Global Infrastructure

### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE GLOBAL INFRASTRUCTURE</b>			
<b>England and Wales</b>			
First State Global Listed Infrastructure Fund	4,149,045	13,165,305	97.83
Total investments		13,165,305	97.83
Other net assets		292,233	2.17
Total net assets attributable to unitholders		13,457,538	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
Transurban Group Ltd	247,546,346	6.5
PG&E Corp	238,719,112	6.2
East Japan Railway Co	202,258,797	5.3
Crown Castle International Corp	177,696,059	4.6
Eversource Energy	175,009,510	4.6
NextEra Energy Inc	164,263,312	4.3
Abertis Infraestructuras SA	160,041,591	4.2
National Grid PLC	156,203,663	4.1
Kinder Morgan, Inc	140,084,366	3.7
Dominion Resources Inc	135,862,646	3.5

### Top 10 holdings (as at 31 December 2015)

Transurban Group Ltd	130,178,305	5.3
National Grid PLC	125,304,630	5.1
PG&E Corp	123,121,273	5.0
Duke Energy Corp	101,827,276	4.2
Abertis Infraestructuras SA	90,717,207	3.7
Union Pacific Corp	87,399,295	3.6
Eversource Energy	83,959,006	3.4
Enbridge Inc	80,553,363	3.3
Power Assets Hldgs Ltd	79,312,351	3.2
American Tower Corp	78,831,063	3.2

# Annual Report for the financial year ended 31 December 2016

## First State Global Infrastructure

### DISCLOSURES

Subscriptions	S\$6,326,553
Redemptions	S\$12,469,059

**31 December 2016    31 December 2015**

<b>Expense Ratio**</b> (including that of the Underlying Fund)	1.88%	1.84%
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### Disclosures on the Underlying Fund -

<b>Portfolio Turnover</b>	73.6%	88.9%
<b>Expense Ratio**</b>	1.58%	1.59%

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

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

### Related Party Transactions

**For the financial year ended 31 December 2016**

	<b>S\$</b>
Bank service fees paid to HSBC	4,214
Interest received from Bank of HSBC	(1,274)

**Bank balances outstanding with HSBC as at 31 December 2016**

	<b>S\$ equivalent</b>
British Pound Sterling	143
Singapore Dollar	272,394
United States Dollar	29,674

**Foreign exchange transacted with HSBC for the financial year ended 31 December 2016**

	<u>Purchases</u>		<u>Sales</u>	
<b>Currency</b>	<b>Amount</b>	<b>Currency</b>	<b>Amount</b>	
British Pound Sterling	1,935,930	British Pound Sterling	5,534,376	
Singapore Dollar	7,231,391	Singapore Dollar	6,144,204	
United States Dollar	4,178,598	United States Dollar	180,971	

### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Listed Infrastructure Fund Class A shares, constituting 97.83% of the Sub-Fund's Net Asset Value and at a market value of S\$13,165,305. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## First State Global Property Investments

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

in Singapore dollars

<b>Class A - Distribution</b>	<b>Sub-Fund</b>	<b>Benchmark</b>
	<b>%</b>	<b>%</b>
3-mth	-0.6	0.2
6-mth	2.4	3.0
1-year	-0.7	6.9
3-year	9.3	12.0
5-year	8.6	11.9
10-year	-0.6	1.9
Since Inception – 11 April 2005 (Calculated since date of first valuation)	3.3	5.9

<b>Class A - Accumulation</b>	<b>Sub-Fund</b>	<b>Benchmark</b>
	<b>%</b>	<b>%</b>
3-mth	-0.6	0.2
6-mth	2.4	3.0
1-year	-0.7	6.9
3-year	n/a	n/a
5-year	n/a	n/a
10-year	n/a	n/a
Since Inception – 15 September 2015 (Calculated since date of first valuation)	2.1	11.2

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

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

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

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

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

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

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

# Annual Report for the financial year ended 31 December 2016

## First State Global Property Investments

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### MANAGER'S REPORT

REITs globally performed strongly in the first half of 2016, as interest rates reached ever lower levels and investors sought stable yields, ideally with some growth prospects.

In the second half of the year, gains were partially reversed as the prospect of US interest rate rises dampened investor sentiment towards REITs and other income generative assets. Unexpected referendum and election results in the UK and US in the second half of the year contributed to market volatility.

### Performance

Positions in **Hudson Pacific Properties**, **Simon Property Group** and **Apartment Investment & Management** were significant positive contributors to performance. These stocks gained on healthy fundamentals and higher US economic growth expectations, following the US presidential election result.

Holdings in **Land Securities** and **Unite Group** detracted from performance as uncertainty following Brexit weighed on their share prices. A holding in **Brookdale Senior Living** also affected Sub-Fund performance, owing to concerns about the near-term outlook for senior housing and management's poor execution.

### Transactions

The Sub-Fund established positions in **CyrusOne** and **Cubesmart**. CyrusOne appears well placed to meet growing data centre demand, given its large scale data center platform; proven track record; and leading position in many key industry segments. A period of underperformance presented an appealing entry point for Cubesmart.

A holding in **SL Green** was sold early in 2016, reflecting concerns that slowing GDP growth may weigh on New York office market rental growth expectations. **Derwent London** and **Great Portland Estates** were sold on the view that the Brexit vote could weigh on the London office market.

### Outlook

Since the US election, exposure to more economically sensitive US names and sectors has been increased. Some more defensive and lower beta holdings, which had the benefit of performing relatively well in recent months, have been reduced.

The portfolio's UK exposure remains focussed on high quality retail malls and student accommodation, where valuations are relatively appealing. We remain concerned about Continental Europe, where supportive central bank measures have raised property security valuations but have so far not translated to materially higher economic growth rates. The Sub-Fund's European exposures are focussed on the retail and German apartment sectors.

In the Asia-Pacific region, the Sub-Fund has maintained its exposure to Singapore. Despite a subdued macroeconomic backdrop, Singapore's retail property sector includes a number of REITs trading at relatively attractive valuations and generating defensive, recurring cash flows.

The Sub-Fund's Japanese holdings consist of large property developers that are set to benefit from continued rental growth and the opening of new properties; and smaller J-REITs with appealing investment cases.

The amount of S\$3,942 was made by the Manager to the fund due to opportunity cost arising from an operational matter that has occurred.

# Annual Report for the financial year ended 31 December 2016

## First State Global Property Investments

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### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE GLOBAL PROPERTY INVESTMENTS</b>			
<b>Dublin</b>			
First State Global Property Securities	1,423,450	23,525,888	98.75
Total investments		23,525,888	98.75
Other net assets		298,544	1.25
Total net assets attributable to unitholders		23,824,432	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
Equinix Inc	1,345,767	5.7
Vornado Realty Trust	1,277,298	5.4
GPT Group	1,208,829	5.1
Hudson Pacific Properties Inc	1,034,116	4.4
Hammerson PLC	939,676	4.0
CapitaLand Mall Trust	925,510	3.9
CubeSmart	906,622	3.8
Essex Property Trust Inc	904,261	3.8
Apartment Investment & Management Co	852,319	3.6
CyrusOne Inc	835,792	3.5

### Top 10 holdings (as at 31 December 2015)

Simon Property Group	1,528,309	7.7
Mitsui Fudosan Co Ltd	1,118,834	5.6
Hudson Pacific Properties Inc	965,654	4.9
Equity Residential	943,770	4.7
Essex Property Trust Inc	940,463	4.7
General Growth Properties Inc	926,999	4.7
SI Green Realty Corp	795,272	4.0
Hongkong Land Holdings Limited	781,661	3.9
Unibail Rodamco	748,093	3.8
Sumitomo Realty & Development Co Ltd	738,717	3.7

# Annual Report for the financial year ended 31 December 2016

## First State Global Property Investments

### DISCLOSURES

Subscriptions	S\$9,185,775
Redemptions	S\$4,150,905

	31 December 2016	31 December 2015
<b>Expense Ratio** (Class A - Distribution)</b> (including that of the Underlying Fund)	1.97%	2.09%
<b>Expense Ratio** (Class A - Accumulation)</b> (including that of the Underlying Fund and excluding preliminary expenses)	1.97%	2.06%
<b>Expense Ratio** (Class A - Accumulation)</b> (including that of the Underlying Fund and Preliminary Expenses)	1.98%	2.13%
<b>Disclosures on the Underlying Fund -</b>		
<b>Portfolio Turnover</b>	91.8%	86.3%
<b>Expense Ratio**</b>	1.68%	1.64%

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

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

### Related Party Transactions

#### For the financial year ended 31 December 2016

Bank service fees paid to HSBC	S\$ 15,367
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#### Bank balances outstanding with HSBC as at 31 December 2016

	S\$ equivalent
Singapore Dollar	205,039
United States Dollar	16,860

#### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

Currency	Purchases		Currency	Sales	
		Amount			Amount
Singapore Dollar		354,823	Singapore Dollar		4,735,340
United States Dollar		3,420,660	United States Dollar		260,000

### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Property Securities USD - Class I, constituting 98.75% of the Sub-Fund's Net Asset Value and at a market value of S\$23,525,888. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## First State Global Resources

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

in Singapore dollars

	<b>Sub-Fund</b>	<b>Benchmark</b>
	<b>%</b>	<b>%</b>
3-mth	7.0	9.0
6-mth	18.0	19.3
1-year	44.3	57.1
3-year	-3.3	-1.9
5-year	-6.1	-4.3
10-year	-2.7	-0.8
Since Inception – 5 September 2005 (Calculated since date of first valuation)	-0.2	3.0

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

Performance for 1 year and above has been annualised.

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

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

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

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



# Annual Report for the financial year ended 31 December 2016

## First State Global Resources

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### MANAGER'S REPORT

Global resources equities and commodities rebounded in 2016, recording remarkable returns. This was the broader sector's first annual increase since 2010, driven by a significant recovery in commodity prices and stronger supply discipline by producers. Metallurgical coal was by far the best performer in 2016 followed by iron ore, thermal coal and zinc. Gold lost momentum in a rising US interest rate environment. Demand growth was supported by Chinese infrastructure-led stimulus, the global manufacturing recovery and positive sentiment associated with US President-elect Trump's reflationary fiscal policy platform. Oil prices rallied, supporting energy companies, as OPEC and non-OPEC producers reached an accord to cut supply from early 2017.

### Performance

The quality bias in the portfolio produced strong positive returns, but underperformed the benchmark as some of the best equity performers of 2016 were the more operationally and/or financially levered names.

The underweight position in **Vale**, the world's largest iron ore producer, detracted value as iron ore price strength was sustained longer than anticipated. Strong coking coal prices has driven demand and hence premiums iron ore pellets. As a significant producer of pellets, Vale is well positioned to benefit relative to its peers. Concerns around its balance sheet have eased as a result of the better than expected cashflow combined with asset sales. The Sub-Fund finished the year with a small overweight position in Vale.

Canadian gold developer **TMAC Resources**, one of the Sub-Fund's high growth acorns, was the top relative fund performer this year. The stock enjoyed a strong run on the back of the rally in the gold price in the first half of 2016. While the macro backdrop was less favourable later in the year, TMAC's Hope Bay project is on track for commercial production in Q1 17.

### Transactions

We increased the Sub-Fund's weight to the energy sector towards year-end after some profit taking in the miners following a strong run in metal and diamond prices. Sentiment has improved towards oil and gas stocks on announced OPEC cutbacks and Trump headlines. We favour high quality Exploration & Production companies located in the Permian and Montney Basins of North America. These include **ARC Resources, Concho Resources, Peyto Exploration** and **Seven Generations**. Large Integrated Oil Companies, such as **Exxon Mobil, Chevron** and **Suncor Energy** remain a key part of the portfolio. Positions in these names have been reduced in favour of selected Oilfield Services companies with exposure to an acceleration in onshore activity, **Patterson UTI Energy and Halliburton**.

The Sub-Fund's exposure to diversified global miners was increased. Government and company policies to curb production have tightened the coking coal, iron ore, nickel and zinc markets. The recent improvement in commodity prices has boosted free cash flow generation, increasing profitability and expectations that diversified miners will eventually raise dividends. **Anglo American, Glencore, South32** and **Teck Resources** are most leveraged to this commodity mix and their share prices have appreciated. We increased these positions during 2016.

# Annual Report for the financial year ended 31 December 2016

## First State Global Resources

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### Outlook

Mining companies have taken advantage of the bounce in raw materials prices to strengthen balance sheets and reinstate dividends after years of declining commodity prices. We believe the sector is attractive over the long term as free cash flow increases and financial flexibility improves, paving the way for a more robust business and earnings outlook.

We maintain a positive view towards most base, bulk and energy commodities, with our preferred exposures being zinc, steel, thermal coal and oil in the near term. The macro outlook for precious metals may be challenging if we continue to see a trend of rising interest rates in the US.

At this early stage in the cyclical recovery, large cap miners and energy producers need to continue to demonstrate capital discipline and to maximise free cash flow. Amongst the mid-cap and intermediate producers, high asset quality, low costs and balance sheet strength are qualities that we emphasise. Smaller companies are inherently higher risk, but catalysts such as exploration success, permitting and development, or operational turnarounds are drivers of the 'acorns' or small cap stocks in the portfolio. We believe these types of catalyst-rich names will increasingly be of interest from an M&A perspective.

# Annual Report for the financial year ended 31 December 2016

## First State Global Resources

### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE GLOBAL RESOURCES</b>			
<b>England and Wales</b>			
First State Global Resources Fund	85,648,464	460,779,080	98.19
<b>Dublin</b>			
First State Global Resources Fund	552,243	7,148,513	1.53
Total investments		467,927,593	99.72
Other net assets		1,336,320	0.28
Total net assets attributable to unitholders		469,263,913	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
BHP Billiton	71,100,984	7.7
Rio Tinto	54,778,190	5.9
Exxon Mobil Corp	45,371,834	4.9
Glencore International	43,343,012	4.7
Chevron Corp	30,985,643	3.4
Vale SA	28,956,821	3.1
Suncor Energy Inc	26,559,122	2.9
Franco-Nevada Corp	26,190,246	2.8
Goldcorp Inc	22,501,479	2.4
South32 Ltd	21,671,506	2.4

### Top 10 holdings (as at 31 December 2015)

BHP Billiton	60,997,078	9.6
Rio Tinto	60,022,337	9.4
Exxon Mobil Corp	55,245,631	8.7
Chevron Corp	27,331,619	4.3
Glencore International	19,761,378	3.1
Enbridge Inc	19,415,463	3.0
Cameco Corp	17,118,366	2.7
Lundin Mining Corp	16,582,281	2.6
Franco-Nevada Corp	16,452,024	2.6
Southern Copper Corp	16,298,801	2.6

# Annual Report for the financial year ended 31 December 2016

## First State Global Resources

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### DISCLOSURES

<b>Subscriptions</b>	S\$96,374,995
<b>Redemptions</b>	S\$82,361,426

**31 December 2016    31 December 2015**

<b>Expense Ratio**</b> (including that of the Underlying Fund)	1.70%	1.69%
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### Disclosures on the Underlying Fund -

<b>Portfolio Turnover</b>	59.1%	54.8%
<b>Expense Ratio**</b>	0.82%	0.83%

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

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

### Related Party Transactions

#### For the financial year ended 31 December 2016

	<b>S\$</b>
Security processing fees paid to HSBC	5,400
Bank service fees paid to HSBC	29,460
Expense ratio rebate from the underlying fund manager	(21,021)

#### Bank balances outstanding with HSBC as at 31 December 2016

	<b>S\$ equivalent</b>
British Pound Sterling	259,006
Singapore Dollar	947,463
United States Dollar	25,700

#### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

<b>Currency</b>	<b><u>Purchases</u></b>	<b>Amount</b>	<b>Currency</b>	<b><u>Sales</u></b>	<b>Amount</b>
British Pound Sterling		13,551,980	British Pound Sterling		9,957,420
Singapore Dollar		18,586,429	Singapore Dollar		26,293,732
United States Dollar		1,672,408	United States Dollar		1,018,503

# **Annual Report for the financial year ended 31 December 2016**

## **First State Global Resources**

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### **Others**

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Resources Fund Class B shares (constituting 98.19% of the Sub-Fund's Net Asset Value and at a market value of S\$460,779,080) and First State Global Resources Fund Class III shares (constituting 1.53% of the Sub-Fund's Net Asset Value and at a market value of S\$7,148,513). In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

### **Soft dollar commissions**

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

### **Commission Sharing Arrangement**

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## First State Regional China Fund

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

*in Singapore dollars*

	<b>Sub-Fund</b>	<b>Benchmark</b>
	<b>%</b>	<b>%</b>
3-mth	0.5	-0.7
6-mth	13.9	13.8
1-year	3.6	7.7
3-year	5.4	6.7
5-year	8.9	9.2
10-year	6.5	3.6
Since Inception – 1 November 1993 <i>(Calculated since date of first valuation)</i>	8.0	3.9

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

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

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

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

# Annual Report for the financial year ended 31 December 2016

## First State Regional China Fund

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### MANAGER'S REPORT

The Greater China equity markets increased over the 12 months to 31 December 2016. The MSCI Golden Dragon Index rose by 5.8% in US dollar terms over the period, with Taiwan gaining the most, up 19.6% over the year. The MSCI Hong Kong increased by 2.3%, while China was up 1.1%.

#### Performance

The Sub-Fund increased over the period. On the positive side, **Taiwan Semiconductor (TSMC)** continued to outperform on strong demand and solid revenue growth due to broad sales of the Apple iPhone 7, while **Advantech** gained on strong earnings results. **AAC Technologies** reported strong sales and market share gains in acoustic components and haptics, and was further boosted by its inclusion in the Hang Seng Index in September.

Detracting from performance, **China Taiping Insurance** fell back on concerns that persistently low interest rates would impact margins. However, insurance penetration in China is still low; we believe that longer-term there is still a need to provide better protection in the form of savings products and medical cover. **ENN Energy** declined over concerns that increased regulations might impact future profits. **CK Hutchison Holdings** a tumultuous year and fell back in early June as the surprise Brexit vote raised concerns around its exposure to Europe and the UK in particular. However, the company has a strong balance sheet and free cash flow yield, which should provide some support.

#### Transactions

During the period, significant purchases included **Yunnan Baiyao**, a pharmaceutical company that produces haemostatic medicine and health care products such as toothpaste and shampoo, and **Jiangsu Hengrui Medicine**, one of the leading pharmaceutical companies in China. The valuation is not cheap but we think the company could become a dominant player in the long-term.

We disposed of **China Construction Bank** on concerns around the credit cycle and divested **Lenovo** on concerns around the lack of clear direction in the company's strategy, coupled with the challenging environment in the global PC and gadgets market.

#### Outlook

Though there have been some encouraging signs of production activity in China, we believe economic growth is likely to remain subdued in the near-term and the stock market to remain volatile. Several industries are witnessing a much-needed cutback in capacity, which should lead to a better balance between supply and demand. We believe this is a necessary transformation which should make economic growth more sustainable in the long run.

We think the renminbi could come under further downward pressure, especially as the outlook for the US dollar and the US economy in general looks more positive. This could be challenging for companies with significant borrowings and currency mismatch. Mild inflation growth could help to stabilize corporate earnings in the short-term, but there is the risk that inflation could rise to a more dangerous level and trigger an aggressive government response.

In the US, a rise in protectionism could have a negative impact on China and the Asia region, if it comes to fruition. More widely, political developments in China, the US, the European Union and the UK have the capacity to disrupt global growth and should be monitored closely.

Despite these concerns, stock prices have generally remained fully valued, especially for good quality companies. Valuations for growth companies have been bid up, but we believe there may be growing headwinds due to base effects and growing competition. As always, we maintain a preference for companies with healthy balance sheets, good management risk awareness and reasonable valuations.

# Annual Report for the financial year ended 31 December 2016

## First State Regional China Fund

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### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE REGIONAL CHINA FUND</b>			
<b>Dublin</b>			
First State Greater China Growth Fund	3,820,903	400,314,632	99.59
Total investments		400,314,632	99.59
Other net assets		1,651,716	0.41
Total net assets attributable to unitholders		401,966,348	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
Taiwan Semiconductor Mfg Co Ltd	48,601,606	6.9
CK Hutchison Holding	35,443,093	5.0
Advantech	34,735,646	4.9
Tencent Holdings	33,674,475	4.8
Delta Electronics Inc	31,764,369	4.5
AIA Group Ltd	26,104,793	3.7
CSPC Pharmaceutical Group Ltd	24,902,133	3.5
Shenzhen International Group Holdings Ltd	24,406,920	3.5
China Mengniu Dairy Co Ltd	23,275,005	3.3
China Taiping Insurance Holdings Co Ltd	22,355,324	3.2

### Top 10 holdings (as at 31 December 2015)

Taiwan Semiconductor Mfg Co Ltd	51,112,880	6.0
CK Hutchison Holding	44,298,272	5.2
Delta Electronics Inc	41,532,613	4.9
China Taiping Insurance Holdings Co Ltd	37,040,878	4.3
ENN Energy Holdings Ltd	36,113,963	4.2
AIA Group Ltd	35,656,284	4.2
Tencent Holdings	35,603,622	4.2
Advantech Corp	33,929,838	4.0
China Vanke Co Ltd	32,970,022	3.9
China Merchants Bank Co	31,303,010	3.7



# Annual Report for the financial year ended 31 December 2016

## First State Regional China Fund

### DISCLOSURES

Subscriptions	S\$37,536,788
Redemptions	S\$108,962,979

**31 December 2016    31 December 2015**

<b>Expense Ratio**</b> (including that of the Underlying Fund)	1.72%	1.69%
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### Disclosures on the Underlying Fund -

<b>Portfolio Turnover</b>	14.2%	19.1%
<b>Expense Ratio**</b>	1.59%	1.59%

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

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

### Related Party Transactions

#### For the financial year ended 31 December 2016

Bank service fees paid to HSBC	<b>S\$</b> 30,351
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#### Bank balances outstanding with HSBC as at 31 December 2016

	<b>S\$ equivalent</b>
Singapore Dollar	106,777
United States Dollar	249,778

#### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

	<u>Purchases</u>		<u>Sales</u>	
<b>Currency</b>	<b>Amount</b>	<b>Currency</b>	<b>Amount</b>	
Singapore Dollar	63,867,212	Singapore Dollar	1,795,520	
United States Dollar	1,305,242	United States Dollar	46,305,205	

### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Greater China Growth Fund Class I shares, constituting 99.59% of the Sub-Fund's Net Asset Value and at a market value of S\$400,314,632. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## First State Regional India Fund

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

in Singapore dollars

	<b>Sub-Fund</b>	<b>Benchmark</b>
	<b>%</b>	<b>%</b>
3-mth	-0.4	-2.5
6-mth	4.4	4.6
1-year	3.1	0.4
3-year	20.8	9.5
5-year	19.0	9.1
10-year	10.7	2.1
Since Inception – 22 August 1994 (Calculated since date of first valuation)	9.1	6.3

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

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

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

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

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

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

# Annual Report for the financial year ended 31 December 2016

## First State Regional India Fund

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### MANAGER'S REPORT

The MSCI India Index declined 1.4% in US dollar terms over the 12 months to 31 December 2016. At the start of the year, the Indian stock market fell significantly, mainly driven by weak Q3 earnings and uncertainty around the Union Budget (which was announced at the end of February), though the market rebounded in March on the back of continued accommodative central bank policy. In August, the landmark Goods & Services Tax bill was passed by Parliament – the focus now shifts to the enabling acts, which have to be passed in the Centre and the states before it can be implemented sometime during 2017. The new regime aims to simplify and streamline tax payments, reduce bureaucracy, curb tax evasion (and thus raise tax revenues) and ease the difficulties of doing business across state lines. In November, Prime Minister Modi announced that INR500 and INR1000 denomination notes were to be withdrawn as legal tender, which caused turmoil in the economy. The withdrawn currency accounted for more than 80% of the total volume of notes in circulation and approximately INR14 trillion in value. A massive amount of data pertaining to the hitherto unaccounted for money has been generated by the exercise; and the tax department is expected to use it to increase India's tax base, which at 17% of GDP, is pitifully low.

### Performance

The Sub-Fund increased over the period. Adding to performance, **Tube Investments of India** was boosted by plans to expand its manufacturing capacity to meet demand expectations. The company also completed its stake sale in Chola Insurance to partner Mitsui Sumitomo at a higher price than comparable insurance transactions. The proceeds were to repay around 45% of Tube's debt. Meanwhile, **Kansai Nerolac** rose on strong growth in net profits as raw material prices fell, and **Godrej Consumer** gained on expectations of strong earnings growth driven by robust volume growth, cost cutting and lower commodity input costs. The market also responded well to news of its acquisition plans in Sub Sahara Africa to increase its footprint and presence.

On the negative side, tech exporter **Wipro** was hurt by a slowdown in discretionary spending at banks and financial services companies, while **Indoco Remedies** fell back after surging on the news that the US Food and Drugs Administration (USFDA) had approved its new manufacturing plant in Goa, particularly after news that the USFDA had issued six observations in a subsequent audit. **Container Corp of India** underperformed, as poor trade growth and regulatory changes impacted negatively on both volumes and margins. However, the management have been investing counter-cyclically during this period, which we believe should put the company in a good position to take market share once the changes in regulations (the goods and services tax) and infrastructure (the launch of a dedicated freight corridor) take place.

### Transactions

During the period, significant purchases included **Wipro**, an IT consultancy services firm with good cash generation and on reasonable valuations, and **Cipla**, a pharmaceutical company with strong growth expectations. We had followed both companies for many years but added only recently on the back of a promising change in management (Wipro has new ex-TCS management in charge, while Cipla's new leadership came from Dr Reddy's).

We sold IDFC on concerns around the restructuring and divested Tata Global Beverages on concerns around the group's poor capital allocation history.

# Annual Report for the financial year ended 31 December 2016

## First State Regional India Fund

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### Outlook

We have often commented that it is the direction of travel that it is more relevant for us as investment managers; and the direction of India's economy has been encouraging. Since Modi came to power in the summer of 2014, his efforts have been to effect a behavioural change at every level of governance in India. We think that much has been done, including the impending implementation of the Goods and Services Tax as well as many others.

So, we think that the demonetization move should not be viewed in isolation. Despite all the short-term disruption to the economy, we are now even more excited about the long-term opportunity in India and the stronger foundation that is being laid. If we were looking at India Inc as a company, it has managed to preserve and enrich a value-system, through tough periods of time which threatened to destroy those very values. It has a track-record of growth which is perhaps above mediocre but is not particularly good. However, it has the potential to scale dramatically. And now it has a CEO who is trying to effect a turnaround in its governance standards.

For us, as investors, nothing matters more than quality of governance and, in our experience, the maximum re-rating in growth and valuations happen when a company improves its governance rating. We believe that is what is happening in India. There are challenges and the near-term might be bumpier than expected. Thus, valuations seem high on the basis of potential near-term outcomes, but the longer-term undoubtedly seems brighter.

# Annual Report for the financial year ended 31 December 2016

## First State Regional India Fund

### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE REGIONAL INDIA FUND</b>			
<b>Dublin</b>			
First State Indian Subcontinent Fund	633,775	72,040,546	99.01
Total investments		72,040,546	99.01
Other net assets		719,934	0.99
Total net assets attributable to unitholders		72,760,480	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
Nestle India	30,080,283	6.0
Infosys Ltd	24,195,010	4.8
HDFC Bank Limited	21,931,444	4.4
Wipro Ltd	21,730,238	4.3
Cipla Ltd	21,579,334	4.3
Tech Mahindra Ltd	21,428,429	4.3
Kotak Mahindra Bank	19,215,164	3.8
Godrej Industries Limited	17,052,201	3.4
Blue Star Limited	16,750,392	3.3
Hindustan Unilever Ltd	16,498,884	3.3

### Top 10 holdings (as at 31 December 2015)

Infosys Ltd	25,284,683	6.6
HDFC Bank Ltd	22,972,745	6.0
Nestle India	22,157,060	5.8
Marico Ltd	20,030,956	5.3
Dr.Reddy's Laboratories Ltd	15,668,662	4.1
Godrej Consumer Products Ltd	15,616,876	4.1
Housing Development Finance Corp	15,308,294	4.0
Kotak Mahindra Bank	15,294,820	4.0
Kansai Nerolac Paints Ltd	14,621,699	3.8
Container Corp Of India Ltd	10,643,954	2.8

# Annual Report for the financial year ended 31 December 2016

## First State Regional India Fund

### DISCLOSURES

Subscriptions	S\$11,337,336
Redemptions	S\$8,747,052

**31 December 2016    31 December 2015**

<b>Expense Ratio**</b> (including that of the Underlying Fund)	1.95%	1.82%
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#### Disclosures on the Underlying Fund -

<b>Portfolio Turnover</b>	40.0%	39.1%
<b>Expense Ratio**</b>	1.81%	1.68%

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

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

#### Related Party Transactions

For the financial year ended 31 December 2016

Bank service fees paid to HSBC	<b>S\$</b> (1,628)
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**Bank balances outstanding with HSBC as at 31 December 2016**

	<b>S\$ equivalent</b>
Singapore Dollar	326,336
United States Dollar	79,025

**Foreign exchange transacted with HSBC for the financial year ended 31 December 2016**

	<u>Purchases</u>		<u>Sales</u>	
<b>Currency</b>	<b>Amount</b>	<b>Currency</b>	<b>Amount</b>	
Singapore Dollar	3,394,754	Singapore Dollar	4,088,088	
United States Dollar	2,980,310	United States Dollar	2,485,878	

#### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Indian Subcontinent Fund Class I shares, constituting 99.01% of the Sub-Fund's Net Asset Value and at a market value of S\$72,040,546. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

#### Soft dollar commissions

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

#### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## First State Singapore Growth Fund

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	-1.3	0.0
6-mth	0.6	0.6
1-year	4.3	-6.0
3-year	-0.1	-5.9
5-year	7.4	0.9
10-year	6.2	2.1
Since Inception – 28 July 1969 (Calculated since date of first valuation)	8.4	n/a

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

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

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

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

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

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

# Annual Report for the financial year ended 31 December 2016

## First State Singapore Growth Fund

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### MANAGER'S REPORT

Singaporean equities rose by 1.5% while Malaysian equities fell by 3.9% in the 12 months to 31 December 2016, leading to an overall decline of 0.7% in the benchmark index.

#### Performance

The Sub-Fund increased over the period. On the positive side, **Eu Yan Sang International** added to performance on its privatisation bid. The management made an offer which was a reasonable premium to the prevailing share price and the company has now exited the portfolio. **Fraser & Neave Holdings** continued to outperform on strong earnings growth on its food and beverages businesses in Malaysia and Thailand.

Meanwhile, **ComfortDelgro** fell back, largely due to larger than expected FX translations, as a weaker GBP and RMB impacted operating profits. **M1** declined as a result of weak earnings the threat of a fourth entrant in the Singapore telecoms market.

#### Transactions

During the period, significant purchases included **City Developments**, a Singapore property player with an underleveraged franchise and new management, and **iFast Corp**, an internet-based fund distribution platform that has generated decent returns and steady cash flows.

We disposed of **Axiata Group** due to a lack of clarity around its business growth as well as a deteriorating balance sheet, and divested **Pacific Basin** on concerns around the market cycle.

#### Outlook

New ideas are scarce and, if anything, less prevalent than before. Valuations are becoming increasingly expensive, especially for good quality companies. Given our concerns about the current environment, we have further attempted to increase our investment in resilient businesses – to some extent, valuation has become secondary to an assessment of how the business will perform when the tide goes out.



# Annual Report for the financial year ended 31 December 2016

## First State Singapore Growth Fund

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### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>FIRST STATE SINGAPORE GROWTH FUND</b>			
<b>Dublin</b>			
First State Singapore and Malaysia Growth Fund	643,040	44,638,415	99.39
Total investments		44,638,415	99.39
Other net assets		272,815	0.61
Total net assets attributable to unitholders		44,911,230	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
Singapore Telecommunications	4,238,912	5.8
Sheng Siong Group Ltd	4,122,378	5.7
Haw Par Corp Ltd	3,823,761	5.3
Great Eastern Holdings Ltd	3,270,226	4.5
Oversea-Chinese Banking Corp	3,233,809	4.4
United Overseas Bank Ltd	3,204,676	4.4
Dairy Farm International Holdings Ltd	3,088,142	4.2
Jardine Matheson Holdings Ltd	2,658,424	3.7
Sembcorp Industries Ltd	2,622,008	3.6
Glow Energy PCL	2,439,924	3.4

### Top 10 holdings (as at 31 December 2015)

Sheng Siong Group Ltd	5,342,030	7.2
Singapore Telecommunications	4,278,678	5.7
Oversea-Chinese Banking Corp	3,792,037	5.1
Great Eastern Holdings Ltd	3,244,037	4.4
ComfortDelGro Corp Ltd	3,166,522	4.2
Haw Par Corp Ltd	3,057,456	4.1
United Overseas Bank Ltd	3,017,459	4.0
Sembcorp Industries Ltd	2,812,270	3.8
Singapore Airlines Ltd	2,599,082	3.5
Jardine Matheson Holdings Ltd	2,249,860	3.0

# Annual Report for the financial year ended 31 December 2016

## First State Singapore Growth Fund

### DISCLOSURES

Subscriptions	S\$1,142,303
Redemptions	S\$5,053,287

**31 December 2016    31 December 2015**

<b>Expense Ratio**</b> (including that of the Underlying Fund)	1.91%	1.88%
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### Disclosures on the Underlying Fund -

<b>Portfolio Turnover</b>	11.5%	20.1%
<b>Expense Ratio**</b>	1.74%	1.72%

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

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

### Related Party Transactions

#### For the financial year ended 31 December 2016

Bank service fees paid to HSBC	<b>S\$</b> 2,158
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#### Bank balances outstanding with HSBC as at 31 December 2016

	<b>S\$ equivalent</b>
Singapore Dollar	114,545
United States Dollar	104,349

#### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

	<u>Purchases</u>		<u>Sales</u>	
<b>Currency</b>	<b>Amount</b>	<b>Currency</b>	<b>Amount</b>	
Singapore Dollar	4,955,262	Singapore Dollar	255,114	
United States Dollar	187,948	United States Dollar	3,582,408	
<b>Others</b>				

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Singapore and Malaysia Growth Fund Class I shares, constituting 99.39% of the Sub-Fund's Net Asset Value and at a market value of S\$44,638,415. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## Stewart Investors Global Emerging Markets Leaders Fund

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

*in Singapore dollars*

	<b>Sub-Fund</b>	<b>Benchmark</b>
	<b>%</b>	<b>%</b>
3-mth	0.6	1.6
6-mth	6.1	12.4
1-year	8.8	13.7
3-year	3.0	2.3
5-year	5.7	3.9
10-year	4.9	1.6
Since Inception – 5 July 2004 ( <i>Calculated since date of first valuation</i> )	8.8	7.2

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

Performance for 1 year and above has been annualised.

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

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

# Annual Report for the financial year ended 31 December 2016

## Stewart Investors Global Emerging Markets Leaders Fund

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### MANAGER'S REPORT

Emerging Markets rose over the twelve months to 31 December 2016 in sterling terms. The MSCI Emerging Markets Index was up by 33.1% over the period. Within Emerging Markets, Latin America outperformed, driven by strength in Brazil, while subdued performance by India, Malaysia and the Philippines impacted Emerging Asia.

### Performance

Idea Cellular was weak on concerns about the domestic competitive environment and **Li & Fung** declined as key customers experienced difficult times. **Anadolu** suffered from concerns about political risk in Turkey.

On the positive side, **Banco Bradesco** rose as investors remained positive about the bank's outlook and recovery in Brazil. **Standard Bank** climbed as efforts to refocus the company on core markets were well received and **Tiger Brands** gained as some of the top management were replaced as part of an effort to refocus the company.

### Transactions

Over the period significant purchases included **Klabin**, a quality forestry products company which was reasonably valued and well placed for export growth. We bought **Cipla**, one of India's oldest family-owned pharmaceutical companies which has proven manufacturing capabilities in generic drugs and the ability to sell in regulated markets. We also bought **Heineken**, a global brewer with attractive long-term growth opportunities in India, Nigeria and elsewhere in Asia.

We sold China Resources Beer as the company is buying out the SABMiller stake in China Resources Snow, which is part of the ABI/SABMiller deal. Without SABMiller's involvement, we have less confidence in the company. We also sold **Ayala Corporation** on worries about the company's debt level and **Kimberly-Clark de Mexico** on valuation concerns.

### Outlook

We are concerned about valuation levels across emerging markets and it is difficult to find quality companies trading at reasonable levels. As a result the cash weighting in the portfolio remains high. We will continue to take advantage of any weakness to purchase companies which meet our quality criteria.

# Annual Report for the financial year ended 31 December 2016

## Stewart Investors Global Emerging Markets Leaders Fund

### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>STEWART INVESTORS GLOBAL EMERGING MARKETS LEADERS FUND</b>			
<b>England and Wales</b>			
Stewart Investors Global Emerging Markets Leaders Fund	1,819,054	16,811,779	99.62
Total investments		16,811,779	99.62
Other net assets		64,411	0.38
Total net assets attributable to unitholders		16,876,190	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
Unilever plc	239,583,087	4.9
Housing Development Finance Corp Ltd	233,763,255	4.8
Uni President Enterprises	187,204,598	3.9
Standard Bank Group Limited	171,200,060	3.5
Tata Power Company Ltd	158,590,424	3.3
Banco Bradesco SA	155,680,508	3.2
Tiger Brands Ltd	145,980,788	3.0
Bank Pekao SA	143,555,858	3.0
Compania Cervecerias Unidas S.A.	143,070,872	3.0
Coca-Cola HBC	128,521,292	2.7

### Top 10 holdings (as at 31 December 2015)

Unilever plc	410,540,247	8.5
Housing Development Finance Corp Ltd	242,437,229	5.0
Uni President Enterprises	199,662,774	4.1
Tiger Brands Ltd	181,088,675	3.7
Infosys Ltd	166,690,321	3.4
Cia Cervecerias Unidas	165,200,479	3.4
Bank Pekao SA	148,284,933	3.1
Tata Power Company Ltd	127,987,554	2.6
Coca-Cola HBC	123,002,323	2.5
Banco Bradesco SA	121,871,609	2.5

# Annual Report for the financial year ended 31 December 2016

## Stewart Investors Global Emerging Markets Leaders Fund

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### DISCLOSURES

Subscriptions	-
Redemptions	S\$3,011,116

**31 December 2016    31 December 2015**

<b>Expense Ratio**</b> (including that of the Underlying Fund)	1.79%	1.80%
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### Disclosures on the Underlying Fund -

<b>Portfolio Turnover</b>	25.2%	15.3%
<b>Expense Ratio**</b>	1.57%	1.58%

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

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

### Related Party Transactions

**For the financial year ended 31 December 2016**

Bank service fees reversed from HSBC	<b>S\$</b> (5,094)
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### Bank balances outstanding with HSBC as at 31 December 2016

	<b>S\$ equivalent</b>
British Pound Sterling	179
Singapore Dollar	68,288
United States Dollar	1,401

### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

<b>Currency</b>	<b><u>Purchases</u></b>	<b>Amount</b>	<b>Currency</b>	<b><u>Sales</u></b>	<b>Amount</b>
Singapore Dollar		3,205,112	British Pound Sterling		1,782,718
United States Dollar		107,442			

### Others

As at 31 December 2016, the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the Stewart Investors Global Emerging Markets Leaders Fund Class A shares, constituting 99.62% of the Sub-Fund's Net Asset Value and at a market value of S\$16,811,779. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

# Annual Report for the financial year ended 31 December 2016

## Stewart Investors Worldwide Leaders Fund

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### MANAGER'S REPORT

for the period from 1 January to 31 December 2016

#### Historical performance\*

in Singapore dollars

	Sub-Fund	Benchmark
	%	%
3-mth	0.4	7.3
6-mth	4.9	14.6
1-year	7.3	10.5
3-year	6.6	8.6
5-year	11.0	13.1
10-year	2.1	3.6
Since Inception – 24 August 1998 (Calculated since date of first valuation)	2.3	4.0

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

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

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

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

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

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

# Annual Report for the financial year ended 31 December 2016

## Stewart Investors Worldwide Leaders Fund

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### MANAGER'S REPORT

Global markets rose in 2016 with the MSCI AC World Index gaining 8.5% in US dollar terms. The strongest markets over the year were Brazil and Russia which bounced sharply as commodity prices recovered. Denmark and Israel were the weakest markets over the period. Cyclical companies were particularly strong with the Energy and Materials sectors outperforming. The more defensive Health Care sector underperformed over the year as investors rotated into more cyclical names.

### Performance

**Berkshire Hathaway** gained for no particular reason other than markets rallied strongly after Donald Trump won the US presidential election. **Banco Bradesco** continued to rally as investors remained positive about the bank's outlook and recovery in Brazil and **Standard Bank** climbed as efforts to refocus the company on core markets were well received.

**Unilever**, **Beiersdorf** and **Novozymes** lagged over the period because of currency movements. We remain positive about the long-term outlook of these companies and continue to hold them in the portfolio.

### Transactions

Major purchases during the period included **Beiersdorf**, a well-run family owned consumer franchise with reasonable long-term potential for growth in cash flows. We bought **Novo Nordisk**, a global healthcare company with leading positions in diabetes care, haemophilia care, growth hormone therapy and hormone replacement therapy. We also bought **Tata Consultancy Services**, a strong IT franchise with good quality stewards which was reasonably valued, and **Expeditors International**, one of the world's leading freight forwarding and logistic companies.

We sold **Baxter International** on worries about corporate governance and **Infosys** because of cultural drift at the company. We sold **Baxalta** and **McCormick** on valuation concerns. We also sold **Microsoft**, which we believed was fully valued, given our opinion that the long-term sustainability of the franchise was open to question.

### Outlook

We remain cautious on the outlook and hold a high cash position in the portfolio. We believe that stock markets are as vulnerable as they have been for many years, likely driven by the irresponsible monetary policies being pursued by global central banks. We are also concerned about rising debt levels in China. We aim to find high quality management with predictable and stable businesses at acceptable valuations. We continue to invest in those companies which should benefit from and contribute to sustainable investment over the long-term.



# Annual Report for the financial year ended 31 December 2016

## Stewart Investors Worldwide Leaders Fund

### DISTRIBUTION OF INVESTMENTS

As at 31 December 2016

	Holdings	Market Value S\$	% of NAV
<b>STEWART INVESTORS WORLDWIDE LEADERS FUND</b>			
<b>Dublin</b>			
Stewart Investors Worldwide Leaders Fund	1,612,402	23,084,727	99.05
Total investments		23,084,727	99.05
Other net assets		221,189	0.95
Total net assets attributable to unitholders		23,305,916	100.00

### DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

	Market Value S\$	% of NAV
<b>Top 10 holdings (as at 31 December 2016)</b>		
Henkel AG & Co KGaA	5,668,701	9.6
Unilever Plc	5,656,928	9.6
Berkshire Hathaway Inc	3,879,204	6.6
Unicharm Corp	2,696,018	4.6
Waters Corp	2,519,423	4.3
Merck KGaA	2,219,211	3.8
Oversea-Chinese Banking Corp	2,083,821	3.5
Standard Bank Group Limited	1,683,539	2.9
Beiersdorf AG	1,665,880	2.8
Colgate-Palmolive Co	1,624,674	2.8

### Top 10 holdings (as at 31 December 2015)

Henkel AG & Co KGaA	5,389,655	9.7
Unilever Plc	5,299,702	9.6
Berkshire Hathaway Inc	3,107,932	5.6
Waters Corp	2,492,043	4.5
Oversea-Chinese Banking Corp	2,476,835	4.5
Markel Corp	2,476,833	4.5
Nestle	2,331,806	4.2
Colgate-Palmolive Co	1,888,362	3.4
Unicharm Corp	1,864,202	3.4
SGS SA	1,808,416	3.3

# Annual Report for the financial year ended 31 December 2016

## Stewart Investors Worldwide Leaders Fund

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### DISCLOSURES

Subscriptions	S\$3,603,378
Redemptions	S\$3,889,648

**31 December 2016    31 December 2015**

<b>Expense Ratio**</b> (including that of the Underlying Fund)	1.96%	1.99%
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### Disclosures on the Underlying Fund -

<b>Portfolio Turnover</b>	22.9%	30.2%
<b>Expense Ratio**</b>	1.73%	1.75%

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

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

### Related Party Transactions

#### For the financial year ended 31 December 2016

Bank service fees paid to HSBC	<b>S\$</b> 2,399
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#### Bank balances outstanding with HSBC as at 31 December 2016

	<b>S\$ equivalent</b>
Singapore Dollar	85,321
United States Dollar	87,693

#### Foreign exchange transacted with HSBC for the financial year ended 31 December 2016

	<u>Purchases</u>		<u>Sales</u>	
<b>Currency</b>	<b>Amount</b>	<b>Currency</b>	<b>Amount</b>	
Singapore Dollar	1,987,438	Singapore Dollar	1,385,099	
United States Dollar	1,008,620	United States Dollar	1,442,178	

### Others

As at 31 December 2016 the Sub-Fund did not hold any bonds, derivatives or other unit trusts, other than the Stewart Investors Worldwide Leaders Fund Class I, constituting 99.05% of the Sub-Fund's Net Asset Value and at a market value of S\$23,084,727. In addition, the Sub-Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and/or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Sub-Fund.

### Soft dollar commissions

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

### Commission Sharing Arrangement

There were no commission sharing arrangement in place during the year or at the year end 31 December 2016 or at the year end 31 December 2015.

## **First State Global Growth Funds**

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

### **Report of the Trustee**

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

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Sub-Funds during the year covered by these financial statements, set out on pages 71 to 157, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

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

Authorised signatory

27 March 2017

**First State Global Growth Funds**

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

**Statement by the Manager**

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In the opinion of First State Investments (Singapore), the accompanying financial statements set out on pages 71 to 157, comprising the Statements of Total Return, Statements of Financial Position, Statements of Movements of Unitholders' Funds, Statements of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial positions and the portfolio holdings of the sub-funds of First State Global Growth Funds, comprising First State Asia Opportunities Fund (formerly known as First State Asia Innovation Fund), First State Asian Growth Fund, First State Asian Quality Bond, First State Bridge, First State Dividend Advantage, First State Global Balanced Fund, First State Global Infrastructure, First State Global Property Investments, First State Global Resources, First State Regional China Fund, First State Regional India Fund, First State Singapore Growth Fund, Stewart Investors Global Emerging Markets Leaders Fund and Stewart Investors Worldwide Leaders Fund (collectively referred to as the "Sub-Funds"), as at 31 December 2016 and the financial performance and movement in unitholders' funds for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants.

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

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

**Joe Fernandes**  
Director

27 March 2017

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

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

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***Our Opinion***

In our opinion, the accompanying financial statements of the sub-funds of First State Global Growth Funds, comprising First State Asia Opportunities Fund (formerly known as First State Asia Innovation Fund), First State Asian Growth Fund, First State Asian Quality Bond, First State Bridge, First State Dividend Advantage, First State Global Balanced Fund, First State Global Infrastructure, First State Global Property Investments, First State Global Resources, First State Regional China Fund, First State Regional India Fund, First State Singapore Growth Fund, Stewart Investors Global Emerging Markets Leaders Fund and Stewart Investors Worldwide Leaders Fund (collectively referred to as the "Sub-Funds") are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants, so as to present fairly, in all material respects, the financial positions and portfolio holdings of the Sub-Funds as at 31 December 2016, and of the financial performance and movements of unitholders' funds for the financial period/year ended on that date.

***What we have audited***

The financial statements of the Sub-Funds comprise:

- the Statements of Financial Position as at 31 December 2016;
- the Statements of Portfolio as at 31 December 2016;
- the Statements of Total Return for the financial period/year then ended;
- the Statements of Movements of Unitholders' Funds for the financial period/year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

***Basis for Opinion***

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

***Independence***

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

***Other Information***

The Sub-Funds' Manager (the "Manager") is responsible for the other information. The other information comprises the relevant sections of the annual report included in pages 1 to 67, which we obtained prior to the date of this auditor's report, and excludes the financial statements and our auditor's report thereon.

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

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

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

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

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***Other Information (continued)***

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

***Responsibilities of the Manager for the Financial Statements***

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Sub-Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Sub-Funds or to cease the Sub-Funds' operations, or has no realistic alternative but to do so.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

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

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

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants

Singapore,  
27 March 2017

**First State Global Growth Funds**

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

**Statements of Total Return**

For the financial period/year ended 31 December 2016

	Notes	First State Asia Opportunities Fund (formerly known as First State			
		Asia Innovation Fund)		First State Asian Growth Fund	
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>Income</b>		-	-	-	-
<b>Less: Expenses</b>					
Management fees		450,975	585,901	1,061,397	1,197,578
Management fee rebates		(448,476)	(582,815)	(1,083,992)	(1,189,111)
Registration fees		7,944	8,037	10,813	10,302
Trustee's fees		19,333	25,110	53,070	59,879
Audit fees		12,611	11,925	12,611	11,925
Others		21,260	21,018	44,258	45,229
		63,647	69,176	98,157	135,802
<b>Net loss</b>		(63,647)	(69,176)	(98,157)	(135,802)
<b>Net gains or losses on value of investments</b>					
Net gains on investments		670,501	1,569,701	354,261	1,704,372
Net foreign exchange gains/(losses)		13,748	1,337	3,577	(54,195)
		684,249	1,571,038	357,838	1,650,177
<b>Total return for the year before taxation</b>		620,602	1,501,862	259,681	1,514,375
<b>Less: Income tax</b>	3	-	-	-	-
<b>Total return for the year after income tax</b>		620,602	1,501,862	259,681	1,514,375

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



**First State Global Growth Funds**

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

**Statements of Total Return**

For the financial period/year ended 31 December 2016

	Notes	First State Asian Quality Bond		First State Bridge	
		For the financial period from 1 November 2016 (date of inception) to 31 December 2016 S\$		2016 S\$	2015 S\$
<b>Income</b>					
Dividends		-		12,650,670	12,766,428
Interest		-		1,459	4,363
		-		12,652,129	12,770,791
<b>Less: Expenses</b>					
Management fees		19,286		15,450,467	15,461,362
Management fee rebates		(19,047)		(15,413,889)	(15,514,378)
Registration fees		1,700		22,497	23,741
Trustee's fees		2,000		927,028	927,682
Audit fees		12,529		12,611	11,925
Preliminary expenses		4,458		-	-
Others		5,811		493,955	260,212
		26,737		1,492,669	1,170,544
<b>Net (loss)/income</b>		(26,737)		11,159,460	11,600,247
<b>Net gains or losses on value of investments and financial derivatives</b>					
Net gains on investments		111,390		41,269,956	64,769,167
Net losses on forward foreign exchange contracts		(418,466)		(10,596,988)	(37,834,837)
Net foreign exchange (losses)/gains		(16,668)		2,733,873	(2,702,961)
		(323,744)		33,406,841	24,231,369
<b>Total (deficit)/return for the period/year before taxation</b>		(350,481)		44,566,301	35,831,616
<b>Less: Income tax</b>	3	-		-	-
<b>Total (deficit)/return for the period/year after income tax</b>		(350,481)		44,566,301	35,831,616

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

**First State Global Growth Funds**

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

**Statements of Total Return**

For the financial period/year ended 31 December 2016

	Notes	First State		First State Global	
		Dividend Advantage 2016 S\$	2015 S\$	Balanced Fund 2016 S\$	2015 S\$
<b>Income</b>					
Dividends		37,663,199	35,121,036	-	-
Interest		11,769	29,429	-	-
Others		-	-	152	-
		<u>37,674,968</u>	<u>35,150,465</u>	<u>152</u>	<u>-</u>
<b>Less: Expenses</b>					
Management fees		27,663,008	26,249,200	226,236	222,829
Management fee rebates		(27,550,971)	(26,066,314)	(234,473)	(231,241)
Registration fees		41,968	45,502	6,777	7,331
Trustee's fees		1,383,150	1,312,460	15,000	13,370
Audit fees		12,611	11,925	12,611	11,925
Others		951,834	509,958	10,114	14,977
		<u>2,501,600</u>	<u>2,062,731</u>	<u>36,265</u>	<u>39,191</u>
<b>Net income/(loss)</b>		<u>35,173,368</u>	<u>33,087,734</u>	<u>(36,113)</u>	<u>(39,191)</u>
<b>Net gains or losses on value of investments</b>					
Net gains on investments		30,868,012	6,341,056	853,901	836,521
Net foreign exchange gains/(losses)		752,986	(9,991,841)	(3,627)	(10,326)
		<u>31,620,998</u>	<u>(3,650,785)</u>	<u>850,274</u>	<u>826,195</u>
<b>Total return for the year before taxation</b>		<u>66,794,366</u>	<u>29,436,949</u>	<u>814,161</u>	<u>787,004</u>
<b>Less: Income tax</b>	3	-	-	-	-
<b>Total return for the year after income tax</b>		<u><u>66,794,366</u></u>	<u><u>29,436,949</u></u>	<u><u>814,161</u></u>	<u><u>787,004</u></u>

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

**First State Global Growth Funds**

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

**Statements of Total Return**

For the financial period/year ended 31 December 2016

	Notes	First State		First State Global	
		Global Infrastructure Fund	Property Investments	2016	2015
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>Income</b>					
Dividends		434,524	513,663	-	-
Interest		1,274	1,040	-	-
Others		-	-	3,942	1,770
		<u>435,798</u>	<u>514,703</u>	<u>3,942</u>	<u>1,770</u>
<b>Less: Expenses</b>					
Management fees		233,465	289,524	317,353	196,034
Management fee rebates		(226,942)	(283,137)	(314,605)	(194,104)
Registration fees		7,053	7,060	13,633	8,269
Trustee's fees		12,000	14,476	15,868	13,184
Audit fees		12,611	11,925	12,611	11,932
Preliminary expenses		-	-	-	3,564
Others		14,210	16,372	21,002	26,095
		<u>52,397</u>	<u>56,220</u>	<u>65,862</u>	<u>64,974</u>
<b>Net income/(loss)</b>		<b>383,401</b>	<b>458,483</b>	<b>(61,920)</b>	<b>(63,204)</b>
<b>Net gains or losses on value of investments</b>					
Net gains/(losses) on investments		1,681,043	(322,267)	95,949	1,004,661
Net foreign exchange gains/(losses)		377,006	(58,566)	(22,111)	(175,945)
		<u>2,058,049</u>	<u>(380,833)</u>	<u>73,838</u>	<u>828,716</u>
<b>Total return for the year before taxation</b>		<b>2,441,450</b>	<b>77,650</b>	<b>11,918</b>	<b>765,512</b>
<b>Add: Income tax</b>	3	-	-	-	82
<b>Total return for the year after income tax</b>		<u><u>2,441,450</u></u>	<u><u>77,650</u></u>	<u><u>11,918</u></u>	<u><u>765,594</u></u>

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

**First State Global Growth Funds**

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

**Statements of Total Return**

For the financial period/year ended 31 December 2016

	Notes	First State Global Resources		First State Regional China Fund	
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>Income</b>					
Others		-	15,759	-	-
		-	15,759	-	-
<b>Less: Expenses</b>					
Management fees		5,890,215	5,634,086	6,162,941	7,812,924
Management fee rebates		(2,964,581)	(2,813,152)	(6,150,910)	(7,792,542)
Registration fees		16,948	17,503	21,613	21,784
Trustee's fees		294,511	281,704	308,147	390,646
Audit fees		12,611	11,925	12,611	11,925
Transaction costs		5,430	5,280	-	-
Others		203,277	94,514	204,850	147,316
		3,458,411	3,231,860	559,252	592,053
<b>Net loss</b>		(3,458,411)	(3,216,101)	(559,252)	(592,053)
<b>Net gains or losses on value of investments</b>					
Net gains/(losses) on investments		145,812,966	(129,373,489)	12,959,713	21,513,578
Net foreign exchange (losses)/gains		(81,273)	(27,755)	706,850	1,170,393
		145,731,693	(129,401,244)	13,666,563	22,683,971
<b>Total return/(deficit) for the year before taxation</b>		142,273,282	(132,617,345)	13,107,311	22,091,918
<b>Less: Income tax</b>	3	-	-	-	-
<b>Total return/(deficit) for the year after income tax</b>		142,273,282	(132,617,345)	13,107,311	22,091,918

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

**First State Global Growth Funds**

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

**Statements of Total Return**

For the financial period/year ended 31 December 2016

	Notes	First State Regional India Fund		First State Singapore Growth Fund	
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>Income</b>		-	-	-	-
<b>Less: Expenses</b>					
Management fees		1,089,425	1,063,620	696,303	797,451
Management fee rebates		(1,082,468)	(1,058,810)	(693,734)	(793,280)
Registration fees		6,751	7,413	8,468	9,212
Trustee's fees		50,032	53,181	34,815	39,873
Audit fees		12,611	11,925	12,611	11,925
Others		32,428	27,997	23,541	23,745
		108,779	105,326	82,004	88,926
<b>Net loss</b>		(108,779)	(105,326)	(82,004)	(88,926)
<b>Net gains or losses on value of investments</b>					
Net gains/(losses) on investments		2,167,376	8,397,865	2,038,710	(6,055,408)
Net foreign exchange (losses)/gains		(3,750)	26,251	6,949	19,462
		2,163,626	8,424,116	2,045,659	(6,035,946)
<b>Total return/(deficit) for the year before taxation</b>		2,054,847	8,318,790	1,963,655	(6,124,872)
<b>Less: Income tax</b>	3	-	-	-	-
<b>Total return/(deficit) for the year after income tax</b>		2,054,847	8,318,790	1,963,655	(6,124,872)

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

**First State Global Growth Funds**

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

**Statements of Total Return**

For the financial period/year ended 31 December 2016

	Notes	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>Income</b>		-	-	-	-
<b>Less: Expenses</b>					
Management fees		259,606	338,567	328,594	335,923
Management fee rebates		(258,283)	(335,965)	(326,063)	(333,412)
Registration fees		6,831	7,243	7,261	7,900
Trustee's fees		15,000	16,928	16,430	16,796
Audit fees		12,611	11,925	12,611	11,925
Others		4,528	13,705	15,137	17,815
		40,293	52,403	53,970	56,947
<b>Net loss</b>		(40,293)	(52,403)	(53,970)	(56,947)
<b>Net gains or losses on value of investments</b>					
Net gains/(losses) on investments		1,489,886	(737,951)	1,597,014	1,440,041
Net foreign exchange (losses)/gains		(1,173)	42,100	(6,684)	(5,379)
		1,488,713	(695,851)	1,590,330	1,434,662
<b>Total return/(deficit) for the year before taxation</b>		1,448,420	(748,254)	1,536,360	1,377,715
<b>Less: Income tax</b>	3	-	-	-	-
<b>Total return/(deficit) for the year after income tax</b>		1,448,420	(748,254)	1,536,360	1,377,715

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2016*

	Notes	First State Asia Opportunities Fund (formerly known as First State			
		Asia Innovation Fund)		First State Asian Growth Fund	
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>ASSETS</b>					
Portfolio of investments		24,512,494	28,180,134	69,480,445	74,820,717
Sales awaiting settlement		39,007	154,633	99,684	-
Other receivables	5	123,069	166,232	622,068	571,961
Cash and bank balances		121,062	95,249	391,174	361,915
<b>Total assets</b>		<b>24,795,632</b>	<b>28,596,248</b>	<b>70,593,371</b>	<b>75,754,593</b>
<b>LIABILITIES</b>					
Purchases awaiting settlement		-	-	121,355	97,887
Other payables	6	117,881	171,475	508,801	238,288
<b>Total liabilities</b>		<b>117,881</b>	<b>171,475</b>	<b>630,156</b>	<b>336,175</b>
<b>EQUITY</b>					
Net assets attributable to unitholders	8	24,677,751	28,424,773	69,963,215	75,418,418

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2016*

		<b>First State Asian Quality</b>	<b>First State Bridge</b>	
	<b>Notes</b>	<b>Bond 2016 S\$</b>	<b>2016 S\$</b>	<b>2015 S\$</b>
<b>ASSETS</b>				
Portfolio of investments		12,511,307	1,248,511,264	1,227,557,281
Sales awaiting settlement		43,341	329,392	-
Other receivables	5	27,679	10,153,107	6,548,339
Cash and bank balances		80,191	1,445,870	1,323,755
Financial derivatives, at fair value	7	1,282	97,693	2,209,411
<b>Total assets</b>		<u>12,663,800</u>	<u>1,260,537,326</u>	<u>1,237,638,786</u>
<b>LIABILITIES</b>				
Financial derivatives, at fair value	7	435,133	14,442,916	5,287,878
Purchases awaiting settlement		-	895,714	-
Other payables	6	76,327	5,087,385	4,264,159
<b>Total liabilities</b>		<u>511,460</u>	<u>20,426,015</u>	<u>9,552,037</u>
<b>EQUITY</b>				
Net assets attributable to unitholders	8	<u>12,152,340</u>	<u>1,240,111,311</u>	<u>1,228,086,749</u>

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



**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2016*

	Notes	First State		First State Global	
		Dividend Advantage		Balanced Fund	
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>ASSETS</b>					
Portfolio of investments		1,880,070,419	1,887,331,309	18,525,747	17,469,123
Sales awaiting settlement		2,406,870	-	-	-
Other receivables	5	14,050,321	17,916,704	78,105	84,729
Cash and bank balances		2,476,174	3,423,513	95,341	71,458
<b>Total assets</b>		<b>1,899,003,784</b>	<b>1,908,671,526</b>	<b>18,699,193</b>	<b>17,625,310</b>
<b>LIABILITIES</b>					
Distribution payable		18,949,204	19,087,481	-	-
Purchases awaiting settlement		1,511,156	5,091,535	-	-
Other payables	6	10,773,177	5,175,497	83,798	68,649
<b>Total liabilities</b>		<b>31,233,537</b>	<b>29,354,513</b>	<b>83,798</b>	<b>68,649</b>
<b>EQUITY</b>					
Net assets attributable to unitholders	8	<b>1,867,770,247</b>	<b>1,879,317,013</b>	<b>18,615,395</b>	<b>17,556,661</b>

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

**First State Global Growth Funds**

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

**Statements of Financial Position**

As at 31 December 2016

	Notes	First State		First State Global	
		Global Infrastructure Fund	Property Investments	2016	2015
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>ASSETS</b>					
Portfolio of investments		13,165,305	17,209,952	23,525,888	18,894,015
Other receivables	5	167,690	71,901	334,519	420,083
Cash and bank balances		302,211	376,541	221,899	205,469
<b>Total assets</b>		<b>13,635,206</b>	<b>17,658,394</b>	<b>24,082,306</b>	<b>19,519,567</b>
<b>LIABILITIES</b>					
Purchases awaiting settlement		67,835	-	96,795	191,518
Other payables	6	109,833	43,616	161,079	173,333
<b>Total liabilities</b>		<b>177,668</b>	<b>43,616</b>	<b>257,874</b>	<b>364,851</b>
<b>EQUITY</b>					
Net assets attributable to unitholders	8	13,457,538	17,614,778	23,824,432	19,154,716

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2016*

	Notes	First State Global Resources	First State Regional China Fund		
		2016	2015		
		S\$	S\$		
<b>ASSETS</b>					
Portfolio of investments		467,927,593	312,178,055	400,314,632	458,376,788
Sales awaiting settlement		-	234,186	793,140	946,240
Other receivables	5	2,493,330	1,168,089	2,014,563	2,489,577
Cash and bank balances		1,232,169	528,049	356,555	467,461
<b>Total assets</b>		<b>471,653,092</b>	<b>314,108,379</b>	<b>403,478,890</b>	<b>462,280,066</b>
<b>LIABILITIES</b>					
Purchases awaiting settlement		790,819	215,368	-	-
Other payables	6	1,598,360	915,949	1,512,542	1,994,838
<b>Total liabilities</b>		<b>2,389,179</b>	<b>1,131,317</b>	<b>1,512,542</b>	<b>1,994,838</b>
<b>EQUITY</b>					
Net assets attributable to unitholders	8	469,263,913	312,977,062	401,966,348	460,285,228

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2016*

	Notes	First State Regional India Fund		First State Singapore Growth Fund	
		2016 S\$	2015 S\$	2016 S\$	2015 S\$
<b>ASSETS</b>					
Portfolio of investments		72,040,546	67,687,052	44,638,415	46,618,521
Sales awaiting settlement		-	107,817	-	109,236
Other receivables	5	806,587	274,220	197,447	228,630
Cash and bank balances		405,361	251,162	218,894	169,977
<b>Total assets</b>		<b>73,252,494</b>	<b>68,320,251</b>	<b>45,054,756</b>	<b>47,126,364</b>
<b>LIABILITIES</b>					
Purchases awaiting settlement		273,048	-	-	-
Other payables	6	218,966	204,902	143,526	267,805
<b>Total liabilities</b>		<b>492,014</b>	<b>204,902</b>	<b>143,526</b>	<b>267,805</b>
<b>EQUITY</b>					
Net assets attributable to unitholders	8	72,760,480	68,115,349	44,911,230	46,858,559

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Financial Position***As at 31 December 2016*

	Notes	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>ASSETS</b>					
Portfolio of investments		16,811,779	18,340,591	23,084,727	21,852,748
Sales awaiting settlement		-	77,365	27,449	-
Other receivables	5	64,955	77,579	198,527	109,223
Cash and bank balances		69,868	75,808	173,014	155,902
<b>Total assets</b>		<b>16,946,602</b>	<b>18,571,343</b>	<b>23,483,717</b>	<b>22,117,873</b>
<b>LIABILITIES</b>					
Purchases awaiting settlement		-	-	56,343	-
Other payables	6	70,412	132,457	121,458	62,047
<b>Total liabilities</b>		<b>70,412</b>	<b>132,457</b>	<b>177,801</b>	<b>62,047</b>
<b>EQUITY</b>					
Net assets attributable to unitholders	8	16,876,190	18,438,886	23,305,916	22,055,826

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

**First State Global Growth Funds**

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

**Statements of Movements of Unitholders' Funds**

For the financial period/year ended 31 December 2016

	Notes	First State Asia Opportunities Fund (formerly known as First State Asia Innovation Fund)		First State Asian Growth Fund	
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>Net assets attributable to unitholders at the beginning of financial year</b>		28,424,773	38,510,684	75,418,418	69,514,623
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		620,602	1,501,862	259,681	1,514,375
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		736,881	9,514,109	11,888,990	40,316,272
Cancellation of units		(5,104,505)	(21,101,882)	(17,603,874)	(35,926,852)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(4,367,624)	(11,587,773)	(5,714,884)	4,389,420
Total (decrease)/increase in net assets attributable to unitholders		(3,747,022)	(10,085,911)	(5,455,203)	5,903,795
<b>Net assets attributable to unitholders at the end of financial year</b>	8	<u>24,677,751</u>	<u>28,424,773</u>	<u>69,963,215</u>	<u>75,418,418</u>

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Movements of Unitholders' Funds***For the financial period/year ended 31 December 2016*

	Notes	First State Asian Quality Bond For the financial period from 1 November 2016 (date of inception) to 31 December 2016 S\$	First State Bridge	
			2016 S\$	2015 S\$
<b>Net assets attributable to unitholders at the beginning of financial period/year</b>		-	1,228,086,749	1,200,150,829
<b>Operations</b>				
Change in net assets attributable to unitholders resulting from operations		(350,481)	44,566,301	35,831,616
<b>Unitholders' contributions/ (withdrawals)</b>				
Creation of units		12,575,641	206,989,082	259,220,058
Cancellation of units		(72,820)	(202,547,491)	(230,249,156)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		12,502,821	4,441,591	28,970,902
Distribution	4	-	(36,983,330)	(36,866,598)
Total increase in net assets attributable to unitholders		12,152,340	12,024,562	27,935,920
<b>Net assets attributable to unitholders at the end of financial period/year</b>	8	<u>12,152,340</u>	<u>1,240,111,311</u>	<u>1,228,086,749</u>

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Movements of Unitholders' Funds***For the financial period/year ended 31 December 2016*

	Notes	First State		First State Global	
		Dividend Advantage 2016 S\$	2015 S\$	Balanced Fund 2016 S\$	2015 S\$
<b>Net assets attributable to unitholders at the beginning of financial year</b>		1,879,317,013	1,422,259,240	17,556,661	17,978,827
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		66,794,366	29,436,949	814,161	787,004
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		438,387,375	1,000,255,112	2,571,838	1,239,467
Cancellation of units		(441,827,945)	(499,786,372)	(2,327,265)	(2,448,637)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(3,440,570)	500,468,740	244,573	(1,209,170)
Distribution	4	(74,900,562)	(72,847,916)	-	-
Total (decrease)/increase in net assets attributable to unitholders		(11,546,766)	457,057,773	1,058,734	(422,166)
<b>Net assets attributable to unitholders at the end of financial year</b>	8	<u>1,867,770,247</u>	<u>1,879,317,013</u>	<u>18,615,395</u>	<u>17,556,661</u>

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



**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Movements of Unitholders' Funds***For the financial period/year ended 31 December 2016*

	Notes	First State		First State Global	
		Global Infrastructure Fund	Property Investments	2016	2015
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>Net assets attributable to unitholders at the beginning of financial year</b>		17,614,778	17,846,406	19,154,716	11,519,681
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		2,441,450	77,650	11,918	765,594
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		6,326,553	7,932,389	9,185,775	10,246,827
Cancellation of units		(12,469,059)	(7,755,179)	(4,150,905)	(2,921,531)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(6,142,506)	177,210	5,034,870	7,325,296
Distribution	4	(456,184)	(486,488)	(377,072)	(455,855)
Total (decrease)/increase in net assets attributable to unitholders		(4,157,240)	(231,628)	4,669,716	7,635,035
<b>Net assets attributable to unitholders at the end of financial year</b>	8	<u>13,457,538</u>	<u>17,614,778</u>	<u>23,824,432</u>	<u>19,154,716</u>

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Movements of Unitholders' Funds***For the financial period/year ended 31 December 2016*

	Notes	First State Global Resources		First State Regional China Fund	
		2016 S\$	2015 S\$	2016 S\$	2015 S\$
<b>Net assets attributable to unitholders at the beginning of financial year</b>		312,977,062	411,209,966	460,285,228	557,969,764
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		142,273,282	(132,617,345)	13,107,311	22,091,918
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		96,374,995	107,421,026	37,536,788	137,130,610
Cancellation of units		(82,361,426)	(73,036,585)	(108,962,979)	(256,907,064)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		14,013,569	34,384,441	(71,426,191)	(119,776,454)
Total increase/(decrease) in net assets attributable to unitholders		156,286,851	(98,232,904)	(58,318,880)	(97,684,536)
<b>Net assets attributable to unitholders at the end of financial year</b>	8	<u>469,263,913</u>	<u>312,977,062</u>	<u>401,966,348</u>	<u>460,285,228</u>

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

**First State Global Growth Funds**

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

**Statements of Movements of Unitholders' Funds**

For the financial period/year ended 31 December 2016

	Notes	First State Regional India Fund		First State Singapore Growth Fund	
		2016 S\$	2015 S\$	2016 S\$	2015 S\$
<b>Net assets attributable to unitholders at the beginning of financial year</b>		68,115,349	69,283,888	46,858,559	58,612,731
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		2,054,847	8,318,790	1,963,655	(6,124,872)
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		11,337,336	-	1,142,303	2,373,518
Cancellation of units		(8,747,052)	(9,487,329)	(5,053,287)	(8,002,818)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		2,590,284	(9,487,329)	(3,910,984)	(5,629,300)
Total increase/(decrease) in net assets attributable to unitholders		4,645,131	(1,168,539)	(1,947,329)	(11,754,172)
<b>Net assets attributable to unitholders at the end of financial year</b>	8	<u>72,760,480</u>	<u>68,115,349</u>	<u>44,911,230</u>	<u>46,858,559</u>

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

**First State Global Growth Funds**

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

**Statements of Movements of Unitholders' Funds**

For the financial period/year ended 31 December 2016

	Notes	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
		2016	2015	2016	2015
		S\$	S\$	S\$	S\$
<b>Net assets attributable to unitholders at the beginning of financial year</b>		18,438,886	26,854,545	22,055,826	21,713,451
<b>Operations</b>					
Change in net assets attributable to unitholders resulting from operations		1,448,420	(748,254)	1,536,360	1,377,715
<b>Unitholders' contributions/ (withdrawals)</b>					
Creation of units		-	-	3,603,378	3,015,427
Cancellation of units		(3,011,116)	(7,667,405)	(3,889,648)	(4,050,767)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		(3,011,116)	(7,667,405)	(286,270)	(1,035,340)
Total (decrease)/increase in net assets attributable to unitholders		(1,562,696)	(8,415,659)	1,250,090	342,375
<b>Net assets attributable to unitholders at the end of financial year</b>	8	<u>16,876,190</u>	<u>18,438,886</u>	<u>23,305,916</u>	<u>22,055,826</u>

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Portfolio***As at 31 December 2016*

	Holdings at 31 December 2016	Fair value at 31 December 2016 S\$	Percentage of total net assets attributable to unitholders at 31 December 2016 %	Percentage of total net assets attributable to unitholders at 31 December 2015 %
<b><u>First State Asia Opportunities Fund</u></b>				
<b><u>(formerly known as First State Asia Innovation Fund) <sup>(1)</sup></u></b>				
<b>Quoted</b>				
First State Global Umbrella Fund plc - First State Asia Opportunities Fund Class I	453,668	24,512,494	99.33	99.14
<b>Portfolio of investments</b>		24,512,494	99.33	99.14
<b>Other net assets</b>		165,257	0.67	0.86
<b>Net assets attributable to unitholders</b>		24,677,751	100.00	100.00
<b><u>First State Asian Growth Fund <sup>(1)</sup></u></b>				
<b>Quoted</b>				
First State Global Umbrella Fund plc - First State Asian Growth Fund Class I	1,274,671	69,480,445	99.31	99.21
<b>Portfolio of investments</b>		69,480,445	99.31	99.21
<b>Other net assets</b>		482,770	0.69	0.79
<b>Net assets attributable to unitholders</b>		69,963,215	100.00	100.00
<b><u>First State Asian Quality Bond <sup>(1)</sup></u></b>				
<b>Quoted</b>				
First State Global Umbrella Fund plc - First State Asian Quality Bond Fund Class I	552,305	12,511,307	102.95	
<b>Portfolio of investments</b>		12,511,307	102.95	
<b>Other net liabilities</b>		(358,967)	(2.95)	
<b>Net assets attributable to unitholders</b>		12,152,340	100.00	

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

**First State Global Growth Funds**

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

**Statements of Portfolio**

As at 31 December 2016

	Holdings at 31 December 2016	Fair value at 31 December 2016 S\$	Percentage of total net assets attributable to unitholders at 31 December 2016 %	Percentage of total net assets attributable to unitholders at 31 December 2015 %
<b><u>First State Bridge</u></b> <sup>(1)</sup>				
<b>Quoted</b>				
First State Global Umbrella Fund plc - First State Asian Equity Plus Fund Class I	10,932,486	624,027,380	50.32	50.22
First State Global Umbrella Fund plc - First State Asian Quality Bond Fund Class I	27,567,508	624,483,884	50.36	49.74
<b>Portfolio of investments</b>		1,248,511,264	100.68	99.96
<b>Other net (liabilities)/assets</b>		(8,399,953)	(0.68)	0.04
<b>Net assets attributable to unitholders</b>		1,240,111,311	100.00	100.00
<b><u>First State Dividend Advantage</u></b> <sup>(1)</sup>				
<b>Quoted</b>				
First State Global Umbrella Fund plc - First State Asian Equity Plus Fund Class I	32,937,408	1,880,070,419	100.66	100.43
<b>Portfolio of investments</b>		1,880,070,419	100.66	100.43
<b>Other net liabilities</b>		(12,300,172)	(0.66)	(0.43)
<b>Net assets attributable to unitholders</b>		1,867,770,247	100.00	100.00
<b><u>First State Global Balanced Fund</u></b> <sup>(1)</sup>				
<b>Quoted</b>				
First State Global Umbrella Fund plc - First State Global Bond Fund Class I	330,887	7,160,932	38.47	39.96
First State Global Umbrella Fund plc - Stewart Investors Worldwide Leaders Fund Class I	793,800	11,364,815	61.05	59.54
<b>Portfolio of investments</b>		18,525,747	99.52	99.50
<b>Other net assets</b>		89,648	0.48	0.50
<b>Net assets attributable to unitholders</b>		18,615,395	100.00	100.00

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Portfolio***As at 31 December 2016*

	Holdings at 31 December 2016	Fair value at 31 December 2016 S\$	Percentage of total net assets attributable to unitholders at 31 December 2016 %	Percentage of total net assets attributable to unitholders at 31 December 2015 %
<b><u>First State Global Infrastructure</u></b> <sup>(2)</sup>				
<b>Quoted</b>				
First State Investments ICVC - First State Global Listed Infrastructure Fund Class A	4,149,045	13,165,305	97.83	97.70
<b>Portfolio of investments</b>		13,165,305	97.83	97.70
<b>Other net assets</b>		292,233	2.17	2.30
<b>Net assets attributable to unitholders</b>		13,457,538	100.00	100.00
<b><u>First State Global Property Investments</u></b> <sup>(1)</sup>				
<b>Quoted</b>				
First State Global Umbrella Fund plc - First State Global Property Securities Fund Class I	1,423,450	23,525,888	98.75	98.64
<b>Portfolio of investments</b>		23,525,888	98.75	98.64
<b>Other net assets</b>		298,544	1.25	1.36
<b>Net assets attributable to unitholders</b>		23,824,432	100.00	100.00
<b><u>First State Global Resources</u></b> <sup>(1) (2)</sup>				
<b>Quoted</b>				
First State Investments ICVC - First State Global Resources Fund Class B	85,648,464	460,779,080	98.19	98.17
First State Global Umbrella Fund plc - First State Global Resources Fund Class III	552,243	7,148,513	1.53	1.57
<b>Portfolio of investments</b>		467,927,593	99.72	99.74
<b>Other net assets</b>		1,336,320	0.28	0.26
<b>Net assets attributable to unitholders</b>		469,263,913	100.00	100.00

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***Statements of Portfolio***As at 31 December 2016*

	Holdings at 31 December 2016	Fair value at 31 December 2016 S\$	Percentage of total net assets attributable to unitholders at 31 December 2016 %	Percentage of total net assets attributable to unitholders at 31 December 2015 %
<b><u>First State Regional China Fund</u></b> <sup>(1)</sup>				
<b>Quoted</b>				
First State Global Umbrella Fund plc - First State Greater China Growth Fund Class I	3,820,903	400,314,632	99.59	99.59
<b>Portfolio of investments</b>		400,314,632	99.59	99.59
<b>Other net assets</b>		1,651,716	0.41	0.41
<b>Net assets attributable to unitholders</b>		401,966,348	100.00	100.00
<b><u>First State Regional India Fund</u></b> <sup>(1)</sup>				
<b>Quoted</b>				
First State Global Umbrella Fund plc - First State Indian Subcontinent Fund Class I	633,775	72,040,546	99.01	99.37
<b>Portfolio of investments</b>		72,040,546	99.01	99.37
<b>Other net assets</b>		719,934	0.99	0.63
<b>Net assets attributable to unitholders</b>		72,760,480	100.00	100.00
<b><u>First State Singapore Growth Fund</u></b> <sup>(1)</sup>				
<b>Quoted</b>				
First State Global Umbrella Fund plc - First State Singapore and Malaysia Growth Fund Class I	643,040	44,638,415	99.39	99.49
<b>Portfolio of investments</b>		44,638,415	99.39	99.49
<b>Other net assets</b>		272,815	0.61	0.51
<b>Net assets attributable to unitholders</b>		44,911,230	100.00	100.00

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



**First State Global Growth Funds**

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

**Statements of Portfolio**

As at 31 December 2016

	Holdings at 31 December 2016	Fair value at 31 December 2016 S\$	Percentage of total net assets attributable to unitholders at 31 December 2016 %	Percentage of total net assets attributable to unitholders at 31 December 2015 %
<b><u>Stewart Investors Global Emerging Markets Leaders Fund</u></b> <sup>(2)</sup>				
<b>Quoted</b>				
First State Investments ICVC - Stewart Investors Global Emerging Markets Leaders Fund Class A	1,819,054	16,811,779	99.62	99.47
<b>Portfolio of investments</b>		16,811,779	99.62	99.47
<b>Other net assets</b>		64,411	0.38	0.53
<b>Net assets attributable to unitholders</b>		16,876,190	100.00	100.00

**Stewart Investors Worldwide Leaders Fund** <sup>(1)</sup>

**Quoted**

First State Global Umbrella Fund plc - Stewart Investors Worldwide Leaders Fund Class I	1,612,402	23,084,727	99.05	99.08
<b>Portfolio of investments</b>		23,084,727	99.05	99.08
<b>Other net assets</b>		221,189	0.95	0.92
<b>Net assets attributable to unitholders</b>		23,305,916	100.00	100.00

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

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

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

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

## **First State Global Growth Funds**

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

### **NOTES TO THE FINANCIAL STATEMENTS**

*For the financial period/year ended 31 December 2016*

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

#### **1. General**

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

The financial statements of the Fund for the year ended 31 December 2016 comprise the following sub-funds, (collectively referred to as the "Sub-Funds"):

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

First State Asian Quality Bond was inceptioned on 1 November 2016.

With effect from 6 September 2016, First State Asia Innovation Fund has been renamed to First State Asia Opportunities Fund.

First State Global Agribusiness ("AGRI") was terminated on 21 October 2016, hence not presented in these financial statements.

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***1. General (continued)**

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

<u>Sub-Funds</u>	<u>Launch date</u>	<u>Underlying Fund(s)</u>	<u>Investment objectives</u>
AIAT	18 October 1999	GUFD - First State Asia Opportunities Fund	The investment objective of the First State Asia Opportunities Fund is to achieve long term capital appreciation. The Underlying Sub-Fund invests primarily in equity and equity related securities in the Asia region (excluding Australia, New Zealand and Japan).
APGF	17 September 1984	GUFD - First State Asian Growth Fund	The investment objective of the First State Asian Growth Fund is to achieve long term capital appreciation. The Underlying Sub-Fund invests primarily in securities in the Asian region, excluding Japan.
QBON	1 November 2016	GUFD - First State Asian Quality Bond Fund	<p>The investment objective of the First State Asian Quality Bond is to achieve long term returns through investment in a diversified portfolio of investment grade fixed income and similar transferable instruments issued primarily by government and corporate entities in Asia.</p> <p>The Underlying Sub-Fund invests primarily in debt securities of issuers organised, headquartered or having their primary business operations in Asia. The Underlying Sub-Fund will invest in investment grade debt and convertible securities (rated as Baa3 or above by Moody's Investor Services Inc or BBB- or above by Standard &amp; Poor's Corporation or other recognised rating agencies) or if unrated, of comparable quality as determined by the Investment Manager.</p>
BRDG	2 June 2003		The investment objective of the First State Bridge is to provide investors with an annual distribution and medium term capital stability from investments focused in the Asia Pacific ex Japan region.
-Fixed income portion		GUFD - First State Asian Quality Bond Fund	<p>The Underlying Sub-Fund invests primarily in debt securities of issuers organised, headquartered or having their primary business operations in Asia.</p> <p>The Underlying Sub-Fund will invest in investment grade debt and convertible securities (rated as Baa3 or above by Moody's or BBB- or above by S&amp;P or other recognised rating agencies) or if unrated, of comparable quality as determined by the investment manager / sub-manager of the Underlying Sub-Fund.</p>

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***1. General (continued)**

<u>Sub-Funds</u>	<u>Launch date</u>	<u>Underlying Fund(s)</u>	<u>Investment objectives</u>
-Equity portion		GUFD - First State Asian Equity Plus Fund	The Underlying Sub-Fund invests primarily in securities in the Asia Pacific region (excluding Japan). Such companies will be selected on the basis of their high dividend yields and their potential for long term capital appreciation.  The Investment Manager will select investments which it believes offer the potential for sustainable above average dividend yields in addition to price appreciation.
DIVA	16 November 2004	GUFD - First State Asian Equity Plus Fund	The investment objective of the First State Dividend Advantage is to provide investors with regular distributions and long-term growth from high dividend yielding equity investments focused in the Asia Pacific region (excluding Japan).
GBFD	6 February 1995		The investment objective of the First State Global Balanced Fund is to achieve a balance of long term capital appreciation and current income.
-Fixed income portion		GUFD - First State Global Bond Fund	The Underlying Sub-Fund invests primarily in debt securities of issuers organised, headquartered or having their primary business operations in the countries included in the WGBI index.
-Equity portion		GUFD -Stewart Investors Worldwide Leaders Fund	The Underlying Sub-Fund invests primarily in a diverse portfolio of equity securities of larger capitalisation companies which are listed, traded or dealt in on any of the Regulated Markets worldwide.
GIFT	16 January 2008	ICVC - First State Global Listed Infrastructure Fund	The investment objective of the First State Global Infrastructure is to achieve total investment return.The Underlying Sub-Fund invests in a diversified portfolio of listed infrastructure and infrastructure related securities from around the world.
GLPR	21 February 2005	GUFD- First State Global Property Securities Fund	The investment objective of the First State Global Property Investments is to maximise the total return to investors.  The Underlying Sub-Fund primarily invests in a broad selection of securities issued by real estate investment trusts or companies that own, develop or manage real property from around the world (including initially the EEA, Russia, Switzerland, United States, and the Asian Region) and which are listed, traded or dealt in on Regulated Markets worldwide.
GRES	25 July 2005	ICVC/GUFD - First State Global Resources Fund	The investment objective of the First State Global Resources is to achieve long term capital growth.The Underlying Sub-Fund invests in equities in the natural resources and energy sectors worldwide.

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***1. General (continued)**

<u>Sub-Funds</u>	<u>Launch date</u>	<u>Underlying Fund(s)</u>	<u>Investment objectives</u>
RCFD	27 September 1993	GUFD - First State Greater China Growth Fund	The investment objective of the First State Regional China Fund is to achieve long term capital appreciation. The Underlying Sub-Fund invests primarily in securities issued by companies with either assets in, or revenues derived from, the People's Republic of China, Hong Kong, and Taiwan and which are listed, traded or dealt in on Regulated Markets in the People's Republic of China, Hong Kong, Taiwan, the U.S., Singapore, Korea, Thailand and Malaysia or in a member state of the OECD.
RIFD	18 July 1994	GUFD - First State Indian Subcontinent Fund	The investment objective of the First State Regional India Fund is to achieve long term capital appreciation. The Underlying Sub-Fund will comprise a diversified portfolio of companies of the Indian subcontinent. Countries of the Indian subcontinent include India, Pakistan, Sri Lanka and Bangladesh. The Underlying Sub-Fund concentrates on securities that are listed, traded or dealt in on Regulated Markets in the Indian subcontinent and offshore instruments issued by companies established or operating or have significant interests in the Indian subcontinent and listed on other Regulated Markets.
SPGF	July 1969	GUFD - First State Singapore and Malaysia Growth Fund	The investment objective of the First State Singapore Growth Fund is to achieve long term capital appreciation. The Underlying Sub-Fund invests primarily in securities issued by companies that are listed, traded or dealt in on Regulated Markets in Singapore or Malaysia or companies that are listed, traded or dealt in on another Regulated Market but that are incorporated in, have substantial assets in, or derive significant revenues from operations in Singapore or Malaysia.
GEML	1 June 2004	ICVC - Stewart Investors Global Emerging Markets Leaders Fund	The investment objective of the Stewart Investors Global Emerging Markets Leaders Fund is to achieve long term capital growth. The Underlying Sub-Fund invests in large and mid-capitalisation equities in emerging economies, including those companies listed on developed market exchanges whose activities predominantly take place in emerging market countries.

## First State Global Growth Funds

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

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period/year ended 31 December 2016

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#### 1. General (continued)

<u>Sub-Funds</u>	<u>Launch date</u>	<u>Underlying Fund(s)</u>	<u>Investment objectives</u>
G100	15 July 1998	GUFD -Stewart Investors Worldwide Leaders Fund	The investment objective of the Stewart Investors Worldwide Equity Fund is to achieve long term capital appreciation. The Underlying Sub-Fund will seek to invest in a diverse portfolio of equity securities which are listed, traded or dealt in on any of the regulated markets worldwide.

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

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

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

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

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

As at 31 December 2016, only Class A units and Class B units are being offered in relation to the First State Asia Opportunities Fund and only Class A units are being offered in relation to the other sub-funds. First State Asia Opportunities Fund's Class A units and Class B units have different minimum initial class investment, minimum subsequent class investment and minimum class holding amounts and are subject to a different annual investment management fee.

## First State Global Growth Funds

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

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period/year ended 31 December 2016

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#### 2. Significant accounting policies

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

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial instruments at fair value through profit or loss, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants.

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

(b) Recognition of income

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

(c) Investments

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

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

(d) Foreign currency translation

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

(e) Financial derivatives

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

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

## First State Global Growth Funds

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

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period/year ended 31 December 2016

#### 2. Significant accounting policies (continued)

(f) Distribution

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

#### 3. Income Tax

	First State Global Property Investments	
	2016 S\$	2015 S\$
Foreign income tax refunded	-	82

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

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

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

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

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



**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***3. Income Tax (continued)**

As at 31 December 2016 and 2015, the Sub-Funds' uncertain tax exposure with respect to gains on investment of which the tax liability is estimated to be nil. While this represents the Manager's best estimate, the estimated value could differ significantly from the amount ultimately payable.

**4. Distribution**

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

	<b>First State Bridge 2015</b>		
	<b>Entitlement cut off date</b>	<b>Payment date</b>	<b>Distribution amount S\$</b>
Distribution at 2.48 cents per unit	27 February 2015	19 March 2015 17 September	18,829,945
Distribution at 2.34 cents per unit	31 August 2015	2015	18,036,653
			<u>36,866,598</u>

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

	<b>First State Dividend Advantage 2015</b>		
	<b>Entitlement cut off date</b>	<b>Payment date</b>	<b>Distribution amount S\$</b>
Distribution at 1.77 cents per unit	31 March 2015	16 April 2015	17,395,602
Distribution at 1.68 cents per unit	30 June 2015	15 July 2015	18,565,071
Distribution at 1.57 cents per unit	30 September 2015	15 October 2015	17,799,762
Distribution at 1.61 cents per unit	31 December 2015	21 January 2016	19,087,481
			<u>72,847,916</u>

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**4. Distribution (continued)**

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

<b>First State Global Infrastructure</b>			
<b>2015</b>			
	<b>Entitlement cut off date</b>	<b>Payment date</b>	<b>Distribution amount S\$</b>
Distribution at 0.98 cents per unit	31 March 2015	15 April 2015	212,361
Distribution at 1.38 cents per unit	30 September 2015	14 October 2015	274,127
			<u>486,488</u>

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

<b>First State Global Property Investments</b>			
<b>2015</b>			
	<b>Entitlement cut off date</b>	<b>Payment date</b>	<b>Distribution amount S\$</b>
Distribution at 3.80 cents per unit	30 November 2015	16 December 2015	455,855

**5. Other receivables**

	<b>First State Asia Opportunities Fund (formerly known as First State Asia Innovation Fund)</b>		<b>First State Asian Growth Fund</b>	
	<b>2016 S\$</b>	<b>2015 S\$</b>	<b>2016 S\$</b>	<b>2015 S\$</b>
Amounts receivable from unitholders for creation of units	11,060	29,111	323,028	266,418
Management fee rebates receivable	112,009	127,887	299,040	284,868
Other receivables	-	9,234	-	20,675
	<u>123,069</u>	<u>166,232</u>	<u>622,068</u>	<u>571,961</u>

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**5. Other receivables (continued)**

	<b>First State Asian Quality Bond</b>		<b>First State Bridge</b>	
	<b>2016 S\$</b>	<b>2015 S\$</b>	<b>2016 S\$</b>	<b>2015 S\$</b>
Amounts receivable from unitholders for creation of units	8,387		6,064,102	2,416,485
Management fee rebates receivable	19,286		4,089,005	3,878,674
Other receivables	6		-	253,180
	<u>27,679</u>		<u>10,153,107</u>	<u>6,548,339</u>

	<b>First State Dividend Advantage</b>		<b>First State Global Balanced Fund</b>	
	<b>2016 S\$</b>	<b>2015 S\$</b>	<b>2016 S\$</b>	<b>2015 S\$</b>
Amounts receivable from unitholders for creation of units	6,723,029	10,424,080	16,278	23,019
Management fee rebates receivable	7,327,292	7,046,886	61,827	57,744
Other receivables	-	445,738	-	3,966
	<u>14,050,321</u>	<u>17,916,704</u>	<u>78,105</u>	<u>84,729</u>

	<b>First State Global Infrastructure</b>		<b>First State Global Property Investments</b>	
	<b>2016 S\$</b>	<b>2015 S\$</b>	<b>2016 S\$</b>	<b>2015 S\$</b>
Amounts receivable from unitholders for creation of units	119,765	700	247,855	351,583
Management fee rebates receivable	47,867	65,741	86,664	65,162
Other receivables	58	5,460	-	3,338
	<u>167,690</u>	<u>71,901</u>	<u>334,519</u>	<u>420,083</u>

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**5. Other receivables (continued)**

	<b>First State Global Resources</b>		<b>First State Regional China Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Amounts receivable from unitholders for creation of units	1,634,356	459,755	409,110	612,531
Management fee rebates receivable	858,974	622,560	1,605,453	1,758,069
Other receivables	-	85,774	-	118,977
	<u>2,493,330</u>	<u>1,168,089</u>	<u>2,014,563</u>	<u>2,489,577</u>

	<b>First State Regional India Fund</b>		<b>First State Singapore Growth Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Amounts receivable from unitholders for creation of units	483,875	-	21,127	34,699
Management fee rebates receivable	322,712	256,800	176,320	181,211
Other receivables	-	17,420	-	12,720
	<u>806,587</u>	<u>274,220</u>	<u>197,447</u>	<u>228,630</u>

	<b>Stewart Investors Global Emerging Markets Leaders Fund</b>		<b>Stewart Investors Worldwide Leaders Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Amounts receivable from unitholders for creation of units	-	-	111,275	20,189
Management fee rebates receivable	64,955	72,101	87,252	83,200
Other receivables	-	5,478	-	5,834
	<u>64,955</u>	<u>77,579</u>	<u>198,527</u>	<u>109,223</u>

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***6. Other payables**

	<b>First State Asia Opportunities Fund (formerly known as First State Asia Innovation Fund)</b>		<b>First State Asian Growth Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Amounts payable to unitholders for cancellation of units	61,433	104,540	391,796	106,401
Accrued management fees	37,809	45,737	91,360	102,843
Accrued trustee's fees	1,573	1,783	4,425	4,687
Other accrued expenses	17,066	19,415	21,220	24,357
	<u>117,881</u>	<u>171,475</u>	<u>508,801</u>	<u>238,288</u>

  

	<b>First State Asian Quality Bond</b>		<b>First State Bridge</b>	
	<b>2016</b>		<b>2016</b>	<b>2015</b>
	<b>S\$</b>		<b>S\$</b>	<b>S\$</b>
Amounts payable to unitholders for cancellation of units	43,493		3,545,166	2,650,023
Accrued management fees	10,614		1,351,727	1,417,515
Accrued trustee's fees	1,000		78,547	77,543
Other accrued expenses	21,220		111,945	119,078
	<u>76,327</u>		<u>5,087,385</u>	<u>4,264,159</u>

  

	<b>First State Dividend Advantage</b>		<b>First State Global Balanced Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Amounts payable to unitholders for cancellation of units	7,926,690	2,217,911	43,984	21,490
Accrued management fees	2,467,754	2,586,184	20,204	20,227
Accrued trustee's fees	119,482	117,907	2,600	1,105
Other accrued expenses	259,251	253,495	17,010	25,827
	<u>10,773,177</u>	<u>5,175,497</u>	<u>83,798</u>	<u>68,649</u>

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***6. Other payables (continued)**

	<b>First State Global Infrastructure</b>		<b>First State Global Property Investments</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Amounts payable to unitholders for cancellation of units	73,039	-	112,242	117,749
Accrued management fees	17,083	24,389	30,406	25,542
Accrued trustee's fees	969	1,108	1,473	1,753
Other accrued expenses	18,742	18,119	16,958	28,289
	<b>109,833</b>	<b>43,616</b>	<b>161,079</b>	<b>173,333</b>

  

	<b>First State Global Resources</b>		<b>First State Regional China Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Amounts payable to unitholders for cancellation of units	913,882	401,300	919,884	1,276,556
Accrued management fees	609,088	437,209	532,529	636,287
Accrued trustee's fees	29,512	19,852	25,762	29,020
Other accrued expenses	45,878	57,588	34,367	52,975
	<b>1,598,360</b>	<b>915,949</b>	<b>1,512,542</b>	<b>1,994,838</b>

  

	<b>First State Regional India Fund</b>		<b>First State Singapore Growth Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Amounts payable to unitholders for cancellation of units	79,641	76,502	62,452	174,069
Accrued management fees	109,669	92,467	59,554	65,224
Accrued trustee's fees	4,554	4,215	2,884	2,971
Other accrued expenses	25,102	31,718	18,636	25,541
	<b>218,966</b>	<b>204,902</b>	<b>143,526</b>	<b>267,805</b>

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**6. Other payables (continued)**

	Stewart Investors Global Emerging Markets Leaders Fund		Stewart Investors Worldwide Leaders Fund	
	2016	2015	2016	2015
	S\$	S\$	S\$	S\$
Amounts payable to unitholders for cancellation of units	26,837	77,235	71,914	8,271
Accrued management fees	21,935	25,977	30,147	30,506
Accrued trustee's fees	3,082	1,180	1,460	1,388
Other accrued expenses	18,558	28,065	17,937	21,882
	<u>70,412</u>	<u>132,457</u>	<u>121,458</u>	<u>62,047</u>

**7. Financial derivatives, at fair value**

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

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

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

  

	First State Bridge 31 December 2016		
	Notional amount S\$	Fair value assets S\$	Fair value liabilities S\$
	Forward foreign exchange contracts	<u>637,387,665</u>	<u>97,693</u>

  

	First State Bridge 31 December 2015		
	Notional amount S\$	Fair value assets S\$	Fair value liabilities S\$
	Forward foreign exchange contracts	<u>634,213,866</u>	<u>2,209,411</u>

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**8. Units in issue**

During the year ended 31 December 2016 and 2015 the number of units issued, redeemed and outstanding were as follows:

	<b>First State Asia Opportunities Fund (formerly known as First State Asia Innovation Fund)</b>			
	<b>2016 Units</b>		<b>2015 Units</b>	
	<b>Class A</b>	<b>Class B</b>	<b>Class A</b>	<b>Class B</b>
Units at beginning of year	27,518,568	-	38,850,699	N/A
Units created	627,291	91,853	8,839,357	N/A
Units cancelled	(4,976,872)	-	(20,171,488)	N/A
Units at end of year*	<u>23,168,987</u>	<u>91,853</u>	<u>27,518,568</u>	<u>-</u>
* Included above are units denominated in USD	<u>800,267</u>	<u>-</u>	<u>1,068,161</u>	<u>N/A</u>
Net assets attributable to unitholders (S\$)	<u>24,580,198</u>	<u>97,553</u>	<u>28,424,773</u>	<u>N/A</u>
Net asset value per unit (S\$)	<u>1.0609</u>	<u>1.0621</u>	<u>1.0329</u>	<u>N/A</u>

	<b>First State Asian Growth Fund</b>		<b>First State Asian Quality Bond</b>
	<b>2016 Units</b>	<b>2015 Units</b>	<b>For the financial period from 1 November 2016 (date of inception) to 31 December Units Class A (Distribution)</b>
Units at beginning of year/period	31,691,910	30,364,285	-
Units created	5,097,091	16,296,223	12,612,710
Units cancelled	(7,558,594)	(14,968,598)	(75,179)
Units at end of year/period*	<u>29,230,407</u>	<u>31,691,910</u>	<u>12,537,531</u>
* Included above are units denominated in USD	<u>194,945</u>	<u>243,026</u>	<u>-</u>
Net assets attributable to unitholders (S\$)	<u>69,963,215</u>	<u>75,418,418</u>	<u>12,152,340</u>
Net asset value per unit (S\$)	<u>2.3935</u>	<u>2.3797</u>	<u>0.9693</u>



**First State Global Growth Funds**

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**8. Units in issue (continued)**

	First State Bridge		First State Dividend Advantage	
	2016 Units	2015 Units	2016 Units	2015 Units
Units at beginning of year	781,236,282	763,466,027	1,185,557,826	896,005,592
Units created	130,905,388	161,598,489	279,173,145	590,161,483
Units cancelled	(127,943,888)	(143,828,234)	(280,405,729)	(300,609,249)
Units at end of year*	<u>784,197,782</u>	<u>781,236,282</u>	<u>1,184,325,242</u>	<u>1,185,557,826</u>
* Included above are units denominated in USD	<u>-</u>	<u>-</u>	<u>206,210,511</u>	<u>217,659,203</u>
Net assets attributable to unitholders (S\$)	<u>1,240,111,311</u>	<u>1,228,086,749</u>	<u>1,867,770,247</u>	<u>1,879,317,013</u>
Net asset value per unit (S\$)	<u>1.5814</u>	<u>1.5720</u>	<u>1.5771</u>	<u>1.5852</u>
	First State Global Balanced Fund		First State Global Infrastructure	
	2016 Units	2015 Units	2016 Units	2015 Units
Units at beginning of year	19,831,546	21,229,080	19,161,542	19,028,329
Units created	2,821,745	1,401,448	6,480,761	8,089,412
Units cancelled	(2,564,362)	(2,798,982)	(12,431,878)	(7,956,199)
Units at end of year*	<u>20,088,929</u>	<u>19,831,546</u>	<u>13,210,425</u>	<u>19,161,542</u>
* Included above are units denominated in USD	<u>493,658</u>	<u>340,675</u>	<u>5,062,884</u>	<u>10,401,205</u>
Net assets attributable to unitholders (S\$)	<u>18,615,395</u>	<u>17,556,661</u>	<u>13,457,538</u>	<u>17,614,778</u>
Net asset value per unit (S\$)	<u>0.9266</u>	<u>0.8853</u>	<u>1.0187</u>	<u>0.9193</u>

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***8. Units in issue (continued)**

	<b>First State Global Property Investments</b>			
	<b>2016</b>		<b>2015</b>	
	<b>Units</b>		<b>Units</b>	
	<b>Class A</b>	<b>Class A</b>	<b>Class A</b>	<b>Class A</b>
	<b>(Distribution)</b>	<b>(Accumulation)</b>	<b>(Distribution)</b>	<b>(Accumulation)</b>
Units at beginning of year	12,075,509	8,626,013	12,933,042	-
Units created	840,418	9,231,179	1,970,502	8,927,136
Units cancelled	(2,100,398)	(2,493,230)	(2,828,035)	(301,123)
Units at end of year	<u>10,815,529</u>	<u>15,363,962</u>	<u>12,075,509</u>	<u>8,626,013</u>
Net assets attributable to unitholders (S\$)	<u>9,376,524</u>	<u>14,447,908</u>	<u>10,987,824</u>	<u>8,166,892</u>
Net asset value per unit (S\$)	<u>0.8670</u>	<u>0.9404</u>	<u>0.9099</u>	<u>0.9468</u>
	<b>First State Global Resources</b>		<b>First State Regional China Fund</b>	
	<b>2016</b>		<b>2015</b>	
	<b>Units</b>		<b>Units</b>	
Units at beginning of year	486,152,651	441,676,457	165,545,666	207,603,879
Units created	121,023,302	133,080,281	13,994,394	46,863,360
Units cancelled	(102,156,128)	(88,604,087)	(40,040,491)	(88,921,573)
Units at end of year*	<u>505,019,825</u>	<u>486,152,651</u>	<u>139,499,569</u>	<u>165,545,666</u>
* Included above are units denominated in USD	<u>21,212,370</u>	<u>22,474,969</u>	<u>14,818,627</u>	<u>20,223,408</u>
Net assets attributable to unitholders (S\$)	<u>469,263,913</u>	<u>312,977,062</u>	<u>401,966,348</u>	<u>460,285,228</u>
Net asset value per unit (S\$)	<u>0.9292</u>	<u>0.6438</u>	<u>2.8815</u>	<u>2.7804</u>

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**8. Units in issue (continued)**

	<b>First State Regional India Fund</b>		<b>First State Singapore Growth Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Units</b>	<b>Units</b>	<b>Units</b>	<b>Units</b>
Units at beginning of year	10,518,278	12,008,606	15,504,026	17,170,372
Units created	1,718,274	-	370,049	712,054
Units cancelled	(1,342,921)	(1,490,328)	(1,622,641)	(2,378,400)
Units at end of year*	<u>10,893,631</u>	<u>10,518,278</u>	<u>14,251,434</u>	<u>15,504,026</u>
* Included above are units denominated in USD	<u>636,436</u>	<u>584,703</u>	<u>161,380</u>	<u>191,424</u>
Net assets attributable to unitholders (S\$)	<u>72,760,480</u>	<u>68,115,349</u>	<u>44,911,230</u>	<u>46,858,559</u>
Net asset value per unit (S\$)	<u>6.6792</u>	<u>6.4759</u>	<u>3.1513</u>	<u>3.0223</u>

	<b>Stewart Investors Global Emerging Markets Leaders Fund</b>		<b>Stewart Investors Worldwide Leaders Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Units</b>	<b>Units</b>	<b>Units</b>	<b>Units</b>
Units at beginning of year	7,366,167	10,227,993	16,422,396	17,225,273
Units created	-	-	2,565,130	2,265,723
Units cancelled	(1,171,863)	(2,861,826)	(2,821,223)	(3,068,600)
Units at end of year*	<u>6,194,304</u>	<u>7,366,167</u>	<u>16,166,303</u>	<u>16,422,396</u>
* Included above are units denominated in USD	<u>153,879</u>	<u>215,151</u>	<u>837,320</u>	<u>926,101</u>
Net assets attributable to unitholders (S\$)	<u>16,876,190</u>	<u>18,438,886</u>	<u>23,305,916</u>	<u>22,055,826</u>
Net asset value per unit (S\$)	<u>2.7245</u>	<u>2.5032</u>	<u>1.4416</u>	<u>1.3430</u>

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

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***8. Units in issue (continued)**

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

	<b>First State Asian Quality Bond</b>	
	<b>2016 S\$</b>	<b>2015 S\$</b>
Net asset attributable to unitholders per unit for issuing/redeeming units (S\$)	0.9696	-
Effect of preliminary expenses	(0.0003)	-
Net asset attributable to unitholders per unit per the financial statements (S\$)	0.9693	-

	<b>First State Singapore Growth Fund</b>		<b>First State Dividend Advantage</b>	
	<b>2016 S\$</b>	<b>2015 S\$</b>	<b>2016 S\$</b>	<b>2015 S\$</b>
Net asset attributable to unitholders per unit for issuing/redeeming units (S\$)	3.1514	-	1.5931	1.6013
Effect for movement in the net asset value between the last dealing date and the end of the reporting period	(0.0001)	-	-	-
Effect of distribution per unit	-	-	(0.0160)	(0.0161)
Net asset attributable to unitholders per unit per the financial statements (S\$)	3.1513	-	1.5771	1.5852

**9. Financial risk management**

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

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

## First State Global Growth Funds

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

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period/year ended 31 December 2016

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#### 9. Financial risk management (continued)

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

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

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

##### a. Market risk

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

##### (i) Price Risk

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

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

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

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

The table below summarises the effect on the net assets attributable to unitholders for each sub-fund, as at 31 December 2016 and 2015, from a reasonable possible change in the benchmark market indices as applied to the respective beta reported by Lipper.

The reasonable possible change in the benchmark market indices has been determined by using the one year benchmark returns for the financial year ended 31 December 2016 and 2015, respectively. This is a reasonable possible change in the benchmark assuming similar volatility in the respective financial markets will be experienced in the next twelve months.

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**9. Financial risk management (continued)**

**a. Market risk (continued)**

(i) Price Risk (continued)

<b>Sub-Funds</b>	<b>Benchmark Components</b>	<b>Change in Benchmark Market Index 31 December 2016</b> %	<b>Effect on net assets attributable to unitholders 31 December 2016</b> S\$	<b>Change in Benchmark Market Index 31 December 2015</b> %	<b>Effect on net assets attributable to unitholders 31 December 2015</b> S\$
First State Asia Opportunities Fund (formerly known as First State Asia Innovation Fund)	MSCI AC Asia ex-Japan Index	7.71	1,133,948	2.47	445,472
First State Asian Growth Fund	MSCI AC Asia ex-Japan Index	7.71	3,482,012	2.47	1,127,324
First State Asian Quality Bond	JP Morgan Asia Credit Investment Grade Index (SGD Index)	4.64	580,525	N/A	N/A
First State Bridge	50% MSCI AC Asia Pacific ex-Japan Index (Unhedged) and 50% JP Morgan Asia Credit Investment Grade Index (Hedged to SGD)	6.37	65,214,736	0.38	3,545,184
First State Dividend Advantage	MSCI AC Asia Pacific ex-Japan Index	9.03	127,327,768	2.71	36,825,610

**First State Global Growth Funds**

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**9. Financial risk management (continued)**

**a. Market risk (continued)**

(i) *Price Risk (continued)*

<b>Sub-Funds</b>	<b>Benchmark Components</b>	<b>Change in Benchmark Market Index 31 December 2016 %</b>	<b>Effect on net assets attributable to unitholders 31 December 2016 S\$</b>	<b>Change in Benchmark Market Index 31 December 2015 %</b>	<b>Effect on net assets attributable to unitholders 31 December 2015 S\$</b>
First State Global Balanced Fund	60% MSCI AC World Index and 40% Citigroup World Government Bond Index (Unhedged)	7.91	937,846	4.66	724,513
First State Global Infrastructure	FTSE Global Core Infrastructure 50-50 Index	13.75	1,194,751	0.64	114,549
First State Global Property Investments	FTSE EPRA/NAREIT Developed Index	6.92	1,465,192	7.11	1,020,957
First State Global Resources	75% Euromoney Global Mining Index and 25% MSCI AC World Energy Index	57.07	237,671,188	31.35	98,846,497
First State Regional China Fund	MSCI Golden Dragon Index	7.70	32,365,438	0.57	2,011,816
First State Regional India Fund	MSCI India Index	0.38	249,117	0.50	321,514

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**9. Financial risk management (continued)**

**a. Market risk (continued)**

(i) *Price Risk (continued)*

<u>Sub-Funds</u>	Benchmark Components	Change in Benchmark Market Index 31 December 2016 %	Effect on net assets attributable to unitholders 31 December 2016 S\$	Change in Benchmark Market Index 31 December 2015 %	Effect on net assets attributable to unitholders 31 December 2015 S\$
First State Singapore Growth Fund	Market Capitalisation weighted of MSCI Singapore Free Index and MSCI Malaysia Index	1.09	340,591	12.95	4,044,856
Stewart Investors Global Emerging Markets Leaders Fund	MSCI Emerging Markets Index	13.66	1,883,120	8.57	801,613
Stewart Investors Worldwide Leaders Fund	MSCI AC World Index	10.14	1,357,659	6.71	1,143,729

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

(ii) *Currency Risk*

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

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



**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)*

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

**First State Asia Opportunities Fund***(formerly known as First State Asia Innovation Fund)***As at 31 December 2016**

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

**As at 31 December 2015**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
<b>ASSETS</b>			
Portfolio of investments	28,180,134	-	28,180,134
Sales awaiting settlement	154,633	-	154,633
Other receivables	127,887	38,345	166,232
Cash and bank balances	1,418	93,831	95,249
<b>Total assets</b>	<b>28,464,072</b>	<b>132,176</b>	<b>28,596,248</b>
<b>LIABILITIES</b>			
Other payables	-	171,475	171,475
<b>Total liabilities</b>	<b>-</b>	<b>171,475</b>	<b>171,475</b>
<b>Currency exposure</b>	<b>28,464,072</b>	<b>(39,299)</b>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Asian Growth Fund****As at 31 December 2016**

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

**As at 31 December 2015**

	<b>USD S\$</b>	<b>SGD S\$ SGD Equivalent</b>	<b>Total S\$</b>
<b>ASSETS</b>			
Portfolio of investments	74,820,717	-	74,820,717
Other receivables	284,868	287,093	571,961
Cash and bank balances	180,690	181,225	361,915
<b>Total assets</b>	<b>75,286,275</b>	<b>468,318</b>	<b>75,754,593</b>
<b>LIABILITIES</b>			
Purchases awaiting settlement	97,887	-	97,887
Other payables	-	238,288	238,288
<b>Total liabilities</b>	<b>97,887</b>	<b>238,288</b>	<b>336,175</b>
<b>Currency exposure</b>	<b>75,188,388</b>	<b>230,030</b>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Asian Quality Bond****As at 31 December 2016**

	<b>USD S\$</b>	<b>SGD S\$ SGD Equivalent</b>	<b>Total S\$</b>
<b>ASSETS</b>			
Portfolio of investments	12,511,307	-	12,511,307
Sales awaiting settlement	43,341	-	43,341
Other receivables	19,286	8,393	27,679
Cash and bank balances	26,768	53,423	80,191
<b>Total assets</b>	<u>12,600,702</u>	<u>61,816</u>	<u>12,662,518</u>
<b>LIABILITIES</b>			
Other payables	-	76,327	76,327
<b>Total liabilities</b>	<u>-</u>	<u>76,327</u>	<u>76,327</u>
<b>Notional value of forward foreign exchange contracts</b>	(12,514,653)	12,080,802	(433,851)
<b>Currency exposure</b>	<u>86,049</u>	<u>12,066,291</u>	

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**9. Financial risk management (continued)**

**a. Market risk (continued)**

(ii) *Currency Risk (continued)*

**First State Bridge**

**As at 31 December 2016**

	<b>USD S\$</b>	<b>SGD S\$ SGD Equivalent</b>	<b>Total S\$</b>
<b>ASSETS</b>			
Portfolio of investments	1,248,511,264	-	1,248,511,264
Sales awaiting settlement	329,392	-	329,392
Other receivables	4,089,005	6,064,102	10,153,107
Cash and bank balances	395,347	1,050,523	1,445,870
<b>Total assets</b>	<b>1,253,325,008</b>	<b>7,114,625</b>	<b>1,260,439,633</b>
<b>LIABILITIES</b>			
Purchases awaiting settlement	895,714	-	895,714
Other payables	-	5,087,385	5,087,385
<b>Total liabilities</b>	<b>895,714</b>	<b>5,087,385</b>	<b>5,983,099</b>
<b>Notional value of forward foreign exchange contracts</b>	<b>(623,241,545)</b>	<b>608,896,322</b>	<b>(14,345,223)</b>
<b>Currency exposure</b>	<b>629,187,749</b>	<b>610,923,562</b>	

**As at 31 December 2015**

	<b>USD S\$</b>	<b>SGD S\$ SGD Equivalent</b>	<b>Total S\$</b>
<b>ASSETS</b>			
Portfolio of investments	1,227,557,281	-	1,227,557,281
Other receivables	3,878,674	2,669,665	6,548,339
Cash and bank balances	93,797	1,229,958	1,323,755
<b>Total assets</b>	<b>1,231,529,752</b>	<b>3,899,623</b>	<b>1,235,429,375</b>
<b>LIABILITIES</b>			
Other payables	-	4,264,159	4,264,159
<b>Total liabilities</b>	<b>-</b>	<b>4,264,159</b>	<b>4,264,159</b>
<b>Notional value of forward foreign exchange contracts</b>	<b>(615,675,256)</b>	<b>612,596,789</b>	<b>(3,078,467)</b>
<b>Currency exposure</b>	<b>615,854,496</b>	<b>612,232,253</b>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Dividend Advantage****As at 31 December 2016**

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

**As at 31 December 2015**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
<b>ASSETS</b>			
Portfolio of investments	1,887,331,309	-	1,887,331,309
Other receivables	9,881,296	8,035,408	17,916,704
Cash and bank balances	745,473	2,678,040	3,423,513
<b>Total assets</b>	<u>1,897,958,078</u>	<u>10,713,448</u>	<u>1,908,671,526</u>
<b>LIABILITIES</b>			
Distribution payable	-	19,087,481	19,087,481
Purchases awaiting settlement	5,091,535	-	5,091,535
Other payables	305,397	4,870,100	5,175,497
<b>Total liabilities</b>	<u>5,396,932</u>	<u>23,957,581</u>	<u>29,354,513</u>
<b>Currency exposure</b>	<u>1,892,561,146</u>	<u>(13,244,133)</u>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Global Balanced Fund****As at 31 December 2016**

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

**As at 31 December 2015**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
<b>ASSETS</b>			
Portfolio of investments	17,469,123	-	17,469,123
Other receivables	57,744	26,985	84,729
Cash and bank balances	1,419	70,039	71,458
<b>Total assets</b>	<u>17,528,286</u>	<u>97,024</u>	<u>17,625,310</u>
<b>LIABILITIES</b>			
Other payables	-	68,649	68,649
<b>Total liabilities</b>	<u>-</u>	<u>68,649</u>	<u>68,649</u>
<b>Currency exposure</b>	<u>17,528,286</u>	<u>28,375</u>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Global Infrastructure****As at 31 December 2016**

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

**As at 31 December 2015**

	<b>GBP S\$</b>	<b>SGD S\$</b>	<b>USD S\$</b>	<b>Total S\$</b>
		<b>SGD Equivalent</b>		
<b>ASSETS</b>				
Portfolio of investments	17,209,952	-	-	17,209,952
Other receivables	65,741	6,160	-	71,901
Cash and bank balances	209	374,913	1,419	376,541
<b>Total assets</b>	<b>17,275,902</b>	<b>381,073</b>	<b>1,419</b>	<b>17,658,394</b>
<b>LIABILITIES</b>				
Other payables	-	43,616	-	43,616
<b>Total liabilities</b>	<b>-</b>	<b>43,616</b>	<b>-</b>	<b>43,616</b>
<b>Currency exposure</b>	<b>17,275,902</b>	<b>337,457</b>	<b>1,419</b>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Global Property Investments****As at 31 December 2016**

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

**As at 31 December 2015**

	<b>USD S\$</b>	<b>SGD S\$ SGD Equivalent</b>	<b>Total S\$</b>
<b>ASSETS</b>			
Portfolio of investments	18,894,015	-	18,894,015
Other receivables	65,257	354,826	420,083
Cash and bank balances	1,419	204,050	205,469
<b>Total assets</b>	<b>18,960,691</b>	<b>558,876</b>	<b>19,519,567</b>
<b>LIABILITIES</b>			
Purchases awaiting settlement	191,518	-	191,518
Other payables	-	173,333	173,333
<b>Total liabilities</b>	<b>191,518</b>	<b>173,333</b>	<b>364,851</b>
<b>Currency exposure</b>	<b>18,769,173</b>	<b>385,543</b>	



**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Global Resources****As at 31 December 2016**

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

**As at 31 December 2015**

	<b>GBP S\$</b>	<b>SGD S\$</b>	<b>USD S\$</b>	<b>Total S\$</b>
		<b>SGD Equivalent</b>		
<b>ASSETS</b>				
Portfolio of investments	307,252,875	-	4,925,180	312,178,055
Sales awaiting settlement	234,186	-	-	234,186
Other receivables	611,157	85,774	471,158	1,168,089
Cash and bank balances	209	525,253	2,587	528,049
<b>Total assets</b>	<b>308,098,427</b>	<b>611,027</b>	<b>5,398,925</b>	<b>314,108,379</b>
<b>LIABILITIES</b>				
Purchases awaiting settlement	215,368	-	-	215,368
Other payables	-	915,949	-	915,949
<b>Total liabilities</b>	<b>215,368</b>	<b>915,949</b>	<b>-</b>	<b>1,131,317</b>
<b>Currency exposure</b>	<b>307,883,059</b>	<b>(304,922)</b>	<b>5,398,925</b>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Regional China Fund****As at 31 December 2016**

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

**As at 31 December 2015**

	<b>USD S\$</b>	<b>SGD S\$ SGD Equivalent</b>	<b>Total S\$</b>
<b>ASSETS</b>			
Portfolio of investments	458,376,788	-	458,376,788
Sales awaiting settlement	946,240	-	946,240
Other receivables	1,888,860	600,717	2,489,577
Cash and bank balances	1,552	465,909	467,461
<b>Total assets</b>	<b>461,213,440</b>	<b>1,066,626</b>	<b>462,280,066</b>
<b>LIABILITIES</b>			
Other payables	459,331	1,535,507	1,994,838
<b>Total liabilities</b>	<b>459,331</b>	<b>1,535,507</b>	<b>1,994,838</b>
<b>Currency exposure</b>	<b>460,754,109</b>	<b>(468,881)</b>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Regional India Fund****As at 31 December 2016**

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

**As at 31 December 2015**

	<b>USD S\$</b>	<b>SGD S\$ SGD Equivalent</b>	<b>Total S\$</b>
<b>ASSETS</b>			
Portfolio of investments	67,687,052	-	67,687,052
Sales awaiting settlement	107,817	-	107,817
Other receivables	256,800	17,420	274,220
Cash and bank balances	1,419	249,743	251,162
<b>Total assets</b>	<b>68,053,088</b>	<b>267,163</b>	<b>68,320,251</b>
<b>LIABILITIES</b>			
Other payables	-	204,902	204,902
<b>Total liabilities</b>	<b>-</b>	<b>204,902</b>	<b>204,902</b>
<b>Currency exposure</b>	<b>68,053,088</b>	<b>62,261</b>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***First State Singapore Growth Fund****As at 31 December 2016**

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

**As at 31 December 2015**

	<b>USD S\$</b>	<b>SGD S\$ SGD Equivalent</b>	<b>Total S\$</b>
<b>ASSETS</b>			
Portfolio of investments	46,618,521	-	46,618,521
Sales awaiting settlement	109,236	-	109,236
Other receivables	181,211	47,419	228,630
Cash and bank balances	68,095	101,882	169,977
<b>Total assets</b>	<u>46,977,063</u>	<u>149,301</u>	<u>47,126,364</u>
<b>LIABILITIES</b>			
Other payables	-	267,805	267,805
<b>Total liabilities</b>	<u>-</u>	<u>267,805</u>	<u>267,805</u>
<b>Currency exposure</b>	<u>46,977,063</u>	<u>(118,504)</u>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***Stewart Investors Global Emerging Markets Leaders Fund****As at 31 December 2016**

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

**As at 31 December 2015**

	GBP S\$	SGD S\$	USD S\$	Total S\$
		SGD Equivalent		
<b>ASSETS</b>				
Portfolio of investments	18,340,591	-	-	18,340,591
Sales awaiting settlement	77,365	-	-	77,365
Other receivables	72,101	5,478	-	77,579
Cash and bank balances	209	74,180	1,419	75,808
<b>Total assets</b>	<b>18,490,266</b>	<b>79,658</b>	<b>1,419</b>	<b>18,571,343</b>
<b>LIABILITIES</b>				
Other payables	-	132,457	-	132,457
<b>Total liabilities</b>	<b>-</b>	<b>132,457</b>	<b>-</b>	<b>132,457</b>
<b>Currency exposure</b>	<b>18,490,266</b>	<b>(52,799)</b>	<b>1,419</b>	

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****a. Market risk (continued)***(ii) Currency Risk (continued)***Stewart Investors Worldwide Leaders Fund****As at 31 December 2016**

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

**As at 31 December 2015**

	USD S\$	SGD S\$ SGD Equivalent	Total S\$
<b>ASSETS</b>			
Portfolio of investments	21,852,748	-	21,852,748
Other receivables	83,200	26,023	109,223
Cash and bank balances	117,705	38,197	155,902
<b>Total assets</b>	<b>22,053,653</b>	<b>64,220</b>	<b>22,117,873</b>
<b>LIABILITIES</b>			
Other payables	-	62,047	62,047
<b>Total liabilities</b>	<b>-</b>	<b>62,047</b>	<b>62,047</b>
<b>Currency exposure</b>	<b>22,053,653</b>	<b>2,173</b>	

## First State Global Growth Funds

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

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period/year ended 31 December 2016

#### 9. Financial risk management (continued)

##### a. Market risk (continued)

###### (ii) Currency Risk (continued)

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

###### (iii) Interest rate Risk

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

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

##### b. Liquidity risk

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

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

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

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

#### First State Asia Opportunities Fund

(formerly known as First State Asia Innovation Fund)

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	117,881	-	171,475	-

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****b. Liquidity risk (continued)****First State Asian Growth Fund**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	121,355	-	97,887	-
Other payables	508,801	-	238,288	-

**First State Asian Quality Bond**

	31 December 2016	
	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	76,327	-

**First State Bridge**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	895,714	-	-	-
Other payables	5,087,385	-	4,264,159	-

**First State Dividend Advantage**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Distribution payable	18,949,204	-	19,087,481	-
Purchases awaiting settlement	1,511,156	-	5,091,535	-
Other payables	10,773,177	-	5,175,497	-

**First State Global Balanced Fund**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	83,798	-	68,649	-



**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****b. Liquidity risk (continued)****First State Global Infrastructure**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	67,835	-	-	-
Other payables	109,833	-	43,616	-

**First State Global Property Investments**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	96,795	-	191,518	-
Other payables	161,079	-	173,333	-

**First State Global Resources**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	790,819	-	215,368	-
Other payables	1,598,360	-	915,949	-

**First State Regional China Fund**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	1,512,542	-	1,994,838	-

**First State Regional India Fund**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	273,048	-	-	-
Other payables	218,966	-	204,902	-

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**9. Financial risk management (continued)**

**b. Liquidity risk (continued)**

**First State Singapore Growth Fund**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	143,526	-	267,805	-

**Stewart Investors Global Emerging Markets Leaders Fund**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Other payables	70,412	-	132,457	-

**Stewart Investors Worldwide Leaders Fund**

	31 December 2016		31 December 2015	
	Less than 1 Month S\$	1 to 3 Months S\$	Less than 1 Month S\$	1 to 3 Months S\$
Purchases awaiting settlement	56,343	-	-	-
Other payables	121,458	-	62,047	-

The table below analyse the Fund's derivative financial instruments in a loss position that will be settled on a gross basis into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 3 months equal their carrying balances, as the impact of discounting is not significant.

Less than 3 months	First State Asian Quality Bond		First State Bridge	
	31 December 2016 S\$		31 December 2016 S\$	31 December 2015 S\$
Currency forwards				
-Outflow	(12,660,775)		(638,108,212)	(425,608,865)
-Inflow	12,225,642		623,665,296	420,320,987
Net outflow	(435,133)		(14,442,916)	(5,287,878)

## First State Global Growth Funds

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

### NOTES TO THE FINANCIAL STATEMENTS

For the financial period/year ended 31 December 2016

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#### 9. Financial risk management (continued)

##### c. Credit risk (continued)

The Sub-Funds take on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due, including transactions with counterparties such as issuers, brokers, custodians and banks. Impairment provisions are provided for losses that have been incurred by the reporting date, if any.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved,
- ensuring that transactions are undertaken with a large number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

All transactions in listed securities and collective investment schemes (underlying funds) are settled or paid upon delivery using approved brokers or the Sub-Funds' dealer. The risk of default is considered minimal, as delivery of securities is only made once the broker or Sub-Funds' dealer has received payment. Payment is made on a purchase once the securities have been received by the broker or Sub-Funds' dealer. The trade will fail if either party fails to meet its obligation.

The Sub-Funds' credit risk exposure arises mainly from portfolio of investments and cash and bank balances held with custodians and financial institutions. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. As at 31 December 2016, all investments are placed in custody with HSBC Institutional Trust Services (Singapore) Limited and UBS AG which had a credit rating of aa- (2015: aa-) and a (2015: a), respectively. There are risks involved in dealing with custodians who settle trades with regard to segregation of assets. It is expected that all investments and other assets deposited with custodians will be clearly identified as being assets of the Sub-Funds; the Sub-Funds should not therefore be exposed to credit risk with respect to such parties. However, it may not always be possible to achieve this segregation, so the portfolio of the Sub-Funds may experience increased exposure to credit risk associated with the applicable custodian. The custodian of the underlying funds under GUFD and ICVC (the "underlying custodians") is The Hongkong Shanghai Banking Corporation Limited.

As at 31 December 2016, the underlying custodian had a credit rating of aa- (2015: aa-) based on the viability of Fitch. The table below summarises the credit rating of banks with whom each sub-fund's cash and bank balances are held as at 31 December 2016 and 2015 and other key counterparties, where applicable.

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****c. Credit risk (continued)****First State Asia Opportunities Fund***(formerly known as First State Asia Innovation Fund)***As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating****Source of credit rating**

aa-

Fitch

**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating****Source of credit rating**

aa-

Fitch

**First State Asian Growth Fund****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating****Source of credit rating**

aa-

Fitch

**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating****Source of credit rating**

aa-

Fitch

**First State Asian Quality Bond****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating****Source of credit rating**

aa-

Fitch

Counterparty-Forward foreign exchange contracts

Australia &amp; New Zealand Banking Group Limited

Citibank NA

aa-

Fitch

a

Fitch

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****c. Credit risk (continued)****First State Bridge****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
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Counterparty-Forward foreign exchange contracts

Australia &amp; New Zealand Banking Group Limited

aa-	Fitch
-----	-------

Citibank NA

a	Fitch
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UBS AG

a	Fitch
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**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
---------------	-------------------------

aa-	Fitch
-----	-------

Counterparty-Forward foreign exchange contracts

Citibank NA

a	Fitch
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UBS AG

a	Fitch
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**First State Dividend Advantage****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
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**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
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**First State Global Balanced Fund****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
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**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
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aa-	Fitch
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**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****c. Credit risk (continued)****First State Global Infrastructure****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating**

aa-

**Source of credit rating**

Fitch

**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating**

aa-

**Source of credit rating**

Fitch

**First State Global Property Investments****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating**

aa-

**Source of credit rating**

Fitch

**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating**

aa-

**Source of credit rating**

Fitch

**First State Global Resources****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating**

aa-

**Source of credit rating**

Fitch

**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

**Credit rating**

aa-

**Source of credit rating**

Fitch

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****c. Credit risk (continued)****First State Regional China Fund****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

**First State Regional India Fund****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

**First State Singapore Growth Fund****As at 31 December 2016**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

**As at 31 December 2015**Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating	Source of credit rating
aa-	Fitch

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****c. Credit risk (continued)****Stewart Investors Global Emerging Markets Leaders Fund**

	<b>Credit rating</b>	<b>Source of credit rating</b>
<b>As at 31 December 2016</b>		
<u>Bank</u>		
The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

	<b>Credit rating</b>	<b>Source of credit rating</b>
<b>As at 31 December 2015</b>		
<u>Bank</u>		
The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

**Stewart Investors Worldwide Leaders Fund**

	<b>Credit rating</b>	<b>Source of credit rating</b>
<b>As at 31 December 2016</b>		
<u>Bank</u>		
The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

	<b>Credit rating</b>	<b>Source of credit rating</b>
<b>As at 31 December 2015</b>		
<u>Bank</u>		
The Hongkong Shanghai Banking Corporation Limited	aa-	Fitch

**d. Capital management**

The Sub-Funds' capital is represented by the net assets attributable to unitholders. The Sub-Funds strive to invest the subscriptions of redeemable participating units in investments that meet the Sub-Funds' investment objectives while maintaining sufficient liquidity to meet unitholders' redemptions.

**e. Fair value estimation**

The Sub-Funds' classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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



**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****e. Fair value estimation (continued)**

The following table analyses within the fair value hierarchy the Sub-Funds' financial assets and liabilities (by class) measured at fair value at 31 December 2016 and 2015:

**First State Asia Opportunities Fund***(formerly known as First State Asia Innovation Fund)*

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	24,512,494	-	-	24,512,494
	<u>24,512,494</u>	<u>-</u>	<u>-</u>	<u>24,512,494</u>

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	28,180,134	-	-	28,180,134
	<u>28,180,134</u>	<u>-</u>	<u>-</u>	<u>28,180,134</u>

**First State Asian Growth Fund**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	69,480,445	-	-	69,480,445
	<u>69,480,445</u>	<u>-</u>	<u>-</u>	<u>69,480,445</u>

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	74,820,717	-	-	74,820,717
	<u>74,820,717</u>	<u>-</u>	<u>-</u>	<u>74,820,717</u>

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****e. Fair value estimation (continued)****First State Asian Quality Bond**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	12,511,307	-	-	12,511,307
- Financial derivatives	-	1,282	-	1,282
	<u>12,511,307</u>	<u>1,282</u>	<u>-</u>	<u>12,512,589</u>
<b>Liabilities</b>				
- Financial derivatives	-	435,133	-	435,133
	<u>-</u>	<u>435,133</u>	<u>-</u>	<u>435,133</u>

**First State Bridge**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	1,248,511,264	-	-	1,248,511,264
- Financial derivatives	-	97,693	-	97,693
	<u>1,248,511,264</u>	<u>97,693</u>	<u>-</u>	<u>1,248,608,957</u>
<b>Liabilities</b>				
- Financial derivatives	-	14,442,916	-	14,442,916
	<u>-</u>	<u>14,442,916</u>	<u>-</u>	<u>14,442,916</u>

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	1,227,557,281	-	-	1,227,557,281
- Financial derivatives	-	2,209,411	-	2,209,411
	<u>1,227,557,281</u>	<u>2,209,411</u>	<u>-</u>	<u>1,229,766,692</u>
<b>Liabilities</b>				
- Financial derivatives	-	5,287,878	-	5,287,878
	<u>-</u>	<u>5,287,878</u>	<u>-</u>	<u>5,287,878</u>

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****e. Fair value estimation (continued)****First State Dividend Advantage**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	1,880,070,419	-	-	1,880,070,419
	<u>1,880,070,419</u>	<u>-</u>	<u>-</u>	<u>1,880,070,419</u>

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	1,887,331,309	-	-	1,887,331,309
	<u>1,887,331,309</u>	<u>-</u>	<u>-</u>	<u>1,887,331,309</u>

**First State Global Balanced Fund**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	18,525,747	-	-	18,525,747
	<u>18,525,747</u>	<u>-</u>	<u>-</u>	<u>18,525,747</u>

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment funds	17,469,123	-	-	17,469,123
	<u>17,469,123</u>	<u>-</u>	<u>-</u>	<u>17,469,123</u>

**First State Global Infrastructure**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	13,165,305	-	-	13,165,305
	<u>13,165,305</u>	<u>-</u>	<u>-</u>	<u>13,165,305</u>

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****e. Fair value estimation (continued)****First State Global Infrastructure**

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	17,209,952	-	-	17,209,952
	<u>17,209,952</u>	<u>-</u>	<u>-</u>	<u>17,209,952</u>

**First State Global Property Investments**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	23,525,888	-	-	23,525,888
	<u>23,525,888</u>	<u>-</u>	<u>-</u>	<u>23,525,888</u>

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	18,894,015	-	-	18,894,015
	<u>18,894,015</u>	<u>-</u>	<u>-</u>	<u>18,894,015</u>

**First State Global Resources**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	467,927,593	-	-	467,927,593
	<u>467,927,593</u>	<u>-</u>	<u>-</u>	<u>467,927,593</u>

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	312,178,055	-	-	312,178,055
	<u>312,178,055</u>	<u>-</u>	<u>-</u>	<u>312,178,055</u>

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****e. Fair value estimation (continued)****First State Regional China Fund**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	400,314,632	-	-	400,314,632
	<u>400,314,632</u>	<u>-</u>	<u>-</u>	<u>400,314,632</u>

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	458,376,788	-	-	458,376,788
	<u>458,376,788</u>	<u>-</u>	<u>-</u>	<u>458,376,788</u>

**First State Regional India Fund**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	72,040,546	-	-	72,040,546
	<u>72,040,546</u>	<u>-</u>	<u>-</u>	<u>72,040,546</u>

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	67,687,052	-	-	67,687,052
	<u>67,687,052</u>	<u>-</u>	<u>-</u>	<u>67,687,052</u>

**First State Singapore Growth Fund**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	44,638,415	-	-	44,638,415
	<u>44,638,415</u>	<u>-</u>	<u>-</u>	<u>44,638,415</u>

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****e. Fair value estimation (continued)****First State Singapore Growth Fund**

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	46,618,521	-	-	46,618,521
	<u>46,618,521</u>	<u>-</u>	<u>-</u>	<u>46,618,521</u>

**Stewart Investors Global Emerging Markets Leaders Fund**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	16,811,779	-	-	16,811,779
	<u>16,811,779</u>	<u>-</u>	<u>-</u>	<u>16,811,779</u>

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	18,340,591	-	-	18,340,591
	<u>18,340,591</u>	<u>-</u>	<u>-</u>	<u>18,340,591</u>

**Stewart Investors Worldwide Leaders Fund**

<b>As at 31 December 2016</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	23,084,727	-	-	23,084,727
	<u>23,084,727</u>	<u>-</u>	<u>-</u>	<u>23,084,727</u>

**First State Global Growth Funds***(Constituted under a Trust Deed in the Republic of Singapore on 16 April 1998)***NOTES TO THE FINANCIAL STATEMENTS***For the financial period/year ended 31 December 2016***9. Financial risk management (continued)****e. Fair value estimation (continued)****Stewart Investors Worldwide Leaders Fund**

<b>As at 31 December 2015</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>				
Financial assets designated at fair value through profit or loss				
- Quoted investment fund	21,852,748	-	-	21,852,748
	<u>21,852,748</u>	<u>-</u>	<u>-</u>	<u>21,852,748</u>

Investments in listed equities whose values are based on quoted market prices in active markets are classified within level 1. Investments in open-ended investment funds whose net asset value is struck daily, price information is published and readily available and units are subscribed and redeemable on demand at the published price, are classified within level 1. The Sub-Funds do not adjust the quoted price for these instruments.

Financial derivatives that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

Except for cash and cash equivalents which are classified as Level 1, the Sub-Funds' assets and liabilities not measured at fair value at 31 December 2016 and 2015 have been classified as Level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the end of reporting date.

**10. Related party transactions**

The Manager of the Sub-Funds is First State Investments (Singapore). The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

In addition to related party transactions shown elsewhere in the financial statements, including management fees charged by the Manager, management fee rebates received from the underlying fund's manager and trustee's fees charged by the Trustee, the significant transactions that took place during the financial year between the Sub-Funds and related parties and significant balances with related parties at the end of the financial year, at terms agreed between the parties and within the provisions of the Trust Deed, are as follows:

	<b>First State Asia Opportunities Fund (formerly known as First State Asia Innovation Fund)</b>		<b>First State Asian Growth Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances with a related party of the Trustee	121,062	95,249	391,174	361,915
Bank service fees charged by a related party of the Trustee	2,913	11,226	9,369	21,662
Expense ratio rebate from the fund manager	-	-	(28,246)#	-

# Expense ratio rebate for the fund manager is presented in the Statement of Total Return within "Management fee rebate".

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**10. Related party transactions (continued)**

	<b>First State Asian Quality Bond</b>		<b>First State Bridge</b>	
	<b>For the financial period from 1 November 2016 (date of inception) to 31 December</b>			
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances with a related party of the Trustee	80,191	NA	1,445,870	1,323,755
Bank service fees charged by a related party of the Trustee	2,381	NA	18,973	27,923
Interest income from a related party of the Trustee	-	NA	(1,459)	(4,363)
	<b>First State Dividend Advantage</b>		<b>First State Global Balanced Fund</b>	
	<b>For the financial period from 1 November 2016 (date of inception) to 31 December</b>			
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances with a related party of the Trustee	2,476,174	3,423,513	95,341	71,458
Bank service fees charged by a related party of the Trustee	89,089	93,672	694	8,053
Interest income from a related party of the Trustee	(11,769)	(29,429)	-	-
	<b>First State Global Infrastructure Fund</b>		<b>First State Global Property Investments</b>	
	<b>For the financial period from 1 November 2016 (date of inception) to 31 December</b>			
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances with a related party of the Trustee	302,211*	376,541*	221,899	205,469
Bank service fees charged by a related party of the Trustee	4,214	8,105	15,367	8,615
Interest income from a related party of the Trustee	(1,274)	(1,040)	-	-

\* As at 31 December 2016, bank balances include fixed deposit with a related party of the Trustee of S\$204,095 (2015: S\$310,604), which has a maturity of 4 months (2015: 4 months) from the end of the financial year with effective interest rate of 0.19% (2015: 1%).



**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**10. Related party transactions (continued)**

	<b>First State Global Resources</b>		<b>First State Regional China Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances with a related party of the Trustee	1,232,169	528,049	356,555	467,461
Bank service fees charged by a related party of the Trustee	29,460	37,794	30,351	51,555
Security processing fee charged by a related party of the Trustee	5,400	5,310	-	-
Expense ratio rebate from the fund manager	(21,021) #	(15,759)	-	-

# Expense ratio rebate for the fund manager is presented in the Statement of Total Return within "Management fee rebate".

	<b>First State Regional India Fund</b>		<b>First State Singapore Growth Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances with a related party of the Trustee	405,361	251,162	218,894	169,977
Bank service fees charged by a related party of the Trustee	(1,628)	8,116	2,158	10,455

	<b>Stewart Investors Global Emerging Markets Leaders Fund</b>		<b>Stewart Investors Worldwide Leaders Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Bank balances with a related party of the Trustee	69,868	75,808	173,014	155,902
Bank service fees charged/(reversed) by a related party of the Trustee	(5,094)	5,948	2,399	9,026

**First State Global Growth Funds**

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

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**11. Financial ratios**

	<b>First State Asia Opportunities Fund (formerly known as First StateAsia Innovation Fund)</b>			
	<b>Class A - Accumulation</b>		<b>Class B - Accumulation</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Expense ratio <sup>1</sup>	2.24	2.15	1.53	N/A
Turnover ratio <sup>2</sup>	2.35	19.79	2.35	N/A
	<b>First State Asian Growth Fund</b>		<b>First State Asian Quality Bond</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Expense ratio <sup>1</sup> (excluding preliminary expenses)	1.73	1.76	2.27	N/A
Expense ratio <sup>1</sup> (including preliminary expenses)	-	-	2.31	N/A
Turnover ratio <sup>2</sup>	5.78	25.91	1.00	N/A
	<b>First State Bridge</b>		<b>First State Dividend Advantage</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Expense ratio <sup>1</sup>	1.47	1.42	1.74	1.70
Turnover ratio <sup>2</sup>	252.65	316.80	8.03	369.47
	<b>First State Global Balanced Fund</b>		<b>First State Global Infrastructure Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Expense ratio <sup>1</sup>	1.72	1.73	1.88	1.84
Turnover ratio <sup>2</sup>	8.65	5.12	1,064.89	528.02
	<b>First State Global Property Investments</b>			
	<b>Class A - Distribution</b>		<b>Class A - Accumulation</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Expense ratio <sup>1</sup> (excluding preliminary expenses)	1.97	2.09	1.97	2.06
Expense ratio <sup>1</sup> (including preliminary expenses)	N/A	N/A	1.98	2.13
Turnover ratio <sup>2</sup>	417.89	558.75	417.89	558.75

**First State Global Growth Funds**

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**11. Financial ratios (continued)**

	<b>First State Global Resources</b>		<b>First State Regional China Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Expense ratio <sup>1</sup>	1.70	1.69	1.72	1.69
Turnover ratio <sup>2</sup>	7.10	7.88	2.46	6.86

  

	<b>First State Regional India Fund</b>		<b>First State Singapore Growth Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Expense ratio <sup>1</sup>	1.95	1.82	1.91	1.88
Turnover ratio <sup>2</sup>	8.61	1.52	1.90	2.53

  

	<b>Stewart Investors Global Emerging Markets Leaders Fund</b>		<b>Stewart Investors Worldwide Leaders Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Expense ratio <sup>1</sup>	1.79	1.80	1.96	1.99
Turnover ratio <sup>2</sup>	17.49	34.16	11.98	9.08

1. The expense ratios have been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). This is the sum of the Sub-Funds' expense ratio and the weighted average of the underlying funds' unaudited expense ratio.

The calculation of the Sub-Funds' expense ratios at financial year end was based on total operating expenses divided by the average net asset value respectively for the year. The total operating expenses do not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Sub-Funds do not pay any performance fee. The average net asset value is based on the published daily balances.

The unaudited expense ratio of the Underlying Funds are obtained from the Underlying Funds' Manager.

Total operating expenses, average net asset value of the Sub-Funds and weighted average of the Underlying Funds' unaudited expense ratio are as below:

	<b>First State Asia Opportunities Fund (formerly known as First State Asia Innovation Fund)</b>			
	<b>Class A</b>		<b>Class B</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Total operating expenses (annualised in accordance with IMAS guidelines)	S\$63,694	S\$69,176	S\$(337)	N/A
Average daily net asset value	S\$25,685,825	S\$33,473,828	S\$73,347	N/A
Weighted average of the underlying funds' unaudited expense ratio	1.99%	1.94%	1.99%	N/A

**First State Global Growth Funds**

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**11. Financial ratios (continued)**

	<b>First State Asian Growth Fund</b>		<b>First State Asian Quality Bond</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Total operating expenses (annualised in accordance with IMAS guidelines) (excluding preliminary expenses)	S\$98,157	S\$135,802	S\$22,279	N/A
Total operating expenses (annualised in accordance with IMAS guidelines) (including preliminary expenses)	N/A	N/A	S\$26,737 **	N/A
Average daily net asset value	S\$70,569,999	S\$79,823,941	S\$11,496,839	N/A
Weighted average of the underlying funds' unaudited expense ratio	1.59%	1.59%	1.11%	N/A
	<b>First State Bridge</b>			
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Total operating expenses	S\$1,492,669	S\$1,170,544	S\$2,501,600	S\$2,062,731
Average daily net asset value	S\$1,233,051,155	S\$1,237,011,433	S\$1,840,246,366	S\$1,750,524,996
Weighted average of the underlying funds' unaudited expense ratio	1.34%	1.33%	1.60%	1.59%
	<b>First State Global Balanced Fund</b>		<b>First State Global Infrastructure</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Total operating expenses	S\$36,265	S\$39,191	S\$52,397	S\$56,220
Average daily net asset value	S\$18,057,694	S\$17,819,687	S\$15,490,066	S\$19,281,490
Weighted average of the underlying funds' unaudited expense ratio	1.52%	1.51%	1.54%	1.55%
	<b>First State Global Property Investments</b>			
	<b>Class A - Distribution</b>		<b>Class A - Accumulation</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Total operating expenses (annualised in accordance with IMAS guidelines) (excluding preliminary expenses)	S\$31,029	S\$54,442	S\$34,833	S\$6,968
Total operating expenses (annualised in accordance with IMAS guidelines) (including preliminary expenses)	N/A	N/A	N/A	S\$10,531*
Average daily net asset value	S\$9,951,984	S\$11,474,147	S\$11,171,947	S\$5,344,476
Weighted average of the underlying funds' unaudited expense ratio	1.66%	1.62%	1.66%	1.62%
	<b>First State Global Resources</b>		<b>First State Regional China Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Total operating expenses	S\$3,452,981	S\$3,226,580	S\$559,252	S\$592,053
Average daily net asset value	S\$392,097,026	S\$375,262,540	S\$409,747,263	S\$520,702,567
Weighted average of the underlying funds' unaudited expense ratio	0.82%	0.83%	1.58%	1.58%

\* The preliminary expenses of SGD 3,564 is expensed off in financial year ended 31 December 2015 for the purpose of setting up new class of First State Global Property Investments-Class A (Accumulation).

\*\* The preliminary expenses of SGD 4,458 is expensed off in financial period ended 31 December 2016 for the purpose of setting up new fund of First State Asian Quality Bond.

**First State Global Growth Funds**

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**11. Financial ratios (continued)**

	<b>First State Regional India Fund</b>		<b>First State Singapore Growth Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Total operating expenses	S\$108,779	S\$105,326	S\$82,004	S\$88,926
Average daily net asset value	S\$66,572,691	S\$70,881,944	S\$46,303,157	S\$53,165,510
Weighted average of the underlying funds' unaudited expense ratio	1.79%	1.67%	1.73%	1.71%

	<b>Stewart Investors Global Emerging Markets Leaders Fund</b>		<b>Stewart Investors Worldwide Leaders Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Total operating expenses	S\$40,293	S\$52,403	S\$53,970	S\$56,947
Average daily net asset value	S\$17,255,481	S\$22,555,429	S\$21,853,792	S\$22,385,372
Weighted average of the underlying funds' unaudited expense ratio	1.56%	1.57%	1.71%	1.73%

- 2 The portfolio turnover ratios are calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments divided by the average daily net asset value is based on the published daily balances respectively as below:

	<b>First State Asia Opportunities Fund (formerly known as First State Asia Innovation Fund)</b>		<b>First State Asian Growth Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Total value of purchases or sales of the underlying investments	603,033	6,623,046	4,076,158	20,684,572
Average daily net asset value	25,697,788	33,473,828	70,569,999	79,823,941

	<b>First State Asian Quality Bond</b>		<b>First State Bridge</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Total value of purchases or sales of the underlying investments	114,513	N/A	3,115,336,946	3,918,885,261
Average daily net asset value	11,496,839	N/A	1,233,051,155	1,237,011,433

	<b>First State Dividend Advantage</b>		<b>First State Global Balanced Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Total value of purchases or sales of the underlying investments	147,765,754	6,467,719,528	1,561,899	911,668
Average daily net asset value	1,840,246,366	1,750,524,996	18,057,694	17,819,687

**First State Global Growth Funds**

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial period/year ended 31 December 2016

**11. Financial ratios (continued)**

	<b>First State Global Infrastructure</b>		<b>First State Global Property Investments</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Total value of purchases or sales of the underlying investments	164,951,660	101,811,024	88,281,764	73,153,259
Average daily net asset value	15,490,066	19,281,490	21,125,428	13,092,273
	<b>First State Global Resources</b>		<b>First State Regional China Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Total value of purchases or sales of the underlying investments	27,849,516	29,563,330	10,066,310	35,709,881
Average daily net asset value	392,097,026	375,262,540	409,747,263	520,702,567
	<b>First State Regional India Fund</b>		<b>First State Singapore Growth Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Total value of purchases or sales of the underlying investments	5,733,628	1,074,102	879,751	1,345,903
Average daily net asset value	66,572,691	70,881,944	46,303,157	53,165,510
	<b>Stewart Investors Global Emerging Markets Leaders Fund</b>		<b>Stewart Investors Worldwide Leaders Fund</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Total value of purchases or sales of the underlying investments	3,018,699	7,704,651#	2,618,413	2,032,915
Average daily net asset value	17,255,481	22,555,429	21,853,792	22,385,372

# There were no purchases during the financial year ended 31 December 2016 and 2015. Therefore, the total value of sales is used in the calculation of portfolio turnover ratio.

**12. Comparatives**

There are no comparatives for First State Asian Quality Bond as this is first set of financial statement prepared for the sub-fund since the date of inception on 1 November 2016.

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