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iCapital[®]
BY Capital Dynamics

iCapital Global Fund
Audited Financial Statements
For the financial year ended 30 April 2019

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Annual report of the Fund Manager for the financial year ended 30 April 2019

Performance

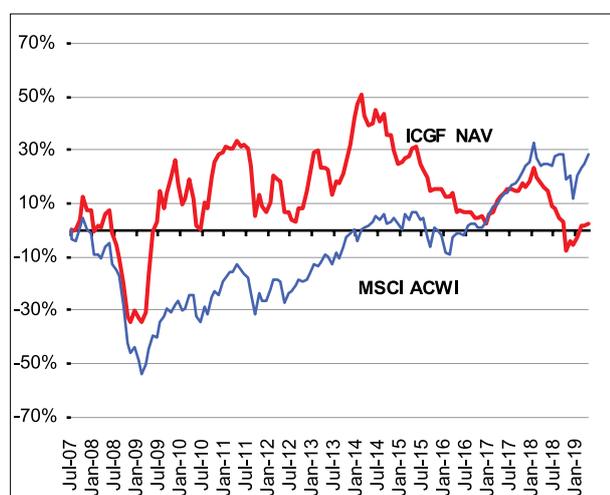
Performance

This is the fourth Quarterly and Annual Report of the *i* Capital Global Fund for the financial year ended 30 April 2019.

Between 6 July 2007 and 30 April 2019, the NAV of the *i* Capital Global Fund gained 2.57% or US\$25.690 from US\$1,000.000 to US\$1,025.690 per share. In the same period, the MSCI ACWI increased 28.65%.

Figure 1 shows the NAV of the *i* Capital Global Fund against the performance of the MSCI All Country World Index(1) (MSCI ACWI) since its launch which was just before the financial markets and economies were seriously affected by the 2008 US-led financial crisis. Since then, your Fund has consistently outperformed the MSCI ACWI.

Figure 1 ICGF NAV vs MSCI ACW (6 JUL 2007 - 30 APR 2019)



In the twelve months ended 30 April 2019, the net asset value (NAV) of the *i* Capital Global Fund decreased 11.87% or US\$138.128 from US\$1,163.818 to US\$1025.690 per share. In the same period, the MSCI ACWI increased 2.97%.

The portfolio of your Fund is spread across 13 companies that are engaged in a wide range of business activities – see the Schedule of Securities in page 22.

The top 5 investments as at 30 April 2019 were Alibaba Group Holding, Pico Far East Holdings Ltd, Pfeiffer Vacuum Technology, Zhengzhou Yutong Bus Co-A and Guangdong Provincial Expr-B. They made up 57.27% of the total assets. At the end of April 2019, your Fund had 20.21% of its NAV in cash.

Strategy

PRIORITISE PUBLIC INTEREST

Many observers have said that one of the leading causes of the current protest in Hong Kong is the very expensive housing in the former British colony. Apparently, an important reason for this is that Hong Kong is a small territory with lots of people. Land supply is limited and demand for housing from her 7 million plus people is high. Superficially, this makes sense until one looks at Singapore. While the total population of Singapore is lower than that of Hong Kong, Singapore is an even smaller place. On a population density basis, that is, the number of people per square kilometre, Singapore has more than 8,000 people per square kilometre, substantially higher than that of Hong Kong. So why is housing affordability not a major issue in Singapore?

Whenever someone tells the Hong Kong people they can learn a thing or two from Singapore's experience in dealing with public and private housing, they get very defensive and instead turn to criticising Singapore on other issues, in the process losing sight of what is fundamentally at stake.

Hong Kong has her Lands Resumption

Ordinance. It is an act that empowers the government to forcibly take back private land for an established public purpose such as public housing, the development of new towns, or community facilities such as schools, parks, hospitals or welfare service buildings. Affected landowners are compensated and assessed on the open market value of the property, which includes taking into account prices paid for similar property in recent transactions. While the powers of this Ordinance have been used by the Hong Kong government in the past, the government has all in all been very timid and unimaginative with its implementation, fearing that private landowners could raise legal challenges to governmental action under this Ordinance. In this regard, Hong Kong has plenty to learn from Lee Kuan Yew's Singapore.

Lee Kuan Yew said, "First, that no private landowner should benefit from development which had taken place at public expense; and secondly, the price paid on the acquisition for public purposes should not be higher than what the land would have been worth had the Government not contemplated development generally in the area." Just think about this and one will realise that more governments should act in this responsible manner.

Singapore's Land Acquisition Act was passed by her parliament on 26 Oct 1966 and came into effect on 17 Jun the following year. The Act gives state board powers to acquire land 1) for any public purpose, 2) by any person, corporation or statutory board, for any work or an undertaking which, in the opinion of the Minister, is of public benefit or of public utility or in the public interest; or 3) for any residential, commercial or industrial purposes. It is similar to Hong Kong's Land Resumption Ordinance.

Lee Kuan Yew added, "Later, I further amended the law to give the government the power to acquire land for public purposes at its value on a date fixed at 30 November 1973. I saw no reason why private landowners should profit from an increase in land value brought about by economic development and the infrastructure paid for

with public funds."

What Lee Kuan Yew expressed shows a deep understanding of private property and public interest. Private interest cannot always be more important than public interest and appropriate action has to be taken even if it meant that individual interests have to be compromised. Filthy-rich Li Ka-shing should know this if he had any ounce of social responsibility instead of just thinking about how to make more money all the time.

"When we were confronted with an enormous problem of bad housing, no development, overcrowding, we decided that unless drastic measures were taken to break the law, break the rules, we would never solve it. We therefore took overriding powers to acquire land at low cost, which was in breach of one of the fundamentals of British constitutional law – the sanctity of property. But that had to be overcome, because the sanctity of the society seeking to preserve itself was greater. So we acquired at sub-economic rates." Brilliantly said, wisely implemented. Hong Kong cannot keep giving the excuse of facing legal challenges from private landowners.

Any disputes between the government and landowners over the compensation amounts were presided over by an Appeals Board. To further expedite government developmental projects through land acquisition, the Act was amended in 1973 in order to curb land speculation and limit the cost of land acquisition. The revised Act fixed the compensation amount for acquired land at the market value as at 30 Nov 1973 or at the date of gazette notification, whichever was lower.

Between 1959 and 1984, the Singapore government acquired a total of 43,713 acres of land, which constituted about one-third of the total land area of Singapore at the time. The bulk of this land bank was acquired under the Land Acquisition Act after 1967. The government became the biggest landowner by 1985, owning 76.2% of land in Singapore, more than double the 31% in 1949.

Between 1963 and 1985, the Housing Development Board constructed over 500,000 flats to provide accommodation at affordable prices for over 80% of Singapore's total population. The Jurong Town Corporation was able to establish 20 industrial estates, including the 6,500-ha Jurong Industrial Estate by the end of 1985. In total, there were some 3,070 factories in the estates employing about 217,000 workers or 70% of Singapore's manufacturing workforce.

Many years later, Singapore has the most successful public housing programme in the world and all Hong Kong can claim is the empty boast of having the freest economy in the world. When one goes to Hong Kong, one should not just look up at the many skyscrapers and colourful neon lights. The true Hong Kong can be found by looking down at the pavements, back lanes, and the working and living conditions of the ordinary Hong Kong people. Hong Kong's income inequality was 53.9 in 2016 compared with 45.9 for Singapore in 2017.

Hong Kong has too many hooligans. As professor Jason Brennan defines it:

"Hooligans have strong and largely fixed worldviews. They can present arguments for their beliefs, but they cannot explain alternative points of view in a way that people with other views would find satisfactory. Hooligans consume political information, although in a biased way. They tend to seek out information that confirms their preexisting political opinions, but ignore, evade, and reject out of hand evidence that contradicts or disconfirms their preexisting opinions They are overconfident in themselves and what they know. Their political opinions form part of their identity, and they are proud to be a member of their political team. For them, belonging to the Democrats or Republicans, Labor or Tories, or Social Democrats or Christian Democrats matters to their self-image in the same way being a Christian or Muslim matters to religious people's self-image. They tend to despise people who disagree with them, holding that people with alternative worldviews are stupid, evil,

selfish, or at best, deeply misguided. Most regular voters, active political participants, activists, registered party members, and politicians are hooligans."

(Source: "Against Democracy" by Jason Brennan)

The current protest provides an excellent excuse for the Hong Kong government to start a long-overdue reform process. Hong Kong has focused too much on economic growth (and to the exclusive benefit of a few filthy rich families) while neglecting social and economic development.

Brexit may not have happened if the UK had prioritised public interest. The US would not see Trump in the White House had the US prioritised public interest. The global economy would not have been adversely affected by the US-led trade war and the Brexit uncertainty.

Your Fund has about 12% of its NAV in cash at the time of writing this commentary. The NAV of the *i* Capital Global Fund can be viewed at either www.capitaldynamics.com.sg or www.funds.icapital.biz.

Best wishes.

Tan Teng Boo
Director
Capital Dynamics (S) Private Limited
11th November 2019

(1): MSCI ACWI Index: A free float-adjusted market capitalisation weighted index which consists of 45 country indices, comprising 24 developed and 21 emerging market country indices. This includes the stock markets of China, which the ICGF cannot invest in at this time

Statement by Directors

We, Che Hui Shan and Kok Tzu Wei, being the two directors of *i* Capital Global Fund, do hereby state that, in our opinion:

- (i) the accompanying statement of financial position, statement of comprehensive income, statement of changes in net assets attributable to holders of participating shares and statement of cash flows together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Fund as at 30 April 2019 and the results of the business, changes in net assets attributable to holders of participating shares and cash flows of the Fund for the financial year ended on that date; and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Fund will be able to pay its debts as and when they fall due.



Che Hui Shan
DIRECTOR



Kok Tzu Wei
DIRECTOR

Singapore
11 September 2019



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Independent Auditors' Report

THE BOARD OF DIRECTORS / CAPITAL GLOBAL FUND

Report on the audit of the financial statements

Opinion

We have audited the financial statements of *i* Capital Global Fund (the "Fund") which comprise the statement of financial position as at 30 April 2019, and the statement of comprehensive income, statement of changes in net assets attributable to holders of participating shares and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 30 April 2019 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to

provide a basis for our opinion.

Other information consists of the statement of directors. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the Board of Directors for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management 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, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Fund's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

This report is made solely to the Directors, as a body. Our audit work has been undertaken so that we might state to the Board of Directors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the Directors as a body, for our audit work, for this report, or for the opinions we have formed.

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 auditors' 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 ISAs 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

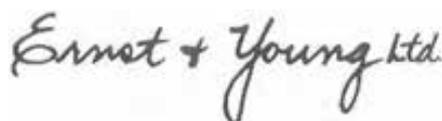
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of

accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management'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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors 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.



11 September 2019

Statement of Financial Position

AS AT 30 APRIL 2019

	Note	2019 US\$	2018 US\$
Assets			
Cash and cash equivalents		4,048,778	13,039,444
Investments in securities, at fair value (cost: US\$20,884,946; 2018: US\$16,259,773)	3	16,114,916	13,938,816
Dividends receivable		-	1,569
Other receivable		2,308	2,102
Total assets		20,166,002	26,981,931
Liabilities			
Management fee payable	4	98,514	33,685
Other payables	6	38,040	34,268
Total liabilities		136,554	67,953
Net assets attributable to the shareholders of the Fund		20,029,448	26,913,978
Net assets attributable to:			
Participating shares		20,029,438	26,913,968
Management shares		10	10
Net assets attributable to the shareholders of the Fund		20,029,448	26,913,978
Net asset value ("NAV") per participating share			
Based on 19,527.77 participating shares outstanding (2018: 23,125.58)		1,025.69	1,163.82

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statement of Comprehensive Income

FOR THE YEAR ENDED 30 APRIL 2019

	Note	2019 US\$	2018 US\$
Investment income			
Dividend income (net of withholding tax of US\$25,865; 2018: US\$77,938)		541,369	734,575
Interest income		206	66
Total investment income		541,575	734,641
Expenses			
Management fee	4	317,696	430,316
Administration and custodian fees	6	98,942	94,771
Professional fees		22,040	23,772
Interest expense		-	11
Other expenses		10,067	9,594
Total expenses		448,745	558,464
Net investment income/(expense)		92,830	176,177
Gain/(loss) on investments and foreign currency transactions			
Net realised gain/(loss) on securities transactions		(457,814)	2,493,021
Net change in unrealised (loss)/gain on securities transactions		(2,449,072)	(2,354,890)
Net gain/(loss) on foreign currency transactions		(301,584)	693,588
Net gain on investments and foreign currency transactions		(3,208,470)	831,719
Net change in net assets attributable to holders of participating shares resulting from operations		(3,115,640)	1,007,896

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statement of Changes in Net Assets Attributable to Holders of Participating Shares

FOR THE YEAR ENDED 30 APRIL 2019

	2019 US\$	2018 US\$
Operations		
Net investment income/(expense)	92,830	176,177
Net gain on investments and foreign currency transactions	(3,208,470)	831,719
Net change in net assets attributable to holders of participating shares resulting from operations	(3,115,640)	1,007,896
Capital transactions		
Shares issued	-	19,974
Redemption of participating shares	(3,768,890)	(3,906,929)
Net change in net assets attributable to holders of participating shares resulting from capital transactions	(3,768,890)	(3,886,955)
Net change in net assets attributable to holders of participating shares for the year	(6,884,530)	(2,879,059)
Net assets attributable to participating shareholders at beginning of year	26,913,968	29,793,027
Net assets attributable to holders of participating shares at end of year	20,029,438	26,913,968

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Statement of Cash Flows

FOR THE YEAR ENDED 30 APRIL 2019

	2019 US\$	2018 US\$
Cash flows from operating activities		
Net change in net assets attributable to holders of participating shares resulting from operations	(3,115,640)	1,007,896
Changes in operating assets and liabilities:		
Investments in securities, at fair value	(2,176,100)	4,165,228
Dividends receivable	1,569	(1,258)
Other receivable	(206)	(2)
Interest receivable	–	–
Management fee payable	64,829	(3,603)
Due to broker	–	(149,950)
Other payables	3,772	3,004
Net cash flows generated from/(used in) operating activities	(5,221,776)	5,021,315
Cash flows from financing activities		
Proceeds from subscriptions of shares	–	19,974
Payments for redemption of shares	(3,768,890)	(3,906,929)
Net cash flows used in financing activities	(3,768,890)	(3,886,955)
Net change in cash and cash equivalents for the year	(8,990,666)	1,134,360
Cash and cash equivalents at beginning of year	13,039,444	11,905,084
Cash and cash equivalents at end of year	4,048,778	13,039,444
Supplemental disclosure of cash flow information		
Dividends received	542,938	733,317
Interest received	206	66
Interest paid	–	(11)

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Notes to Financial Statements

FOR THE YEAR ENDED 30 APRIL 2019

1. The Fund Information

i Capital Global Fund (the “Fund”) was incorporated as an exempted company with limited liability under the companies law of the Cayman Islands on 6 February 2007 and has been registered with CIMA pursuant to Section 4(3) of the Cayman Islands Mutual Fund Law. The Fund commenced operations on 6 July 2007. The Fund is registered as a regulated mutual fund under the Cayman Islands Mutual Funds Law.

The registered office of the Fund is located at P.O. Box 1984, Boundary Hall, Cricket Square, George Town, Grand Cayman KYI-1104, Cayman Islands.

The Fund’s investment manager is Capital Dynamics (S) Pte. Ltd. (the “Investment Manager”), a private limited company incorporated in Singapore.

The primary investment objective of the Fund is long term capital appreciation of its investments, whilst dividend and/or interest income from the investments would be of secondary consideration.

Under the terms of the Administration Agreement dated 1 February 2013, Deutsche Bank AG Singapore (the “Administration Agent”) provided administrative services to the Fund. Deutsche Bank reached an agreement with Apex Funds Services on the sale of its Alternative Funds Services business. The effective date of this transition was 15 June 2018 which resulted in a change of Fund Administrator from Deutsche Bank AG Singapore to Apex Fund Services (Singapore) Pte. Ltd.

Subsequent to year end, the Fund has a change of Fund Administrator from Apex Fund Services (Singapore) Pte. Ltd. to Standard Chartered Bank (Singapore) Limited. The effective date of this transition was 9 May 2019.

2. Summary of Significant Accounting Policies

2.1 BASIS OF PREPARATION

The financial statements of the Fund have

been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and are stated in United States dollar (“USD” or “US\$”), which is the Fund’s functional and presentation currency.

The financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss that have been measured at fair value. The following is a summary of the significant accounting and reporting policies used in preparing the financial statements.

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial period except for those adopted in the current financial year. The Fund has adopted all the new revised standards which are effective for annual financial periods beginning on or after 1 May 2018. The adoption of these standards did not have any significant effect on the financial performance or position of the Company. The nature and the impact of each new standard or amendment which is applicable to the Fund is described below.

IFRS 9 Financial instruments

The Fund adopted IFRS 9 Financial Instruments (“IFRS 9”) on its effective date of 1 May 2018. IFRS 9 replaces International Accounting Standard 39 Financial Instruments: Recognition and Measurement (“IAS 39”) and introduces new requirements for classification and measurement, impairment and hedge accounting. IFRS 9 is not applicable to items that have already been derecognised at 1 May 2018, the date of initial application.

(a) Classification and measurement

The Fund has assessed the classification of financial instruments as at the date of initial application and has applied such classification retrospectively. Based on that assessment:

- All financial assets previously held at fair value continue to be measured at fair value.
- Listed equity and derivative financial instruments are acquired for the purpose of generating short-term profit. Therefore, they meet the held-for-trading criteria and are

required to be measured at fair value through profit and loss (“FVPL”).

- Financial assets previously classified as loans and receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Thus, such instruments continue to be measured at amortised cost under IFRS 9.

- The classification of financial liabilities under IFRS 9 remains broadly the same as under IAS 39. The main impact on measurement from the classification of liabilities under IFRS 9 relates to the element of gains or losses for financial liabilities designated as at FVPL attributable to changes in credit risk. IFRS 9 requires that such element be recognised in other comprehensive income (“OCI”), unless this treatment creates or enlarges an accounting mismatch in profit or loss, in which case, all gains and losses on that liability (including the effects of changes in credit risk) should be presented in profit or loss. The Fund has not designated any financial liabilities at FVPL. Therefore, this requirement has not had an impact on the Fund.

The classification and measurement requirements of IFRS 9 have been adopted retrospectively as of the date of initial application on 1 May 2018. However, the Fund has chosen to take advantage of the option not to restate comparatives. Therefore, the 2018 figures are presented and measured under IAS 39. The following table shows the original measurement categories in accordance with IAS 39 and the new measurement categories under IFRS 9 for the Fund’s financial assets and financial liabilities as at 1 May 2018:

	IAS 39 classification	IAS 39 measurement US\$	IFRS 9 Classification	IFRS 9 Measurement US\$
<i>1 May 2018</i>				
Financial assets				
Cash and cash equivalents	Loans and receivables	13,039,444	Amortised cost	13,039,444
Investments in securities, at fair value	Held for trading at FVPL	13,938,816	FVPL	13,938,816
Dividends receivable	Loans and receivables	1,569	Amortised cost	1,569
Other receivables	Loans and receivables	2,102	Amortised cost	2,102

(b) Impairment of financial assets

IFRS 9 requires the Fund to record expected credit losses (ECLs) on all of its loans and receivables, either on a 12-month or lifetime basis. Given the limited

	IAS 39 classification	IAS 39 measurement US\$	IFRS 9 Classification	IFRS 9 Measurement US\$	
<i>1 May 2018</i>					
Financial liabilities					
Management payable	fee	Other financial liability	33,685	Amortised cost	33,685
Other payables		Other financial liability	34,268	Amortised cost	34,268

exposure of the Fund to credit risk, this amendment has not had a material impact on the financial statements. The Fund only holds cash and cash equivalents and other receivables with no financing component and which have maturities of less than 12 months at amortised cost and therefore has adopted an approach similar to the simplified approach to ECLs.

IFRS 15 Revenue from Contracts with Customers

The Fund adopted IFRS 15 Revenue from Contracts with Customers (“IFRS 15”) on its effective date of 1 May 2018. IFRS 15 replaces International Accounting Standards 18 Revenue (“IAS 18”) and establishes a five-step model to account for revenue arising from contracts with customers. In addition, guidance on interest and dividend income have been moved from IAS 18 to IFRS 9 without significant changes to the requirements. Therefore, there was no impact of adopting IFRS 15 for the Fund

2.3 Impact of IFRS issued but not yet effective

The Fund has not yet adopted the following IFRS that have been issued but not yet effective:

Description	Effective date (Annual periods beginning on or after)
IFRIC 23 Uncertainty Over Income Tax Treatments	1 January 2019
IFRS 16 Leases	1 January 2019

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2.4 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant changes in value. All cash and cash equivalents are held by the Custodian as at 30 April 2019.

2.5 Investment transactions and related investment income

Investment transactions are accounted for on a trade date basis. Realised gains or losses from investment

transactions are recorded on first-in-first-out (“FIFO”) method. Unrealised gains or losses are reflected in the statement of comprehensive income. Investment income represents dividends received from quoted investments and interest earned from deposit with banks and brokers. Dividends are recorded on the ex-dividend date. Interest is recorded on an accrual basis.

2.6 Financial instruments

Policies effective from 1 May 2018

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the Fund becomes a party to the contractual provisions of the instruments.

At initial recognition, the Fund measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement

Financial assets measured at FVPL

A financial asset is measure at FVPL if:

- (i) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding; or
- (ii) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- (iii) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Fund includes in this category instruments held for trading. This category includes investments in securities which are acquired principally for the purpose of generating a profit from short-term fluctuations in price.

Financial assets measured at amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal

and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains or losses are recognised in profit or loss when the assets are derecognised or impaired through the amortisation process.

The Fund classifies in this category cash and cash equivalents, dividend receivables and other receivables.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gains or losses that had been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. The Fund determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

Financial liabilities measured at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

The Fund includes in this category management fee payable and other payables.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

Policies effective before 1 May 2018

Financial assets and financial liabilities

All of the Fund's investments in securities are classified as financial assets at fair value through profit or loss with changes in fair value reflected in statement of comprehensive income. The fair values of financial assets traded in active markets (such as publicly traded securities and derivatives) are based on the last traded price, where the last traded price falls within the bid-ask spread on the reporting date. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value. Investments for which market quotations are not readily available are valued using estimated fair value as determined in good faith by the Investment Manager.

Loans and receivables are non-derivative financial assets that are not quoted in an active market. The Fund includes in this category cash and cash equivalents, dividends receivable and other receivable.

The Fund includes management fee payable, due to broker and other payables as other financial liabilities.

Loans and receivables and financial liabilities (other than those classified as at fair value through profit or loss) are measured initially at their fair values plus any directly attributable incremental costs of acquisition or issue.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

2.7 Impairment of financial assets

Policy effective from 1 May 2018 (IFRS 9)

The Fund recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Given that the Fund only holds financial assets at amortised cost, which have maturities of less than 12 months, the Fund has adopted an approach similar to the simplified approach to ECLs. ECLs are provided for credit losses that result from default events that are possible within the next 12-months

(a 12-month ECL).

Policy effective before 1 May 2018 (IAS 39)

The Fund assesses at the end of each reporting period whether a financial asset classified as loans and receivables is impaired. Evidence of impairment may include indications that the debtor is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. If there is an objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred) discounted using the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss as a 'Credit loss expense'.

2.8 Foreign currency translation

(a) Functional and presentation currency

The Fund's functional and presentation currency is USD, which is the currency of the primary economic environment in which it operates. The Fund's performance is evaluated and its liquidity is managed in USD. Therefore, the USD is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

(b) Transactions and balances

Assets and liabilities denominated in currencies other than USD are translated at the prevailing rates of exchange at the date of the financial statements. Transactions in foreign currencies are translated at the rates of exchange prevailing at the time of the transaction. Exchange gains or losses are included in the statement of comprehensive income.

The Fund does not isolate that portion of the gains or losses on investments which is due to changes in foreign exchange rates from that which is due to changes in market prices of the investments. Such fluctuations are included in the net realised and unrealised gains or losses from securities transactions.

2.9 Participating shares

The Fund offers participating shares which are

redeemable at the shareholders' option after the expiry of such shareholders' commitment period in the Fund and are classified as financial liabilities.

The liabilities arising from the participating shares are carried at the redemption amount being the Net Asset Value ("NAV") calculated in accordance with IFRS.

2.10 Management shares

Management shares are not redeemable, do not participate in the net income/(loss) or dividends of the Fund and are classified as equity.

2.11 Taxation

There is currently no taxation imposed on income or capital gains by the Government of the Cayman Islands. The only taxes payable by the Fund are withholding taxes applicable to investment income derived in certain jurisdictions. As a result, no tax liability or expense has been recorded in the financial statements.

2.12 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Fund if that person:

- (i) Has control or joint control over the Fund;
- (ii) Has significant influence over the Fund; or
- (iii) Is a member of the key management personnel of the Fund or of a parent of the Fund;

(b) An entity is related to the Fund if any of the following conditions applies:

- (i) The entity and the Fund are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Fund or an entity related to the Fund. If the Fund is itself such a plan, the sponsoring employers are also related to the Fund;
- (vi) The entity is controlled or jointly controlled by a person identified in (a); or
- (vii) A person identified in (a) (i) has significant

influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.13 Significant accounting judgements, estimates and assumptions

The preparation of the Fund's financial statements requires the Investment Manager to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements made in applying accounting policies

Going concern

The Investment Manager has made an assessment of the Fund's ability to continue as a going concern and are satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the Investment Manager is not aware of any material uncertainties that may cast significant doubt upon the Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

Assessment as investment entity

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their investments at fair value through profit or loss rather than consolidate them. The criteria which define an investment entity are, as follows:

- (i) An entity that obtains funds from one or more investors for the purpose of providing those investors with investment services.
- (ii) An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income or both.
- (iii) An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Investment Manager has concluded that the Fund continues to meet the definition of an investment entity. This conclusion will be reassessed on an annual basis, if any of these criteria or characteristics changes.

Key sources of estimation uncertainty

The Investment Manager is of the opinion that there was no key assumption concerning the future and other key sources of estimate uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year.

3. Fair value of financial instruments

The Fund classifies 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:

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2-Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3- Inputs for the assets or liabilities that are not based on observable market data (i.e., unobservable inputs).

The Level in the fair value hierarchy within which the fair value measurements are categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurements in its entirety. For this purpose, the significance of an input is assessed against the fair value measurements in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurements in its entirety requires judgement, considering factors specific to the asset or liability.

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

The following table analyses within the fair value hierarchy the Fund’s financial instruments measured at fair value at 30 April.

Investments whose values are based on quoted market prices in active markets, and therefore classified within Level 1, include active listed equities securities. The Fund does not adjust the quoted price for this instrument.

There is no investment classified under Level 2 and 3 and there is no transfer between the categories

	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
2019				
Financial assets at fair value through profit or loss:				
Investments in securities	16,114,916	-	-	16,114,916
2018				
Financial assets at fair value through profit or loss :				
Investments in securities	13,938,816	-	-	13,938,816

during the year.

The fair value of the Fund’s assets and liabilities, other than those classified as fair value through profit or loss, which qualify as financial instruments approximate the carrying amounts presented in the financial statements due to their short-term nature.

4. Related party transactions

Pursuant to an agreement between the Investment Manager and the Fund, the Investment Manager is entitled to receive a management fee on a calendar quarter basis equal to one-quarter of 1.5% of the NAV of the Fund. Management fee is accrued on a monthly basis and will be payable by the Fund quarterly in arrears. During the year, the Fund recorded a total management fee of US\$317,696 (2018: US\$430,316), out of which US\$98,514 (2018: US\$33,685) remains payable as at the end of the reporting period.

The Fund will also pay to the Investment Manager a performance fee if the following two criteria are satisfied:

- (a) the appreciation in NAV of the Fund at the end of any Performance Period when compared with the NAV of the Fund at the beginning of the relevant Performance Period is higher than Hurdle Annualised Rate of Return (“AROR”); and
- (b) the NAV of the Fund as at the end of any Performance Period is higher than the Benchmark NAV.

Such performance fee shall be equal to 20% of the difference between the NAV of the Fund as at the end of the Performance Period and the Hurdle AROR of the Fund in respect of the period in question.

For purposes of this section the offering memorandum has the following definition:

“Hurdle AROR” is the notional appreciation in NAV of the Fund represented by multiplying the NAV of the Fund at the beginning of any Performance Period by 6 per cent, but making adjustments to take into account the subscriptions and redemptions of the

Fund during the relevant Performance Period.

“Benchmark NAV” is the notional NAV of the Fund calculated based on the NAV of the Fund as at the initial closing date compounded by 6 per cent annually.

“Performance Period” is the period commencing on the initial date the participating share is issued and ending at the close of business on each 31 December 2007, and thereafter, is each period commencing as of the day following the last day of the preceding Performance Period and ending as of the close of business on each 31 December. If the investment management agreement is terminated before 31 December in any year, the performance fee in respect of the then Performance Period will be calculated and paid as though the date of termination were the end of the relevant Performance Period. The Fund’s NAV per share as at 31 December 2018 is US\$943.03 (31 December 2017: US\$1,180.76).

If 30 April 2019 were deemed to be the end of the relevant Performance Period as defined in the Fund’s offering memorandum, the performance fee to be recognised would be US\$Nil (2018: US\$Nil).

5. Share capital

The authorised share capital of the Fund is US\$1,000,000 divided into 10 Management Shares of a nominal or par value of US\$1.00 each and 99,999,000 Participating Shares of a nominal or par value of US\$0.01 each. The directors have the right to increase or reduce its capital, consolidate its shares or any of them into smaller number of shares or cancel any shares not taken or agreed to be taken by any person from time-to-time.

The Management shares carrying voting rights do not participate in the profits or losses of the Fund and are not redeemable. The Management shares are held by the principal of the Investment Manager.

The Participating Shares were initially issued at US\$1,000 per share. Additional shares may be subscribed at the beginning of each month during the year, or at such other time as determined at the sole discretion of the Fund’s directors at the price equal to the NAV per share of the Fund as of the last business day of the prior month.

The Participating Shares are redeemable on the first business day of each calendar quarter or such other time as determined by the discretion of the directors, upon 30 days prior written notice, after 12 months from the date of the issuance of such shares at the NAV per share as of the close of the business day on the redemption date.

Participating share transactions for the year ended 30 April were as follows:

Description	2019	2018
Shares outstanding at beginning of year	23,125.58	26,474.57
Shares issued	-	17.17
Shares redeemed	(3,597.80)	(3,366.16)
Shares outstanding at end of year	19,527.78	23,125.58

6. Administration and custodian fees

The Administrator is entitled to receive an administrative fee in accordance with the administration agreement.

The administration and custodian fees are accrued and calculated as at each relevant valuation day and payable monthly in arrears. During the year, the Fund recorded administration and custodian fees amounting to US\$98,942 (2018: US\$ 94,771), out of which US\$11,000 (2018: US\$6,000) included in other payables remains unpaid as at the end of the reporting period.

7. Financial risk management objectives and policies

Risk arising from holding financial instruments is inherent in the Fund’s activities and is managed through a process of ongoing identification, measurement and monitoring. The Fund is exposed to credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk).

Financial instruments of the Fund comprise investments in financial assets for the purpose of generating a return on the investments made by the Fund, in addition to cash and cash equivalents, dividends receivable, interest receivable, other receivable and other financial instruments such as management fee and other payables, which arise directly from its operation.

The Investment Manager is responsible for identifying and controlling the risks that arise from these financial instruments. The Investment Manager undertakes ongoing analysis of the risks of the portfolio in order to maintain a level of risk in the Fund that is compatible with the aim of producing positive absolute return on the Fund’s investment portfolio in the long-term.

The risks are measured using a method that reflects the expected impact on the results and net assets attributable to shareholders of the Fund from reasonably possible changes in the relevant risk variables. Information about these risk exposures at the end of the reporting period, measured on this basis is disclosed below. Information about the total fair value of financial instruments exposed to risk, as well as compliance with established investment mandate limits is also monitored by the Investment

Manager. These guidelines reflect the investment strategy and market environment of the Fund, as well as the level of risk that the Fund is willing to accept with additional emphasis on selected industries.

In order to avoid excessive concentrations of risk, the Fund monitors its exposure to ensure concentrations of risk remain within acceptable levels.

(a) Credit risk

Credit risk represents the risk that the counterparty to the financial instruments will fail to discharge an obligation and cause the Fund to incur a financial loss.

Financial assets which potentially expose the Fund to credit risk consist principally of cash and cash equivalents, dividends receivable and interest receivable. The Fund seeks to mitigate its exposure to credit risk by placing its cash and cash equivalents with large financial institutions and monitoring the creditworthiness of such large financial institutions. The Fund limits its exposure to credit risk by undertaking transactions with reputable counterparties. The extent of the Fund's exposure to credit risk in respect of these financial assets approximates their carrying values as recorded in the Fund's statement of financial position.

The Fund holds no collateral as security or any other credit enhancements. There is no financial asset which is past due or impaired, or would otherwise be past due or impaired. Credit risk is not considered to be significant to the Fund.

The list below shows the percentage of financial assets held with major counterparties as at 30 April:

Description	Total assets	
	2019	2018
Shares outstanding at beginning of year		
Shares issued	%	%
Deutsche Bank AG Singapore	100.00	100.00

(b) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities, including investor redemptions. The risk is controlled through the Fund's investments in financial instruments, which under normal market conditions are readily convertible to cash. In addition, the Fund maintains sufficient cash and cash equivalents to meet normal operating requirements.

Maturity analysis for financial liabilities

Financial liabilities of the Fund comprise management fee payable, other payables and net assets attributable to holders of participating shares. Management fee payable, and other payables are typically settled within 30 to 90 days from the transaction date. Whereas net assets attributable to holders of participating shares are redeemable upon 30 days prior written notice before first business day of each

calendar quarter subject to a 12-month lockup period.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates and foreign exchange rates. Market risk is managed and monitored using risk management strategies and analytical monitoring techniques and minimised through ensuring that all investment activities are undertaken in accordance with established mandate limits and investment strategies.

The Fund trades in listed equity instruments. The value of these investments may change adversely due to changes in market conditions such as volatility in the prices thereby adversely affecting the Fund. The Fund cannot engage in short sales and borrowings. Thus, losses from purchases cannot exceed the total amount invested.

The following risk analysis is for reporting at the end of the reporting period under IFRS 7 and does not guarantee future risk profile of the investment securities portfolio ("Portfolio"). The risk profile of the Portfolio will change depending upon market environment and strategic positioning. Consequently, the disclosed risk analysis does not necessarily reflect the risk position of the Portfolio at any time other than at the end of the reporting period. It demonstrates management's best estimate of sensitivity to reasonably possible changes in each of the indicated variables with all other variables held constant of the Fund's net assets and profit. In practice, the actual trading results may differ from the sensitivity analysis and difference could be material.

At the end of the reporting period the market exposure of the Fund's investments in securities by country and industry are as follows:

	Fair value as at 30 April 2019	% of NAV
By Country:		
Australia	12,835	0.07%
China	3,836,426	19.15%
Germany	2,014,031	10.06%
Hong Kong	3,137,182	15.66%
Italy	237,021	1.18%
Singapore	3,537,161	17.66%
United States	3,340,260	16.68%
	16,114,916	80.46%
By Industry:		
Consumer Discretionary	4,866,860	24.30%
Communication Services	2,279,407	11.38%
Financials	12,835	0.07%
Industrials	8,955,814	44.71%
	16,114,916	80.46%

The Investment Manager does not manage the Fund's Investment strategy to track any particular index or external benchmark. The country listing above reflects the domicile country of each investment

	Fair value as at 30 April 2018	% of NAV
By Country:		
Australia	301,569	1.12%
China	281,453	1.05%
Germany	543,105	2.02%
Hong Kong	5,123,650	19.03%
Italy	2,540,640	9.44%
Singapore	645,720	2.40%
United States	4,502,679	16.73%
	13,938,816	51.79%
By Industry:		
Consumer	4,712,212	17.51%
Financials	29,212	0.11%
Industrials	9,197,392	34.17%
	13,938,816	51.79%

and may not reflect the geography of the underlying operations. The sensitivity analysis presented is based upon the portfolio composition and the historical fluctuations in the price of the portfolio securities.

(i) Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. As at 30 April 2019, the majority of the Fund's financial assets and financial liabilities are non-interest bearing, as the Fund's investments are mainly in listed equities. The Fund's cash and cash equivalents held with the custodian are exposed to interest rate risk which is considered by the Investment Manager to be minimal as they are overnight and short-term instruments all with maturities of less than one month. Hence, the effect of a sensitivity analysis on the Fund's net profit and NAV would be negligible.

(ii) Foreign currency risk

Foreign currency risk includes the risk that the fair values or future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates.

The Fund may invest in assets denominated in currencies other than its reporting and functional currency, USD. Consequently, the Fund is exposed to risks that the exchange rate of USD relative to other currencies may change in a manner which has an adverse effect on the reported value of that portion of the Fund's assets which is denominated in currencies other than USD. The following table indicates the currencies to which the Fund had significant exposure at the end of the reporting period on its monetary assets and liabilities:

Concentration of assets and liabilities

2019	USD US\$	HKD US\$	EUR US\$	AUD US\$	SGD US\$	CNY US\$	Total US\$
Assets							
Investments in securities, at fair value	3,340,260	4,977,721	2,251,052	12,835	3,537,161	1,995,887	16,114,916
Cash and cash equivalents	130,907	71,480	-	276,466	3,493,711	76,214	4,048,778
Other receivable	2,308	-	-	-	-	-	2,308
Total assets	3,473,475	5,049,201	2,251,052	289,301	7,030,872	2,072,101	20,166,002
Liabilities							
Management fee payable	98,514	-	-	-	-	-	98,514
Other payables	16,000	-	-	-	22,040	-	38,040
Total liabilities	114,514	-	-	-	22,040	-	136,554
Net currency exposure	3,358,961	5,049,201	2,251,052	289,301	7,008,832	2,072,101	20,029,448

2018	USD US\$	HKD US\$	EUR US\$	AUD US\$	SGD US\$	CNY US\$	Total US\$
Assets							
Investments in securities, at fair value	-	5,448,665	645,720	301,569	4,502,679	3,040,183	13,938,816
Cash and cash equivalents	76,110	1,344,896	9,061,583	-	2,542,596	14,259	13,039,444
Dividends receivable	-	-	-	1,569	-	-	1,569
Other receivable	2,102	-	-	-	-	-	2,102
Total assets	78,212	6,793,561	9,707,303	303,138	7,045,275	3,054,442	26,981,931
Liabilities							
Management fee payable	33,685	-	-	-	-	-	33,685
Other payables	11,942	-	-	-	22,326	-	34,268
Total liabilities	45,627	-	-	-	22,326	-	67,953
Net currency exposure	32,585	6,793,561	9,707,303	303,138	7,022,949	3,054,442	26,913,978

The analysis calculates the effect of a reasonably possible movement of the currency rate against the USD on the net profit and NAV, with all other variables held constant. In practice, the actual results may differ from the below sensitivity analysis and the difference could be material:

	Appreciation (+)/ depreciation (-) of currency against US\$%	Change in NAV US\$
2019		
Hong Kong Dollar	+/- 0.10	+/- 5,222
Euro	+/- 0.90	+/- 20,318
Australia Dollar	+/- 1.83	+/- 5,289
Singapore Dollar	+/- 0.81	+/- 57,024
CNY	+/- 1.19	+/- 24,747
2018		
Hong Kong Dollar	+/- 0.13	+/- 8,668
Euro	+/- 1.82	+/- 176,430
Australia Dollar	+/- 2.18	+/- 6,585
Singapore Dollar	+/- 0.86	+/- 60,540
CNY	+/- 0.96	+/- 29,302

(iii) Equity price risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in market prices, whether those changes are caused by factors specific to the individual stock or factors affecting all instruments in the market. Equity price risk exposure arises from the investment portfolio strategy.

The effect on the statement of comprehensive income due to a reasonable possible change in market factors, based on the Portfolio's beta (which reflects the Portfolio's sensitivity to the movement in the market) with all other variables held constant, is indicated in the table on the next page:

	2019		
<i>By country</i>	Movement in percentage %	Change in net profit %	Change in NAV %
Australia	+/- 5	+/- 0.02	+/- 0.00
China	+/- 5	+/- 6.16	+/- 0.96
Germany	+/- 5	+/- 3.23	+/- 0.50
Hong Kong	+/- 5	+/- 5.03	+/- 0.78
Italy	+/- 5	+/- 0.38	+/- 0.06
Singapore	+/- 5	+/- 5.68	+/- 0.88
United States	+/- 5	+/- 5.36	+/- 0.83

	2018		
<i>By country</i>	Movement in percentage %	Change in net profit %	Change in NAV %
Australia	+/- 5	+/- 1.50	+/- 0.06
Bermuda	+/- 5	+/- 1.40	+/- 0.05
British Virgin Islands	+/- 5	+/- 2.69	+/- 0.10
China	+/- 5	+/- 23.62	+/- 0.88
Italy	+/- 5	+/- 3.20	+/- 0.12
Hong Kong	+/- 5	+/- 12.60	+/- 0.47
Singapore	+/- 5	+/- 24.14	+/- 0.90

8. Capital risk management

The Fund's capital is represented by the net assets attributable to holders of participating shares. The Fund strives to invest the subscriptions of redeemable participating shares in investments that meet the Fund's investment objectives while maintaining sufficient liquidity to meet shareholder redemptions.

9. Net assets attributable to holders of participating shares

In accordance with the provisions of the offering memorandum of the Fund, the pricing for listed or quoted investments dealt on any exchange, or over-the-counter market will be made by reference to the last traded price for (or the official last traded price provided by the exchanges) the purpose of determining net asset value per participating share for subscriptions and redemptions and for various fee calculations.

10. Subsequent events

Subsequent to 30 April 2019, the Fund recorded US\$ 519,994 redemptions.

11. Approval of the financial statements

The financial statements of the Fund for the year ended 30 April 2019 were authorised for issue in accordance with a resolution of the directors on 11 September 2019.

Schedule of Securities

FOR THE YEAR ENDED 30 APRIL 2019

Schedule of Securities	Holdings	Fair Value	Percentage of total net assets attributable to
For the year ended 30 April 2019	as at 30-Apr-19 No. of Shares	as at 30-Apr-19 US\$	shareholders at 30-Apr-19 %
BUILDING PRODUCTS			1.18
PANARIAGROUP INDUSTRIE CERAM	146,503	237,021	
CAPITAL MARKETS			0.06
K2 ASSET MANAGEMENT HOLDINGS	249,834	12,835	
COMMERCE, CLOUD COMPUTING & DIGITAL MEDIA			16.68
ALIBABA GROUP HOLDING LTD	18,000	3,340,260	
COMMERCIAL SERVICES			1.74
XINGHUA PORT HOLDINGS LTD	2,299,500	348,789	
DIVERSIFIED CONSUMER SERVICES			6.90
OVERSEAS EDUCATION LTD	5,791,800	1,382,393	
HOTELS, RESTAURANTS & LEISURE			0.72
REXLOT HOLDINGS LTD	53,875,000	144,208	
MACHINERY			9.96
ZHENGZHOU YUTONG BUS CO -A	940,000	1,995,887	
MEDIA			11.38
PICO FAR EAST HOLDINGS LTD	6,231,000	2,279,406	
MANUFACTURING & TECHNOLOGY			10.06
PFEIFFER VACUUM TECHNOLOGY	12,000	2,014,031	
REAL ESTATE MANAGEMENT & DEVELOPMENT			1.82
CHINA NEW TOWN DEVELOPMENT	15,222,650	364,779	
UOL GROUP LTD	290,000	1,614,365	8.06
TRADING COMPANIES & DISTRIBUTORS			2.70
PAN-UNITED CORP LTD	2,299,500	540,403	
TRANSPORTATION INFRASTRUCTURE			9.19
GUANGDONG PROVINCIAL EXPR-B	1,999,980	1,840,539	
		16,114,916	80.46

Other Information

Capital Dynamics (S) Private Limited (CDPL), a global fund manager based in Singapore, is the investment manager for the *i* Capital Global Fund.

CDPL commenced operations in June 2006 and is part of the established Capital Dynamics group, which provides fund management and investment advisory services to institutional and retail clients. As a global fund manager, CDPL manages the *i* Capital Global Fund, an open-end fund and discretionary accounts.

From its inception in July 2007 to April 2019, the *i* Capital Global Fund performance is 0.21% per annum, as opposed to 2.15% per annum for the MSCI ACWI. From 30 Aug 2006 to 30 April 2019, funds under CDPL's management achieved a return of 0.99% per annum, underperforming the MSCI ACWI which in that period recorded 3.61% per annum.

The Fund's performance for the *i* Capital Global Fund as at 30 April 2019 is shown below:

Performance as at 30 April 2019 (%)		
(US\$)	ICGF	MSCI ACWI
Cumulative *	2.57	28.65
Annualised Return	0.21	2.15

*Cumulative Returns are measured since inception.

Capital Dynamics (Australia) Limited (CDAL) obtained its Australian Financial Services License (ASFL 326283) from the Australian Securities and Investments Commission in December 2008. This allows CDAL to provide funds management and financial advisory services to retail and wholesale investors.

Based in Sydney, CDAL was set up with the aim of providing investors with the proven investment success of the Capital Dynamics group through the launch of the *i* Capital International Value Fund (ARSN 134578180) and individually managed accounts.

Launched in July 2009, the *i* Capital International Value Fund invests in global equities and is managed with a focus on long term capital appreciation while providing distributions.

Capital Dynamics Asset Management Sdn Bhd (CDAM), based in Kuala Lumpur, manages icapital.biz Berhad, a closed-end fund listed on Bursa Malaysia and discretionary accounts.

CDAM has been consistently reporting positive returns since its inception. Between April 1998 and April 2019, CDAM achieved a net compound return of 12.60% per annum and has substantially outperformed the Kuala Lumpur Composite Index every year (except for 2005, 2009, 2012, 2013 and 2018), which gained 4.74% per annum in the same period.

Capital Dynamics Asset Management (HK) Private Limited holds a Type 9 (Asset Management) licence issued by the Securities and Futures Commission Hong Kong (SFC). Its principal activity is to provide asset management service to corporations, institutions and individual investors.

Besides providing discretionary investment management service for Professional Investors, we manage the *i* Capital China Fund, a retail unit trust fund authorised by the SFC.

Launched in January 2018, the *i* Capital China Fund aims to benefit from China's spectacular past and the magnificent boom that lay ahead. By primarily investing in equity securities issued by companies listed in Hong Kong, Shanghai and/or Shenzhen, the *i* Capital China Fund targets at achieving attractive long-term capital appreciation.

Capital Dynamics China started off as a representative office in 2013. We quickly set up our Wholly Foreign Owned Enterprise (WFOE) and purchased an office in Shanghai, steadily growing our business in China and familiarising ourselves with the complexities of the country's economic, cultural, political and regulatory landscapes. Capital Dynamics China also conducts an annual China Immersion Programme. Please visit <http://www.cip-cn>.

(Note: Information is current as at 30 April 2019.)

com/2019/ for more. The 2020 China Immersion Programme will be held in May 2020.

The Capital Dynamics group traces back to 1988, when its managing director, Tan Teng Boo, an experienced investment manager, founded Capital Dynamics Sdn Bhd, the first independent investment adviser in Malaysia. It provides top quality advice on investments through *i* Capital, its weekly report, and www.icapital.biz, the Internet edition. It supervises 5 portfolios with the oldest starting as far back as September 1991. Every portfolio has outperformed the market indices by a substantial margin.

The investment philosophy of the Capital Dynamics group, including that of CDPL, is guided by a sound and rigorous value-investing framework. Essentially, the Capital Dynamics group seeks low risk yet high return types of investments.

The Capital Dynamics group is independent and is therefore not part of any financial institution or political or government organisation. Being owner-operated, the continuity and consistency of the investment approach adopted by the group is assured.

Disclaimers: The information in this Annual Report is not intended to provide advice. It has not been prepared taking into account any particular investor's or class of investor's investment objectives, financial situation or needs, and should not be used as the basis for making investment, financial or other decisions. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. None of CDPL nor any of its related entities guarantees the performance of the Fund or any particular rate of return.

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INDEPENDENCE * INTELLIGENCE * INTEGRITY

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Rajah & Tann

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