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INVESTOR LETTER

Dear Valued Investors,

In 2010, the Malaysian market exceeded almost everyone's expectations. We expected about a 15% return at the beginning of 2010, but the FTSE Bursa Malaysia 100 Index (FBM100) has jumped 19.4% over the course of the year.

We hope that with the experience of the Asian financial crisis and this most recent global financial crisis, investors have seen for themselves that markets do bounce back and it is not easy to predict the speed at which they can recover.

We are cautiously optimistic for 2011. In light of the market having gone up two years in a row, our outlook for this year are returns in the low double digits. We expect the US economy to continue to recover, driven by consumer spending and corporate capital expenditures. The Federal Reserve's sustained purchases of bonds will continue to underpin the recovery. Events in Europe are expected to lead to volatility. At some point, we believe bond markets will force Portugal into accepting a bailout. We believe there is a 50-50 chance that Spain will be bailed out as well.

In Asia Pacific ex-Japan, the concern is mainly over inflation and rising interest rates. In China, the recent hikes in bank reserve requirements to 18.5% will not be sufficient to tame inflation. Although higher food prices are currently the main source of inflation, there are signs that input prices are also rising. We expect China to hike interest rates by 1.25% next year. However, this hike is unlikely to derail the economy, especially if it is balanced with the rumored loan quota of Renminbi 6.0-7.0 trillion.

For Bursa Malaysia, conditions seem right for continued market appreciation. The implementation of the Economic Transformation Program (ETP) will lead to the roll out of large projects that will benefit the construction as well as oil and gas sectors, and closer ties with Singapore will benefit projects in the Iskandar Region – all which could lead to a revival in corporate loans growth. We expect earnings growth in the mid-teens and price-to-earnings ratios (PERs) to re-rate to the long-term average of 14.5-15.0 times.

INVESTOR LETTER (CONTINUED)

It's also been a busy year for us here at CIMB-Principal Asset Management Berhad ("CIMB-Principal"). We are happy to share that our total assets under management have grown 28% from RM23.1[1] billion to RM29.5 billion a clear sign of clients' confidence. With 66 unit trust funds (23 are Shariah-compliant), including 6 wholesale funds and 2 exchange-traded funds (ETFs), the Company is also one of the largest institutional money managers. Institutional AUM rose 35.3% to RM18.0 billion in December last year, also made further inroads into the region, managing RM1.4 billion for regional clients. The stability of our senior management team, with an average tenure of 5.3 years, has endowed the CIMB-Principal with the flexibility to adapt strategically and innovatively to rapidly-changing circumstances in a competitive regional marketplace.

You may not be aware but back in 2009, CIMB-Principal was the first Malaysian company to implement PAM® for Securities[2], a world class international portfolio management and accounting system. Last year, we implemented the Factset Attribution System to further enhance our fund managers' expertise. The firm remains ahead of the curve compared to many of its domestic peers, exemplified by the implementation of SWIFT and OMGEO connections for some clients, providing automated trading and settlement services. CIMB-Principal is one of the few fund managers in ASEAN with all these systems in place to better serve our clients and partners.

Yours sincerely

Campbell Tupling
Chief Executive
CIMB-Principal Asset Management Berhad

[1] End December 2009
[2] http://www.pfs.com/products/Pages/PFS_Products_PAMsecurities.aspx

MANAGER'S REPORT

What is the investment objective of the Fund?
The Fund aims to provide investors with medium to long term capital appreciation by capitalizing on investments ideas in Shariah-compliant equities in the Greater China region.

Has the fund achieved its objective?
For the period under review, the Fund is in line with its stated objectives as stated under the fund performance review

What are the fund investment policy and its strategy?
The Fund seeks to achieve its objective by investing primarily in Shariah-compliant equities and Shariah-compliant equity related securities of companies based in the Greater China region which offer attractive valuations and medium to long-term growth potentials. These include Shariah-compliant companies listed or to be listed on recognized exchanges of People's Republic of China, Hong Kong and Taiwan as well as China based on companies listed on overseas recognized exchanges. These companies are typically medium to large-cap companies which are currently trading at very attractive valuations and which would ride on the future recovery and growth of the Greater China region and the global economy.

The Fund will generally have an equity exposure of up to 98% of the Fund's NAV with at least 2% of the Fund's NAV invested in Shariah-compliant liquid assets for liquidity purposes.

The Fund's policies on investments were carried out in accordance with the Deed and it will continue its operations until terminated in accordance with the provisions of the Deed.

Fund category/ type
Equity (Shariah) / Growth

How long should you invest for?
Recommended 3 years or more

Indication of short-term risk (low, moderate, high)
Highest risk is credit tightening in China.

When was the Fund launched?
2 June 2009

What was the size of the Fund as at 31 January 2011?
RM 26.19 million (100.11 million units)

What is the fund's benchmark?
Dow Jones Islamic Market China/Hong Kong Titans Index

What is the fund distribution policy?
Given its investment objective, the Fund is not expected to pay any distribution.

What was the net income distribution for the financial period ended 31 January 2011?
There is no distribution was declared for the financial period ended 31 January 2011.

PERFORMANCE DATA

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

	31.01.2011 %	31.01.2010 %
Quoted investments		
- Basic Materials	8.69	15.68
- Consumer Goods	19.07	16.94
- Consumer Services	12.16	10.71
- Industrials	7.09	4.95
- Oil & Gas	23.70	11.15
- Technology	15.24	7.79
- Telecommunications	9.10	18.65
- Utilities	3.96	10.42
Cash and Other Net Assets	0.99	3.71
	100.00	100.00

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

	31.01.2011	31.01.2010
Net asset value (RM Million)	26.19	55.98
Units in circulation (Million)	100.11	220.34
Net asset value per unit (RM)	0.2617	0.2540
Highest NAV per unit (RM)	0.2762	0.2817
Lowest NAV per unit (RM)	0.2406	0.2472
Total return (%)	6.71	(7.97)
- Capital growth (%)	6.71	(7.97)
- Income distribution (%)	-	-
Management expense ratio (%)	1.67	1.52
Portfolio turnover ratio (times) #	0.98	1.83

Average total return	Total Return %	Annualised %
- One year	3.35	3.35
- Since inception	5.00	3.07

(Launch date: 2 June 2009)

Portfolio turnover ratio remains at low level, as we are consistent on our bottom-up stock pick process, and we are reluctant to invest in over-valued stocks. We prefer stocks with continuous earnings updates and visibility.

	31.01.2011	Since Inception – 31.01.2010
Annual total return (%)	3.35	1.60

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures ended 31 January 2011 have been verified by Mercer Zainal Consulting Sdn Bhd, Consulting Actuaries (35090-H).

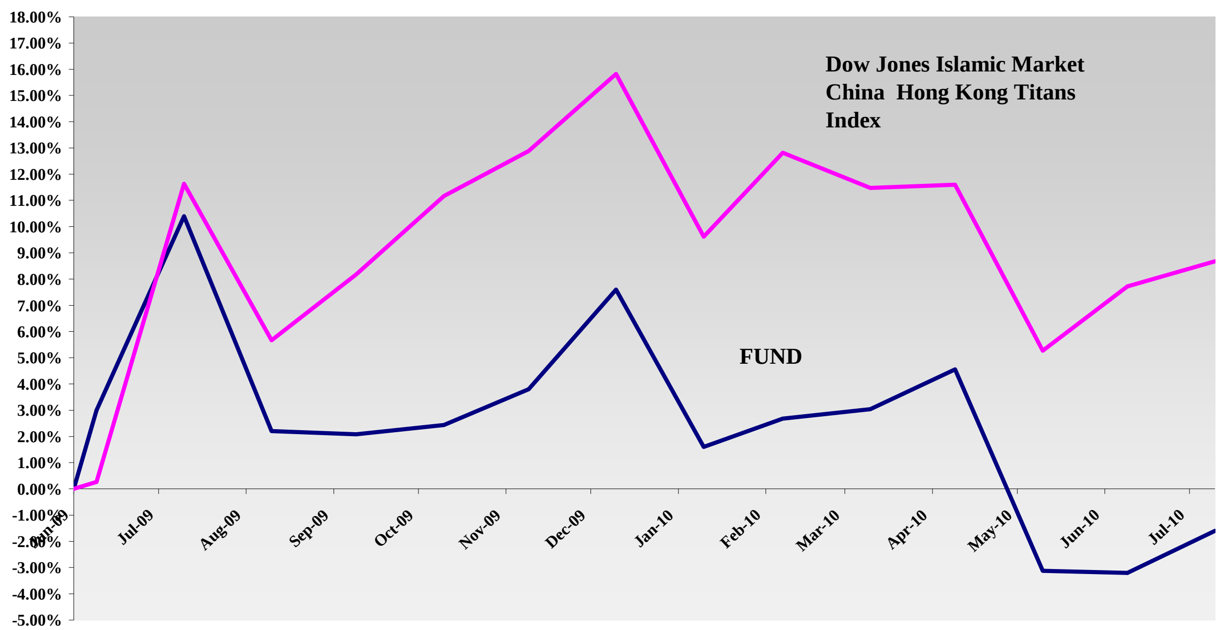
MARKET REVIEW (1 AUGUST 2010 TO 31 JANUARY 2011)

Since China led Asia out of crisis in 2009, Asian economy decoupled from developed countries. China now faced inflation worries and launched continuous rate hikes. Indeed, most Asian central banks place their priority on inflation concerns.
With better than expected GDP growth almost every quarter, property price in major cities almost doubled over 2 years in China. To restrain excess liquidity and asset burble, Beijing implemented cooling measures since May targeting at the property sector. From then onwards, more stringent polices are introduced. Meanwhile, bank loan growth was also under control with credit tightening. According to Premium Wen Jia Bao, “the major concern is to lower down inflation expectation while maintaining growth”, which translates into “soft-landing scheme” from central government point of view.

After CPI hit 3.6% in Oct, stricter policy is implemented in Beijing in Dec 2010-“one family one home”. Property transaction volume was down 50% MoM accordingly in January 2011.
Despite the tightening measure, China market was resilient and registered positive returns over last 12 month.

FUND PERFORMANCE

	6 Months to 31.01.2011	1 Year to 31.01.2011	Since Inception
Income (%)	-	-	-
Capital (%)	6.71	3.35	5.00
Total Return (%)	6.71	3.35	5.00
Benchmark (%)	7.88	6.95	17.24
Average Total Return (%)	N/A	3.35	3.07



Changes in Net Asset Value ("NAV")

	31.01.2011	31.01.2011	% changes
Net Asset Value ("NAV") (RM Million)	26.19	55.98	(53.21)
NAV/unit (RM)	0.2617	0.2540	3.03

Fund NAV dropping is mainly due to redemption and appreciation of MYR against Hong Kong dollar.

The Fund is ranked No. 2 among Islamic greater china funds for year ending 2010.

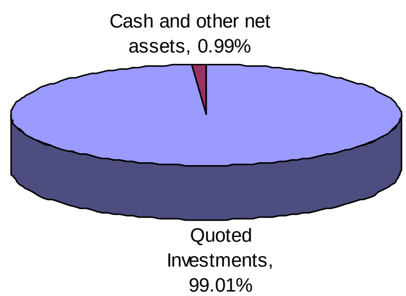
Performance data represents the combined income and capital return as a result of holding units in the fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures ended 31 January 2011 have been verified by Mercer Zainal Consulting Sdn Bhd, Consulting Actuaries (35090-H).

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31 January 2011	31 January 2010
Quoted investments	99.01	96.29
Cash and other net assets	0.99	3.71
TOTAL	**100.00**	**100.00**

We will focus on China stocks to capture the long term growth story of China. We will try to be fully invested in equities based on fundamental bottom-up stock-picks. Sector wise, currently, we are overweighting in IT and underweighting in Energy, utilities & telecoms.



MARKET OUTLOOK

Globally, domestic demand strengthens in the US while inflation pressure builds in UK and Europe. US and Japan are likely to maintain loose monetary policy while ECB may take the lead in raising interest rate. But Asian economies continue to suffer from late cycle pains as policy tightening and economic growth drain liquidity from their financial markets.

Currently, concerns on over-heating and macro-tightening measures linger in emerging countries. Although energy prices remain elevated on Middle East concerns, we expect inflation may start to moderate in some Asian countries. This follows various policy measures and slowing food price inflation. Nevertheless, we expect policy stance for Asian governments is likely to remain tight until the policy makers see clear evidence of slowing economic growth and easing price inflation.

As market volatility is expected to rise as liquidity flows has turned mixed. We expect growth stocks to outperform value stocks as cyclical risks have risen. Earnings uncertainty has increased for domestic-oriented sectors as rising inflation and macro policy measures affect real consumption, top line growth and margin outlook. We expect Asian market to remain choppy till liquidity conditions improve. We like growth stocks with earnings visibility and improving prospects. Positive earnings revision will remain the key driver for outperformance.

We prefer countries that have managed to rein in inflation expectation by implementing preemptive policy tightening measures, for instance China. We still like selected consumer and technology sectors.

INVESTMENT STRATEGY

Strategy wise, we still remain positive on domestic consumption stories in China, as the country rebalances its structural growth model. We are focusing on growth stocks with rising earnings expectations. The improved earning growth will continue to drive stock prices higher. Meanwhile, we are looking for sectors / companies that are less exposed to rising policy normalization risk, and companies that could benefit from structural change in the China economy.

UNIT HOLDING STATISTICS

Breakdown of unit holdings by size as at 31 January 2011 are as follows:

Size of holdings(units)	No. of unitholders	No. of units held (million)	% of units held
5,000 and below	2,119	951	0.90
5,001-10,000	210	1,546	1.55
10,001-50,000	643	15,516	15.50
50,001-500,000	350	43,612	43.59
Above 500,000	16	38,484	38.46
Total	**3,338**	**100,109**	**100**

SOFT COMMISSIONS AND REBATES

Dealings on investments of the Fund through brokers or dealers will be on terms which are best available for the Fund. Any rebates from brokers or dealers will be directed to the account of the Fund.

The Investment Manager may from time to time receive and retain soft commissions in the form of subscription for real-time services or advisory services that assist in the decision-making process relating to the Fund's investments from brokers or dealers.

During the financial period under review, the management company did not receive any rebates and soft commissions from brokers or dealers.

STATEMENT BY MANAGER TO THE UNIT HOLDERS OF CIMB ISLAMIC GREATER CHINA EQUITY FUND

We, being the Director of CIMB-Principal Asset Management Berhad, do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 12 to 41 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 January 2011 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial period ended 31 January 2011 in accordance with Financial Reporting Standards in Malaysia and the Securities Commission's Guidelines on Unit Trust Funds.

For and on behalf of the Manager
CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD (COMPANY NO.: 304078-K)

JOHN CAMPBELL TUPLING
Chief Executive Officer / Director

DATUK NORIPAH KAMSO
Director

Kuala Lumpur
29 March 2011

TRUSTEE'S REPORT TO THE UNITHOLDERS OF CIMB ISLAMIC GREATER CHINA EQUITY FUND

We have acted as Trustee of **CIMB Islamic Greater China Equity Fund** ("the Fund") for the financial year ended 31 January 2011. To the best of our knowledge, **CIMB-Principal Asset Management Berhad**, ("the Management Company"), has operated and managed the Fund in accordance with the following:-

a) limitations imposed on the investment powers of the management company and the trustee under the Deed, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007, and other applicable laws.

b) valuation/pricing is carried out in accordance with the Deed and any regulatory requirements; and

c) creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements.

For HSBC (Malaysia) Trustee Berhad

Head, Unit Trust
Kuala Lumpur
29 March 2011

SHARIAH ADVISER'S REPORT TO THE UNIT HOLDERS OF CIMB ISLAMIC GREATER CHINA EQUITY FUND

We have acted as the Shariah Adviser of CIMB Islamic Greater China Equity Fund. Our responsibility is to ensure that the procedures and processes employed by CIMB-Principal Asset Management Berhad are in accordance with Shariah.

In our opinion, CIMB-Principal Asset Management Berhad has managed and administered CIMB Islamic Greater China Equity Fund in accordance with Shariah and complied with applicable guidelines, rulings or decisions issued by the Securities Commission pertaining to Shariah matters for the financial period ended 31 January 2011.

In addition, we also confirm that the investment portfolio of CIMB Islamic Greater China Equity Fund comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission ("SACSC"). As for the securities which are not certified by the SACSC, we have reviewed the said securities and opine that these securities are designated as Shariah-compliant.

For and on-behalf of Shariah Adviser
CIMB Islamic Bank Berhad

Abdul Ghani Endut
Head, Shariah Department/ Designated Person Responsible for Shariah Advisory

Kuala Lumpur
29 March 2011

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JANUARY 2011

	Note	31.01.2011 RM	02.06.2009 (date of launch) to 31.01.2010 RM
NET INVESTMENT INCOME/(LOSS) (SHARIAH-COMPLIANT)			
Dividend income		320,802	703,152
Profit income and hibah from Shariah-compliant deposits with licensed financial institutions	4	7,768	13,011
Net realised gain on sale of financial assets at fair value through profit and loss		2,897,852	1,960,122
Net foreign currency exchange (loss)		(461,918)	(1,990,994)
		2,764,504	685,291
EXPENSES			
Management fee	5	304,986	710,005
Trustee's and custodian fees	6	19,840	30,703
Auditor's remuneration		4,800	4,800
Tax agent's fee		2,500	2,500
Administration expenses		32,351	42,590
		364,477	790,598
NET INCOME/(LOSS) BEFORE TAXATION		2,400,027	(105,307)
TAXATION	7	(16,840)	(60,649)
NET PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME		2,383,187	(165,956)
Net profit/(loss) after taxation is made up as follows:			
Realised amount		2,349,087	1,825,038
Unrealised amount		34,100	(1,990,994)
		2,383,187	(165,956)

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

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2011

	Note	31.01.2011 RM	31.07.2010 RM
ASSETS			
Financial assets at fair value through profit or loss	8	26,020,487	-
Quoted Investment	9	-	34,916,617
		26,020,487	34,916,617
LIQUID ASSETS			
Cash and cash equivalents	10	752,146	965,209
OTHER ASSETS			
Amount due from Manager		17,981	44,648
Dividends receivable		4,842	5,158
Profit income receivable from Shariah-compliant deposits with a related licensed financial institution		-	80
		22,823	49,886
TOTAL ASSETS		26,795,456	35,931,712
LIABILITIES			
Amount due to Manager		535,370	217,413
Accrued management fee		46,678	55,874
Amount due to Trustee and Custodian		2,019	2,416
Other payables and accruals		14,536	19,075
TOTAL LIABILITIES		598,603	294,778
NET ASSET VALUE OF THE FUND	11	26,196,853	35,636,934
Equity			
Unitholders' capital		25,720,114	37,543,382
Retained earnings		476,739	(4,218,659)
Fair value reserve		-	2,312,211
		26,196,853	35,636,934
NUMBER OF UNITS IN CIRCULATION		100,108,863	145,203,375
NET ASSET VALUE PER UNIT (RM)		0.2617	0.2454

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

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE SIX MONTH FINANCIAL PERIOD ENDED 31 JANUARY 2011

	Note	Unitholders' Capital RM	Retained Earnings RM	Fair Value Reserve RM	Total RM
Balance as at 1 August 2010, as previously stated		-	-	-	-
Prior year adjustment for adoption of amendments to FRS 132	**2 (a) (ii)**	37,543,382	(4,218,659)	2,312,211	35,636,934
Balance as at 1 August 2010, restated after adoption of amendments to FRS 132		37,543,382	(4,218,659)	2,312,211	35,636,934
Prior year adjustment for adoption of FRS 139	**2 (a) (ii)**	-	2,312,211	(2,312,211)	-
Balance as at 1August 2010, restated after adoption of FRS 139		37,543,382	(1,906,448)	-	35,636,934
Movement in unitholders' contribution:					
Creation of units		1,738,674	-	-	1,738,674
Cancellation of units		(13,561,942)	-	-	(13,561,942)
Net income/(loss) after taxation		-	2,383,187	-	2,383,187
Change in fair value reserve		-	-	-	-
		25,720,114	476,739	-	26,196,853
Balance as at 1 August 2009, as previously stated		-	-	-	-
Prior year adjustment for adoption of amendments to FRS 132	**2 (a) (ii)**	-	-	-	-
Balance as at 1 August 2010, restated after adoption of amendments to FRS 132		-	-	-	-
Movement in unitholders' contribution:					
Creation of units		100,504,230	-	-	100,504,230
Cancellation of units		(62,960,848)	-	-	(62,960,848)
Net income after taxation		-	(4,218,659)	-	(4,218,659)
Change in fair value reserve		-	-	2,312,211	2,312,211
		37,543,382	(4,218,659)	2,312,211	35,636,934

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

UNAUDITED CASH FLOW STATEMENT
FOR THE SIX MONTH FINANCIAL PERIOD ENDED 31 JANUARY 2011

	Note	31.01.2011 RM	02.06.2009 (date of launch) to 31.01.2010 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		28,863,119	138,276,340
Purchase of Shariah-compliant investments		(17,502,630)	(190,653,974)
Dividends received		302,711	627,545
Profit income received from Shariah-compliant deposits with licensed financial institutions		7,466	13,011
Management fee paid		(314,181)	(710,005)
Trustee and custodian fees paid		(20,237)	(26,915)
Payments for other fees and expenses		(44,190)	(131,669)
Net realised foreign exchange (loss)		(29,054)	13,639
Other income		382	-
Net cash inflow/(outflow) from operating and investing activities		11,263,386	(52,592,028)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from units created		1,765,341	96,543,664
Payments for cancellation of units		(13,243,986)	(40,148,995)
Net cash inflow from financing activities		(11,478,645)	56,394,669
Net (decrease)/increase in cash and cash equivalents		(215,259)	3,802,641
Effect of foreign exchange		2,196	(1,990,993)
Cash and cash equivalents at the beginning of the financial period		965,209	-
Cash and cash equivalents at the end of the financial period	9	752,146	1,811,648

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 JANUARY 2011

1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITY

CIMB Islamic Greater China Equity Fund ("the Fund") is governed by a Principal Master Deed dated 15 May 2008 and a Ninth Supplemental Master Deed dated 21 April 2009, made between CIMB-Principal Asset Management Berhad (the “Manager”) and HSBC (Malaysia) Trustee Berhad (the “Trustee”).

The principal activity of the Fund is to invest primarily in Shariah-compliant equities and Shariah-compliant equity related securities of companies based in the Greater China region which offer attractive valuations and medium to long term growth potentials. These include Shariah-compliant companies listed or to be listed on Recognised Exchanges of People’s Republic of China, Hong Kong and Taiwan as well as China based companies listed on overseas recognized exchanges. These companies are typically medium to large-cap companies which are currently trading at very attractive valuations and which would ride on the future recovery and growth of the Greater China region and the global economy.

The Fund will generally have an equity exposure of up to 98% of the Fund’s NAV with at least 2% of the Fund’s NAV invested in Shariah-compliant liquid assets for liquidity purposes. The Fund commenced operations on 2 June 2009 and will continue its operations until terminated by the Manager.

The Manager, a company incorporated in Malaysia, is a subsidiary of CIMB Group Sdn Bhd and regards CIMB Group Holdings Berhad as its ultimate holding company. Its principal activities are the management of unit trusts and fund management activities

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standards (“FRS”) in Malaysia and the SC Guidelines on Unit Trust Funds.

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards and amendments to published standards that are effective

- FRS 8 "Operating Segments" (effective from 1 July 2009) replaces FRS 1142004 Segment Reporting. The new standard requires a ‘management approach’, under which segment information is reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The improvement to FRS 8 (effective from 1 January 2010) clarifies that entities that do not provide information about segment assets to the chief operating decision-maker will no longer need to report this information. Prior year comparatives must be restated.

- FRS 7 “Financial instruments: Disclosures” (effective from 1 January 2010) provides information to users of financial statements about an entity’s exposure to risks and how the entity manages those risks. The improvement to FRS 7 clarifies that entities must not present total interest income and expense as a net amount within finance costs on the face of the Income Statement. This standard does not have any impact on the classification and valuation of the Fund's financial statements.

- The revised FRS 101 “Presentation of financial statements” (effective from 1 January 2010) prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity. 'Non-owner changes in equity' are to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

  Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period.

- FRS 107 “Statement of cash flows” (effective from 1 January 2010) clarifies that only expenditure resulting in a recognised asset can be categorised as a cash flow from investing activities.

- FRS 110 “Events after the balance sheet date” (effective from 1 January 2010) reinforces existing guidance that a dividend declared after the reporting date is not a liability of an entity at that date given that there is no obligation at that time.

- FRS 118 “Revenue” (effective from 1 January 2010) provides more guidance when determining whether an entity is acting as a ‘principal’ or as an ‘agent’. This standard does not have material impact on the classification and valuation of the Fund's financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards and amendments to published standards that are effective (continued)

- Amendment FRS 132 “Financial Instruments: Presentation”

  In the previous financial year, the Fund had classified its puttable instruments as liabilities in accordance with FRS 132, 'Financial instruments: Presentation'. However, the FRS 132 (amendment), 'Financial instruments: Presentation', and FRS 101 (amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2010) (the 'amendment') requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met.

  Those criteria include: (i) the puttable instruments must entitle the holder to a pro-rata share of net assets; (ii) the puttable instruments must be the most subordinated class and that class's features must be identical; (iii) there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and (iv) the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer. As a result, the prior year financial statements are restated from amounts previously reported to conform with the amendment. The amendment has been applied retrospectively.

  The effects as a result of adoption of the amendment on the statement of financial position for the prior periods are set out in Note 16(a).

- FRS 139 “Financial Instruments: Recognition and Measurement”

  In the previous financial year, unrealised gains or losses from the derivative financial instrument are recognised in the statement of financial position as receivables and payables while the corresponding effect are transferred to the fair value reserve included in the capital and reserves attributable to equity holders of the fund.

  However, the FRS 139 (new standard) ‘Financial Instruments: Recognition and Measurement’ (effective 1 January 2010) (the ‘standard’) requires the Fund to recognise all derivatives in its balance sheet as either assets or liabilities and shall measure them at fair value (except for a derivative that is linked to and that must be settled by delivery of an unquoted equity instrument whose fair value cannot be measured reliably) at the beginning of the financial period in which this standard is initially applied. Because all derivatives, other than those that are designated hedging instruments, are considered held for trading, the unrealised gains or losses transferred to the fair value reserve in the previous financial period shall be recognised as an adjustment of the balance of retained earnings at the beginning of the financial period in which this Standard is initially applied (other than for a derivative that is a designated hedging instrument).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards and amendments to published standards that are effective (continued)

- FRS 139 "Financial Instruments: Recognition and Measurement" (continued)

  The effects as a result of adoption of the new standard on the opening balances of the statement of financial position at the beginning of the financial year are set out in Note 16(b).

(ii) The new standards, amendments and interpretations to published standards which are relevant to the Fund and have not been early adopted are:

- Amendments to FRS 7 "Financial instruments: Disclosures" and FRS 1 "First-time adoption of financial reporting standards" (effective from 1 January 2011) require enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The Fund will apply this standard when effective.

  The Fund has applied the transitional provision which exempts entities from disclosing the possible impact arising from the initial application of this amendment on the financial statements of the Fund.

- IC Interpretation 17 "Distribution of non-cash assets to owners" (effective from 1 July 2010) provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. FRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable.

(b) Financial assets at fair value through profit or loss

Classification

The Fund designates its Shariah-compliant investment in quoted securities as financial assets at fair value through profit or loss at inception.

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

Recognition and measurement

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Financial assets at fair value through profit or loss (continued)

<u>Recognition and measurement (continued)</u>

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

Gains or losses arising from changes in fair value of the financial assets at fair value through profit or loss are presented in the Statement of Comprehensive Income. Gains or losses from changes in the fair value of the investments are presented in the Statement of Comprehensive Income within net gain or loss on financial assets at fair value through profit or loss in the period which they arise.

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

Quoted Shariah-compliant investments in Malaysia are valued at the last done market price quoted on Bursa Malaysia Securities Berhad ("Bursa Securities") at the date of the Statement of Financial Position.

If a valuation based on the market price does not represent the fair value of the Shariah-compliant securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the Shariah-compliant securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the Shariah-compliant securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

(c) Income recognition

Dividend income from quoted Shariah-compliant investments is recognised on the ex-dividend date.

Profit and hibah earned from Shariah-compliant short term deposits is recognised on an accrual basis.

Realised gain or loss on disposal of Shariah-compliant investments is calculated based on the difference between the net disposal proceeds and the carrying amount of Shariah-compliant investments, determined on a weighted average cost basis.

(d) Creation and cancellation of units

The Fund issues cancellable units, which are cancelled at the holder's option and are classified as financial liability. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value. The outstanding units are carried at the redemption amount that is payable at the date of Statement of Financial Position if the holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at the holder's option at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Cash and cash equivalents (Shariah-compliant)

For the purpose of cash flow statement, cash and cash equivalents comprise cash and bank balances and Shariah-compliant deposits held in highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(f) Taxation

Current tax expense is determined according to Malaysian tax laws and includes all taxes based upon the taxable profits. Tax on dividend income from foreign quoted Shariah-compliant investments is based on the tax regime of the respective countries that the Fund is invested in.

(g) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia, which is the Fund’s functional and presentation currency.

(h) Foreign currencies translation

Foreign currency assets and liabilities are translated into Ringgit Malaysia at the rates ruling at the date of the Statement of Financial Position. Transactions during the financial period are converted into Ringgit Malaysia at the rates of exchange ruling on the transaction dates. Differences on exchange are included in the Statement of Comprehensive Income.

(i) Amount due from/to stockbrokers

Amount due from/to brokers are carried at approved transaction amount as stated in contract notes.

(j) Proceeds and payments on creation and cancellation of units

The net asset value per unit is computed for each dealing day. The price at which units are created or cancelled is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day. Units in the Fund are classified as financial liability in the Statement of Financial Position and are stated at fair value representing the price at which units holders can redeem the units from the Fund.

(k) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the strategic asset allocation committee of the Manager that makes strategic decisions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is the amount at which a financial asset could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction. The information presented herein represents the estimates of fair values as at the date of the statement of financial position.

Financial instruments as at 31 January 2011 are as follows:

	Financing and Dividend receivables RM	Financial assets at fair value through profit or loss RM	Total RM
Financial assets at fair value through profit or loss (Note 8)	-	26,020,487	26,020,487
Cash and cash equivalents (Note 9)	752,146	-	752,146
Amount due from Manager	17,981	-	17,981
Dividend receivable	4,842	-	4,842
	774,969	26,020,487	26,795,456

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

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

The preparation of financial statements in conformity with FRS and the SC Guidelines on Unit Trust Funds requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reported financial period. Although these estimates are based on the Manager's best knowledge of current events and actions, actual results may differ from those estimates.

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

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

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The investment objective of the Fund is to achieve medium to long term capital appreciation by capitalising on investments ideas in Shariah-compliant equities in the Greater China region.

The Fund seeks to achieve it objective by investing primarily in Shariah-compliant equities and Shariah-compliant equity related securities of companies based in the Greater China region which offer attractive valuations and medium to long term growth potentials. These include Shariah-compliant companies listed or to be listed on Recognised Exchanges of People's Republic of China, Hong Kong and Taiwan as well as China based companies listed on overseas recognised exchanges. These companies are typically medium to large-cap companies which are currently trading at very attractive valuations and which would ride on the future recovery and growth of the Greater China region and the global economy.

The Fund is exposed to a variety of risks which include market risk, single issuer risk, interest rate risk, credit risk, liquidity risk, currency fluctuation risk, foreign market risk, reclassification of Shariah status risk and non-compliance risk arising from the financial instruments it holds.

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

(a) Market risk

(i) Price risk

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

The price risk is managed through portfolio diversification and asset allocation whereby the equity exposure will be reduced in the event of anticipated market weakness.

At 31 January 2011, the Fund's overall exposure to price was as follows:

	RM
Financial assets at fair value through profit or loss	26,020,487

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(i) Price risk (continued)

The table below summaries the sensitivity of the Fund's net asset value to movements in prices of quoted securities as at 31 January 2011. The analysis is based on the assumptions that the price of the quoted securities increased and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

% Change in price of quoted secutities	**Market value RM**	**Change in net asset value RM**
(5%)	24,719,463	(1,301,024)
0%	26,020,487	-
5%	27,321,511	1,301,024

(ii) Cash flow interest rate risk

The Fund holds a limited amount cash and cash equivalents that expose the Fund to cash flow interest rate risk.

Interest rate risk is a general economic indicator that will have an impact on the management of the Fund regardless of whether it is a Shariah-compliant fund or otherwise. It does not in any way suggest that this Fund will invest in conventional financial instruments. All investments carried out for the Fund including placements and deposits are in accordance with Shariah.

The Fund's exposure to the interest rate risk is mainly confined to short term placements with financial institutions. The Manager overcomes the exposure by way of maintaining deposits on short term basis..

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk

Credit risk refers to the ability of any issuer or counterparty to make timely payments of profit, principals and proceeds from realisation of investment.

The credit risk arising from placements of Shariah-compliant deposits in licensed financial institutions is managed by ensuring that the Fund will only place Shariah-compliant deposits in reputable licensed financial institutions. For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Malaysia and the respective foreign stock exchange. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the Securities Commission’s Guidelines on Unit Trust Funds.

The credit/default risk is minimal as all transactions in quoted Shariah-compliant investments are settled/paid upon delivery using approved brokers.

The following table sets out the credit risk concentration of the Fund:

As at 31.01.2011	Quoted Shariah-compliant investments RM	Cash balance and Shariah-compliant deposits RM	Dividends receivable RM	Other assets RM	Total RM
Basic Materials					
- Hong Kong	2,284,864	-	-	-	2,284,864
Consumer Goods					
- Hong Kong	5,011,072	-	-	-	5,011,072
Consumer Services					
- Hong Kong	3,198,326	-	-	-	3,198,326
Industrials					
- Hong Kong	1,863,499	-	-	-	1,863,499
Finance					
- Hong Kong	-	-	-	-	
- Malaysia	-	172,697	-	-	172,697
- Taiwan	-	304,408	-	-	304,408
- United States of America	-	275,040	-	-	275,040
Oil & Gas					
- Hong Kong	6,228,473	-	-	-	6,228,473
Properties					
- Hong Kong	-	-	-	-	-
Technology					
- China	527,576	-	4,845	-	532,421
- Hong Kong	3,476,347	-	-	-	3,476,347
Telecommunications					
- Hong Kong	2,390,816	-	-	-	2,390,816
Utilities					
- Hong Kong	1,039,512	-	-	-	1,039,512
Others	-	-	-	17,981	17,981
	26,020,485	752,145	4,845	17,981	26,795,456

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (continued)

As at 31.07.2010	Quoted Shariah-compliant investments RM	Cash balance and Shariah-compliant deposits RM	Dividends receivable RM	Other assets RM	Total RM
Basic Materials					
- Hong Kong	4,528,831	-	-	-	4,528,831
Consumer Goods					-
- Hong Kong	5,399,511	-	-	-	5,399,511
Consumer Services					-
- Hong Kong	2,455,085	-	-	-	2,455,085
Industrials					-
- China	1,258,168	-	-	-	1,258,168
- Hong Kong	2,057,727	-	-	-	2,057,727
Finance					-
- Hong Kong	-	68,027	-	-	68,027
- Malaysia	-	573,722	-	-	573,722
- Taiwan	-	287,080	-	-	287,080
- United States of America	-	36,380	-	-	36,380
Oil & Gas					-
- Hong Kong	8,242,810	-	-	-	8,242,810
Properties					-
- Hong Kong	383,239	-	-	-	383,239
Technology					-
- China	335,299	-	5,158	-	340,457
- Hong Kong	572,014	-	-	-	572,014
Telecommunications					-
- Hong Kong	6,400,221	-	-	-	6,400,221
Utilities					-
- Hong Kong	3,283,712	-	-	-	3,283,712
Others	-	-	-	44,728	44,728
	34,916,617	965,209	5,158	44,728	35,931,712

(c) Liquidity risk

Liquidity risk is the risk that Shariah-compliant investments cannot be readily sold at or near its actual value without taking a significant discount. This will result in lower net asset value of the Fund. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unitholders. Liquid assets comprise cash, Shariah-compliant deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days. The Fund has a policy of maintaining a minimum level of two percent (2%) of Shariah-compliant liquid assets at all times to reduce the liquidity risk.

	Less than 1 month	1 month above RM RM	Total RM
At 31 January 2011			
Amount due to Manager	535,370	-	535,370
Accrued management Fee	46,678	-	46,678
Amount due to Trustee	2,019	-	2,019
Other payables and accruals	-	14,536	14,536
Contractual cash out flows	584,067	14,536	598,603

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

	Less than 1 month	1 month above RM RM	Total RM
At 31 July 2010			
Amount due to Manager	217,413	-	217,413
Accrued management Fee	55,874	-	55,874
Amount due to Trustee	2,416	-	2,416
Other payables and accruals	-	19,075	19,075
Contractual cash out flows	275,703	19,075	294,778

(d) Single issuer risk

Any major price fluctuation of a particular security invested by the Fund may affect the Fund's net asset value and thus the prices of units.

The single issuer risk is managed by adhering to the investment limits as specified in the SC Guidelines on Unit Trust Funds.

(e) Reclassification of Shariah status risk

The risk refers to the risk that the currently held Shariah-compliant securities in the portfolio of Shariah-compliant funds may be reclassified to be non Shariah-compliant in the periodic review of the securities by the relevant Shariah adviser. If this occurs, the value of the Fund may be adversely affected where the Manager will take the necessary steps to dispose of such securities in accordance with the advice from the Shariah Adviser.

(f) Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund do not follow the rules set out in the Fund’s constitution, or the law that govern the Fund, or act fraudulently or dishonestly. It also includes the risk of the Manager not complying with internal control procedures. The non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the manager.

(g) Capital risk management

The capital of the Fund is represented by equity consisting of unitholders’ capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of shareholders. The Fund’s objective when managing capital is to safeguard the Fund’s ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(h) Foreign market risk

The Fund's investment in the securities of issuers in different nations and denominated in different currencies involve certain risks. These risks are typically heightened in developing countries and emerging markets. Such risks, which can have adverse effects on portfolio holdings, may include:

(1) investment and repatriation restrictions,
(2) currency fluctuations,
(3) the potential for unusual market volatility as compared to more industrialised nations,
(4) government involvement in the private sector,
(5) limited investor information and less stringent investors disclosure requirements,
(6) shallow and substantially smaller liquid securities markets than in more industrialised countries, which means the Fund may at times be unable to sell certain securities at desirable prices,
(7) certain local tax law considerations,
(8) limited regulation of the securities markets,
(9) international and regional political and economic developments,
(10) possible imposition of exchange controls or other local governmental laws or restrictions,
(11) the increased risk of adverse effects from deflation and inflation, and
(12) the possibility of limited legal recourse for the Fund.

For the Fund, foreign market risk is managed through portfolio diversification among markets/countries and investing in companies which are well researched.

4. PROFIT AND HIBAH EARNED

	31.01.2011	02.06.2009 (date of launch) to 31.01.2010
	RM	RM
Profit income from Shariah-compliant deposits with licensed financial institutions	7,386	13,011
Hibah earned	382	-
	7,768	13,011

5. MANAGEMENT FEE

In accordance with Clause 24(1) of the Master Deed, the Manager is entitled to a maximum management fee of up to 3.00% per annum, calculated daily based on the net asset value of the Fund.

For the financial period ended 31 January 2011, the management fee is recognised at a rate of 1.85% per annum (2010:1.85%)

6. TRUSTEE'S FEES

In accordance with Clause 24(2) of the Master Deed, the Trustee is entitled to a maximum fee of 0.20% per annum, calculated daily based on the net asset value of the Fund, subject to a minimum fee of RM18,000 per annum.

For the financial period ended 31 January 2011 trustee fee is recognised at a rate of 0.08% per annum (2010:0.08%)

7. TAXATION

	31.01.2011	02.06.2009 (date of launch) to 31.01.2010
	RM	RM
Current taxation:		
Foreign tax	16,840	60,649

A reconciliation of taxation applicable to net loss before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	31.01.2011	02.06.2009 (date of launch) to 31.01.2010 RM
Net income before finance cost and taxation	2,400,027	(165,956)
Taxation at Malaysian statutory rate of 25%	600,007	(39,829)
Tax effects of:		
Income not subject to tax	(82,047)	(172,282)
Net realised loss on sale of investments not deductible for tax purposes	(608,983)	81,313
Expenses not deductible for tax purposes	13,111	19,342
Restriction on tax deductible expenses for unit trust funds	70,207	172,105
Over provision in prior financial years	24,545	-
Effect of foreign tax on foreign taxable income	-	-
Taxation	16,840	60,649

8. FINANCIAL ASSETS THROUGH PROFIT OR LOSS

Name of counter	Quantity units	Aggregate cost RM	Market value RM	rcentage of net asset value %
As at 31 January 2011				
SECURITIES - FOREIGN				
CHINA				
Technology				
Foxconn International Holdings Ltd	90,000	209,132	195,044	0.74
Alibaba.com Ltd	55,000	339,204	332,532	1.27
	145,000	548,336	527,576	2.01
HONG KONG				
Basic Materials				
China Coal Energy Company Ltd	95,923	521,822	428,564	1.64
Fushan International Energy Group Ltd	198,000	372,222	410,440	1.57
Yanzhou Coal Mining Com Ltd	110,000	852,900	973,844	3.72
Zijin Mining Group Co Ltd	182,000	452,169	440,152	1.68
	585,923	2,199,113	2,253,000	8.61
Consumer Goods				
Belle International Holdings Ltd	254,000	1,100,718	1,330,270	5.08
Hengan International Group Co Ltd	30,000	789,552	687,246	2.62
Li & Fung Ltd	115,000	1,592,835	2,282,282	8.71
Geely Automobile Holdings Ltd	495,000	813,558	711,273	2.72
	894,000	4,296,663	5,011,071	19.13
Consumer Services				
Esprit Holdings Ltd	38,211	911,376	554,311	2.12
GOME Electrical Appliances	429,000	397,982	496,855	1.90
Lifestyle International Hldgs	203,000	1,580,314	1,542,949	5.89
MTR Corporation Ltd	54,000	601,151	604,211	2.31
	724,211	3,490,823	3,198,326	12.21
Industrials				
AAC Acoustic Technologies Holdings Ltd	124,000	661,904	1,022,330	3.90
China Merchants Holdings Co Ltd	47,000	537,886	625,530	2.39
China Shipping Development-H	58,000	257,505	215,639	0.82
	229,000	1,457,295	1,863,499	7.11

8. FINANCIAL ASSETS THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity units	Aggregate cost RM	Market value RM	rcentage of net asset value %
As at 31 January 2011				
SECURITIES - FOREIGN				
HONG KONG (CONTINUED)				
Oil & Gas				
CNOOC Ltd	316,000	1,503,023	2,133,860	8.15
Kunlun Energy Co Ltd	346,000	1,553,660	1,545,855	5.90
PetroChina Company Ltd	600,000	2,310,558	2,548,759	9.73
	1,262,000	5,367,241	6,228,474	23.78
Technology				
Lenovo Group Ltd	444,000	881,158	787,901	3.01
Tencent Holdings Limited	33,900	2,280,082	2,688,446	10.26
	477,900	3,161,240	3,476,347	13.27
Telecommunications				
China Mobile Ltd	79,500	2,695,444	2,390,816	9.13
Utilities				
Hong Kong & China Gas Co Ltd	150,100	1,266,922	1,039,512	3.97
TSR & Warrants				
Kingboard Chemicals Holdings Ltd - Warrant	10,300	113,340	31,865	0.12
TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS	4,557,934	24,596,416	26,020,487	97.31
UNREALISED GAIN ON CHANGE IN VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		3,263,675		
LESS: UNREALISED FOREIGN EXCHANGE LOSS		(1,839,604)		
TOTAL MARKET VALUE OF SHARIAH-COMPLIANT INVESTMENTS		26,020,487		

9. QUOTED SHARIAH-COMPLIANT INVESTMENTS

Name of counter	Quantity units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 31 July 2010				
SECURITIES - FOREIGN				
CHINA				
Industrials				
Haitian International Holdings Ltd	520,000	722,193	1,258,168	3.53
Technology				
Foxconn International Holdings Ltd	150,000	379,197	335,299	0.94
HONG KONG				
Basic Materials				
China Coal Energy Company Ltd	221,000	1,083,878	980,775	2.75
Fushan International Energy Group Ltd	198,000	372,222	363,154	1.02
Kingboard Chemicals Holdings Ltd	125,000	1,784,639	1,839,741	5.16
Yanzhou Coal Mining Com Ltd	132,000	921,394	901,401	2.53
Zijin Mining Group Co Ltd	210,000	432,248	430,730	1.21
	886,000	4,594,381	4,515,801	12.67
Consumer Goods				
Bawang International Group Holding Ltd	182,000	354,884	353,181	0.99
Belle International Holdings Ltd	242,000	961,420	1,186,916	3.33
Hengan International Group Co Ltd	46,000	1,146,831	1,259,888	3.54
Li & Fung Ltd	146,000	1,950,546	2,127,897	5.97
Li Ning Company Ltd	45,000	515,516	471,629	1.32
	661,000	4,929,197	5,399,511	15.15
Consumer Services				
Esprit Holdings Ltd	78,211	1,919,735	1,560,955	4.38
MTR Corporation Ltd	80,000	890,595	894,130	2.51
	158,211	2,810,330	2,455,085	6.89
Industrials				
AAC Acoustic Technologies Holdings Ltd	230,000	1,059,035	1,299,436	3.65
China Merchants Holdings Co Ltd	63,000	720,996	758,291	2.13
	293,000	1,780,031	2,057,727	5.78

9. QUOTED SHARIAH-COMPLIANT INVESTMENTS (CONTINUED)

Name of counter	Quantity units	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 31 July 2010				
SECURITIES – FOREIGN				
HONG KONG				
Oil & Gas				
China Automation Group Ltd	388,000	983,332	859,363	2.41
CNOOC Ltd	602,000	2,863,354	3,223,681	9.05
Kunlun Energy Co Ltd	224,000	1,059,877	928,061	2.60
PetroChina Company Ltd	896,000	3,450,636	3,231,705	9.07
	2,110,000	8,357,199	8,242,810	23.13
Properties				
Longfor Properties Co Ltd	110,000	386,305	383,239	1.08
Technology				
Lenovo Group Ltd	280,000	548,361	572,014	1.61
Telecommunications				
China Mobile Ltd	98,500	3,362,980	3,167,599	8.89
China Unicom (Hong Kong) Ltd	752,000	3,196,937	3,232,622	9.07
	850,500	6,559,917	6,400,221	17.96
Utilities				
Hong Kong & China Gas Co Ltd	246,100	1,980,198	1,954,615	5.48
Hong Kong Electric Holdings Ltd	69,000	1,360,379	1,329,097	3.73
	315,100	3,340,577	3,283,712	9.21
TSR & Warrants				
Kingboard Chemicals Holdings Ltd - Warrant	10,300	-	13,030	0.04
TOTAL QUOTED SHARIAH-COMPLIANT INVESTMENTS	6,344,111	34,407,688	34,916,617	97.99
FAIR VALUE RESERVE		2,312,211		
LESS: UNREALISED FOREIGN EXCHANGE LOSS		(1,803,282)		
TOTAL MARKET VALUE OF SHARIAH-COMPLIANT INVESTMENTS		34,916,617		

10. CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)

	31.01.2011	31.07.2010
	RM	RM
Deposits with a licensed financial institution	-	553,000
Bank balance in a licensed bank	752,146	412,209
	752,146	965,209

The currency exposure profile of cash and cash equivalents are as follows:

	31.01.2011	31.07.2010
	RM	RM
-Hong Kong Dollar	-	68,027
-Taiwan Dollar	304,408	287,080
-Ringgit Malaysia	172,697	573,722
-United States Dollar	275,041	36,380
	752,146	965,209

11. NUMBER OF UNITS IN CIRCULATION AND NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

		31.01.2011		02.06.2009 (date of launch) to 31.07.2010
	No. of units	RM	No. of units	RM
At the beginning of the financial period	145,203,375	35,636,934	-	-
Add: Creation of units	6,561,336	1,738,674	388,511,303	100,504,230
Less: Cancellation of units	(51,655,848)	(13,561,942)	(243,307,928)	(62,960,848)
Net decrease in net assets attributable to unitholders	-	2,383,187	-	(4,218,659)
Net change in fair value reserve	-	-	-	2,312,211
At the end of the financial period	100,108,863	26,196,853	145,203,375	35,636,934
Approved size of the Fund	600,000,000		600,000,000	

As at 31 January 2011, the number of units not yet issued is 499,891,137 (2010: 454,796,625)

12. MANAGEMENT EXPENSE RATIO ("MER")

	31.01.2011	02.06.2009 (date of launch) to 31.01.2010 %
MER	1.67	1.52

MER is derived from the following calculation:

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

A = Management fee
B = Trustee's fee
C = Auditors' remuneration
D = Tax agent's fee
E = Administration expenses
F = Average net asset value of the Fund calculation on a daily basis

The average net asset value of the Fund for the financial period calculated on daily basis is RM 22,727,915 (2010: RM 60,088,158)

13. PORTFOLIO TURNOVER RATIO ("PTR")

	31.01.2011	02.06.2009 (date of launch) to 31.01.2010 %
PTR	0.98	1.83

PTR is derived from the following calculation:

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

where:
total acquisition for the financial period = RM 17,467,646 (2010: RM138,276,342)
total disposal for the financial period = RM 27,278,917 (2010: RM81,146,280)

14. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

Related parties	Relationship
CIMB-Principal Asset Management Berhad	The Manager
CIMB Group Sdn Bhd	Holding company of the Manager
CIMB Group Holdings Berhad ("CIMB")	Ultimate holding company of the Manager
Subsidiaries and associates of CIMB as disclosed in its financial statements	Subsidiary and associated companies of the ultimate holding company of the Manager

Units held by the Manager and parties related to the Manager

	31.01.2011		02.06.2009 (date of launch) to 31.01.2010	
Manager	**Units**	**RM**	**Units**	**RM**
CIMB-Principal Asset Management Berhad	49,218	12,922	-	-

The above units were transacted at the prevailing market price.

The units are held beneficially by the Manager for bookings purpose. Other than the above, there were no units held by Directors or parties related to the Manager.

In addition to related party disclosure mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on terms and conditions obtained in transactions with unrelated parties unless otherwise stated. Profit rates on fixed and short-term deposits were at normal commercial rates.

	31.01.2011	02.06.2009 (date of launch) to 31.01.2010
	RM	**RM**
Significant related party transactions		
Profit income from Shariah-compliant deposits with licensed financial institution:		
-CIMB Islamic Bank Berhad	1,970	-

15. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with top brokers/dealers for the financial year ended 31 January 2011 are as follows:

Brokers/dealers	Values of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
CLSA Ltd. HK	26,805,229	23.15	29,350	23.83
Nomura Sec Singapore Pte Ltd	11,125,797	9.61	6,859	5.57
China International Capital Co	16,189,626	13.98	15,860	12.88
BNP Paribas Sec Indonesia	18,796,182	16.24	28,255	22.94
Credit Suisse Se HK Ltd	9,457,419	8.17	7,225	5.87
UOB Kay Hian Private Ltd SG	4,516,724	3.90	-	-
Credit Suisse Sec (S) Pte Ltd	7,935,367	6.85	8,575	6.96
Morgan Stanley	7,326,013	6.33	12,742	10.35
JPMorgan Securities M S B	6,360,595	5.49	6,470	5.25
DBS Vickers Sec SIN Pte Ltd	4,621,895	3.99	3,699	3.00
Others	2,636,771	2.28	4,131	3.35
	115,771,618	100	123,166	100

Details of transactions with top brokers/dealers for the financial period from 2 June 2009 (date of launch) to 31 July 2010 are as follows:

Brokers/dealers	Values of trades RM	Percentage of total trades %	Brokerage fees RM	Percentage of total brokerage fees %
Citigroup Glo Mkts SIN Pte Ltd	48,030,750	21.54	92,202	18.61
BNP Paribas Sec Indonesia	31,873,573	14.28	79,467	16.04
China International Capital Co.	21,815,932	9.76	54,418	10.98
CLSA Ltd. HK	21,033,749	9.42	48,136	9.71
CIMB-GK Securities Pte Ltd #	20,948,044	9.38	41,806	8.44
UOB Kay Hian Private Ltd	17,143,268	7.68	34,220	6.91
J.P. Morgan Sec Singapore	16,465,108	7.38	26,030	5.25
Nomura Sec Singapore Pte Ltd	15,261,124	6.83	38,058	7.68
Macquarie Sec Ltd Taiwan Br	11,219,129	5.02	38,391	7.75
Credit Suisse Sec (S) Pte Ltd	5,920,999	2.65	9,444	1.91
Others	13,502,030	6.05	33,362	6.73
	223,213,711	100.00	495,533	100.00

\# Included in transactions by the Fund are trades conducted on normal terms with CIMB-GK Securities Pte Ltd, a company related to the Manager amounting to RM 20,948,044 on 31 July 2010.

16. SEGMENT INFORMATION

The strategic asset allocation committee of the Investment Manager makes the strategic resource allocations on behalf of the fund. The Fund has determined the operating segments based on the reports reviewed by this committee that are used to make strategic decisions.

The committee is responsible for the Fund's entire portfolio and considers the business to have a single operating segment. The committee's asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The reportable operating segments derive their income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within each portfolio. These returns consist of profit, dividends and gains on the appreciation in the value of investments.

There were no changes in the reportable segments during the period.

The segment information provided to the strategic allocation committee for the reportable segments is as follows:

For the financial period ended 31 January 2011:

	Equity portfolio RM
Dividend income	320,802
Net realised gain on sale of financial assets at fair value through profit or loss	2,897,852
Net foreign currency exchange loss	(461,918)
Total net segment income	2,756,736
Financial assets at fair value through profit or loss	26,020,487
Total segment assets	26,020,487

For financial period from 2 June 2009 (date of commencement) to 31 January 2010:

	Equity portfolio RM
Dividend income	703,152
Net realised gain on sale of financial assets at fair value through profit or loss	1,960,122
Net foreign currency exchange loss	(1,990,994)
Total net segment income	672,280
Financial assets at fair value through profit or loss	34,916,617
Total segment assets	34,916,617

16. SEGMENT INFORMATION (CONTINUED)

A reconciliation of total net segmental profit to operating profit is provided as follows:

	31.01.2011 RM
Total net segmental income	2,756,736
Profit income from deposits with licensed financial institutions	7,768
Other fees and expenses	(364,477)
Net profit before finance cost and taxation	2,400,027
Taxation	(16,840)
Net profit for the financial period	2,383,187

	02.06.2009 (date of launch) to 31.01.2010 RM
Total net segmental income	672,280
Profit and hibah earned	13,011
Other fees and expenses	(790,598)
Net loss before finance cost and taxation	(105,307)
Taxation	(60,649)
Net loss for the financial year	(165,956)

16. SEGMENT INFORMATION (CONTINUED)

Reportable segments' assets and liabilities are reconciled to total assets and total liabilities as follows:

	31.01.2011 RM	02.06.2009 (date of launch) to 31.07.2010 RM
Total segment assets	26,020,487	34,916,617
Bank balances licensed banks	752,146	965,209
Other receivables	22,823	49,886
Total assets	26,795,456	35,931,712
Total segment liabilities	-	-
Amount due to manager	535,370	217,413
Amount due to trustee	2,019	2,416
Other payables and accrued expenses	61,214	74,949
Total liabilities	598,603	294,778

The Fund's other receivables and other payables and accrued expenses are not considered to be segment assets and segment liabilities respectively and are managed by the administration function.

17. CHANGES IN ACCOUNTING POLICIES

Amendment FRS 132, "Financial Instruments: Presentation"

The effects as a result of adoption of the amendment on the statement of financial position for the prior periods are set out below.

31 July 2010

	As previously stated RM	Adjustment RM	As restated RM
Financial liability	35,636,934	(35,636,934)	-
Unitholders' capital	-	37,543,382	37,543,382
Retained earnings	-	(4,218,659)	(4,218,659)
Fair value reserve	-	2,312,211	2,312,211
	-	35,636,934	35,636,934

17. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(a) Amendment FRS 132 “Financial Instruments: Presentation” (continued)

Effect of changes in accounting policy on the balance sheet as at 31 January 2011 and Statement of Changes in Equity for the period ended 31 January 2011 is set out below:

	Previously accounting policy RM	Change in Accounting policy RM	Revised accounting policy RM
Financial liability	26,196,853	(26,196,853)	-
Unitholders' capital	-	25,720,114	25,720,114
Retained earnings	-	476,739	476,739
Fair value reserve	-	-	-
	-	26,196,853	26,196,853

(b) FRS 139 “Financial Instruments: Recognition and Measurement”

The effects as a result of adoption of the new standard on the opening balances of the Statement of Financial Position at the beginning of the financial period are set out below.

1 August 2010

	As previously stated RM	Adjustment RM	As restated RM
Unitholders' capital	37,543,382	-	37,543,382
Retained earnings	(4,218,659)	2,312,211	(1,906,448)
Fair value reserve	2,312,211	(2,312,211)	-
	35,636,934	-	35,636,934

Efect of changes in accounting policy on the balance sheet as at 31 January 2011 and Statement of Changes in Equity for the period ended 31 January 2011 is set out below:

	Previously accounting policy RM	Change in Accounting policy RM	Revised Accounting policy RM
Financial assets at fair value through profit or loss	-	26,020,487	26,020,487
Quoted investment	26,020,487	(26,020,487)	-
Retained earnings	(2,786,936)	3,263,675	476,739
Fair value reserve	3,263,675	(3,263,6750	-

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• No 13B, 2nd Floor, Jalan Mamanda 7/1, Off Jalan Ampang, 68000 Ampang, Selangor.	03-42702970
• 39-3 & 41-3, Jalan Radin Anum, Bandar Baru Sri Petaling, 57000 Kuala Lumpur.	03-90592333
• 61, Jalan Melaka Raya 24,Taman Melaka Raya, 75000 Melaka.	06-2811111
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