

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

SEMI-ANNUAL REPORT

For the period ended 31 March 2021 (unaudited)

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PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

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PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

MANAGER'S INVESTMENT REPORT

1. The Fund

The investment objective of the Fund is to seek to provide a high level of income and moderate long-term capital appreciation by tracking, as closely as possible, before expenses, the performance of the SGX APAC Ex-Japan Dividend Leaders REIT Index (the "Index"). By tracking the Index which is ranked and weighted by total dividends, the Fund aims to enhance risk-adjusted returns above that of traditional market capitalisation-weighted indices as the 30 REITs comprising the Index will be ranked and weighted according to the highest total dividends paid in the preceding 12 months subject to size, free-float market capitalisation and liquidity constraints.

Details of the fund

	31 March 2021
	US\$
NAV per share	1.019
Net Assets Attributable to unitholders	15,855,479

Fund Currency	US Dollar
Listing Date on SGX-ST	20 October 2016
Stock code on SGX-ST	BYI for PHLP AP DIV REIT US Dollars BYJ for PHLP AP DIV REIT Singapore Dollars

The Fund is classified as an Excluded Investment Product (EIP).

2. Distribution of Investments

Please refer to Statement of Portfolio on pages 11 – 13.

3. Schedule of Investments by Asset Class

	Fair value at 31 March 2021	Percentage of total net assets attributable to unitholders at 31 March 2021
	US\$	%
Quoted Real Estate Investment Trusts	16,813,733	106.04
Cash and cash equivalents	177,840	1.12
Other net liabilities	(1,136,094)	(7.16)
Net assets attributable to unitholders	<u>15,855,479</u>	<u>100.00</u>

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

MANAGER'S INVESTMENT REPORT (continued)

4. Top 10 Holdings

10 largest holdings at 31 March 2021

	Fair value at 31 March 2021 US\$	Percentage of total net assets attributable to unitholders at 31 March 2021 %
Link REIT	1,629,738	10.28
Dexus	1,325,859	8.36
Mirvac Group	1,314,675	8.29
Stockland Corporation Ltd	1,250,762	7.89
Goodman Group Pty Ltd	1,232,699	7.77
Scentre Group	1,185,478	7.48
Ascendas Real Estate Investment Trust	1,088,179	6.86
The GPT Group	1,059,398	6.68
Mapletree Logistics Trust	511,665	3.23
CapitaLand Integrated Commercial Trust	477,126	3.01

10 largest holdings at 31 March 2020

	Fair value at 31 March 2020 US\$	Percentage of total net assets attributable to unitholders at 31 March 2020 %
Link REIT	1,484,727	12.91
Ascendas Real Estate Investment Trust	802,079	6.97
Goodman Group Pty Ltd	785,638	6.83
Dexus	730,960	6.35
Scentre Group	701,117	6.1
Stockland Corporation Ltd	631,336	5.49
Mirvac Group	600,123	5.22
The GPT Group	579,742	5.04
CapitaLand Mall Trust	440,840	3.83
Vicinity Centres Re Ltd	389,777	3.39

5. (i) Exposure to financial derivatives as at 31 March 2021

	Notional amount US\$	Fair value assets US\$	Fair value liabilities US\$
Foreign exchange contracts	3,338,227	1,051,567	(1,053,227)

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MANAGER'S INVESTMENT REPORT (continued)

5. (ii) Net gains/(losses) on derivative contracts realised for the period ended 31 March 2021

	Net realised losses US\$
Foreign exchange contracts	(2,225)

(iii) Net gains/(losses) on outstanding derivative contracts marked to market as at 31 March 2021

	Net unrealised losses US\$
Foreign exchange contracts	(1,660)

(iv) Description of the method used to calculate the global exposure of financial derivatives

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

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

6. Amount and percentage of total fund size invested in other unit trusts, mutual funds and collective investment schemes as at 31 March 2021

	US\$	%
Real Estate Investment Trusts	16,813,733	106.04

7. Amount and percentage of borrowings of total fund size as at 31 March 2021

Nil.

8. Amount of units created and cancelled for the period ended 31 March 2021

	US\$
Total amount of subscriptions	-
Total amount of redemptions	-

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

MANAGER'S INVESTMENT REPORT (continued)

9. Distribution

	31 March 2021
Interim (0.015 cents per unit based on units outstanding as at 11 January 2021)	<u>233,250</u>

10. Performance of the Fund

As at 31 March 2021:

Cumulative (%)*	US\$	Benchmark US\$
3 Months	-0.17	0.11
6 Months	14.47	17.13
1 Year	41.83	51.46
3 Years	15.54	21.17
Since inception (20 Oct 2016)	25.75	33.92
Annualised (%)*		
1 Year	41.83	51.46
3 Years	4.93	6.61
Since inception (20 Oct 2016)	5.29	6.79

* Returns are calculated on a bid-to-bid basis, with net dividends reinvested. The benchmark for which the Fund is measured against is the SGX APAC ex Japan Dividend Leaders REIT Index.

11. Related party transactions for the period ended 31 March 2021

The Manager may use the services of related parties of the Manager to carry out transactions involving the purchase and sale of securities.

	31 March 2021 US\$	31 March 2020 US\$
Brokerage fees paid to a related party of the Manager	-	-
	31 March 2021 US\$	30 September 2020 US\$
Bank balances held with a related party of the Trustee	<u>177,840</u>	<u>141,561</u>

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

MANAGER'S INVESTMENT REPORT (continued)

12. Financial ratios

Expense ratio

		31 March 2021	31 March 2020
Total operating expenses (annualised)	US\$	154,221	181,266
Average daily net asset value	US\$	14,264,216	15,852,172
Total expense ratio¹	%	1.08	1.14

¹ The expense ratio has been computed based on the guidelines laid down by the IMAS. The calculation of the expense ratio is based on total operating expenses divided by the average net asset value for the preceding 12 months at the close of the semi-annual financial statements. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fees, interest expenses, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The average net asset values are based on the daily balances.

Turnover ratio

		31 March 2021	31 March 2020 (Restated)
Total value of purchases/sales	US\$	2,193,423	1,090,860
Average daily net asset value	US\$	15,334,786	16,218,977
Total turnover ratio²	%	14.30	6.73

² The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments, divided by the average daily net asset value. In line with Statement of Recommended Accounting Practice 7 "Reporting framework for Unit Trusts" ("RAP 7") issued by the Institute of Singapore Chartered Accountants, total value of purchases or sales do not include brokerage and other transaction costs.

The comparative information is restated on account of a correction of the turnover ratio to reflect for period under review in accordance to the Code of Collective Investment Scheme.

13. Soft dollar commissions/arrangements

The Manager is entitled to and intends to receive or enter into soft-dollar commissions or arrangements in respect of the Fund. The Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Manager may receive include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis and custodial services in relation to the investments managed for clients. The soft dollar credits utilised are not allocated on a specific client basis. The brokers also execute trades for other funds managed by the Manager.

MANAGER'S INVESTMENT REPORT (continued)

13. Soft dollar commissions/arrangements (continued)

Soft-dollar commissions or arrangements shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

The Manager will not accept or enter into soft dollar commissions or arrangements unless such soft-dollar commissions or arrangements would, in the opinion of the Manager, be reasonably expected to assist the Manager in their management of the Fund, provided that the Manager shall ensure at all times that transactions are executed on a "best execution" basis taking into account the relevant market at the time for transactions of the kind and size concerned, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions or arrangements.

The Manager does not, and is not entitled to, retain cash or commission rebates for their own account in respect of rebates earned when transacting in securities for account of the Fund.

14. Any other material information that will adversely impact the valuation of the Fund

Nil.

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

Statement of Total Return (Unaudited) For the financial period ended 31 March 2021

	31 March 2021 US\$	31 March 2020 US\$
Income		
Dividend income	369,446	394,133
Other income	3,409	-
	<u>372,855</u>	<u>394,133</u>
Expenses		
Management fee	22,774	24,348
Valuation fee	8,547	8,551
Audit fee	5,976	6,009
Trustee fee	5,928	6,000
Custody fee	3,000	5,497
Transaction costs	-	(3,842)
Other expenses	39,800	51,869
	<u>86,025</u>	<u>98,432</u>
Net income	<u>286,830</u>	<u>295,701</u>
Net gains or losses on value of investments and financial derivatives		
Net gains/(losses) on investments	1,478,329	(6,076,747)
Net losses on financial derivatives	(3,885)	-
Net foreign exchange gain/(loss)	576,215	(44,533)
	<u>2,050,659</u>	<u>(6,121,280)</u>
Total return for the financial period before income tax	2,337,489	(5,825,579)
Less: Income tax	(40,718)	(48,148)
Total return for the financial period after income tax	<u>2,296,771</u>	<u>(5,873,727)</u>

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

Statement of Financial Position (Unaudited) As at 31 March 2021

	31 March 2021 US\$	30 September 2020 US\$
Assets		
Portfolio of investments	16,813,733	13,669,414
Receivables	23,083	33,551
Cash and cash equivalents	177,840	141,561
Financial derivatives at fair value	1,051,567	-
Total assets	<u>18,066,223</u>	<u>13,844,526</u>
Liabilities		
Payables	49,346	52,568
Purchases awaiting settlement	1,108,171	-
Financial derivatives at fair value	1,053,227	-
Total liabilities	<u>2,210,744</u>	<u>52,568</u>
Equity		
Net assets attributable to unitholders	<u>15,855,479</u>	<u>13,791,958</u>

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

Statement of Movements of Unitholders' Funds (Unaudited) For the financial period ended 31 March 2021

	31 March 2021 US\$	30 September 2020 US\$
Net assets attributable to unitholders at the beginning of the financial period	13,791,958	14,920,027
Operations		
Change in net assets attributable to unitholders resulting from operations	2,296,771	(2,837,304)
Unitholders' contributions/(withdrawals)		
Creation of units	-	2,723,600
Cancellation of units	-	(555,900)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	-	2,167,700
Distributions	(233,250)	(458,465)
Total increase/(decrease) in net assets attributable to unitholders	<u>2,063,521</u>	<u>(1,128,069)</u>
Net assets attributable to unitholders at the end of the financial period	<u>15,855,479</u>	<u>13,791,958</u>

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

Statement of Portfolio (Unaudited) As at 31 March 2021

	Holdings as at 31 March 2021	Fair value as at 31 March 2021 US\$	Percentage of total net assets attributable to unitholders as at 31 March 2021 %
By Geography (Primary)			
Quoted			
Australia			
Charter Hall Group	38,350	376,186	2.38
Charter Hall Long Wale REIT	100,522	361,347	2.28
Charter Hall Retail REIT	72,191	211,122	1.33
Cromwell Property Group	376,023	236,259	1.49
Dexus	178,555	1,325,859	8.36
Goodman Group Pty Ltd	89,326	1,232,699	7.77
Mirvac Group	690,490	1,314,675	8.29
Scentre Group	551,980	1,185,478	7.48
Shopping Centres Australasia Property Group	135,988	259,953	1.64
Stockland Corporation Ltd	373,251	1,250,762	7.89
The GPT Group	302,399	1,059,398	6.68
Vicinity Centres Re Ltd	228,131	287,543	1.81
Waypoint REIT	111,076	212,332	1.34
		9,313,613	58.74
Hong Kong			
Champion Real Estate Investment Trust	306,062	179,557	1.13
Fortune REIT	314,200	301,155	1.90
Link REIT	178,919	1,629,738	10.28
		2,110,450	13.31

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

Statement of Portfolio (Unaudited) (continued) As at 31 March 2021

	Holdings as at 31 March 2021	Fair value as at 31 March 2021 US\$	Percentage of total net assets attributable to unitholders as at 31 March 2021 %
By Geography (Primary)			
Quoted			
Singapore			
Ascendas India Trust	191,887	211,319	1.33
Ascendas Real Estate Investment Trust	479,477	1,088,179	6.86
CapitaLand Integrated Commercial Trust	295,488	477,126	3.01
Frasers Centrpoint Trust	126,232	231,067	1.46
Frasers Logistics and Industrial Trust	357,200	385,401	2.43
Keppel DC REIT	125,000	251,135	1.58
Keppel REIT	269,308	244,479	1.54
Mapletree Commercial Trust	244,299	385,381	2.43
Mapletree Industrial Trust REIT	225,306	459,363	2.90
Mapletree Logistics Trust	356,283	511,665	3.23
Mapletree North Asia Commercial Trust	391,944	309,146	1.95
Suntec Real Estate Investment Trust	270,314	313,781	1.98
		4,868,042	30.70
Thailand			
CPN Retail Growth Leasehold REIT	357,900	239,337	1.51
		239,337	1.51
United States			
Manulife US Real Estate Investment Trust	386,700	282,291	1.78
		282,291	1.78
Portfolio of investments		16,813,733	106.04
Other net liabilities		(958,254)	(6.04)
Net assets attributable to unitholders		15,855,479	100.00

PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

Statement of Portfolio (Unaudited) (continued) As at 31 March 2021

	Fair value as at 31 March 2021 US\$	Percentage of total net assets attributable to unitholders as at 31 March 2021 %	Percentage of total net assets attributable to unitholders as at 30 September 2020 %
By Geography (Primary)			
Quoted			
Australia	9,313,613	58.74	52.12
Hong Kong	2,110,450	13.31	13.22
Singapore	4,868,042	30.70	30.78
Thailand	239,337	1.51	1.36
United States	282,291	1.78	1.63
Portfolio of investments	16,813,733	106.04	99.11
Other net (liabilities)/assets	(958,254)	(6.04)	0.89
Net assets attributable to unit holders	15,855,479	100.00	100.00
By Industry (Secondary)			
Real Estate Investments Trusts*	16,813,733	106.04	99.11
Portfolio of investments	16,813,733	106.04	99.11
Other net (liabilities)/assets	(958,254)	(6.04)	0.89
Net assets attributable to unitholders	15,855,479	100.00	100.00

* A trust or company is defined as a Real Estate Investments Trusts, if such trust's or company's business sector is classified as "Residential and Commercial REITs" under the Thomson Reuters Business Classification.