

# **PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF**

## **SEMI-ANNUAL REPORT**

For the period ended 31 March 2023 (unaudited)

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# PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

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## **DIRECTORY**

### **MANAGER**

Phillip Capital Management (S) Ltd  
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Singapore 179101  
(Company Registration No. 199905233W)

### **DIRECTORS OF THE MANAGER**

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Jeffrey Lee Chay Khiong  
Linus Lim Wen Sheong  
Lim Wah Sai  
Louis Wong Wai Kit

### **TRUSTEE & REGISTRAR**

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### **AUDITORS**

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### **SOLICITORS TO THE MANAGER**

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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

	<b>31 March 2023</b>
	<b>US\$</b>
NAV per share	0.854
Net Assets Attributable to unitholders	10,429,552

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

	<b>Fair value at 31 March 2023</b>	<b>Percentage of total net assets attributable to unitholders at 31 March 2023</b>
	<b>US\$</b>	<b>%</b>
Quoted Real Estate Investment Trusts	10,308,164	98.84%
Cash and cash equivalents	139,328	1.34%
Other net liabilities	(17,940)	-0.18%
Net assets attributable to unitholders	<u>10,429,552</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 2023

	Fair value at 31 March 2023 US\$	Percentage of total net assets attributable to unitholders at 31 March 2023 %
Link REIT	1,043,654	10.01
Scentre Group	875,740	8.40
CapitaLand Integrated Commercial Trust	699,830	6.71
Stockland Corporation Ltd	685,992	6.58
Dexus	585,307	5.61
Vicinity Centres Re Ltd	554,131	5.31
Goodman Group Pty Ltd	545,684	5.23
Capitaland Ascendas REIT	543,073	5.21
The GPT Group	501,480	4.81
Mirvac Group	432,509	4.15

##### 10 largest holdings at 31 March 2022

	Fair value at 31 March 2022 US\$	Percentage of total net assets attributable to unitholders at 31 March 2022 %
Link REIT	1,435,900	9.99
Scentre Group	1,201,055	8.36
Stockland Corporation Ltd	924,152	6.43
Goodman Group Pty Ltd	917,226	6.38
CapitaLand Integrated Commercial Trust	889,214	6.19
Dexus	889,043	6.19
The GPT Group	874,309	6.09
Vicinity Centres Re Ltd	840,763	5.85
Ascendas Real Estate Investment Trust	651,566	4.53
Mirvac Group	632,886	4.40

#### 5. (i) Exposure to financial derivatives as at 31 March 2023

Nil

## PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

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### MANAGER'S INVESTMENT REPORT (continued)

5. (ii) Net gains/(losses) on derivative contracts realised for the period ended 31 March 2023

	Net realised losses US\$
Foreign exchange contracts	(10,972)

(iii) Net gains/(losses) on outstanding derivative contracts marked to market as at 31 March 2023

Nil.

(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 2023

	US\$	%
Real Estate Investment Trusts	10,308,164	98.84

7. Amount and percentage of borrowings of total fund size as at 31 March 2023

Nil.

8. Amount of units created and cancelled for the period ended 31 March 2023

	US\$
Total amount of subscriptions	-
Total amount of redemptions	(265,650)

## PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

### MANAGER'S INVESTMENT REPORT (continued)

#### 9. Distribution

	<b>31 March 2023 US\$</b>
Interim (0.023 cents per unit based on units outstanding as at 11 January 2023)	<u>280,600</u>

#### 10. Performance of the Fund

As at 31 March 2023:

<b>Cumulative (%)*</b>	<b>US\$</b>	<b>Benchmark US\$</b>
3 Months	-0.17	0.14
6 Months	10.68	12.28
1 Year	-15.37	-14.92
3 Years	32.87	38.97
5 Years	4.23	11.18
Since inception (20 Oct 2016)	13.75	22.87
<b>Annualised (%)*</b>		
1 Year	-15.37	-14.92
3 Years	9.94	11.59
5 Years	0.83	2.14
Since inception (20 Oct 2016)	2.02	3.25

\* Returns are calculated on a NAV-to-NAV 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 2023

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

	<b>31 March 2023 US\$</b>	<b>30 September 2022 US\$</b>
Bank balances held with a related party of the Trustee	<u>139,328</u>	<u>133,763</u>

## PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

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### MANAGER'S INVESTMENT REPORT (continued)

#### 12. Financial ratios

##### Expense ratio

		31 March 2023	31 March 2022
Total operating expenses (annualised)	US\$	136,227	163,307
Average daily net asset value	US\$	11,536,385	15,915,450
<b>Total expense ratio<sup>1</sup></b>	<b>%</b>	<b>1.18</b>	<b>1.03</b>

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<sup>1</sup> 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 2023	31 March 2022
Total value of purchases/sales	US\$	824,199	1,930,200
Average daily net asset value	US\$	10,540,838	14,173,394
<b>Total turnover ratio<sup>2</sup></b>	<b>%</b>	<b>7.82</b>	<b>13.62</b>

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<sup>2</sup> 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.

#### 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 2023

	<b>31 March 2023 US\$</b>	<b>31 March 2022 US\$</b>
<b>Income</b>		
Dividend income	297,264	319,960
Other income	1,745	6,993
	<u>299,009</u>	<u>326,953</u>
<b>Expenses</b>		
Management fee	15,770	21,179
Valuation fee	8,692	8,451
Audit fee	7,695	5,984
Trustee fee	6,000	6,005
Custody fee	5,310	4,138
Transaction costs	1,005	3,963
Other expenses	34,659	47,335
	<u>79,131</u>	<u>97,055</u>
<b>Net income</b>	<u>219,878</u>	<u>229,898</u>
<b>Net gains or losses on value of investments, financial derivatives and foreign exchange</b>		
Net gains on investments	921,377	280,067
Net (losses)/gains on financial derivatives	(10,972)	1,979
Net foreign exchange gains	4,117	169,331
	<u>914,522</u>	<u>451,377</u>
<b>Total return for the financial period before income tax</b>	1,134,400	681,275
Less: Income tax	(28,418)	(30,398)
<b>Total return for the financial period after income tax</b>	<u>1,105,982</u>	<u>650,877</u>

## PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

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### Statement of Financial Position (Unaudited) As at 31 March 2023

	<b>31 March 2023 US\$</b>	<b>30 September 2022 US\$</b>
<b>Assets</b>		
Portfolio of investments	10,308,164	9,783,156
Receivables	30,505	8,011
Cash and cash equivalents	139,328	133,763
<b>Total assets</b>	<u>10,477,997</u>	<u>9,924,930</u>
<b>Liabilities</b>		
Payables	<u>48,445</u>	<u>55,110</u>
<b>Total liabilities</b>	<u>48,445</u>	<u>55,110</u>
<b>Equity</b>		
Net assets attributable to unitholders	<u>10,429,552</u>	<u>9,869,820</u>

## PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

### Statement of Movements of Unitholders' Funds (Unaudited) For the financial period ended 31 March 2023

	<b>31 March 2023 US\$</b>	<b>30 September 2022 US\$</b>
<b>Net assets attributable to unitholders at the beginning of the financial period</b>	9,869,820	17,280,132
<b>Operations</b>		
Change in net assets attributable to unitholders resulting from operations	1,105,982	(2,666,262)
<b>Unitholders' contributions/(withdrawals)</b>		
Creation of units	-	496,500
Cancellation of units	(265,650)	(4,801,600)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(265,650)	(4,305,100)
Distributions	(280,600)	(438,950)
<b>Total decrease in net assets attributable to unitholders</b>	(559,732)	(7,410,312)
<b>Net assets attributable to unitholders at the end of the financial period</b>	<u>10,429,552</u>	<u>9,869,820</u>

## PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

### Statement of Portfolio (Unaudited) As at 31 March 2023

	Holdings as at 31 March 2023	Fair value as at 31 March 2023 US\$	Percentage of total net assets attributable to unitholders as at 31 March 2023 %
<b>By Geography (Primary)</b>			
<b>Quoted</b>			
<b>Australia</b>			
Charter Hall Group	23,408	172,382	1.65
Charter Hall Long Wale REIT	74,365	208,601	2.00
Charter Hall Retail REIT	59,932	150,863	1.45
Dexus	116,415	585,307	5.61
Goodman Group Pty Ltd	43,379	545,684	5.23
Mirvac Group	310,597	432,509	4.15
National Storage REIT	84,490	141,976	1.36
Region Group	121,284	190,812	1.83
Scentre Group	475,672	875,740	8.40
Stockland Corporation Ltd	257,455	685,992	6.58
The GPT Group	176,666	501,480	4.81
Vicinity Centres Re Ltd	425,557	554,131	5.31
Waypoint REIT	55,988	97,080	0.93
		<u>5,142,557</u>	<u>49.31</u>
<b>Hong Kong</b>			
Fortune REIT	169,500	140,340	1.35
Link REIT	162,243	1,043,654	10.01
		<u>1,183,994</u>	<u>11.36</u>

## PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

### Statement of Portfolio (Unaudited) (continued) As at 31 March 2023

	Holdings as at 31 March 2023	Fair value as at 31 March 2023 US\$	Percentage of total net assets attributable to unitholders as at 31 March 2023 %
<b>By Geography (Primary)</b>			
<b>Quoted</b>			
<b>Singapore</b>			
Capitaland Ascendas REIT	252,377	543,073	5.21
Capitaland Ascott Trust	197,100	147,554	1.41
Capitaland India Trust	129,187	105,947	1.02
CapitaLand Integrated Commercial Trust	469,770	699,830	6.71
CapitaRetail China Trust	126,700	106,767	1.02
ESR-LOGOS REIT	890,400	217,726	2.09
Frasers Centrepoint Trust	90,532	155,984	1.50
Frasers Logistics and Industrial Trust	262,003	258,238	2.48
Keppel DC REIT	116,680	180,845	1.73
Keppel REIT	224,808	149,692	1.44
Mapletree Commercial Trust	304,499	412,383	3.95
Mapletree Industrial Trust REIT	192,850	343,883	3.30
Mapletree Logistics Trust	287,294	369,628	3.54
Suntec Real Estate Investment Trust	169,414	182,275	1.74
		3,873,825	37.14
<b>United States</b>			
Manulife US Real Estate Investment Trust	501,340	107,788	1.03
		107,788	1.03
<b>Portfolio of investments</b>		10,308,164	98.84
<b>Other net assets</b>		121,388	1.16
<b>Net assets attributable to unitholders</b>		10,429,552	100.00

## PHILLIP SGX APAC DIVIDEND LEADERS REIT ETF

### Statement of Portfolio (Unaudited) (continued) As at 31 March 2023

	Fair value as at 31 March 2023 US\$	Percentage of total net assets attributable to unitholders as at 31 March 2023 %	Percentage of total net assets attributable to unitholders as at 30 September 2022 %
<b>By Geography (Primary)</b>			
<b>Quoted</b>			
Australia	5,142,557	49.31	52.39
Hong Kong	1,183,994	11.36	11.58
Singapore	3,873,825	37.14	35.15
United States	107,788	1.03	-
<b>Portfolio of investments</b>	10,308,164	98.84	99.12
<b>Other net assets</b>	121,388	1.16	0.88
<b>Net assets attributable to unit holders</b>	10,429,552	100.00	100.00
<b>By Industry (Secondary)</b>			
Real Estate Investments Trusts*	10,308,164	98.84	99.12
<b>Portfolio of investments</b>	10,308,164	98.84	99.12
<b>Other net assets</b>	121,388	1.16	0.88
<b>Net assets attributable to unitholders</b>	10,429,552	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.