

First State Global Growth Funds

2009 Annual Report

March 2010

Dear Investor

First State Global Growth Funds – Annual Report

Please find enclosed the Annual Report for First State Global Growth Funds (“Funds”) for the year to 31 December 2009. This report provides you with information on the progress and activities of the Funds during the last 12 months, including a portfolio review, performance summary, top 10 holdings and asset allocation breakdown. We hope you find this document useful.

We would also like to share with you our latest achievements. At the recent The Edge-Lipper Fund Awards 2010, four of our funds were recognised for their sterling performance:

| | |
|---------------------------------|---|
| First State Regional China Fund | - 3, 5 and 10 years (Equity Greater China) |
| First State Bridge | - 3 years (Mixed Asset SGD Balanced) |
| First State Global Resources | - 3 years (Equity Sector Natural Resources) |
| First State Regional India Fund | - 5 years (Equity India) |

This is a testament to the disciplined investment process we adopt for our funds.

If you have any queries related to the information enclosed, or your investments in general, please contact your distributor. Alternatively, we are happy to answer any queries you may have. You can contact us through our Investor Services hotline at (65) 6580 1390 or email us at info@firststate.com.sg.

Thank you for investing with First State Investments (Singapore).

Yours sincerely



Michael Stapleton
Director

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

The Central Provident Fund (“CPF”) interest rate for the Ordinary Account (“OA”) is based on the 12-month fixed deposit and month-end savings rates of the major local banks. Under the CPF Act, the CPF Board pays a minimum interest of 2.5% per annum when this interest formula yields a lower rate. From 1 January 2008, the new interest rate for the Special, Medisave and Retirement Accounts (“SMRA”) will be pegged to the yield of 10-year Singapore government bond plus 1%. For 2008 to 2010, the minimum interest rate for the SMRA will be 4.0% per annum. After 2010, the 2.5% per annum minimum interest rate, as prescribed by the CPF Act, will apply to the SMRA. In addition, from 1 January 2008, the CPF Board will pay an extra interest rate of 1% per annum on the first \$60,000 of a CPF member’s combined balances, including up to \$20,000 in the OA. From 1 April 2008, the first \$20,000 in the Ordinary Account will not be allowed to be invested under the CPF Investment scheme; and from 1 May 2009, the first \$30,000 in the Special Account will not be allowed for investments.

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First State Asia Innovation Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|------------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 6.5 | 6.2 |
| 6-mth | 26.8 | 23.2 |
| 1-year | 67.8 | 68.1 |
| 3-year | 2.5 | -2.7 |
| 5-year | 9.1 | 2.9 |
| 10-year | -5.4 | -6.4 |
| Since Inception – 26 November 1999 | -3.4 | -4.0 |

(Calculated since date of first valuation)

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

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

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

- Inception to 30 November 2008 : MSCI AC Asia Information Technology Index (Previously known as MSCI AC Asia Free Information Technology Index)
- From 1 December 2008 : MSCI AC Asia ex Japan Free Index

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

MANAGER'S REPORT

Asian markets rose very strongly in 2009 with the MSCI Asia Pacific ex-Japan Index increasing by 73.7% in US dollar terms, outperforming the MSCI World Index which was up by 30.8%. Markets gained on abundant liquidity following the stimulus packages of 2008 as the global economy showed signs of recovery.

India, Indonesia and Taiwan outperformed over the period. India and Indonesia benefited from abundant liquidity and the return of risk appetite, while Taiwan was positively impacted by the improving global economic environment and expectations of a pick-up in demand for its exports, particularly IT products. China and Hong Kong lagged on concerns about monetary tightening in China to slow the economy. Malaysia underperformed as its defensive characteristics were out of favour in liquidity driven markets.

At a sector level, Consumer Discretionary outperformed as investors anticipated that the outlook for domestic consumption was positive across the region and Information Technology rose strongly on expectations of robust demand for IT products in 2010. Telecom Services and Utilities lagged as defensive sectors with more predictable earnings underperformed.

Over the period, **Samsung Electronics** (South Korea) and **Taiwan Semiconductor** both outperformed on increasing optimism about the demand outlook for IT products; and **Tencent Holdings**, one of the leading internet portals in China, rose strongly as it continued to report robust earnings growth. On the negative side, **China Communications Services** (Telecom Services) lagged on concerns that future capital spending in the telecom industry will slow, and **Yuhan Corp** (South Korea: Health Care) underperformed as companies with more predictable earnings were out of favour. Online game company **Shanda Games** underperformed on expectations that it could be negatively impacted by stricter regulation of the online gaming industry.

Over the year, significant new positions included **Chroma ATE** (Taiwan), which should experience growing demand for the components used in the production of electric vehicles; and **Amorepacific**, a leading South Korean cosmetic company which has successfully penetrated the Chinese market. We also bought PCB manufacturer **Tripod Technology** (Taiwan) which is experiencing strong demand. We sold **AU Optronics**, a leading Taiwanese TFT-LCD maker, **China Mobile** (Telecom Services) and **Tenaga Nasional** (Malaysia: Utilities) on valuation concerns.

Outlook

The current recovery in corporate earnings is likely to continue into 2010. Although most central banks are keeping interest rates low to ensure healthy growth, pressure for rates to

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First State Asia Innovation Fund

rise will increase if the recovery becomes more evident and inflation returns. We continue to identify companies that are innovative and leaders in their respective areas, emphasising long-term competitiveness and sustainability of growth. With an increasing emphasis on energy saving after the Copenhagen climate change summit, we are looking for leading companies in the R&D of renewable/alternative energies.

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First State Asia Innovation Fund

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value S\$ | % of NAV |
|--|-----------------|-----------------------------|-----------------|
| FIRST STATE ASIA INNOVATION FUND | | | |
| Dublin | | | |
| First State Asia Innovation Fund | 1,739,898 | 58,112,541 | 99.3 |
| Total investments | | 58,112,541 | 99.3 |
| Other net assets | | 415,591 | 0.7 |
| Total net assets attributable to unitholders | | 58,528,132 | 100.0 |

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First State Asia Innovation Fund

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

| | Market Value S\$ | % of NAV |
|---|---------------------|----------|
| Top 10 holdings (as at 31 December 2009) | | |
| Samsung Electronics Co Ltd | 6,108,656 | 6.7 |
| Taiwan Semiconductor Mfg Co Ltd | 5,525,922 | 6.1 |
| Tencent Hldgs Ltd | 4,118,481 | 4.5 |
| Xinao Gas Hldgs Ltd | 3,650,009 | 4.0 |
| Shinsegae Co Ltd | 3,325,186 | 3.6 |
| Minth Group Ltd | 3,127,566 | 3.4 |
| Amorepacific Corp | 2,849,566 | 3.1 |
| Singapore Telecommunications | 2,806,308 | 3.1 |
| Infosys Technologies Ltd | 2,585,194 | 2.8 |
| Chroma Ate Inc | 2,530,143 | 2.8 |
| Top 10 holdings (as at 31 December 2008) | | |
| Taiwan Semiconductor Mfg Co Ltd | 4,115,597 | 6.6 |
| Samsung Electronics Co Ltd | 3,459,500 | 5.5 |
| Shinsegae Co Ltd | 3,020,797 | 4.8 |
| Yuhan Corp | 2,540,149 | 4.0 |
| Chunghwa Telecom Co Ltd | 2,326,165 | 3.7 |
| Powertech Technology Inc | 2,266,149 | 3.6 |
| Tencent Hldgs Ltd | 2,260,539 | 3.6 |
| Singapore Telecommunications | 2,139,279 | 3.4 |
| Cheung Kong Hldgs Ltd | 2,071,219 | 3.3 |
| Samsung Fire & Marine Insurance Co Ltd | 1,990,583 | 3.2 |

Annual Report for the financial year ended 31 December 2009
First State Asia Innovation Fund

DISCLOSURES

| | |
|----------------------|--------------|
| Subscriptions | S\$1,331,940 |
| Redemptions | S\$5,004,714 |

31 December 2009 31 December 2008

| | | |
|--|-------|-------|
| Portfolio Turnover (Including that of the Underlying Fund) | 34.7% | 71.8% |
| Expense Ratio** (Including that of the Underlying Fund) | 2.20% | 2.32% |

Disclosures on the Underlying Fund -

| | | |
|---------------------------|-------|-------|
| Portfolio Turnover | 34.7% | 70.3% |
| Expense Ratio** | 2.03% | 2.04% |

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

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

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First State Asia Innovation Fund

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--------------------------------|--------------|
| Bank service fees paid to HSBC | S\$ 5,074 |
|--------------------------------|--------------|

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Singapore Dollar | 161,103 |
| United States Dollar | 124,618 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|-----------|----------------------|-----------|
| Currency | Amount | Currency | Amount |
| Singapore Dollar | 4,876,808 | Singapore Dollar | 136,679 |
| United States Dollar | 94,000 | United States Dollar | 3,409,000 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Asia Innovation Fund Class I shares, constituting 99.3% of the Fund's Net Asset Value and at a market value of S\$58,112,541. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State Asian Growth Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|-----------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 3.0 | 6.2 |
| 6-mth | 16.4 | 23.2 |
| 1-year | 45.7 | 68.1 |
| 3-year | 4.1 | 2.0 |
| 5-year | 10.6 | 10.4 |
| 10-year | 5.4 | 4.7 |
| Since Inception – 10 October 1984 | 7.6 | n.a. |

(Calculated since date of first valuation)

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

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

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

* Source : Lipper. No initial charges with income reinvested in Singapore dollars.

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First State Asian Growth Fund

MANAGER'S REPORT

Asian markets rose very strongly in 2009 with the MSCI Asia Pacific ex Japan Index increasing by 73.7% in US dollar terms, outperforming the MSCI World Index which was up by 30.8%. Markets were driven by abundant liquidity and the recovery of the global economy.

India, Indonesia and Taiwan outperformed over the year. India and Indonesia benefited from the return of risk appetite, while Taiwan was positively impacted by the improving global economic environment and expectations of a pick-up in demand, particularly for IT products. China and Hong Kong lagged on concerns about monetary tightening in China and Malaysia underperformed as its defensive characteristics were out of favour in liquidity driven markets.

At a sector level, Consumer Discretionary outperformed as investors anticipated that the outlook for domestic consumption was positive across the region and Information Technology rose strongly on expectations of robust demand for IT products in 2010. Telecom Services and Utilities lagged as defensive sectors with more predictable earnings underperformed.

Our performance was negatively impacted by **Yuhan Corp** (South Korea: Health Care) which declined after the launch of a new product was delayed. **Bharti Airtel** (India) and **China Mobile** both underperformed on concerns about the impact of intensifying competition on profitability and **Genting** (Malaysia: Consumer Discretionary) lagged during the period we held the stock on corporate governance concerns.

On the positive side, performance was helped by **Samsung Electronics** (South Korea: Information Technology) which rose on optimism about spending on technology products. In the Financials sector, **Oversea-Chinese Banking Corp** (Singapore) gained following positive results and **Swire Pacific** (Hong Kong) rallied on rising optimism about the outlook for the Hong Kong property market. **Lihir Gold** (Australia: Materials) outperformed as the gold price reached record highs during the year.

Significant purchases over the year included **Amorepacific Corporation** (South Korea: Consumer Staples), a well managed consumer franchise; and **Hopewell Holdings** (Hong Kong: Financials) which was trading at an attractive valuation. In Malaysia, we sold **Tenaga Nasional** (Malaysia: Utilities) as we believed that the government was not serious about state corporation reform and **Genting** (Malaysia: Consumer Discretionary) on worries about corporate governance.

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First State Asian Growth Fund

Outlook

Markets have largely discounted a return to a strong global economy. The unprecedented levels of artificial stimulus seen through low interest rates and forced bank lending will have to end at some point. The global economy may yet fall back into recession or face an inflationary future as this level of 'quantitative easing' has never been tried before. It is difficult to find a market commentator who is negative going into 2010, or at least the first quarter of the year. This, coupled with above-trend valuations, justifies retaining a cautious outlook.

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First State Asian Growth Fund

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value S\$ | % of NAV |
|--|-----------------|-----------------------------|-----------------|
| FIRST STATE ASIAN GROWTH FUND | | | |
| Dublin | | | |
| First State Asian Growth Fund | 1,800,251 | 62,857,986 | 99.1 |
| Total investments | | 62,857,986 | 99.1 |
| Other net assets | | 547,296 | 0.9 |
| Total net assets attributable to unitholders | | 63,405,282 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State Asian Growth Fund

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

| | Market Value S\$ | % of NAV |
|---|---------------------|----------|
| Top 10 holdings (as at 31 December 2009) | | |
| Lihir Gold Ltd | 37,959,025 | 9.0 |
| Cheung Kong (Hldgs) Ltd | 23,214,018 | 5.5 |
| Oversea-Chinese Banking Corp | 22,252,409 | 5.3 |
| Taiwan Semiconductor Mfg Co Ltd | 21,843,703 | 5.2 |
| Hong Kong and China Gas Co | 21,473,015 | 5.1 |
| Swire Pacific Ltd | 20,473,728 | 4.9 |
| Samsung Electronics Co Ltd | 19,513,067 | 4.6 |
| Shinsegae Co Ltd | 14,738,017 | 3.5 |
| IOI Corp Bhd | 13,807,621 | 3.3 |
| Singapore Telecommunications | 12,293,558 | 2.9 |

Top 10 holdings (as at 31 December 2008)

| | | |
|---------------------------------|------------|-----|
| Lihir Gold Ltd | 21,346,708 | 9.8 |
| Taiwan Semiconductor Mfg Co Ltd | 11,124,992 | 5.1 |
| Cheung Kong (Hldgs) Ltd | 10,955,660 | 5.0 |
| Swire Pacific Ltd | 10,859,931 | 5.0 |
| Hong Kong and China Gas Co | 9,513,823 | 4.4 |
| Samsung Electronics Co Ltd | 8,820,538 | 4.1 |
| IOI Corp Bhd | 7,903,373 | 3.6 |
| Shinsegae Co Ltd | 7,848,338 | 3.6 |
| Chunghwa Telecom Co Ltd | 7,168,311 | 3.3 |
| Oversea-Chinese Banking Corp | 7,124,722 | 3.3 |

Annual Report for the financial year ended 31 December 2009

First State Asian Growth Fund

DISCLOSURES

| | |
|---------------|---------------|
| Subscriptions | S\$35,505,125 |
| Redemptions | S\$23,152,072 |

| | 31 December 2009 | 31 December 2008 |
|--|------------------|------------------|
| Portfolio Turnover (Including that of the Underlying Fund) | 26.3% | 28.9% |
| Expense Ratio** (Including that of the Underlying Fund) | 1.89% | 1.89% |

Disclosures on the Underlying Fund -

| | | |
|---------------------------|-------|-------|
| Portfolio Turnover | 26.3% | 28.5% |
| Expense Ratio** | 1.68% | 1.70% |

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

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

Annual Report for the financial year ended 31 December 2009

First State Asian Growth Fund

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--|-----------|
| Bank service fees paid to HSBC | S\$ 5,335 |
| Expense ratio rebate received from Manager | 14,504 |

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Singapore Dollar | 482,239 |
| United States Dollar | 151 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|------------|----------------------|------------|
| Currency | Amount | Currency | Amount |
| Singapore Dollar | 15,427,865 | Singapore Dollar | 26,542,742 |
| United States Dollar | 18,260,300 | United States Dollar | 10,606,000 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Asian Growth Fund Class I shares, constituting 99.1% of the Fund's Net Asset Value and at a market value of S\$62,857,986. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

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First State Bridge

MANAGER'S REPORT for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|--------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 3.1 | 3.8 |
| 6-mth | 15.7 | 15.7 |
| 1-year | 39.2 | 43.2 |
| 3-year | 3.2 | 3.8 |
| 5-year | 6.5 | 6.9 |
| Since Inception – 14 July 2003 | 8.6 | 8.2 |

(Calculated since date of first valuation)

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

Performance for 1 year and above has been annualised.

The benchmark of the Fund is a composite comprising 50% MSCI All Country Asia Pacific ex Japan Index (Unhedged) and 50% JP Morgan Asia Credit Investment Grade Index (hedged to S\$).

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

MANAGER'S REPORT

Asian equity markets rose very strongly in 2009 with the MSCI Asia Pacific ex-Japan Index increasing by 73.7% in US dollar terms, outperforming the MSCI World Index which was up by 30.8%. Markets gained on abundant liquidity following the stimulus packages of 2008 as the global economy showed signs of recovery.

India, Indonesia and Taiwan outperformed over the year. India and Indonesia benefited from abundant liquidity and the return of risk appetite, while Taiwan was positively impacted by the improving global economic environment and expectations of a pick-up in demand for its exports, particularly IT products. China and Hong Kong lagged on concerns about monetary tightening in China to slow the economy. Malaysia underperformed as its defensive characteristics were out of favour in liquidity driven markets.

Asian bonds posted very strong performance over the year as market sentiment turned bullish towards credit and those sectors which had fallen steeply in 2008 outperformed, including Asian financial sub-debt, Chinese property and non-investment grade sovereign bonds such as the Philippines and Indonesia.

Asian economic data showed signs of steady improvement over 2009 with so-called 'green shoots' emerging in the first half of the year. The strong growth in China coupled with rebounds in industrial production across several economies, such as South Korea, boosted sentiment and encouraged the move into Asian credit. By year end, some central banks in the region were talking about the possibility of raising official interest rates in 2010.

Asian dollar bond issuance was a record \$64bn in 2009. A majority of issuance was in Investment Grade bonds although high yield issuers did return to the market as the year progressed.

Over the period, the JP Morgan Asia Credit Investment Grade Index returned 22.05% with spreads tightening by 402 basis points (bps) to 205 bps.

Outlook

Economies around the world are displaying increasing signs of stabilisation or improvement. While we believe there will be a recovery, it is unlikely that we will see very strong economic growth over the next three to five years. We believe that inflation will be a major risk in 2010 following very loose global monetary policy in 2009. We have reduced our exposure to Consumer Staples stocks and increased our holdings in companies which should benefit from rising interest rates such as QBE.

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First State Bridge

We believe that the outlook for Asian dollar bonds remains positive over the medium term because of the strong growth differential of the region compared to developed markets, robust Asian corporate and sovereign balance sheets, limited supply and the yield pick-up over global counterparts. However, counterbalancing these positives is the exceptional performance of 2009, with credit spreads having contracted towards pre-Leman-crisis levels.

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First State Bridge

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value S\$ | % of NAV |
|--|-----------------|-----------------------------|-----------------|
| FIRST STATE BRIDGE | | | |
| Dublin | | | |
| First State Asian Equity Plus Fund | 16,966,665 | 695,792,419 | 51.4 |
| First State Asian Quality Bond Fund | 39,505,739 | 661,686,501 | 48.9 |
| Total investments | | 1,357,478,920 | 100.3 |
| Other net assets | | (4,840,585) | (0.3) |
| Total net assets attributable to unitholders | | 1,352,638,335 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State Bridge

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUNDS)

| | Market Value S\$ | % of NAV |
|---|---------------------|----------|
| Top 10 holdings (as at 31 December 2009) | | |
| Equities | | |
| QBE Insurance Group Ltd | 104,631,182 | 4.1 |
| Taiwan Semiconductor Mfg Co Ltd | 92,563,882 | 3.6 |
| Shinsegae Co Ltd | 87,817,760 | 3.4 |
| Cheung Kong (Hldgs) Ltd | 80,807,150 | 3.2 |
| Oversea-Chinese Banking Corp | 76,569,619 | 3.0 |
| Chunghwa Telecom Co Ltd | 74,164,234 | 2.9 |
| Yuhan Corp | 64,143,814 | 2.5 |
| Newcrest Mining Ltd | 59,885,890 | 2.3 |
| Brambles Ltd | 58,209,618 | 2.3 |
| China Resources Enterprises Ltd | 52,021,187 | 2.0 |
| Fixed Income | | |
| Pusan Bank 6% VRN 30/10/2017 | 24,343,903 | 3.7 |
| Shinhan Bank 6.819% VRN 20/09/2036 | 23,046,430 | 3.5 |
| DBS Bank FRN 16/05/2017 | 22,443,803 | 3.4 |
| CMHI Finance 7.125% 18/06/2018 | 22,427,695 | 3.4 |
| Korea (Rep) 7.125% 16/04/2019 | 22,240,022 | 3.4 |
| United Overseas Bank Ltd 5.375% 03/09/2019 | 21,376,613 | 3.2 |
| Shinsegae Co 6.125% 27/06/2011 | 18,509,405 | 2.8 |
| Woori Bank 6.208% VRN 02/05/2037 | 17,283,066 | 2.6 |
| Hutchinson Wham 7.625% 09/04/2019 | 15,982,787 | 2.4 |
| Bangkok Bank 9.025% 15/03/2029 | 14,094,002 | 2.1 |
| Top 10 holdings (as at 31 December 2008) | | |
| Equities | | |
| Chunghwa Telecom Co Ltd | 69,072,090 | 4.9 |
| Newcrest Mining Ltd | 67,843,708 | 4.8 |
| Taiwan Semiconductor Mfg Co Ltd | 62,583,549 | 4.4 |
| Shinsegae Co Ltd | 54,615,284 | 3.9 |
| Cheung Kong (Hldgs) Ltd | 42,923,295 | 3.0 |
| Brambles Ltd | 38,143,977 | 2.7 |
| Singapore Telecommunications | 36,332,128 | 2.6 |
| Jardine Matheson Hldgs Ltd | 34,889,336 | 2.5 |

Annual Report for the financial year ended 31 December 2009
First State Bridge

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUNDS)

| | Market Value S\$ | % of NAV |
|---|---------------------|----------|
| Top 10 holdings (as at 31 December 2008) | | |
| (continued) | | |
| Hopewell Highway Infrastructure Ltd | 33,785,356 | 2.4 |
| Oversea-Chinese Banking Corp | 32,705,839 | 2.3 |
| Fixed Income | | |
| US Treasury Note 3.75% 15/11/2018 | 28,101,604 | 5.8 |
| CMHI Finance 7.125% 18/06/2018 | 28,025,210 | 5.8 |
| Woori Bank 6.208% VRN 02/05/2037 | 25,557,464 | 5.3 |
| United Overseas Bank Ltd 5.375% 03/09/19 | 24,382,244 | 5.0 |
| Resona Bank 5.85% 15/04/2016 | 23,414,493 | 4.8 |
| DBS Bank FRN 16/05/2017 | 22,255,678 | 4.6 |
| SMFG Preferred Capital 8.75% 29/05/2049 | 21,075,890 | 4.4 |
| Chuo Mitsui Trust & Bank 5.506% VRN 29/12/49 | 20,358,230 | 4.2 |
| DBS Capital Funding Corp 7.657% VRN 31/03/2049 | 19,748,533 | 4.1 |
| Shinsegae Co 6.125% 27/06/2011 | 16,542,792 | 3.4 |

Annual Report for the financial year ended 31 December 2009

First State Bridge

DISCLOSURES

| | |
|----------------------|----------------|
| Subscriptions | S\$196,693,517 |
| Redemptions | S\$150,725,462 |

| | 31 December 2009 | 31 December 2008 |
|---|-------------------------|-------------------------|
| Portfolio Turnover (Including that of the Underlying Funds) | 36.3% | 108.2% |
| Expense Ratio** (Including that of the Underlying Funds) | 1.58% | 1.61% |

Disclosures on the Underlying Funds -

Portfolio Turnover

| | | |
|-------------------------------------|-------|--------|
| First State Asian Equity Plus Fund | 33.7% | 37.4% |
| First State Asian Quality Bond Fund | 38.9% | 170.8% |

Expense Ratio**

| | | |
|-------------------------------------|-------|-------|
| First State Asian Equity Plus Fund | 1.65% | 1.67% |
| First State Asian Quality Bond Fund | 1.11% | 1.15% |

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

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

Annual Report for the financial year ended 31 December 2009

First State Bridge

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--------------------------------|--------|
| | S\$ |
| Bank service fees paid to HSBC | 20,008 |
| Interest expense paid to HSBC | 1,480 |
| Interest received from HSBC | 312 |

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Singapore Dollar | 875,620 |
| United States Dollar | 384,085 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|---------------|----------------------|---------------|
| Currency | Amount | Currency | Amount |
| Singapore Dollar | 3,401,522,260 | Singapore Dollar | 3,243,068,945 |
| United States Dollar | 2,251,687,570 | United States Dollar | 2,361,587,579 |

Others

As at 31 December 2009, the Fund did not hold any bonds or other unit trusts, other than the First State Asian Quality Bond Fund Class I shares (constituting 48.9% of the Fund's Net Asset Value and at a market value of S\$661,685,501) and First State Asian Equity Plus Fund Class I (Dist) shares (constituting 51.4% of the Fund's Net Asset Value and at a market value of S\$695,792,419). The Fund holds forward currency contracts and the net change in fair value is (S\$9,488,900) or -0.70% of NAV. The total amount of realised gain on forward currency contracts is S\$43,544,355 for the year. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State Dividend Advantage

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|------------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 4.4 | 5.7 |
| 6-mth | 20.4 | 26.5 |
| 1-year | 52.7 | 69.2 |
| 3-year | 5.9 | 1.8 |
| 5-year | 11.6 | 9.8 |
| Since Inception – 20 December 2004 | 11.8 | 10.3 |

(Calculated since date of first valuation)

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

Performance for 1 year and above has been annualised.

The benchmark of the Fund is the MSCI All Country Asia Pacific ex Japan Index.

* *Source : Lipper. No initial charges with income reinvested in Singapore dollars.*

Annual Report for the financial year ended 31 December 2009

First State Dividend Advantage

MANAGER'S REPORT

Asian markets rose very strongly in 2009 with the MSCI Asia Pacific ex-Japan Index increasing by 73.7% in US dollar terms, outperforming the MSCI World Index which was up by 30.8%. Markets gained on abundant liquidity following the stimulus packages of 2008 as the global economy showed signs of recovery.

India, Indonesia and Taiwan outperformed over the year. India and Indonesia benefited from abundant liquidity and the return of risk appetite, while Taiwan was positively impacted by the improving global economic environment and expectations of a pick-up in demand for its exports, particularly IT products. China and Hong Kong lagged on concerns about monetary tightening in China to slow the economy. Malaysia underperformed as its defensive characteristics were out of favour in liquidity driven markets.

At a sector level, Consumer Discretionary outperformed as investors anticipated that the outlook for domestic consumption was positive across the region and Information Technology rose strongly on expectations of robust demand for IT products in 2010. Telecom Services and Utilities lagged as defensive sectors with more predictable earnings underperformed.

Performance was positively impacted Singapore Financials stocks, **Allgreen Properties** and **Oversea-Chinese Banking Corp**. Allgreen benefited from improving sentiment towards Singapore property and **Oversea-Chinese Banking Corp** outperformed as it reported good results. **Taiwan Semiconductor** gained on expectations of a pick-up in IT product demand. On the negative side, in the Telecom Services sector, **China Communications Services** lagged as investors continued to favour more cyclical growth companies and **Bharti Airtel** (India) underperformed on concerns about intensifying competition. **TK Corp** (South Korea: Industrials) was weak as both its petrochemical and shipbuilding businesses suffered in the global slowdown.

Significant new purchases over the year included **Hengan International**, a leading tissue brand in China which is enjoying stable revenue growth and improving margins as a result of falling pulp prices. In Australia, we bought **Woolworths**, a strong supermarket franchise with steady growth prospects, and insurance group **QBE** which should benefit as interest rates rise. We sold **Telekomunikasi** (Indonesia: Telecom Services), **President Chain Store** (Taiwan: Consumer Discretionary) and **SP Setia** (Malaysia: Financials) on valuation concerns.

Outlook

Economies around the world are displaying increasing signs of stabilisation or improvement. While we believe there will be a recovery, it is unlikely that we will see very strong economic growth over the next three to five years. We believe that inflation will be a major risk in 2010 following very loose global monetary policy in 2009. We have reduced our exposure to Consumer Staples stocks and increased our holdings in companies which should benefit from rising interest rates such as QBE.

Annual Report for the financial year ended 31 December 2009
First State Dividend Advantage

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value S\$ | % of NAV |
|--|-----------------|-----------------------------|-----------------|
| FIRST STATE DIVIDEND ADVANTAGE | | | |
| Dublin | | | |
| First State Asian Equity Plus Fund | 21,136,436 | 866,792,143 | 99.5 |
| Total investments | | 866,792,143 | 99.5 |
| Other net assets | | 4,458,045 | 0.5 |
| Total net assets attributable to unitholders | | 871,250,188 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State Dividend Advantage

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

| | Market Value S\$ | % of NAV |
|---|---------------------|----------|
| Top 10 holdings (as at 31 December 2009) | | |
| QBE Insurance Group Ltd | 104,631,182 | 4.1 |
| Taiwan Semiconductor Mfg Co Ltd | 92,563,882 | 3.6 |
| Shinsegae Co Ltd | 87,817,760 | 3.4 |
| Cheung Kong (Hldgs) Ltd | 80,807,150 | 3.2 |
| Oversea-Chinese Banking Corp | 76,569,619 | 3.0 |
| Chunghwa Telecom Co Ltd | 74,164,234 | 2.9 |
| Yuhan Corp | 64,143,814 | 2.5 |
| Newcrest Mining Ltd | 59,885,890 | 2.3 |
| Brambles Ltd | 58,209,618 | 2.3 |
| China Resources Enterprises Ltd | 52,021,187 | 2.0 |
| Top 10 holdings (as at 31 December 2008) | | |
| Chunghwa Telecom Co Ltd | 69,072,090 | 4.9 |
| Newcrest Mining Ltd | 67,843,708 | 4.8 |
| Taiwan Semiconductor Mfg Co Ltd | 62,583,549 | 4.4 |
| Shinsegae Co Ltd | 54,615,284 | 3.9 |
| Cheung Kong (Hldgs) Ltd | 42,923,295 | 3.0 |
| Brambles Ltd | 38,143,977 | 2.7 |
| Singapore Telecommunications | 36,332,128 | 2.6 |
| Jardine Matheson Hldgs Ltd | 34,889,336 | 2.5 |
| Hopewell Highway Infrastructure Ltd | 33,785,356 | 2.4 |
| Oversea-Chinese Banking Corp | 32,705,839 | 2.3 |

Annual Report for the financial year ended 31 December 2009 First State Dividend Advantage

DISCLOSURES

| | |
|----------------------|----------------|
| Subscriptions | S\$183,434,521 |
| Redemptions | S\$98,071,515 |

| | 31 December 2009 | 31 December 2008 |
|--|-------------------------|-------------------------|
| Portfolio Turnover (Including that of the Underlying Fund) | 33.8% | 38.2% |
| Expense Ratio** (Including that of the Underlying Fund) | 1.85% | 1.90% |
| Disclosures on the Underlying Fund - | | |
| Portfolio Turnover | 33.7% | 37.4% |
| Expense Ratio** | 1.65% | 1.67% |

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

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

Annual Report for the financial year ended 31 December 2009

First State Dividend Advantage

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--------------------------------|---------------|
| Bank service fees paid to HSBC | S\$ 30,073 |
|--------------------------------|---------------|

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Singapore Dollar | 599,263 |
| United States Dollar | 523,484 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|------------|----------------------|------------|
| Currency | Amount | Currency | Amount |
| Singapore Dollar | 26,639,092 | Singapore Dollar | 62,940,438 |
| United States Dollar | 43,765,000 | United States Dollar | 18,277,000 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Asian Equity Plus Fund Class I shares (Dist), constituting 99.5% of the Fund's Net Asset Value and at a market value of S\$866,792,143. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State GEM Leaders

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|-------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 4.4 | 8.2 |
| 6-mth | 19.8 | 27.5 |
| 1-year | 63.0 | 74.5 |
| 3-year | 4.9 | 2.3 |
| 5-year | 12.3 | 12.4 |
| Since Inception – 5 July 2004 | 13.9 | 15.3 |

(Calculated since date of first valuation)

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

Performance for 1 year and above has been annualised.

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

* *Source : Lipper. No initial charges with income reinvested in Singapore dollars.*

Annual Report for the financial year ended 31 December 2009

First State GEM Leaders

MANAGER'S REPORT

Emerging markets rose very strongly over the year to 31 December 2009 with the MSCI Emerging Markets Index up by 79.0% in US dollar terms, outperforming the MSCI World Index which rose by 30.8%. Markets rallied on abundant liquidity as the global economy responded positively to stimulus measures announced in late 2008.

Over the year, Latin America outperformed led by Brazil which rose steeply as commodity prices increased on expectations of a rebound in global growth. Asia and EMEA both increased strongly in absolute terms but underperformed. Asia was held back by China which underperformed on concerns about monetary tightening to slow the economy. EMEA also lagged as markets such as Israel and South Africa were relatively subdued.

Performance was positively impacted by global brewing group **SABMiller** which rose on the improving outlook for global consumption and **AngloGold Ashanti** (South Africa: Materials) which gained on good results and gold's increasing attractiveness because of loose monetary policy by developed central banks. **Hong Kong & China Gas** (Hong Kong: Utilities) rose on positive results due to strong demand. On the negative side, telecom stocks **Idea Cellular** (India) and **China Mobile** lagged on concerns about intensifying competitive pressures. **Genting** (Malaysia: Consumer Discretionary) underperformed during the period we held the stock on corporate governance concerns.

Over the year, significant new positions included **Bharti Airtel**, India's largest mobile phone operator which was cheaply valued and out of favour on concerns about increasing competition. We sold **Tenaga Nasional** (Malaysia: Utilities) as the government is not serious about state corporation reform and there is a strong possibility that the company will not be allowed to pass on all its fuel cost increases. We also sold **Lukoil** (Russia: Energy) on worries about corporate governance and **China Resources Enterprise** (Consumer Discretionary) because of a change of management.

Outlook

We are more conservatively positioned than we were at the start of 2009. We have sold companies which are strongly geared into recovering global demand such as Russian energy giant Lukoil and Indian IT stock Tata Consultancy. We trimmed positions in the world's biggest beer companies, Anheuser-Busch InBev and SABMiller, as much of the positive news was in the price. We believe there is still value in quality companies in less fashionable markets such as Israel, South Africa, Taiwan and Thailand. We continue to hold global gold miner AngloGold Ashanti to protect us from further printing of money by central banks or uncertainty if markets begin to question the credibility of sovereign debt issues.

Annual Report for the financial year ended 31 December 2009
First State GEM Leaders

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value S\$ | % of NAV |
|---|-----------------|-----------------------------|-----------------|
| FIRST STATE GEM LEADERS | | | |
| England and Wales | | | |
| First State Global Emerging Markets Leaders Fund | 2,762,785 | 17,811,457 | 99.1 |
| Total investments | | 17,811,457 | 99.1 |
| Other net assets | | 168,045 | 0.9 |
| Total net assets attributable to unitholders | | 17,979,502 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State GEM Leaders

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

| | Market Value S\$ | % of NAV |
|---|---------------------|----------|
| Top 10 holdings (as at 31 December 2009) | | |
| Taiwan Semiconductor Mfg Co Ltd | 120,319,358 | 6.3 |
| Hong Kong and China Gas Co | 113,416,401 | 6.0 |
| Anglogold Ashanti Ltd | 96,110,630 | 5.0 |
| Shoprite Hldgs Ltd | 76,422,719 | 4.0 |
| Check Point Software Ltd | 76,414,232 | 4.0 |
| All America Latina Logistica | 65,436,391 | 3.4 |
| Grupo Modelo | 62,229,487 | 3.3 |
| Shinsegae Co Ltd | 57,092,296 | 3.0 |
| Hindustan Unilever Ltd | 56,274,737 | 3.0 |
| Uni President Enterprises | 55,654,077 | 2.9 |
| Top 10 holdings (as at 31 December 2008) | | |
| AngloGold Ashanti Ltd | 40,487,555 | 7.8 |
| Taiwan Semiconductor Mfg Co Ltd | 28,377,246 | 5.4 |
| Hong Kong and China Gas Co | 24,732,974 | 4.7 |
| Inbev NV | 22,928,877 | 4.4 |
| Check Point Software Ltd | 19,425,461 | 3.7 |
| Shinsegae Co Ltd | 17,402,219 | 3.3 |
| IOI Corp Bhd | 15,893,617 | 3.1 |
| Chunghwa Telecom Co Ltd | 15,170,870 | 2.9 |
| China Resources Enterprise Ltd | 14,798,913 | 2.8 |
| LUKOIL Hldgs | 13,944,208 | 2.7 |

Annual Report for the financial year ended 31 December 2009 First State GEM Leaders

DISCLOSURES

| | |
|---------------|--------------|
| Subscriptions | S\$4,373,534 |
| Redemptions | S\$2,417,889 |

| | 31 December 2009 | 31 December 2008 |
|--|------------------|------------------|
| Portfolio Turnover (Including that of the Underlying Fund) | 65.4% | 54.0% |
| Expense Ratio** (Including that of the Underlying Fund) | 1.88% | 1.96% |
| Disclosures on the Underlying Fund - | | |
| Portfolio Turnover | 65.9% | 54.4% |
| Expense Ratio** | 1.62% | 1.63% |

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

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

Annual Report for the financial year ended 31 December 2009

First State GEM Leaders

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--------------------------------|--------------|
| Bank service fees paid to HSBC | S\$ 5,269 |
|--------------------------------|--------------|

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Great British Pound | 7,778 |
| Singapore Dollar | 126,172 |
| United States Dollar | 815 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|-----------|----------------------|-----------|
| Currency | Amount | Currency | Amount |
| Great British Pound | 997,100 | Great British Pound | 278,600 |
| Singapore Dollar | 1,273,573 | Singapore Dollar | 2,371,906 |
| United States Dollar | 53,000 | United States Dollar | 450,163 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Emerging Markets Leaders Fund Class A shares, constituting 99.1% of the Fund's Net Asset Value and at a market value of S\$17,811,457. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State Global Balanced Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance**

in Singapore dollars

| | Fund | Benchmark |
|----------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 0.2 | 1.4 |
| 6-mth | 9.8 | 11.5 |
| 1-year | 14.1 | 16.4 |
| 3-year | -2.6 | -2.1 |
| 5-year | -0.3 | 0.8 |
| 10-year | -2.4 | 1.8 |
| Since Inception – 4 January 1999 | 1.0 | 2.5 |

(Calculated since date of first valuation)

Note: The Fund invests all or substantially all of its assets in the First State Global Opportunities Fund, a Dublin-domiciled fund (in relation to the equity portion) and the First State Global Bond Fund, a Dublin-domiciled fund (in relation to the fixed income portion) with effect from 18 October 2002.

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

The benchmark of the Fund is a composite comprising 60% MSCI World Index and 40% Citigroup World Government Bond Index* (Unhedged). It was changed from a composite comprising 50% MSCI World Index and 50% Citigroup World Government Bond Index* (Unhedged) with effect from 1 January 2002 to reflect a change in the Fund's allocation policy.

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

* *Previously known as Salomon Smith Barney World Government Bond Index and was renamed Citigroup World Government Bond Index with effect from 14 April 2003.*

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

MANAGER'S REPORT

Global markets rose strongly over 2009 despite a weak start to the year. The MSCI World Index increased by 30.8% in US dollar terms on abundant liquidity following 'quantitative easing' by central banks and significant stimulus packages. The global economy responded positively and began to recover, driven by robust growth from China.

The Asian markets of Hong Kong and Singapore outperformed over the year on plentiful liquidity and rising risk appetite. Australia was also strong on expectations of a pick-up in global growth and a strengthening currency. The US and the major European markets of France and Germany lagged and Japan was a significant underperformer as the economy remained weak.

The US bond market sold off during 2009 with the yield of the 10-year benchmark Treasury rising from 2.21% to 3.84%. The market was influenced by rising inflationary expectations following major fiscal stimulus packages and the 'quantitative easing' undertaken by a number of central banks.

Interest rates remained at historic low levels of between zero and 0.25%. Late in the year, comments by the Federal Reserve about labour market drag and low capacity utilization led the market to pull back its rate hike expectations.

Elsewhere, bond markets followed the same pattern with yields rising on expectations of a pick-up in growth and concerns about supply. By the end of the year, the benchmark bond yields in the eurozone, the UK and Japan had risen to 3.39%, 4.02% and 1.30% respectively.

The European Central Bank cut interest rates by 50 basis points (bps) in January and April and a further 25 bps in May to 1.0%. In the UK, the Bank of England reduced rates to a historic low of 0.5% and announced plans to purchase gilts and corporate bonds from banks to encourage them to lend, a process known as 'quantitative easing.' Major central bank interest rates remained at historically low levels to boost economic activity.

Outlook

Economies are recovering thanks to dramatic government action, companies have cut costs aggressively and corporate balance sheets have improved markedly. However, much of the good news is reflected in share prices. Challenges for markets in 2010 include removal of 'quantitative easing' and possibly higher interest rates as economies normalise. While the outlook is improving, severe economic stresses remain and we expect equity markets to be volatile at times. We are focused on stock picking within our risk controlled framework.

Annual Report for the financial year ended 31 December 2009

First State Global Balanced Fund

In the US, our strategy remains biased to shortening the portfolio. We have held back on executing this strategy in the short term however, as the trend to lower yields is quite strong and global risk aversion trades favour quality government bonds. As yields in major European markets remain well below long-term fair value, our strategy continues to favour meaningful short positions. Economic growth momentum remains weak in Japan and while political concerns and longer term debt issuance worries are weighing on the market, the strategic bias is to lengthen duration on a move above fair value.

Annual Report for the financial year ended 31 December 2009
First State Global Balanced Fund

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value S\$ | % of NAV |
|--|-----------------|-----------------------------|-----------------|
| FIRST STATE GLOBAL BALANCED FUND | | | |
| Dublin | | | |
| First State Global Opportunities Fund | 1,736,470 | 15,310,117 | 60.2 |
| First State Global Bond Fund | 414,158 | 9,768,478 | 38.4 |
| Total investments | | 25,078,595 | 98.6 |
| Other net assets | | 352,494 | 1.4 |
| Total net assets attributable to unitholders | | 25,431,089 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State Global Balanced Fund

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUNDS)

| | Market Value S\$ | % of NAV |
|---|---------------------|----------|
| Top 10 holdings (as at 31 December 2009) | | |
| Equities | | |
| CA, Inc | 2,063,012 | 3.4 |
| Occidental Petroleum Corp | 1,889,150 | 3.1 |
| Bunge Ltd | 1,851,307 | 3.1 |
| Walgreen Co | 1,788,326 | 2.9 |
| JPMorgan Chase & Co | 1,762,825 | 2.9 |
| Deutsche Post AG | 1,738,223 | 2.9 |
| Amgen Inc | 1,699,115 | 2.8 |
| Chevron Corp | 1,606,034 | 2.6 |
| Mosaic Co | 1,579,167 | 2.6 |
| Barclays PLC | 1,504,671 | 2.5 |
| Fixed Income | | |
| France (Govt) 5.5% 25/04/2010 | 3,316,236 | 12.8 |
| US Treasury Bill 0% 25/02/2010 | 2,667,297 | 10.3 |
| German Treasury Bill 0% 17/03/2020 | 1,211,983 | 4.7 |
| Japan (Govt) 2.3% 20/06/2027 | 1,189,836 | 4.6 |
| Japan (Govt) 1.1% 21/03/2011 | 1,076,286 | 4.1 |
| General Electric 1.45% 10/11/11 | 1,063,718 | 4.1 |
| Deutsche Bahn Fin 1.65% 01/12/2014 | 1,010,151 | 3.9 |
| US Treasury Note 3.375% 15/11/2019 | 948,522 | 3.7 |
| Japan (Govt) 1% 20/09/2013 | 779,748 | 3.0 |
| Hellenic 3.7% 20/07/2015 | 756,121 | 2.9 |
| Top 10 holdings (as at 31 December 2008) | | |
| Equities | | |
| JPMorgan Chase & Co | 2,370,150 | 4.5 |
| British American Tobacco PLC | 2,060,846 | 4.0 |
| Exxon Mobil Co | 1,786,520 | 3.4 |
| Apache Corp | 1,702,430 | 3.3 |
| Syngenta AG | 1,537,733 | 3.0 |
| Gilead Sciences Inc | 1,450,232 | 2.8 |
| Pernod Ricard SA | 1,335,847 | 2.6 |

Annual Report for the financial year ended 31 December 2009
First State Global Balanced Fund

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUNDS)

Market Value
\$ **% of NAV**

Top 10 holdings (as at 31 December 2008)
(continued)

| | | |
|--------------------------|-----------|-----|
| Baxter International Inc | 1,312,091 | 2.5 |
| CRH Plc | 1,297,478 | 2.5 |
| Microsoft Corp | 1,223,764 | 2.3 |

Fixed Income

| | | |
|--|-----------|------|
| US Treasury 4.625% 31/07/2009 | 3,027,953 | 10.7 |
| France (Govt) 5.5% 25/04/2010 | 2,256,957 | 8.0 |
| General Electric 1.45% 10/11/11 | 2,000,841 | 7.1 |
| UK Treasury 5% 07/03/2025 | 1,656,132 | 5.9 |
| Development Bank of Japan 1.75% 17/03/17 | 1,306,863 | 4.6 |
| Bundesrepub Deutscheland 4% 04/07/2016 | 1,244,151 | 4.4 |
| US Treasury Bill 4% 15/08/2018 | 1,179,620 | 4.2 |
| Bundesrepublik 4.75% 04/07/2034 | 1,168,751 | 4.1 |
| Italy (Govt) 1.8% 23/02/2010 | 1,115,671 | 4.0 |
| Deutsche Bahn Fin 1.65% 01/12/2014 | 1,009,563 | 3.6 |

Annual Report for the financial year ended 31 December 2009
First State Global Balanced Fund

DISCLOSURES

| | |
|----------------------|---------------|
| Subscriptions | S\$13,551,447 |
| Redemptions | S\$14,664,831 |

| | 31 December 2009 | 31 December 2008 |
|---|-------------------------|-------------------------|
| Portfolio Turnover (Including that of the Underlying Funds) | 218.2% | 191.9% |
| Expense Ratio** (Including that of the Underlying Funds) | 1.68% | 1.71% |

Disclosures on the Underlying Funds -

Portfolio Turnover

| | | |
|---------------------------------------|--------|--------|
| First State Global Opportunities Fund | 277.4% | 232.2% |
| First State Global Bond Fund | 130.5% | 128.0% |

Expense Ratio**

| | | |
|---------------------------------------|-------|-------|
| First State Global Opportunities Fund | 1.77% | 1.75% |
| First State Global Bond Fund | 1.30% | 1.31% |

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

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

Annual Report for the financial year ended 31 December 2009

First State Global Balanced Fund

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--|--------|
| | S\$ |
| Bank service fees paid to HSBC | 4,674 |
| Expense ratio rebate received from Manager | 29,670 |

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Singapore Dollar | 74,243 |
| United States Dollar | 77,285 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|-----------|----------------------|-----------|
| Currency | Amount | Currency | Amount |
| Singapore Dollar | 8,217,888 | Singapore Dollar | 6,501,677 |
| United States Dollar | 4,357,100 | United States Dollar | 5,631,500 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Bond Fund Class I shares (constituting 38.4% of the Fund's Net Asset Value and at a market value of S\$9,768,478) and First State Global Opportunities Fund Class I shares (constituting 60.2% of the Fund's Net Asset Value and at a market value of S\$15,310,117). In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State Global Infrastructure

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|--------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 3.8 | 3.8 |
| 6-mth | 15.7 | 17.7 |
| 1-year | 23.0 | 16.0 |
| Since Inception – 3 March 2008 | -9.2 | -10.8 |

(Calculated since date of first valuation)

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

The benchmark of the Fund is the UBS Global Infrastructure and Utilities 50-50 Index. It was changed from S&P Global Infrastructure Index with effect from 1 June 2008 as the new benchmark is more representative of the Fund.

- Inception to 31 May 2008: S&P Global Infrastructure Index.
- From 01 June 2008: UBS Global Infrastructure and Utilities 50-50 Index

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

Annual Report for the financial year ended 31 December 2009

First State Global Infrastructure

MANAGER'S REPORT

The global listed infrastructure market rose in 2009 with global equity markets which rallied strongly on abundant liquidity and signs that the global economy was recovering. The asset class as measured by the UBS Global Infrastructure & Utilities 50-50 Index rose 19.0% in US dollar terms, while the MSCI World Index was up by 30.8%.

Performance was positively impacted by port company **Vopak** which rose as it reported robust earnings growth despite weakness in global trade volumes. Toll road operators **Vinci** and **Abertis** also performed strongly as they confirmed a robust improvement in traffic volumes. On the negative side, defensive utilities like **Osaka Gas** (Japan: Integrated Regulated) and **Tokyo Electric Power** (Japan: Integrated Regulated) were left behind in the market rally. **Enagas** (Spain: Transmission & Distribution) underperformed as it reduced capital expenditure forecasts and investors became increasingly concerned about the economic and fiscal outlook for Spain.

Major purchases over the period included US railroad **Union Pacific** which is attractive on long-term valuation metrics, produces strong free cash flows and has improving pricing power, and **Central Japan Railway** at what we believe was a very attractive valuation due to the market over-reacting to declines in passenger numbers. We also acquired US-based communications infrastructure company **Crown Castle International**. We sold **Duke Energy** (US: Integrated) as we believe there is better relative value and opportunities elsewhere and **Enbridge Energy Partners** (US: Transmission & Distribution) taking profits after strong performance. We also sold Japanese electric and gas utility **Tokyo Electric Power** as strong outperformance in 2008 saw the stock fall in our relative value and quality ranking.

Outlook

We expect M&A activity to accelerate in 2010 as credit markets continue to normalise, economic growth accelerates, corporate confidence increases and listed infrastructure remains undervalued. As the global economy improves over the year, we believe volume recovery from airports, railways, ports and toll roads can provide upside surprises to earnings expectations.

Recent weakness in equity markets provides an attractive entry point for long-term investors to gain exposure to listed infrastructure. With valuations at undemanding multiples on below-trend earnings we continue to be positive about the sector. Global listed infrastructure assets offer pricing power, high barriers to entry, sustainable growth and predictable cash flow.

Annual Report for the financial year ended 31 December 2009
First State Global Infrastructure

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value \$ | % of NAV |
|---|-----------------|----------------------------------|-----------------|
| FIRST STATE GLOBAL INFRASTRUCTURE | | | |
| England and Wales | | | |
| First State Global Listed Infrastructure Fund | 8,000,959 | 17,682,407 | 99.5 |
| Total investments | | 17,682,407 | 99.5 |
| Other net assets | | 92,063 | 0.5 |
| Total net assets attributable to unitholders | | 17,774,470 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State Global Infrastructure

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

| | Market Value S\$ | % of NAV |
|---|---------------------|----------|
| Top 10 holdings (as at 31 December 2009) | | |
| Vinci SA | 20,813,711 | 6.1 |
| E.ON AG | 15,259,697 | 4.5 |
| Abertis Infraestructuras SA | 14,594,115 | 4.3 |
| Koninklijke Vopak NV | 14,459,423 | 4.2 |
| SES | 14,088,334 | 4.1 |
| American Tower Corp | 13,477,965 | 4.0 |
| Central Japan Railway Co | 12,303,364 | 3.6 |
| Crown Castle Intl Corp | 10,551,318 | 3.1 |
| Dominion Resources, Inc | 10,399,359 | 3.1 |
| Unique Zurich Airport | 10,094,980 | 3.0 |

Top 10 holdings (as at 31 December 2008)

| | | |
|----------------------------------|-----------|-----|
| American Tower Corp | 7,973,693 | 6.4 |
| Vinci SA | 7,461,249 | 6.0 |
| Abertis Infraestructuras SA | 7,332,242 | 5.9 |
| Gaz De France SA | 6,561,179 | 5.2 |
| Koninklijke Vopak NV | 6,546,802 | 5.2 |
| E.ON AG | 6,469,291 | 5.2 |
| Autostrade Meridionali S.p.A | 5,216,355 | 4.2 |
| Dominion Resources, Inc | 4,296,507 | 3.4 |
| Macquarie Infrastructure Group | 4,154,243 | 3.3 |
| Public Services Enterprise Group | 4,037,482 | 3.2 |

Annual Report for the financial year ended 31 December 2009

First State Global Infrastructure

DISCLOSURES

| | |
|----------------------|-------------|
| Subscriptions | \$3,622,044 |
| Redemptions | \$2,604,056 |

| | 31 December 2009 | 31 December 2008 |
|--|-------------------------|-------------------------|
| Portfolio Turnover (Including that of the Underlying Fund) | 20.9% | 39.3% |
| Expense Ratio** (Including that of the Underlying Fund) | 1.92% | 2.19% |
| Disclosures on the Underlying Fund - | | |
| Portfolio Turnover | 21.3% | 39.8% |
| Expense Ratio** | 1.62% | 1.61% |

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

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

Annual Report for the financial year ended 31 December 2009

First State Global Infrastructure

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--------------------------------|--------------|
| Bank service fees paid to HSBC | S\$ 2,922 |
|--------------------------------|--------------|

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Great British Pound | 1,119 |
| Singapore Dollar | 85,668 |
| United States Dollar | 2,360 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|-----------|----------------------|-----------|
| Currency | Amount | Currency | Amount |
| Great British Pound | 976,100 | Great British Pound | 1,046,000 |
| Singapore Dollar | 2,638,798 | Singapore Dollar | 2,428,872 |
| United States Dollar | 116,000 | United States Dollar | 176,393 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Listed Infrastructure Fund Class A shares, constituting 99.5% of the Fund's Net Asset Value and at a market value of S\$17,682,407. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State Global Opportunities Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|----------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 1.8 | 3.8 |
| 6-mth | 16.3 | 18.8 |
| 1-year | 24.0 | 27.5 |
| 3-year | -8.0 | -7.8 |
| 5-year | -1.8 | -0.5 |
| 10-year | -5.9 | -1.5 |
| Since Inception – 24 August 1998 | -0.3 | 0.8 |

(Calculated since date of first valuation)

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

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

The benchmark of the Fund is the MSCI World Index.

* Source : Lipper. No initial charges with income reinvested in Singapore dollars.

MANAGER'S REPORT

Global markets rose strongly over 2009 despite a weak start to the year. The MSCI World Index increased by 30.8% in US dollar terms on abundant liquidity following 'quantitative easing' by central banks and significant stimulus packages. The global economy responded positively and began to recover, driven by robust growth from China.

The Asian markets of Hong Kong and Singapore outperformed over the year on plentiful liquidity and rising risk appetite. Australia was also strong on expectations of a pick-up in global growth and a strengthening currency. The US and the major European markets of France and Germany lagged and Japan was a significant underperformer as the economy remained weak.

Performance was positively impacted by **Whirlpool** (US: Consumer Discretionary) which rose on increasing confidence that the US housing market has stabilised, and **Rio Tinto** (UK: Materials) which gained strongly as commodity prices rallied and investors anticipated robust growth in 2010. **Banco Santander** (Spain: Financials) outperformed as investors perceived it to be a well capitalised bank with low exposure to distressed assets.

On the negative side, **Barclays** (UK: Financials) underperformed on short-term market concerns about its investment banking business and **Molson Coors** (US: Consumer Staples) lagged as it disappointed the market with weak beer volumes in the North American market. **Sumitomo Mitsui Financial** (Japan: Financials) underperformed with the Japanese market on worries about the lacklustre economic backdrop.

Significant new positions over the year included **Occidental Petroleum** (US: Energy) as unappreciated Californian oil finds have improved the company's growth profile and **Bunge**, which has a strong franchise in agricultural and fertiliser markets, and was trading at trough valuations with visible catalysts. We also bought **CA Inc** (US: Information Technology) as the outlook for the mainframe computer support market is more resilient than it appears. We sold **Syngenta** (Switzerland: Materials) as it reached our price target and **Exxon Mobil** (US) following a period of outperformance. We sold **Gilead Sciences** (US: Health Care) as patent expiry concerns encouraged us to downgrade the outlook for the stock.

Outlook

Economies are recovering thanks to dramatic government action, companies have cut costs aggressively and corporate balance sheets have improved markedly. However, much of the good news is reflected in share prices. Challenges for markets in 2010 include removal of 'quantitative easing' and possibly higher interest rates as economies normalise. While the outlook is improving, severe economic stresses remain and we expect markets to be volatile at times. We are focused on stock picking within our risk controlled framework.

Annual Report for the financial year ended 31 December 2009
First State Global Opportunities Fund

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value \$\$ | % of NAV |
|--|-----------------|------------------------------------|-----------------|
| FIRST STATE GLOBAL OPPORTUNITIES FUND | | | |
| Dublin | | | |
| First State Global Opportunities Fund | 3,169,004 | 27,940,489 | 99.2 |
| Total investments | | 27,940,489 | 99.2 |
| Other net assets | | 239,902 | 0.8 |
| Total net assets attributable to unitholders | | 28,180,391 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State Global Opportunities Fund

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

| | Market Value \$\$ | % of NAV |
|---|----------------------|----------|
| Top 10 holdings (as at 31 December 2009) | | |
| CA, Inc | 2,063,012 | 3.4 |
| Occidental Petroleum Corp | 1,889,150 | 3.1 |
| Bunge Ltd | 1,851,307 | 3.1 |
| Walgreen Co | 1,788,326 | 2.9 |
| JPMorgan Chase & Co | 1,762,825 | 2.9 |
| Deutsche Post AG | 1,738,223 | 2.9 |
| Amgen Inc | 1,699,115 | 2.8 |
| Chevron Corp | 1,606,034 | 2.6 |
| Mosaic Co | 1,579,167 | 2.6 |
| Barclays PLC | 1,504,671 | 2.5 |
| Top 10 holdings (as at 31 December 2008) | | |
| JPMorgan Chase & Co | 2,370,150 | 4.5 |
| British American Tobacco PLC | 2,060,846 | 4.0 |
| Exxon Mobil Co | 1,786,520 | 3.4 |
| Apache Corp | 1,702,430 | 3.3 |
| Syngenta AG | 1,537,733 | 3.0 |
| Gilead Sciences Inc | 1,450,232 | 2.8 |
| Pernod Ricard SA | 1,335,847 | 2.6 |
| Baxter International Inc | 1,312,091 | 2.5 |
| CRH Plc | 1,297,478 | 2.5 |
| Microsoft Corp | 1,223,764 | 2.3 |

Annual Report for the financial year ended 31 December 2009

First State Global Opportunities Fund

DISCLOSURES

Subscriptions S\$1,252,980

Redemptions S\$2,918,107

| | 31 December 2009 | 31 December 2008 |
|---|-------------------------|-------------------------|
| Portfolio Turnover | 276.6% | 236.7% |
| (Including that of the Underlying Fund) | | |

| | | |
|---|-------|-------|
| Expense Ratio** | 1.88% | 1.90% |
| (Including that of the Underlying Fund) | | |

Disclosures on the Underlying Fund -

| | | |
|---------------------------|--------|--------|
| Portfolio Turnover | 277.4% | 232.2% |
|---------------------------|--------|--------|

| | | |
|------------------------|-------|-------|
| Expense Ratio** | 1.77% | 1.75% |
|------------------------|-------|-------|

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

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

Annual Report for the financial year ended 31 December 2009

First State Global Opportunities Fund

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--|--------|
| | S\$ |
| Bank service fees paid to HSBC | 2,151 |
| Expense ratio rebate received from Manager | 38,849 |

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Singapore Dollar | 149,451 |
| United States Dollar | 1,367 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|-----------|----------------------|-----------|
| Currency | Amount | Currency | Amount |
| Singapore Dollar | 2,352,590 | Singapore Dollar | 513,547 |
| United States Dollar | 353,000 | United States Dollar | 1,613,000 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Opportunities Fund Class I shares, constituting 99.2% of the Fund's Net Asset Value and at a market value of S\$27,940,489. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State Global Property Investments

MANAGER'S REPORT for the period from 1 January to 31 December 2009

Historical performance* *in Singapore dollars*

| | Fund | Benchmark |
|--|-------------|------------------|
| | % | % |
| 3-mth | 5.0 | 4.2 |
| 6-mth | 33.5 | 35.8 |
| 1-year | 34.8 | 32.2 |
| 3-year | -17.4 | -14.7 |
| Since Inception – 11 April 2005 <i>(Calculated since date of first valuation)</i> | -2.8 | -0.6 |

Note : Performance for 1 year and above has been annualised.

The benchmark of the Fund is the UBS Global Real Estate Investors Index. It was changed from Citigroup BMI World Property Index with effect from 1 March 2008 as the new benchmark is a more accurate representation of our investment strategy for relative comparison purposes.

- Inception to 29 February 2008: Citigroup BMI World Property Index
- From 01 March 2008: UBS Global Real Estate Investors Index

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

Annual Report for the financial year ended 31 December 2009

First State Global Property Investments

MANAGER'S REPORT

Global listed property markets rose substantially over 2009 with global equity markets as credit conditions eased and the global economy responded to the stimulus measures announced in 2008.

Markets suffered during the first couple of months of the year as investors feared a very substantial economic slowdown. However, as credit conditions eased, listed property markets rose with global equity markets. The US property market showed some signs of recovery after suffering over a number of years. The Chinese property market recovered strongly with robust price rises boosted by high levels of bank lending. Positive sentiment towards China helped to sustain a strong recovery in the Hong Kong listed property sector.

Performance was boosted by US industrial REIT **Prologis** which rose as investors responded positively to improving levels of activity in the US economy, and diversified French REIT **Unibail-Rodamco** which performed strongly as it announced better-than-expected earnings. On the negative side, **Alexandria Real Estate** (US: Office) underperformed as the company scaled back developments, reduced its dividend and diluted earnings with two large capital raisings; and **Nippon Building Fund** (Japan: Office) was weak as the Japanese economy remained subdued.

Major purchases over the period included **Host Hotels & Resorts** (US: Hotels) which is seeking to acquire properties from forced sellers and has maintained its distribution guidance and **AvalonBay Communities**, a US Apartment REIT which is focused on high-end apartments. We also bought **Macerich Company**, a regional mall REIT, which has refinanced some of its debt.

In the US Diversified sector, we sold **Public Storage** because of a lack of positive catalysts and **Health Care Prop** following a period of strong relative outperformance. We also sold **Vornado Realty** (US: Office) as much of the good news about the revival of New York City tenant demand is priced in.

Outlook

The long-term outlook for global listed property sector remains positive driven by urbanization trends in Asia and emerging markets. In the shorter term, we expect that the highest quality stocks should outperform as the market recognises the value in premium assets. Rental prices, vacancy rates and prices for less attractive assets remain weak, particularly in industrial property. We expect higher quality REITs to buy assets from lower quality ones and boost earnings.

Annual Report for the financial year ended 31 December 2009
First State Global Property Investments

PORTFOLIO STATEMENT

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % |
|------------------------------------|------------------------------------|---|--|
| Primary - by geography | | | |
| Equities | | | |
| Quoted | | | |
| Australia | | | |
| Aspen Group Ltd NPV (Staple) | 113,237 | 66,485 | 0.42 |
| CFS Retail Property Trust | 88,524 | 212,371 | 1.34 |
| FKP Property Group Stapled | | | |
| Security NPV | 76,362 | 76,170 | 0.48 |
| Goodman Group | 261,612 | 208,103 | 1.32 |
| ING Industrial Fund Unit NPV | 264,365 | 158,554 | 1.00 |
| Lend Lease Corp Ltd | 9,529 | 123,325 | 0.78 |
| Stockland | 74,353 | 368,953 | 2.33 |
| Westfield Group | 47,519 | 749,994 | 4.74 |
| | | 1,963,955 | 12.41 |
| Canada | | | |
| Allied Properties Real Estate | 6,899 | 177,854 | 1.12 |
| Boardwalk Real Estate | | | |
| Investment Trust | 2,672 | 131,611 | 0.83 |
| Brookfield Infrastructure Partners | | | |
| L P NPV (Toronto) | 5,670 | 132,123 | 0.83 |
| Brookfield Properties Corp | 11,581 | 197,061 | 1.25 |
| Innvest Real Estate Investment | | | |
| Trust Com NPV | 21,284 | 151,354 | 0.96 |
| Primaris Retail Real Estate | | | |
| Investment Trust | 5,435 | 117,403 | 0.74 |
| Riocan Real Estate | 8,726 | 231,847 | 1.47 |
| | | 1,139,253 | 7.20 |
| Finland | | | |
| Citycon | 15,611 | 92,135 | 0.58 |

Annual Report for the financial year ended 31 December 2009

First State Global Property Investments

PORTFOLIO STATEMENT

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % |
|---|------------------------------------|---|--|
| Primary - by geography (continued) | | | |
| France | | | |
| Klepierre | 1,320 | 75,220 | 0.47 |
| STE De La Tour Eiffel | 849 | 90,108 | 0.57 |
| Unibail - Rodamco | 3,021 | 934,695 | 5.91 |
| | | <hr/> 1,100,023 <hr/> | <hr/> 6.95 <hr/> |
| Germany | | | |
| Alstria Office | 5,187 | 80,974 | 0.51 |
| Deutsche Euroshop | 2,355 | 111,810 | 0.71 |
| | | <hr/> 192,784 <hr/> | <hr/> 1.22 <hr/> |
| Great Britain | | | |
| British Land Co PLC | 31,039 | 337,779 | 2.13 |
| Great Portland Estates PLC | 32,198 | 209,578 | 1.32 |
| Hammerson PLC | 17,950 | 172,509 | 1.09 |
| Liberty International Plc | 2,622 | 30,258 | 0.19 |
| Local Shopping REIT PLC | 58,641 | 83,093 | 0.53 |
| Shaftesbury PLC | 15,000 | 133,854 | 0.85 |
| Terrace Hill Group PLC | 101,389 | 43,674 | 0.28 |
| | | <hr/> 1,010,745 <hr/> | <hr/> 6.39 <hr/> |
| Guernsey | | | |
| London & Stamford Property Ltd | 41,573 | 111,219 | 0.70 |
| Hong Kong | | | |
| China Overseas Land & Investments | 26,372 | 78,118 | 0.50 |
| China Resources Land Ltd | 36,000 | 114,198 | 0.72 |
| Hongkong Land Holdings Ltd | 38,000 | 260,348 | 1.65 |
| Kerry Properties Ltd | 9,757 | 69,781 | 0.44 |
| Link Reit | 81,164 | 290,091 | 1.83 |
| Sun Hung Kai Properties Ltd | 4,000 | 84,012 | 0.53 |
| | | <hr/> 896,548 <hr/> | <hr/> 5.67 <hr/> |

Annual Report for the financial year ended 31 December 2009
First State Global Property Investments

PORTFOLIO STATEMENT

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % |
|---|------------------------------------|---|--|
| Primary - by geography (continued) | | | |
| Japan | | | |
| Aeon Mall Co Ltd | 3,400 | 91,782 | 0.58 |
| Japan Real Estate Investment Corp | 7 | 72,101 | 0.46 |
| Mitsui Fudosan Co Ltd | 2,400 | 56,209 | 0.35 |
| Nippon Building Fund Inc REIT | 15 | 159,480 | 1.01 |
| Nomura Real Estate Office Fund Inc | 10 | 75,857 | 0.48 |
| Ntt Urban Development Corp | 41 | 38,088 | 0.24 |
| | | 493,517 | 3.12 |
| Jersey (CHI) | | | |
| Max Property Group PLC | 38,899 | 102,301 | 0.65 |
| Netherlands | | | |
| Corio | 1,920 | 182,894 | 1.16 |
| Eurocommerc CVA | 2,824 | 162,092 | 1.03 |
| Vastned Retail | 1,291 | 119,037 | 0.75 |
| Wereldhave NV | 1,088 | 146,156 | 0.92 |
| | | 610,179 | 3.86 |
| Singapore | | | |
| Ascendas India | 105,613 | 102,973 | 0.65 |
| Ascendas Real Estate Investment Trust NPV | 87,000 | 192,270 | 1.21 |
| CapitaMall Trust REIT | 151,000 | 175,160 | 1.11 |
| | | 470,403 | 2.97 |
| Sweden | | | |
| Castellum | 9,852 | 138,993 | 0.88 |
| United States of America | | | |
| AMB Property Corp | 6,936 | 248,119 | 1.57 |
| Avalonbay Communities | 2,763 | 318,243 | 2.01 |

Annual Report for the financial year ended 31 December 2009
First State Global Property Investments

PORTFOLIO STATEMENT

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % |
|---|------------------------------------|---|--|
| Primary - by geography (continued) | | | |
| Biomed Realty Trust Inc | 7,107 | 157,351 | 0.99 |
| Boston Properties Inc | 4,467 | 420,563 | 2.66 |
| BRE Properties Class A | 4,172 | 193,759 | 1.23 |
| Camden Property Trust Reit | 3,359 | 199,623 | 1.26 |
| Cousins Properties Inc | 12,830 | 137,437 | 0.87 |
| Dct Industrial Trust Inc Reit | 23,356 | 164,609 | 1.04 |
| Digital Realty Trust Inc | 4,165 | 293,717 | 1.86 |
| Dr Horton Inc Com | 15,741 | 240,222 | 1.52 |
| Duke Realty Corporation Reit | 16,463 | 280,595 | 1.77 |
| Dupont Fabros | 3,559 | 89,740 | 0.57 |
| Equity Residential REIT | 8,765 | 415,684 | 2.63 |
| Essex Property Trust Inc | 2,385 | 280,095 | 1.77 |
| Extra Space Storage Inc Com | 10,679 | 173,167 | 1.09 |
| Forest City Enterprises Cl A Com | 12,671 | 209,560 | 1.32 |
| Health Care REIT | 4,772 | 296,861 | 1.88 |
| Host Hotels & Resorts Inc | 26,087 | 427,412 | 2.70 |
| Hyatt Hotels Corp Cl A Com | 2,665 | 111,423 | 0.70 |
| Lasalle Hotel Properties Com | 4,417 | 131,652 | 0.83 |
| Lennar Corp Cl A Com | 7,796 | 139,442 | 0.88 |
| Macerich Co Ltd | 6,311 | 317,554 | 2.01 |
| Pebblebrook Hotel Trust | 4,942 | 151,880 | 0.96 |
| Prologis | 15,632 | 300,448 | 1.90 |
| Simon Property Group | 9,039 | 1,012,686 | 6.40 |
| Starwood Hotels & Resorts | | | |
| Worldwide | 2,685 | 137,817 | 0.87 |
| U-Store-It Trust Com | 12,164 | 125,008 | 0.79 |
| Ventas Inc Com | 5,685 | 349,109 | 2.21 |
| | | 7,323,776 | 46.29 |

Annual Report for the financial year ended 31 December 2009
First State Global Property Investments

PORTFOLIO STATEMENT

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % |
|---|------------------------------------|---|--|
| Primary - by geography (continued) | | | |
| Portfolio of investments | | 15,645,831 | 98.89 |
| Other net assets | | 176,393 | 1.11 |
| Net assets attributable to unitholders | | 15,822,224 | 100.00 |

Annual Report for the financial year ended 31 December 2009
First State Global Property Investments

| | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|---|--|--|
| Primary - by geography (summary) | | |
| Equities | | |
| Quoted | | |
| Australia | 12.41 | 9.68 |
| Canada | 7.20 | 6.02 |
| Cyprus | - | 0.16 |
| Finland | 0.58 | 1.04 |
| France | 6.95 | 8.87 |
| Germany | 1.22 | 2.04 |
| Great Britain | 6.39 | 6.61 |
| Guernsey | 0.70 | - |
| Hong Kong | 5.67 | 5.61 |
| India | - | 0.62 |
| Isle of Man | - | 0.14 |
| Japan | 3.12 | 6.79 |
| Jersey (CHI) | 0.65 | - |
| Netherlands | 3.86 | 1.76 |
| Singapore | 2.97 | 0.88 |
| Sweden | 0.88 | - |
| United States of America | 46.29 | 46.05 |
| | 98.89 | 96.27 |
| Unquoted | | |
| Hong Kong | - | 0.02 |
| | 98.89 | 96.29 |
| Portfolio of investments | 98.89 | 96.29 |
| Other net assets | 1.11 | 3.71 |
| Net assets attributable to unitholders | 100.00 | 100.00 |

Annual Report for the financial year ended 31 December 2009
First State Global Property Investments

| | Fair Value at 31 December 2009 | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|---|--------------------------------------|--|--|
| Secondary - by industry | | | |
| Building/Construction | 455,834 | 2.88 | - |
| Diversified Resources | 102,973 | 0.65 | 0.41 |
| Finance | - | - | 6.16 |
| Healthcare | - | - | 5.18 |
| Hotel | 808,304 | 5.10 | - |
| Investments | 236,083 | 1.50 | 2.21 |
| Miscellaneous | 173,167 | 1.09 | - |
| Property | 2,117,654 | 13.39 | 11.76 |
| Property Trust | 488,198 | 3.09 | 1.79 |
| Real Estate | 3,776,512 | 23.87 | 31.77 |
| Real Estate Investment Trust | 7,157,332 | 45.24 | 35.39 |
| Retail | 117,403 | 0.74 | - |
| Unit Trust | 212,371 | 1.34 | 1.62 |
| <hr/> | | | |
| Portfolio of investments | 15,645,831 | 98.89 | 96.29 |
| Other net assets | 176,393 | 1.11 | 3.71 |
| Net assets attributable to unitholders | 15,822,224 | 100.00 | 100.00 |
| <hr/> <hr/> | | | |

Annual Report for the financial year ended 31 December 2009
First State Global Property Investments

DISTRIBUTION OF INVESTMENTS

| | Market Value \$ | % of NAV |
|--|----------------------------------|-----------------|
| Top 10 holdings (as at 31 December 2009) | | |
| Simon Property Group, Inc | 1,012,686 | 6.4 |
| Unibail-Rodamco (formerly known as Unibail Hldg) | 934,695 | 5.9 |
| Westfield Group | 749,994 | 4.7 |
| Host Hotels & Resorts Inc | 427,412 | 2.7 |
| Boston Properties, Inc | 420,563 | 2.7 |
| Equity Residential REIT | 415,684 | 2.6 |
| Stockland | 368,953 | 2.3 |
| Ventas, Inc | 349,109 | 2.2 |
| British Land Co PLC | 337,779 | 2.1 |
| Avalonbay Communities, Inc | 318,243 | 2.0 |

Top 10 holdings (as at 31 December 2008)

| | | |
|--|---------|-----|
| Westfield Group | 719,559 | 6.2 |
| Vornado Realty Trust Inc | 651,295 | 5.6 |
| Unibail-Rodamco (formerly known as Unibail Hldg) | 646,451 | 5.5 |
| Simon Property Group, Inc | 596,725 | 5.1 |
| Public Storage | 542,048 | 4.6 |
| Equity Residential REIT | 376,100 | 3.2 |
| Digital Realty Trust Inc | 370,612 | 3.2 |
| HCP Inc Com | 353,565 | 3.0 |
| Boston Properties, Inc | 334,295 | 2.9 |
| Nippon Building Fund Inc REIT | 291,408 | 2.5 |

Annual Report for the financial year ended 31 December 2009 First State Global Property Investments

DISCLOSURES

| | |
|---------------|--------------|
| Subscriptions | S\$1,473,468 |
| Redemptions | S\$746,665 |

31 December 2009 31 December 2008

| | | |
|--------------------|--------|-------|
| Portfolio Turnover | 138.2% | 59.4% |
| Expense Ratio** | 1.87% | 2.04% |

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

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

Annual Report for the financial year ended 31 December 2009

First State Global Property Investments

Related party transactions

For the financial year ended 31 December 2009

| | |
|---------------------------------------|--------|
| | S\$ |
| Bank service fees paid to HSBC | 836 |
| Interest expense paid to HSBC | 22 |
| Security processing fees paid to HSBC | 75,599 |
| Sub-custodian fees paid to HSBC | 5,356 |
| Interest received from HSBC | 187 |

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Australian Dollar | 2,057 |
| Canadian Dollar | 611 |
| Euro | 5,451 |
| Great British Pound | 28,884 |
| Hong Kong Dollar | 3,568 |
| Japanese Yen | 38,392 |
| Singapore Dollar | 49,407 |
| Swedish Krona | 172 |
| United States Dollar | 77,379 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|------------|----------------------|------------|
| Currency | Amount | Currency | Amount |
| Australian Dollar | 804,000 | Australian Dollar | 627,000 |
| Canadian Dollar | 536,000 | Canadian Dollar | 656,110 |
| Euro | 104,900 | Euro | 197,200 |
| Great British Pound | 420,700 | Great British Pound | 399,696 |
| Hong Kong Dollar | 1,449,000 | Hong Kong Dollar | 3,535,000 |
| Japanese Yen | 11,200,000 | Japanese Yen | 16,951,000 |
| Singapore Dollar | 4,810,620 | Singapore Dollar | 4,731,890 |
| Swedish Krona | 525,500 | United States Dollar | 1,242,881 |
| United States Dollar | 1,518,406 | | |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State Global Resources

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|------------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 15.9 | 13.2 |
| 6-mth | 32.6 | 33.2 |
| 1-year | 85.5 | 81.7 |
| 3-year | 4.8 | 7.1 |
| Since Inception – 5 September 2005 | 9.5 | 15.0 |

(Calculated since date of first valuation)

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

Performance for 1 year and above has been annualised.

The benchmark of the Fund is a composite comprising 75% HSBC Global Mining Accumulation Index and 25% MSCI All Country World Energy Index. It was changed from HSBC Global Mining Index from 1 November 2007. The new benchmark is intended to better reflect the Fund's investment scope.

- Inception to 31 October 2007: HSBC Global Mining Index
- From 01 November 2007: 75% HSBC Global Mining Accumulation Index and 25% MSCI All Country World Energy Index

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

Annual Report for the financial year ended 31 December 2009

First State Global Resources

MANAGER'S REPORT

The global mining and energy markets performed very strongly in 2009 as commodity prices rose and investors anticipated a rebound in global growth. Continuing strength in the Chinese economy helped boost demand. The HSBC Global Mining Index rose by 105.8% in US dollar terms over the year and the MSCI Energy Index was up by 34.1%.

Commodity prices rallied over the year on robust Chinese buying and as the global economy responded positively to 'quantitative easing' and stimulus packages. Aluminium (+44.8%), copper (+140.2%), lead (+143.4%) and zinc (+111.9%) all rose strongly. The oil price increased by 77.9% and the gold price was up by 25.5%.

The large diversified miners of **Rio Tinto**, **Xstrata**, **BHP Billiton** and **Vale** contributed positively over the year as their share prices rose strongly with commodity prices.

On the negative side, **Exxon Mobil** declined as investors reduced exposure to defensive companies as risk appetite grew. **Nimin Energy** lagged as a capital raising associated with its listing on the Canadian market diluted shareholders. In addition, its enhanced oil recovery technology implementation at its Pleito Creek project was delayed and required more capital. The company changed its name to **Legacy Energy** at the listing.

Significant purchases over the year included Chinese thermal coal producer **China Coal** which has a growing production profile, excellent cost control and a relatively attractive valuation. **Sterlite Industries** was bought due to its strong growth options in its key businesses of power generation, zinc production and aluminium smelting. We also purchased **Oil Search** which has a strong reserve base underpinning the development of the LNG project in PNG and is attractively valued.

We sold **Potash Corporation** after recent underperformance as we could not see any catalysts for improvement in the near term. Potash prices remain under pressure as farmers continued to apply fewer nutrients. **Nexen** was also sold due to continued operational issues at its key Long Lake project and balance sheet concerns.

Outlook

M&A activity is likely to be an important theme in 2010. Mining companies have restructured balance sheets, raised equity and built up cash positions. Further consolidation in the industry is anticipated. Costs may be under pressure and lead to margin erosion.

We have always emphasised the need to invest in quality companies at the low end of the cost curve. Our portfolio is skewed towards large cap companies with strong balance sheets and cash generating ability. A large amount of the fund remains invested in diversified miners although some of our more defensive exposures have been reduced as the global economy has recovered.

Annual Report for the financial year ended 31 December 2009

First State Global Resources

We maintain our investment philosophy of not speculating on the direction of commodity prices. Rather we focus on quality companies which are able to deliver growth at relatively low cash costs. We anticipate that this will deliver excess returns over the full commodity price cycle.

Annual Report for the financial year ended 31 December 2009
First State Global Resources

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value S\$ | % of NAV |
|--|-----------------|-----------------------------|-----------------|
| FIRST STATE GLOBAL RESOURCES | | | |
| England and Wales | | | |
| First State Global Resources Fund | 98,354,707 | 753,003,834 | 98.2 |
| Dublin | | | |
| First State Global Resources Fund | 519,818 | 9,786,593 | 1.3 |
| Total investments | | 762,790,427 | 99.5 |
| Other net assets | | 3,759,037 | 0.5 |
| Total net assets attributable to unitholders | | 766,549,464 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State Global Resources

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

| | Market Value S\$ | % of NAV |
|---|-----------------------------|-----------------|
| Top 10 holdings (as at 31 December 2009) | | |
| BHP Billiton PLC | 133,530,440 | 9.6 |
| Rio Tinto PLC | 121,290,150 | 8.7 |
| Vale SA | 116,839,135 | 8.4 |
| Xstrata PLC | 103,625,186 | 7.5 |
| Anglo American PLC | 48,961,161 | 3.5 |
| Petrobras | 44,927,429 | 3.2 |
| Antofagasta PLC | 42,145,545 | 3.0 |
| Eldorado Gold Corp | 38,668,190 | 2.8 |
| Lihir Gold Ltd | 37,555,436 | 2.7 |
| Walter Energy | 35,886,306 | 2.6 |

Top 10 holdings (as at 31 December 2008)

| | | |
|--------------------|------------|-----|
| BHP Billiton PLC | 51,336,425 | 8.6 |
| Vale SA | 49,325,299 | 8.3 |
| Rio Tinto PLC | 34,548,821 | 5.8 |
| Exxon Mobil Corp | 33,458,662 | 5.6 |
| Goldcorp Inc | 29,484,952 | 4.9 |
| Barrick Gold Corp | 24,780,059 | 4.1 |
| Lihir Gold Ltd | 23,846,187 | 4.0 |
| Eldorado Gold Corp | 22,672,726 | 3.8 |
| Petrobras | 19,623,355 | 3.3 |
| Legacy Energy | 19,247,879 | 3.2 |

Annual Report for the financial year ended 31 December 2009

First State Global Resources

DISCLOSURES

| | |
|---------------|---------------|
| Subscriptions | \$291,150,282 |
| Redemptions | \$171,597,905 |

| | 31 December 2009 | 31 December 2008 |
|--|------------------|------------------|
| Portfolio Turnover (Including that of the Underlying Fund) | 84.7% | 62.3% |
| Expense Ratio** (Including that of the Underlying Fund) | 1.75% | 1.77% |

Disclosures on the Underlying Fund -

| | | |
|---------------------------|-------|-------|
| Portfolio Turnover | 85.0% | 62.7% |
| Expense Ratio** | 0.90% | 0.90% |

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

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

Annual Report for the financial year ended 31 December 2009

First State Global Resources

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--------------------------------|---------------|
| Bank service fees paid to HSBC | S\$ 23,328 |
|--------------------------------|---------------|

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Great British Pound | 3,116 |
| Singapore Dollar | 882,609 |
| United States Dollar | 601,015 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|------------|----------------------|-------------|
| Currency | Amount | Currency | Amount |
| Great British Pound | 67,196,696 | Great British Pound | 19,424,000 |
| Singapore Dollar | 57,235,886 | Singapore Dollar | 154,153,401 |
| United States Dollar | 1,382,000 | United States Dollar | 10,337,179 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Global Resources Fund Class B shares (constituting 98.2% of the Fund's Net Asset Value and at a market value of S\$753,003,834) and First State Global Resources Fund Class III shares (constituting 1.3% of the Fund's Net Asset Value and at a market value of \$9,786,593). In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State Regional China Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|-----------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 9.3 | 7.4 |
| 6-mth | 19.8 | 18.9 |
| 1-year | 64.8 | 62.9 |
| 3-year | 7.9 | 2.2 |
| 5-year | 15.4 | 9.1 |
| 10-year | 10.4 | 2.6 |
| Since Inception – 1 November 1993 | 8.9 | n.a. |

(Calculated since date of first valuation)

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

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

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

* *Source : Lipper. No initial charges with income reinvested in Singapore dollars.*

Annual Report for the financial year ended 31 December 2009

First State Regional China Fund

MANAGER'S REPORT

Over the year to 31 December 2009, the Greater China equity markets rose strongly. The MSCI Golden Dragon Index increased by 67.1% in US dollar terms, outperforming the MSCI World Index which was up by 30.8%.

Taiwan (+80.2%) outperformed as investors anticipated that a rebound in global growth would boost corporate earnings, particularly in the Information Technology sector. Both Hong Kong (+60.2%) and China (+62.6%) rose strongly but lagged on concerns that the Chinese government would tighten monetary policy.

At a sector level, the consumer sectors and Information Technology outperformed. The consumer sectors benefited from expectations of strong growth in domestic consumption and Information Technology from investors anticipating a pick-up in end demand. Telecom Services and Utilities underperformed as companies with more predictable earnings lagged in liquidity driven markets.

Wine company **Yantai Changyu** outperformed over the period on improving domestic consumption, and paper product manufacturer **Hengan International** gained as it was boosted by lower pulp prices and growing tissue consumption. **Taiwan Semiconductor** rose on expectations of a pick-up in IT product demand. **China Communications Services** (Telecom Services) lagged as investors continued to favour more cyclical growth companies and **China Resources Land** underperformed on concerns about monetary tightening. **China Mobile** lagged on worries about intensifying competitive pressures.

Over the period, significant purchases included **Li Ning**, a leading domestic branded sportswear company with an impressive management team; and **China Insurance** which is growing faster than its rivals and was attractively priced. We also purchased **Mindray Medical**, a well-regarded Chinese medical supplies company with strong domestic as well as overseas exposure. We sold **China Shipping** (Industrials) on concerns about levels of supply and **China Mobile** (Telecom Services) on mediocre results and worries about the growth outlook. We also sold **Hopewell Highway** (Hong Kong: Industrials), investing the proceeds in Hopewell Holdings, which offered better prospects.

Outlook

There are growing signs of improvement in the global economy, but we do not expect strong growth over the next three to five years. As money supply growth has exceeded 30% in China, we believe inflation will pick up in 2010. We have therefore turned our focus from stocks in the Consumer Staples sector to Consumer Discretionary companies.

Annual Report for the financial year ended 31 December 2009
First State Regional China Fund

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value S\$ | % of NAV |
|--|-----------------|-----------------------------|-----------------|
| FIRST STATE REGIONAL CHINA FUND | | | |
| Dublin | | | |
| First State Greater China Growth Fund | 7,565,844 | 524,198,982 | 99.6 |
| Total investments | | 524,198,982 | 99.6 |
| Other net assets | | 1,949,390 | 0.4 |
| Total net assets attributable to unitholders | | 526,148,372 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State Regional China Fund

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

| | Market Value S\$ | % of NAV |
|---|---------------------|----------|
| Top 10 holdings (as at 31 December 2009) | | |
| Cheung Kong (Hldgs) Ltd | 28,553,062 | 4.0 |
| Yantai Changyu Pioneer Wine Co Ltd | 27,932,328 | 4.0 |
| Hengan Intl Group Co Ltd | 27,823,499 | 3.9 |
| Taiwan Semiconductor Mfg Co Ltd | 27,192,002 | 3.8 |
| Delta Electronics Inc | 24,605,477 | 3.5 |
| Li Ning Co Ltd | 23,262,880 | 3.3 |
| China Resources Enterprises Ltd | 22,543,370 | 3.2 |
| Jardine Matheson Hldgs Ltd | 22,474,792 | 3.2 |
| CNOOC Ltd | 20,344,475 | 2.9 |
| China Resources Power Hldgs | 18,515,900 | 2.6 |

Top 10 holdings (as at 31 December 2008)

| | | |
|--|------------|-----|
| Taiwan Semiconductor Mfg Co Ltd | 19,576,430 | 5.6 |
| Cheung Kong (Hldgs) Ltd | 18,436,577 | 5.3 |
| Chunghwa Telecom Co Ltd | 15,573,293 | 4.5 |
| Jardine Matheson Hldgs Ltd | 14,272,057 | 4.1 |
| China Communications Services Corp Ltd | 11,438,277 | 3.3 |
| China Resources Enterprise Ltd | 11,038,690 | 3.2 |
| Yantai Changyu Pioneer Wine Co Ltd | 10,537,714 | 3.0 |
| China Resources Power Hldgs | 10,497,938 | 3.0 |
| President Chain Store Corp | 9,974,496 | 2.9 |
| China Oilfield Services Ltd | 9,594,745 | 2.7 |

Annual Report for the financial year ended 31 December 2009
First State Regional China Fund

DISCLOSURES

| | |
|----------------------|----------------|
| Subscriptions | S\$123,959,923 |
| Redemptions | S\$73,348,058 |

| | 31 December 2009 | 31 December 2008 |
|--|-------------------------|-------------------------|
| Portfolio Turnover (Including that of the Underlying Fund) | 23.5% | 38.9% |
| Expense Ratio** (Including that of the Underlying Fund) | 1.84% | 1.91% |

Disclosures on the Underlying Fund -

| | | |
|---------------------------|-------|-------|
| Portfolio Turnover | 23.4% | 38.1% |
| Expense Ratio** | 1.64% | 1.68% |

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

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

Annual Report for the financial year ended 31 December 2009

First State Regional China Fund

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--------------------------------|---------------|
| Bank service fees paid to HSBC | S\$ 13,872 |
|--------------------------------|---------------|

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Great British Pound | 3 |
| Singapore Dollar | 603,408 |
| United States Dollar | 371,420 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|------------|----------------------|------------|
| Currency | Amount | Currency | Amount |
| Singapore Dollar | 4,042,927 | Singapore Dollar | 41,043,216 |
| United States Dollar | 28,531,000 | United States Dollar | 2,735,000 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Greater China Growth Fund Class I shares constituting 99.6% of the Fund's Net Asset Value and at a market value of S\$524,198,982. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State Regional India Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|----------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 8.7 | 7.3 |
| 6-mth | 28.9 | 24.9 |
| 1-year | 91.5 | 97.6 |
| 3-year | 7.4 | 4.3 |
| 5-year | 17.6 | 17.3 |
| 10-year | 8.1 | 12.2 |
| Since Inception – 22 August 1994 | 7.8 | 8.7 |

(Calculated since date of first valuation)

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

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

The benchmark of the Fund is the MSCI India Index.

* *Source : Lipper. No initial charges with income reinvested in Singapore dollars.*

Annual Report for the financial year ended 31 December 2009

First State Regional India Fund

MANAGER'S REPORT

The Indian equity market rose very strongly in 2009. The MSCI India Index gained 102.8% in US dollar terms, outperforming the MSCI Asia Pacific ex-Japan Index which increased by 73.7% and the MSCI World Index which was up by 30.8%.

The Indian market rose with global markets over the year on abundant liquidity following stimulus packages and 'quantitative easing' by Western central banks. The economy performed well as consumption continued to be strong with record auto sales by year end. Infrastructure investment also picked up. GDP growth was a robust 7.9% in the third quarter, although this was driven primarily by public sector spending which is unsustainable over the longer term because of the fiscal deficit. Inflationary pressures in the Indian economy remain a concern with food prices rising by 18%.

On the positive side, Information Technology stocks **Tata Consultancy** and **Infosys Technologies** both rose on strong results as investors anticipated a more positive demand outlook. **Mahindra & Mahindra** (Consumer Discretionary) outperformed on higher-than-expected sales of utility vehicles in the run up to elections. On the negative side, **Idea Cellular** (Telecom Services) lagged as concerns rose about the impact of a tariff war on the profitability of the telecoms sector, and **Crompton Greaves** (Industrials) was weak following the disappointing performance of non-core businesses. **HDFC Bank** (Financials) suffered from profit taking as it was viewed as expensive.

Significant purchases over the year included **Satyam Computer Services** (Information Technology) as we believed that the new management could successfully restructure the business. We also purchased **Idea Cellular**, a well-managed mobile company, and **Tata Power** which we expect to be a long-term winner in the Indian utility space. We sold **Tata Tea** (Consumer Staples) as the stock reached fair value and **Crompton Greaves** as we are concerned about its investment in power generation assets. We sold **Shree Renuka Sugars** (Consumer Staples) as we lost our conviction in the quality of management.

Outlook

The region offers reasonable value in the short to medium term but is very attractive over a longer term horizon. We expect the central bank to raise Indian interest rates in January as inflation continues to rise. Elections in Sri Lanka should remove the last political hurdle for growth, but it remains to be seen how the new government will manage the interests of the Tamil minority. The region continues to offer many quality companies with strong business franchises.

Annual Report for the financial year ended 31 December 2009
First State Regional India Fund

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value S\$ | % of NAV |
|--|-----------------|-----------------------------|-----------------|
| FIRST STATE REGIONAL INDIA FUND | | | |
| Dublin | | | |
| First State Indian Subcontinent Fund | 2,260,599 | 113,493,948 | 99.4 |
| Total investments | | 113,493,948 | 99.4 |
| Other net assets | | 643,206 | 0.6 |
| Total net assets attributable to unitholders | | 114,137,154 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State Regional India Fund

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

| | Market Value ₹ | % of NAV |
|---|-------------------|----------|
| Top 10 holdings (as at 31 December 2009) | | |
| Dabur India Ltd | 15,600,558 | 6.4 |
| Infosys Technologies Ltd | 15,339,112 | 6.3 |
| Hindustan Unilever Ltd | 14,902,321 | 6.1 |
| Tata Power Co Ltd | 14,726,092 | 6.1 |
| Bharti Airtel Ltd | 14,084,911 | 5.8 |
| Tata Consultancy Services | 11,991,858 | 4.9 |
| Ambuja Cements Ltd | 11,597,979 | 4.8 |
| Nestle India Ltd | 11,253,573 | 4.6 |
| Housing Devt Finance Corp Ltd | 10,710,259 | 4.4 |
| Grasim Industries Ltd | 8,331,939 | 3.4 |

Top 10 holdings (as at 31 December 2008)

| | | |
|-------------------------------|-----------|-----|
| Hindustan Unilever Ltd | 7,514,500 | 6.2 |
| Sun Pharmaceuticals | 7,009,480 | 5.8 |
| Ambuja Cements Ltd | 6,915,005 | 5.7 |
| Bharti Airtel Ltd | 6,812,549 | 5.6 |
| Dabur India Ltd | 6,079,126 | 5.0 |
| Mahindra & Mahindra Ltd | 5,827,987 | 4.8 |
| Cipla Ltd | 5,406,511 | 4.5 |
| Infosys Technologies Ltd | 4,640,447 | 3.8 |
| Housing Devt Finance Corp Ltd | 4,578,938 | 3.8 |
| Tata Tea Ltd | 4,577,024 | 3.8 |

Annual Report for the financial year ended 31 December 2009
First State Regional India Fund

DISCLOSURES

| | |
|----------------------|---------------|
| Subscriptions | S\$16,817,769 |
| Redemptions | S\$17,168,360 |

31 December 2009 31 December 2008

| | | |
|--|-------|-------|
| Portfolio Turnover (Including that of the Underlying Fund) | 50.2% | 62.3% |
| Expense Ratio** (Including that of the Underlying Fund) | 1.91% | 2.03% |

Disclosures on the Underlying Fund -

| | | |
|---------------------------|-------|-------|
| Portfolio Turnover | 50.1% | 61.2% |
| Expense Ratio** | 1.75% | 1.78% |

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

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

Annual Report for the financial year ended 31 December 2009

First State Regional India Fund

Related Party Transactions

For the financial year ended 31 December 2009

| | |
|--------------------------------|--------------|
| Bank service fees paid to HSBC | S\$ 6,479 |
|--------------------------------|--------------|

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Singapore Dollar | 233,877 |
| United States Dollar | 319,398 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|-----------|----------------------|-----------|
| Currency | Amount | Currency | Amount |
| Singapore Dollar | 7,073,003 | Singapore Dollar | 5,112,412 |
| United States Dollar | 3,590,000 | United States Dollar | 4,997,000 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Indian Subcontinent Fund Class I shares, constituting 99.4% of the Fund's Net Asset Value and at a market value of S\$113,493,948. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

Annual Report for the financial year ended 31 December 2009

First State Singapore Growth Fund

MANAGER'S REPORT

for the period from 1 January to 31 December 2009

Historical performance*

in Singapore dollars

| | Fund | Benchmark |
|--------------------------------|-------------|------------------|
| | % | % |
| 3-mth | 5.7 | 8.2 |
| 6-mth | 18.9 | 23.9 |
| 1-year | 63.4 | 61.6 |
| 3-year | 2.1 | 3.9 |
| 5-year | 9.5 | 10.6 |
| 10-year | 2.8 | 5.4 |
| Since Inception – 28 July 1969 | 8.4 | n.a. |

(Calculated since date of first valuation)

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

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

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

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

Annual Report for the financial year ended 31 December 2009

First State Singapore Growth Fund

MANAGER'S REPORT

Malaysia and Singapore both rose strongly with global markets in 2009 on abundant liquidity as the global economy recovered. Credit conditions improved substantially on government stimulus packages and 'quantitative easing' by central banks. The MSCI Malaysia Index gained 52.1% in US dollar terms and Singapore rose by 74.0%, while the MSCI Asia Pacific ex-Japan Index increased by 73.7%. Malaysia underperformed as its defensive characteristics were out of favour with investors and Singapore slightly outperformed as the economy bounced back quickly from a period of weakness.

Our performance was boosted by **Ezion Holdings** (Energy) which rallied strongly after the company won a contract to supply offshore vessels and **Keppel Corp** (Industrials) rose with the oil price. In the Singapore Financials sector, **DBS Group**, **Oversea-Chinese Banking Corp** and **United Overseas Bank** all rallied strongly as global credit conditions eased and investors were attracted by the low valuations of quality companies. On the negative side, **Sunrise** (Financials) and **Genting** (Consumer Discretionary) underperformed during the period we held them. Sunrise suffered from the uncertain outlook for Malaysian property and Genting lagged on corporate governance concerns.

Over the year, significant new positions included transport group **ComfortDelGro** which has a strong transport franchise and defensive cash flows, and **Batu Kawan** (Malaysia: Materials), a well managed holding company offering exposure to Kuala Lumpur Kepong at an attractive price. We sold **Genting** (Consumer Discretionary) as we had concerns over the way the company was being managed and **Astro All Asia** (Malaysia: Consumer Discretionary) as we believed it was fully valued.

Outlook

We continue to focus on identifying well-managed companies with a preference for domestic sectors in Malaysia, while in Singapore we favour companies which have developed regional or global businesses.

The markets are concerned about the impact of the removal of aggressive monetary stimulus. There are indications that inflation is returning which may lead central banks to raise interest rates sooner than markets are anticipating. We are also wary of the risk of deflation if policymakers decide to reduce the economic stimulus too quickly.

Annual Report for the financial year ended 31 December 2009
First State Singapore Growth Fund

DISTRIBUTION OF INVESTMENTS
As at 31 December 2009

| | Holdings | Market Value S\$ | % of NAV |
|--|-----------------|-----------------------------------|-----------------|
| FIRST STATE SINGAPORE GROWTH FUND | | | |
| Dublin | | | |
| First State Singapore and Malaysia Growth Fund | 1,446,466 | 57,897,123 | 99.3 |
| Total investments | | 57,897,123 | 99.3 |
| Other net assets | | 393,266 | 0.7 |
| Total net assets attributable to unitholders | | 58,290,389 | 100.0 |

Annual Report for the financial year ended 31 December 2009
First State Singapore Growth Fund

DISTRIBUTION OF INVESTMENTS (UNDERLYING FUND)

| | Market Value S\$ | % of NAV |
|---|-----------------------------|-----------------|
| Top 10 holdings (as at 31 December 2009) | | |
| Oversea-Chinese Banking Corp | 6,169,455 | 6.7 |
| United Overseas Bank Ltd | 5,997,771 | 6.5 |
| Singapore Telecommunications | 5,746,546 | 6.2 |
| Tenaga Nasional Bhd | 4,123,480 | 4.5 |
| DBS Group Hldgs Ltd | 3,215,710 | 3.5 |
| IOI Corp Bhd | 3,214,202 | 3.5 |
| Jardine Matheson Hldgs Ltd | 3,160,892 | 3.4 |
| MobileOne Ltd | 3,087,208 | 3.3 |
| Aeon Co (M) Bhd | 2,713,848 | 2.9 |
| Singapore Post Ltd | 2,693,659 | 2.9 |

Top 10 holdings (as at 31 December 2008)

| | | |
|------------------------------|-----------|-----|
| United Overseas Bank Ltd | 3,570,043 | 6.0 |
| Oversea-Chinese Banking Corp | 3,210,719 | 5.4 |
| Tenaga Nasional Bhd | 3,122,494 | 5.2 |
| IOI Corp Bhd | 2,396,148 | 4.0 |
| Aeon Co (M) Bhd | 2,054,149 | 3.5 |
| Jardine Matheson Hldgs Ltd | 1,972,387 | 3.3 |
| Singapore Telecommunications | 1,933,237 | 3.2 |
| Singapore Post Ltd | 1,858,900 | 3.1 |
| Keppel Corp Ltd | 1,848,685 | 3.1 |
| Fraser & Neave Ltd | 1,668,539 | 2.8 |

Annual Report for the financial year ended 31 December 2009
First State Singapore Growth Fund

DISCLOSURES

| | |
|----------------------|--------------|
| Subscriptions | S\$2,206,512 |
| Redemptions | S\$2,688,653 |

| | 31 December 2009 | 31 December 2008 |
|--|-------------------------|-------------------------|
| Portfolio Turnover (Including that of the Underlying Fund) | 19.7% | 12.8% |
| Expense Ratio** (Including that of the Underlying Fund) | 1.90% | 1.94% |
| Disclosures on the Underlying Fund - | | |
| Portfolio Turnover | 19.7% | 12.6% |
| Expense Ratio** | 1.73% | 1.74% |

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

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

Annual Report for the financial year ended 31 December 2009 First State Singapore Growth Fund

Related party transactions

For the financial year ended 31 December 2009

| | |
|--------------------------------|--------------|
| Bank service fees paid to HSBC | S\$ 1,994 |
|--------------------------------|--------------|

Bank balances outstanding with HSBC as at 31 December 2009

| | |
|----------------------|----------------|
| | S\$ equivalent |
| Singapore Dollar | 65,309 |
| United States Dollar | 189,049 |

Foreign exchange transacted with HSBC for the financial year ended 31 December 2009

| <u>Purchases</u> | | <u>Sales</u> | |
|----------------------|-----------|----------------------|-----------|
| Currency | Amount | Currency | Amount |
| Singapore Dollar | 2,356,830 | Singapore Dollar | 1,065,828 |
| United States Dollar | 741,500 | United States Dollar | 1,626,000 |

Others

As at 31 December 2009, the Fund did not hold any bonds, derivatives or other unit trusts, other than the First State Singapore and Malaysia Growth Fund Class I shares, constituting 99.3% of the Fund's Net Asset Value and at a market value of S\$57,897,123. In addition, the Fund did not hold any investment constituting more than 5% of a company's outstanding share capital and / or debt issue. There were also no borrowings, outstanding currency forward contracts or material information that would adversely impact the valuation of the Fund.

Soft dollar commissions

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

FIRST STATE GLOBAL GROWTH FUNDS

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

FINANCIAL STATEMENTS

For the financial year ended 31 December 2009

First State Global Growth Funds

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

General Information

Manager

First State Investments (Singapore)
1 Temasek Avenue, #17-01 Millenia Tower
Singapore 039192

Directors of the Manager

Alistair James Thompson
Michael David Stapleton
Paul Gerard Gately

Trustee/Custodian

HSBC Institutional Trust Services (Singapore) Limited
21 Collyer Quay, #14-01 HSBC Building
Singapore 049315

Registrar

First State Investments (Singapore)
1 Temasek Avenue, #17-01 Millenia Tower
Singapore 039192

Auditors

PricewaterhouseCoopers LLP

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| Financial Statements | |
| Statements of Total Return | 101 |
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| Notes to the Financial Statements | 133 |

First State Global Growth Funds

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

Report Of The Trustee

The Trustee is under a duty to take into custody and to hold the assets of the sub-funds of First State Global Growth Funds, comprising First State Asia Innovation Fund, First State Asian Growth Fund, First State Bridge, First State Dividend Advantage, First State GEM Leaders, First State Global Balanced Fund, First State Global Infrastructure, First State Global Opportunities Fund, First State Global Property Investments, First State Global Resources, First State Regional China Fund, First State Regional India Fund and First State Singapore Growth Fund (collectively, the “Fund”), in trust for the unitholders. In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes (collectively referred to as the “laws and regulations”), the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report which shall contain the matters prescribed by the laws and regulations as well as the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of Certified Public Accountants of Singapore and the Trust Deed.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the year covered by these financial statements, set out on pages 101 to 190, comprising the Statements of Total Return, Balance Sheets, Portfolio Statements and Notes to the Financial Statements, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed, laws and regulations and otherwise in accordance with the provisions of the Trust Deed.

For and on behalf of the Trustee

HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED

Authorised signatory

19 March 2010

First State Global Growth Funds

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

Statement By The Manager

In the opinion of the directors of First State Investments (Singapore), the accompanying financial statements set out on pages 101 to 190, comprising the Statements of Total Return, Balance Sheets, Portfolio Statements and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position of the sub-funds of First State Global Growth Funds, comprising First State Asia Innovation Fund, First State Asian Growth Fund, First State Bridge, First State Dividend Advantage, First State GEM Leaders, First State Global Balanced Fund, First State Global Infrastructure, First State Global Opportunities Fund, First State Global Property Investments, First State Global Resources, First State Regional China Fund, First State Regional India Fund and First State Singapore Growth Fund (collectively, the “Fund”), as at 31 December 2009 and the total return for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” issued by the Institute of Certified Public Accountants of Singapore. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.

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

Alistair James Thompson
Director

19 March 2010

First State Global Growth Funds

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

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

We have audited the financial statements of the sub-funds of First State Global Growth Funds, comprising First State Asia Innovation Fund, First State Asian Growth Fund, First State Bridge, First State Dividend Advantage, First State GEM Leaders, First State Global Balanced Fund, First State Global Infrastructure, First State Global Opportunities Fund, First State Global Property Investments, First State Global Resources, First State Regional China Fund, First State Regional India Fund and First State Singapore Growth Fund (collectively, the "Fund") set out on pages 101 to 190, which comprise the Balance Sheets and Portfolio Statements as at 31 December 2009, the Statements of Total Return for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Manager's Responsibility for the Financial Statements

The Fund's Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Fund's Manager, as well as evaluating the overall presentation of the financial statements.

First State Global Growth Funds

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2009 and the total return for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore.

PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants

Singapore,
19 March 2010

First State Global Growth Funds

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

Statements of Total Return

For the financial year ended 31 December 2009

| | Notes | First State Asia Innovation Fund | |
|---|-------|----------------------------------|--------------|
| | | 2009 S\$ | 2008 S\$ |
| Income | | | |
| Dividends | | - | - |
| Interest | | - | 645 |
| Others | | - | 378 |
| | | | <hr/> |
| | | - | 1,023 |
| Less: Expenses | | | |
| Management fees | | 840,927 | 1,100,112 |
| Management fee rebates | | (836,955) | (1,095,900) |
| Registration fees | | 8,067 | 11,159 |
| Trustee's fees | | 36,040 | 47,148 |
| Audit fees | | 8,500 | 4,923 |
| Others | | 31,420 | 116,479 |
| | | <hr/> | <hr/> |
| | | 87,999 | 183,921 |
| Net loss | | (87,999) | (182,898) |
| Net gains or losses on value of investments | | | |
| Net realised gains on investments sold | | 51,371 | 2,165,778 |
| Net change in fair value on investments | | 24,704,859 | (43,930,644) |
| Net foreign exchange (losses)/gains | | (12,740) | 4,342 |
| | | <hr/> | <hr/> |
| Net gains/(losses) on value of investments | | 24,743,490 | (41,760,524) |
| Total return/(deficit) for the year before taxation | | <hr/> | <hr/> |
| | | 24,655,491 | (41,943,422) |
| Less: Income tax | 3 | - | - |
| Total return/(deficit) for the year after taxation before distribution | | <hr/> | <hr/> |
| | | 24,655,491 | (41,943,422) |
| Less: Distribution | 4 | - | - |
| Total return/(deficit) for the year | | <hr/> | <hr/> |
| | | 24,655,491 | (41,943,422) |

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

First State Global Growth Funds

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

Statements of Total Return

For the financial year ended 31 December 2009

| | Notes | First State Asian Growth Fund 2009 S\$ | 2008 S\$ |
|---|-------|--|--------------|
| Income | | | |
| Dividends | | - | - |
| Interest | | - | - |
| Others | | - | - |
| | | - | - |
| Less: Expenses | | | |
| Management fees | | 741,688 | 690,820 |
| Management fee rebates | | (748,811) | (685,465) |
| Registration fees | | 9,167 | 11,194 |
| Trustee's fees | | 37,085 | 34,541 |
| Audit fees | | 8,500 | 4,923 |
| Others | | 66,608 | 40,488 |
| | | 114,237 | 96,501 |
| Net (loss)/income | | (114,237) | (96,501) |
| Net gains or losses on value of investments | | | |
| Net realised gains/(losses) on investments sold | | 2,146,986 | 3,975,860 |
| Net change in fair value on investments | | 15,492,148 | (28,765,286) |
| Net realised gains/(losses) on financial derivatives | | - | - |
| Net change in fair value on financial derivatives | | - | - |
| Net foreign exchange (losses)/gains | | (81,369) | (102,873) |
| Net gains/(losses) on value of investments | | 17,557,765 | (24,892,299) |
| Total return/(deficit) for the year before taxation | | 17,443,528 | (24,988,800) |
| Less: Income tax | 3 | - | - |
| Total return/(deficit) for the year after taxation before distribution | | 17,443,528 | (24,988,800) |
| Less: Distribution | 4 | - | - |
| Total return/(deficit) for the year | | 17,443,528 | (24,988,800) |

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

First State Global Growth Funds

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

Statements of Total Return

For the financial year ended 31 December 2009

| First State Bridge | | First State Dividend Advantage | |
|--------------------|---------------------|--------------------------------|---------------------|
| 2009 S\$ | 2008 S\$ | 2009 S\$ | 2008 S\$ |
| 23,096,443 | 16,654,842 | 26,773,334 | 18,986,409 |
| 312 | 21,757 | - | 157 |
| 3,199 | 5,511 | 97 | - |
| <hr/> 23,099,954 | <hr/> 16,682,110 | <hr/> 26,773,431 | <hr/> 18,986,566 |
| 14,233,101 | 15,447,173 | 10,233,267 | 10,081,635 |
| (14,183,336) | (15,389,259) | (10,213,876) | (10,062,675) |
| 24,880 | 93,405 | 23,673 | 41,603 |
| 853,986 | 926,830 | 511,663 | 504,082 |
| 13,115 | 4,923 | 11,085 | 4,879 |
| 1,305,819 | 1,499,347 | 898,026 | 990,228 |
| <hr/> 2,247,565 | <hr/> 2,582,419 | <hr/> 1,463,838 | <hr/> 1,559,752 |
| <hr/> 20,852,389 | <hr/> 14,099,691 | <hr/> 25,309,593 | <hr/> 17,426,814 |
| (14,299,117) | (105,954,446) | (14,288,531) | (19,802,591) |
| 353,301,202 | (309,634,250) | 273,591,657 | (320,632,589) |
| 25,325,877 | (41,444,300) | - | - |
| (9,488,900) | 18,218,478 | - | - |
| (34,564) | (549,242) | 167,069 | (740,533) |
| <hr/> 354,804,498 | <hr/> (439,363,760) | <hr/> 259,470,195 | <hr/> (341,175,713) |
| <hr/> 375,656,887 | <hr/> (425,264,069) | <hr/> 284,779,788 | <hr/> (323,748,899) |
| - | - | - | - |
| <hr/> 375,656,887 | <hr/> (425,264,069) | <hr/> 284,779,788 | <hr/> (323,748,899) |
| (34,882,329) | (36,007,298) | (25,908,012) | (36,442,151) |
| <hr/> 340,774,558 | <hr/> (461,271,367) | <hr/> 258,871,776 | <hr/> (360,191,050) |

First State Global Growth Funds

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

Statements of Total Return

For the financial year ended 31 December 2009

| | Notes | First State GEM Leaders 2009 S\$ | 2008 S\$ |
|---|-------|--|-------------|
| Income | | | |
| Dividends | | - | - |
| Interest | | - | 109 |
| Others | | - | - |
| | | - | 109 |
| Less: Expenses | | | |
| Management fees | | 202,119 | 221,375 |
| Management fee rebates | | (200,589) | (219,066) |
| Registration fees | | 3,298 | 9,101 |
| Trustee's fees | | 14,131 | 15,000 |
| Audit fees | | 8,500 | 4,923 |
| Others | | 9,646 | 18,466 |
| | | 37,105 | 49,799 |
| Net (loss)/income | | (37,105) | (49,690) |
| Net gains or losses on value of investments | | | |
| Net realised (losses)/gains on investments sold | | (35,069) | 665,908 |
| Net change in fair value on investments | | 6,298,726 | (8,130,076) |
| Net foreign exchange gains/(losses) | | 2,308 | (44,738) |
| Net gains/(losses) on value of investments | | 6,265,965 | (7,508,906) |
| Total return/(deficit) for the year before taxation | | 6,228,860 | (7,558,596) |
| Less: Income tax | 3 | - | - |
| Total return/(deficit) for the year after taxation before distribution | | 6,228,860 | (7,558,596) |
| Less: Distribution | 4 | - | - |
| Total return/(deficit) for the year | | 6,228,860 | (7,558,596) |

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

First State Global Growth Funds

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

Statements of Total Return

For the financial year ended 31 December 2009

| First State Global Balanced Fund | | First State Global Infrastructure | |
|----------------------------------|-------------|-----------------------------------|---|
| 2009 | 2008 | 2009 | Period from 16 January 2008 (date of launch) to 31 December 2008 |
| S\$ | S\$ | S\$ | S\$ |
| - | - | 592,098 | 367,889 |
| - | - | - | - |
| - | - | 812 | - |
| - | - | 592,910 | 367,889 |
| 306,371 | 364,864 | 232,321 | 199,250 |
| (346,273) | (381,451) | (227,367) | (196,814) |
| 8,728 | 11,448 | 6,389 | 9,185 |
| 18,382 | 21,892 | 12,372 | 12,000 |
| 8,500 | 4,923 | 11,387 | 4,615 |
| 31,701 | 26,730 | 16,581 | 51,952 |
| 27,409 | 48,406 | 51,683 | 80,188 |
| (27,409) | (48,406) | 541,227 | 287,701 |
| (892,040) | 179,709 | (677,212) | (503,291) |
| 4,347,459 | (8,178,168) | 3,485,238 | (6,630,920) |
| (23,077) | (26,208) | (7,948) | 11,415 |
| 3,432,342 | (8,024,667) | 2,800,078 | (7,122,796) |
| 3,404,933 | (8,073,073) | 3,341,305 | (6,835,095) |
| - | - | - | - |
| 3,404,933 | (8,073,073) | 3,341,305 | (6,835,095) |
| - | - | (890,374) | (197,795) |
| 3,404,933 | (8,073,073) | 2,450,931 | (7,032,890) |

First State Global Growth Funds

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

Statements of Total Return

For the financial year ended 31 December 2009

| | | First State Global Opportunities Fund | |
|---|-------|--|--------------|
| | Notes | 2009 S\$ | 2008 S\$ |
| Income | | | |
| Dividends | | - | - |
| Interest | | - | - |
| Others | | - | - |
| | | - | - |
| Less: Expenses | | | |
| Management fees | | 382,343 | 524,588 |
| Management fee rebates | | (418,564) | (522,107) |
| Registration fees | | 6,950 | 8,332 |
| Trustee's fees | | 19,117 | 26,229 |
| Audit fees | | 8,500 | 4,923 |
| Custody fees | | - | - |
| Others | | 33,190 | 12,184 |
| | | 31,536 | 54,149 |
| Net (loss)/income | | (31,536) | (54,149) |
| Net gains or losses on value of investments | | | |
| Net realised (losses)/gains on investments sold | | (89,312) | 1,038,007 |
| Net change in fair value on investments | | 5,746,679 | (19,321,186) |
| Net foreign exchange (losses)/gains | | (14,661) | 18,002 |
| Net gains/(losses) on value of investments | | 5,642,706 | (18,265,177) |
| Total return/(deficit) for the year before taxation | | 5,611,170 | (18,319,326) |
| Less: Income tax | 3 | - | - |
| Total return/(deficit) for the year after taxation before distribution | | 5,611,170 | (18,319,326) |
| Less: Distribution | 4 | - | - |
| Total return/(deficit) for the year | | 5,611,170 | (18,319,326) |

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

First State Global Growth Funds

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

Statements of Total Return

For the financial year ended 31 December 2009

| First State Global Property Investments | | First State Global Resources | |
|---|--------------|------------------------------|---------------|
| 2009 S\$ | 2008 S\$ | 2009 S\$ | 2008 S\$ |
| 602,949 | 890,869 | - | - |
| 187 | 2,608 | - | - |
| 1,405 | - | 11,649 | 17,874 |
| 604,541 | 893,477 | 11,649 | 17,874 |
| 189,223 | 298,973 | 7,922,314 | 10,371,651 |
| - | - | (4,473,444) | (5,841,280) |
| 6,203 | 7,805 | 11,584 | 42,589 |
| 22,076 | 34,880 | 396,116 | 518,583 |
| 11,000 | 8,908 | 4,399 | 4,784 |
| 5,356 | 7,875 | - | - |
| 2,225 | 46,946 | 631,266 | 956,656 |
| 236,083 | 405,387 | 4,492,235 | 6,052,983 |
| 368,458 | 488,090 | (4,480,586) | (6,035,109) |
| (5,257,336) | (8,671,197) | (16,565,869) | (23,635,751) |
| 9,028,002 | (3,551,061) | 335,090,308 | (482,357,860) |
| 1,128 | (95,940) | (428,633) | 790,464 |
| 3,771,794 | (12,318,198) | 318,095,806 | (505,203,147) |
| 4,140,252 | (11,830,108) | 313,615,220 | (511,238,256) |
| (106,717) | (162,725) | - | - |
| 4,033,535 | (11,992,833) | 313,615,220 | (511,238,256) |
| (610,364) | (467,255) | - | - |
| 3,423,171 | (12,460,088) | 313,615,220 | (511,238,256) |

First State Global Growth Funds

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

Statements of Total Return

For the financial year ended 31 December 2009

| | Notes | First State Regional China Fund | |
|---|-------|---------------------------------|---------------|
| | | 2009 S\$ | 2008 S\$ |
| Income | | | |
| Interest | | - | 9,309 |
| Others | | - | 20,304 |
| | | - | 29,613 |
| Less: Expenses | | | |
| Management fees | | 6,017,523 | 6,319,357 |
| Management fee rebates | | (5,994,837) | (6,302,391) |
| Registration fees | | 19,188 | 29,622 |
| Trustee's fees | | 300,876 | 315,968 |
| Audit fees | | 10,751 | 4,879 |
| Others | | 479,328 | 598,150 |
| | | 832,829 | 965,585 |
| Net loss | | (832,829) | (935,972) |
| Net gains or losses on value of investments | | | |
| Net realised gains on investments sold | | 3,272,708 | 17,267,998 |
| Net change in fair value on investments | | 189,470,149 | (268,437,913) |
| Net foreign exchange gains/(losses) | | 201,672 | (324,919) |
| Net gains/(losses) on value of investments | | 192,944,529 | (251,494,834) |
| Total return/(deficit) for the year before taxation | | 192,111,700 | (252,430,806) |
| Less: Income tax | 3 | - | - |
| Total return/(deficit) for the year after taxation before distribution | | 192,111,700 | (252,430,806) |
| Less: Distribution | 4 | - | - |
| Total return/(deficit) for the year | | 192,111,700 | (252,430,806) |

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

First State Global Growth Funds

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

Statements of Total Return

For the financial year ended 31 December 2009

| First State Regional India Fund | | First State Singapore Growth Fund | |
|---------------------------------|--------------|-----------------------------------|--------------|
| 2009 S\$ | 2008 S\$ | 2009 S\$ | 2008 S\$ |
| - | 975 | - | 112 |
| - | 37 | - | - |
| - | 1,012 | - | 112 |
| 1,303,178 | 1,518,849 | 714,015 | 861,053 |
| (1,295,835) | (1,508,843) | (710,453) | (856,557) |
| 9,125 | 16,881 | 7,159 | 8,888 |
| 65,159 | 75,943 | 35,701 | 43,053 |
| 261 | 4,923 | 8,500 | 4,923 |
| 61,490 | 164,293 | 25,182 | 57,554 |
| 143,378 | 272,046 | 80,104 | 118,914 |
| (143,378) | (271,034) | (80,104) | (118,802) |
| 1,348,457 | 6,072,538 | 593,908 | 3,898,014 |
| 53,511,362 | (94,800,059) | 22,198,344 | (39,738,803) |
| 13,575 | (159,796) | (143) | 68,250 |
| 54,873,394 | (88,887,317) | 22,792,109 | (35,772,539) |
| 54,730,016 | (89,158,351) | 22,712,005 | (35,891,341) |
| - | - | - | - |
| 54,730,016 | (89,158,351) | 22,712,005 | (35,891,341) |
| - | - | - | - |
| 54,730,016 | (89,158,351) | 22,712,005 | (35,891,341) |

First State Global Growth Funds

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

Balance Sheets

As at 31 December 2009

| | Notes | First State Asia Innovation Fund 2009 S\$ | 2008 S\$ |
|--|-------|---|-------------------|
| ASSETS | | | |
| Portfolio of investments | | 58,112,541 | 37,330,121 |
| Sales awaiting settlement | | - | 46,104 |
| Other receivables | 5 | 287,283 | 168,979 |
| Cash and bank balances | | 285,721 | 144,546 |
| Financial derivatives, at fair value | 7 | - | - |
| Total assets | | 58,685,545 | 37,689,750 |
| LIABILITIES | | | |
| Financial derivatives, at fair value | 7 | - | - |
| Purchases awaiting settlement | | - | - |
| Other payables | 6 | 157,413 | 144,335 |
| Net assets attributable to unitholders | 8 | 58,528,132 | 37,545,415 |
| Total liabilities | | 58,685,545 | 37,689,750 |

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

First State Global Growth Funds

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

Balance Sheets

As at 31 December 2009

| First State Asian Growth Fund | | First State Bridge | |
|-------------------------------|------------|--------------------|-------------|
| 2009 | 2008 | 2009 | 2008 |
| S\$ | S\$ | S\$ | S\$ |
| 62,857,986 | 33,395,514 | 1,357,478,920 | 945,215,358 |
| 113,720 | 66,275 | 314,485 | 986,914 |
| 734,917 | 251,447 | 9,398,525 | 4,702,566 |
| 482,390 | 235,977 | 1,259,705 | 992,537 |
| - | - | 667,339 | 22,762,790 |
| <hr/> | <hr/> | <hr/> | <hr/> |
| 64,189,013 | 33,949,213 | 1,369,118,974 | 974,660,165 |
| <hr/> | <hr/> | <hr/> | <hr/> |
| - | - | 10,156,239 | 4,544,312 |
| 259,731 | 93,649 | 1,627,178 | - |
| 524,000 | 246,863 | 4,697,222 | 4,220,131 |
| 63,405,282 | 33,608,701 | 1,352,638,335 | 965,895,722 |
| <hr/> | <hr/> | <hr/> | <hr/> |
| 64,189,013 | 33,949,213 | 1,369,118,974 | 974,660,165 |
| <hr/> | <hr/> | <hr/> | <hr/> |

First State Global Growth Funds

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

Balance Sheets

As at 31 December 2009

| | Notes | First State Dividend Advantage 2009 S\$ | 2008 S\$ |
|--|-------|---|--------------------|
| ASSETS | | | |
| Portfolio of investments | | 866,792,143 | 524,879,794 |
| Sales awaiting settlement | | - | - |
| Other receivables | 5 | 7,722,107 | 3,409,909 |
| Cash and bank balances | | 1,122,747 | 615,127 |
| Total assets | | 875,636,997 | 528,904,830 |
| LIABILITIES | | | |
| Purchases awaiting settlement | | 1,593,483 | 569,096 |
| Other payables | 6 | 2,793,326 | 1,320,328 |
| Net assets attributable to unitholders | 8 | 871,250,188 | 527,015,406 |
| Total liabilities | | 875,636,997 | 528,904,830 |

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

First State Global Growth Funds

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

Balance Sheets

As at 31 December 2009

| First State GEM Leaders | | First State Global Balanced Fund | |
|-------------------------|-----------|----------------------------------|------------|
| 2009 | 2008 | 2009 | 2008 |
| S\$ | S\$ | S\$ | S\$ |
| 17,811,457 | 9,723,389 | 25,078,595 | 23,062,479 |
| - | 22,786 | 26,675 | - |
| 213,931 | 44,265 | 314,131 | 133,008 |
| 134,765 | 88,527 | 151,528 | 259,136 |
| <hr/> | | <hr/> | |
| 18,160,153 | 9,878,967 | 25,570,929 | 23,454,623 |
| <hr/> | | <hr/> | |
| 115,626 | - | 36,503 | 57,630 |
| 65,025 | 83,970 | 103,337 | 257,453 |
| 17,979,502 | 9,794,997 | 25,431,089 | 23,139,540 |
| <hr/> | | <hr/> | |
| 18,160,153 | 9,878,967 | 25,570,929 | 23,454,623 |
| <hr/> | | <hr/> | |

First State Global Growth Funds

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

Balance Sheets

As at 31 December 2009

| | Notes | First State Global Infrastructure 2009 S\$ | 2008 S\$ |
|--|-------|--|-------------------|
| ASSETS | | | |
| Portfolio of investments | | 17,682,407 | 14,203,223 |
| Sales awaiting settlement | | 63,481 | - |
| Other receivables | 5 | 72,273 | 59,552 |
| Cash and bank balances | | 89,147 | 93,979 |
| Total assets | | 17,907,308 | 14,356,754 |
| LIABILITIES | | | |
| Purchases awaiting settlement | | 74,817 | 18,643 |
| Other payables | 6 | 58,021 | 32,560 |
| Net assets attributable to unitholders | 8 | 17,774,470 | 14,305,551 |
| Total liabilities | | 17,907,308 | 14,356,754 |

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

First State Global Growth Funds

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

Balance Sheets

As at 31 December 2009

| First State Global Opportunities Fund | | First State Global Property Investments | |
|--|-------------------|--|-------------------|
| 2009 S\$ | 2008 S\$ | 2009 S\$ | 2008 S\$ |
| 27,940,489 | 24,047,466 | 15,645,831 | 11,239,502 |
| 51,946 | 24,493 | 225,353 | - |
| 185,750 | 90,764 | 87,827 | 74,349 |
| 150,818 | 182,589 | 205,921 | 424,504 |
| <u>28,329,003</u> | <u>24,345,312</u> | <u>16,164,932</u> | <u>11,738,355</u> |
| - | 31,697 | 239,323 | - |
| 148,612 | 79,267 | 103,385 | 66,105 |
| <u>28,180,391</u> | <u>24,234,348</u> | <u>15,822,224</u> | <u>11,672,250</u> |
| <u>28,329,003</u> | <u>24,345,312</u> | <u>16,164,932</u> | <u>11,738,355</u> |

First State Global Growth Funds

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

Balance Sheets

As at 31 December 2009

| | Notes | First State Global Resources 2009 S\$ | 2008 S\$ |
|--|-------|---|--------------------|
| ASSETS | | | |
| Portfolio of investments | | 762,790,427 | 330,839,658 |
| Sales awaiting settlement | | 333,274 | 118,072 |
| Other receivables | 5 | 8,400,741 | 3,577,722 |
| Cash and bank balances | | 1,486,740 | 401,378 |
| Total assets | | 773,011,182 | 334,936,830 |
| LIABILITIES | | | |
| Purchases awaiting settlement | | 3,307,799 | 503,360 |
| Other payables | 6 | 3,153,919 | 1,051,603 |
| Net assets attributable to unitholders | 8 | 766,549,464 | 333,381,867 |
| Total liabilities | | 773,011,182 | 334,936,830 |

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

First State Global Growth Funds

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

Balance Sheets

As at 31 December 2009

| First State Regional China Fund | | First State Regional India Fund | |
|---------------------------------|--------------------|---------------------------------|-------------------|
| 2009 | 2008 | 2009 | 2008 |
| S\$ | S\$ | S\$ | S\$ |
| 524,198,982 | 282,403,067 | 113,493,948 | 59,338,946 |
| - | - | - | - |
| 5,208,236 | 1,291,958 | 654,456 | 241,219 |
| 974,831 | 706,916 | 553,275 | 359,688 |
| <u>530,382,049</u> | <u>284,401,941</u> | <u>114,701,679</u> | <u>59,939,853</u> |
| 1,291,634 | 133,990 | - | - |
| 2,942,043 | 843,144 | 564,525 | 182,124 |
| 526,148,372 | 283,424,807 | 114,137,154 | 59,757,729 |
| <u>530,382,049</u> | <u>284,401,941</u> | <u>114,701,679</u> | <u>59,939,853</u> |

First State Global Growth Funds

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

Balance Sheets

As at 31 December 2009

| | Notes | First State Singapore Growth Fund 2009 S\$ | 2008 S\$ |
|--|-------|--|-------------------|
| ASSETS | | | |
| Portfolio of investments | | 57,897,123 | 35,852,617 |
| Sales awaiting settlement | | - | 135,431 |
| Other receivables | 5 | 265,431 | 150,420 |
| Cash and bank balances | | 254,358 | 191,408 |
| Total assets | | 58,416,912 | 36,329,876 |
| LIABILITIES | | | |
| Purchases awaiting settlement | | - | 34,578 |
| Other payables | 6 | 126,523 | 234,773 |
| Net assets attributable to unitholders | 8 | 58,290,389 | 36,060,525 |
| Total liabilities | | 58,416,912 | 36,329,876 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|---|------------------------------------|---|--|--|
| First State Asia | | | | |
| <u>Innovation Fund</u> ⁽¹⁾ | | | | |
| Quoted | | | | |
| First State Global Umbrella Fund plc - First State Asia Innovation Fund Class I | 1,739,898 | 58,112,541 | 99.29 | 99.43 |
| Portfolio of investments | | 58,112,541 | 99.29 | 99.43 |
| Other net assets | | 415,591 | 0.71 | 0.57 |
| Net assets attributable to unitholders | | 58,528,132 | 100.00 | 100.00 |
| First State Asian | | | | |
| <u>Growth Fund</u> ⁽¹⁾ | | | | |
| Quoted | | | | |
| First State Global Umbrella Fund plc - First State Asian Growth Fund Class I | 1,800,251 | 62,857,986 | 99.14 | 99.37 |
| Portfolio of investments | | 62,857,986 | 99.14 | 99.37 |
| Other net assets | | 547,296 | 0.86 | 0.63 |
| Net assets attributable to unitholders | | 63,405,282 | 100.00 | 100.00 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|---|------------------------------------|---|--|--|
| <u>First State Bridge</u>⁽¹⁾ | | | | |
| Quoted | | | | |
| First State Global Umbrella Fund plc - First State Asian Equity Plus Fund Class I | 16,966,665 | 695,792,419 | 51.44 | 47.93 |
| First State Global Umbrella Fund plc - First State Asian Quality Bond Fund Class I | 39,505,739 | 661,686,501 | 48.92 | 49.93 |
| Portfolio of investments | | 1,357,478,920 | 100.36 | 97.86 |
| Other net (liabilities)/assets | | (4,840,585) | (0.36) | 2.14 |
| Net assets attributable to unitholders | | 1,352,638,335 | 100.00 | 100.00 |
| <u>First State Dividend Advantage</u>⁽¹⁾ | | | | |
| Quoted | | | | |
| First State Global Umbrella Fund plc - First State Asian Equity Plus Fund Class I | 21,136,436 | 866,792,143 | 99.49 | 99.59 |
| Portfolio of investments | | 866,792,143 | 99.49 | 99.59 |
| Other net assets | | 4,458,045 | 0.51 | 0.41 |
| Net assets attributable to unitholders | | 871,250,188 | 100.00 | 100.00 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|--|------------------------------------|---|--|--|
| First State GEM Leaders⁽²⁾ | | | | |
| Quoted | | | | |
| First State Investments ICVC - First State Global Emerging Markets Leaders Fund Class A | 2,762,785 | 17,811,457 | 99.07 | 99.27 |
| Portfolio of investments | | | | |
| | | 17,811,457 | 99.07 | 99.27 |
| Other net assets | | 168,045 | 0.93 | 0.73 |
| Net assets attributable to unitholders | | 17,979,502 | 100.00 | 100.00 |
| First State Global Balanced Fund⁽¹⁾ | | | | |
| Quoted | | | | |
| First State Global Umbrella Fund plc - First State Global Bond Fund Class I | 414,158 | 9,768,478 | 38.41 | 40.01 |
| First State Global Umbrella Fund plc - First State Global Opportunities Fund Class I | 1,736,470 | 15,310,117 | 60.20 | 59.66 |
| Portfolio of investments | | | | |
| | | 25,078,595 | 98.61 | 99.67 |
| Other net assets | | 352,494 | 1.39 | 0.33 |
| Net assets attributable to unitholders | | 25,431,089 | 100.00 | 100.00 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|--|------------------------------------|---|--|--|
| First State Global Infrastructure⁽²⁾ | | | | |
| Quoted | | | | |
| First State Investments ICVC - First State Global Listed Infrastructure Fund Class A | 8,000,959 | 17,682,407 | 99.48 | 99.28 |
| Portfolio of investments | | 17,682,407 | 99.48 | 99.28 |
| Other net assets | | 92,063 | 0.52 | 0.72 |
| Net assets attributable to unitholders | | 17,774,470 | 100.00 | 100.00 |
| First State Global Opportunities Fund⁽¹⁾ | | | | |
| Quoted | | | | |
| First State Global Umbrella Fund plc - First State Global Opportunities Fund Class I | 3,169,004 | 27,940,489 | 99.15 | 99.23 |
| Portfolio of investments | | 27,940,489 | 99.15 | 99.23 |
| Other net assets | | 239,902 | 0.85 | 0.77 |
| Net assets attributable to unitholders | | 28,180,391 | 100.00 | 100.00 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|---|------------------------------------|---|--|--|
| First State Global | | | | |
| Property Investments | | | | |
| (a) Primary - by geography | | | | |
| Quoted | | | | |
| Australia | | | | |
| Aspen Group Ltd NPV (Staple) | 113,237 | 66,485 | 0.42 | - |
| CFS Retail Property Trust | 88,524 | 212,371 | 1.34 | 1.62 |
| FKP Property Group Stapled Security NPV | 76,362 | 76,170 | 0.48 | - |
| Goodman Group | 261,612 | 208,103 | 1.32 | - |
| ING Industrial Fund Unit NPV | 264,365 | 158,554 | 1.00 | - |
| Lend Lease Corp Ltd | 9,529 | 123,325 | 0.78 | - |
| Mirvac Group NPV (Staple) | - | - | - | 0.43 |
| Stockland | 74,353 | 368,953 | 2.33 | 1.47 |
| Westfield Group | 47,519 | 749,994 | 4.74 | 6.16 |
| | | <hr/> | <hr/> | <hr/> |
| | | 1,963,955 | 12.41 | 9.68 |
| Canada | | | | |
| Allied Properties Real Estate | 6,899 | 177,854 | 1.12 | 1.12 |
| Boardwalk Real Estate Investment Trust | 2,672 | 131,611 | 0.83 | 1.81 |
| Brookfield Infrastructure Partners L P NPV (Toronto) | 5,670 | 132,123 | 0.83 | - |
| Brookfield Properties Corp | 11,581 | 197,061 | 1.25 | - |
| Canadian Real Estate Investment Trust | - | - | - | 1.30 |
| Innvest Real Estate Investment Trust Com NPV | 21,284 | 151,354 | 0.96 | - |
| Primaris Retail Real Estate Investment Trust | 5,435 | 117,403 | 0.74 | - |
| Riocan Real Estate | 8,726 | 231,847 | 1.47 | 1.79 |
| | | <hr/> | <hr/> | <hr/> |
| | | 1,139,253 | 7.20 | 6.02 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|-----------------------------------|------------------------------------|---|--|--|
| First State Global | | | | |
| Property Investments | | | | |
| (continued) | | | | |
| (a) Primary - by geography | | | | |
| (continued) | | | | |
| Cyprus | | | | |
| AFI Development PLC | - | - | - | 0.16 |
| Finland | | | | |
| Citycon | 15,611 | 92,135 | 0.58 | 1.04 |
| France | | | | |
| Klepierre | 1,320 | 75,220 | 0.47 | 1.49 |
| STE De La Tour Eiffel | 849 | 90,108 | 0.57 | 1.84 |
| Unibail - Rodamco | 3,021 | 934,695 | 5.91 | 5.54 |
| | | 1,100,023 | 6.95 | 8.87 |
| Germany | | | | |
| Alstria Office | 5,187 | 80,974 | 0.51 | 0.83 |
| Deutsche Euroshop | 2,355 | 111,810 | 0.71 | 1.21 |
| | | 192,784 | 1.22 | 2.04 |
| Great Britain | | | | |
| British Land Co PLC | 31,039 | 337,779 | 2.13 | 1.38 |
| Brixton PLC | - | - | - | 0.23 |
| Great Portland Estates PLC | 32,198 | 209,578 | 1.32 | 0.43 |
| Hammerson PLC | 17,950 | 172,509 | 1.09 | 0.95 |
| Land Securities Group PLC | - | - | - | 2.31 |
| Liberty International Plc | 2,622 | 30,258 | 0.19 | - |
| Local Shopping REIT PLC | 58,641 | 83,093 | 0.53 | 0.22 |
| Sergo PLC | - | - | - | 0.72 |
| Shaftesbury PLC | 15,000 | 133,854 | 0.85 | - |
| Terrace Hill Group PLC | 101,389 | 43,674 | 0.28 | 0.37 |
| | | 1,010,745 | 6.39 | 6.61 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|--------------------------------------|------------------------------------|---|--|--|
| First State Global | | | | |
| Property Investments | | | | |
| (continued) | | | | |
| (a) Primary - by geography | | | | |
| (continued) | | | | |
| Guernsey | | | | |
| London & Stamford Property Ltd | 41,573 | 111,219 | 0.70 | - |
| Hong Kong | | | | |
| China Overseas Land & Investments | 26,372 | 78,118 | 0.50 | 2.02 |
| China Resources Land Ltd | 36,000 | 114,198 | 0.72 | - |
| Hang Lung Properties Ltd | - | - | - | 0.98 |
| Hongkong Land Holdings Ltd | 38,000 | 260,348 | 1.65 | - |
| Kerry Properties Ltd | 9,757 | 69,781 | 0.44 | 0.84 |
| Link Reit | 81,164 | 290,091 | 1.83 | 1.77 |
| Sun Hung Kai Properties Ltd | 4,000 | 84,012 | 0.53 | - |
| | | 896,548 | 5.67 | 5.61 |
| India | | | | |
| Ishaan Real Estate PLC | - | - | - | 0.62 |
| Isle of Man | | | | |
| Unitech Corporation Parks | - | - | - | 0.14 |
| Japan | | | | |
| Aeon Mall Co Ltd | 3,400 | 91,782 | 0.58 | - |
| Japan Real Estate Investment Corp | 7 | 72,101 | 0.46 | 0.76 |
| Mitsui Estate Co Ltd | - | - | - | 0.59 |
| Mitsui Fudosan Co Ltd | 2,400 | 56,209 | 0.35 | 1.07 |
| Nippon Building Fund Inc REIT | 15 | 159,480 | 1.01 | 2.50 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|--|------------------------------------|---|--|--|
| First State Global | | | | |
| Property Investments | | | | |
| (continued) | | | | |
| (a) Primary - by geography | | | | |
| (continued) | | | | |
| Nomura Real Estate Office Fund Inc | 10 | 75,857 | 0.48 | - |
| Ntt Urban Development Corp | 41 | 38,088 | 0.24 | - |
| Tokyu REIT Inc | - | - | - | 1.87 |
| | | 493,517 | 3.12 | 6.79 |
| Jersey (CHI) | | | | |
| Max Property Group PLC | 38,899 | 102,301 | 0.65 | - |
| Netherlands | | | | |
| Corio | 1,920 | 182,894 | 1.16 | - |
| Eurocommerc CVA | 2,824 | 162,092 | 1.03 | 1.06 |
| Vastned Retail | 1,291 | 119,037 | 0.75 | - |
| Wereldhave NV | 1,088 | 146,156 | 0.92 | 0.70 |
| | | 610,179 | 3.86 | 1.76 |
| Singapore | | | | |
| Ascendas India | 105,613 | 102,973 | 0.65 | 0.41 |
| Ascendas Real Estate Investment Trust NPV | 87,000 | 192,270 | 1.21 | - |
| CapitaMall Trust REIT | 151,000 | 175,160 | 1.11 | 0.47 |
| | | 470,403 | 2.97 | 0.88 |
| Sweden | | | | |
| Castellum | 9,852 | 138,993 | 0.88 | - |
| United States of America | | | | |
| Acadia Realty Trust REIT | - | - | - | 0.80 |
| Alexandria Real Estate Equities | - | - | - | 2.32 |
| AMB Property Corp | 6,936 | 248,119 | 1.57 | - |
| American Campus Communities | - | - | - | 0.81 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|---|------------------------------------|---|--|--|
| First State Global | | | | |
| Property Investments | | | | |
| (continued) | | | | |
| (a) Primary - by geography | | | | |
| (continued) | | | | |
| Avalonbay Communities | 2,763 | 318,243 | 2.01 | - |
| Biomed Realty Trust Inc | 7,107 | 157,351 | 0.99 | 1.08 |
| Boston Properties Inc | 4,467 | 420,563 | 2.66 | 2.86 |
| BRE Properties Class A | 4,172 | 193,759 | 1.23 | - |
| Corporate Office Properties Trust | - | - | - | 0.86 |
| Camden Property Trust Reit | 3,359 | 199,623 | 1.26 | - |
| Cousins Properties Inc | 12,830 | 137,437 | 0.87 | - |
| Dct Industrial Trust Inc Reit | 23,356 | 164,609 | 1.04 | - |
| Digital Realty Trust Inc | 4,165 | 293,717 | 1.86 | 3.18 |
| Douglas Emmett Inc | - | - | - | 1.39 |
| Dr Horton Inc Com | 15,741 | 240,222 | 1.52 | - |
| Duke Realty Corporation Reit | 16,463 | 280,595 | 1.77 | - |
| Dupont Fabros | 3,559 | 89,740 | 0.57 | - |
| Entertainment Properties Trust | - | - | - | 0.59 |
| Equity Residential REIT | 8,765 | 415,684 | 2.63 | 3.22 |
| Essex Property Trust Inc | 2,385 | 280,095 | 1.77 | 1.79 |
| Extra Space Storage Inc Com | 10,679 | 173,167 | 1.09 | - |
| Federal Realty Investment Trust REIT | - | - | - | 1.80 |
| Forest City Enterprises CI A Com | 12,671 | 209,560 | 1.32 | - |
| HCP Inc Com | - | - | - | 3.03 |
| Health Care REIT | 4,772 | 296,861 | 1.88 | - |
| Home Properties Inc | - | - | - | 1.28 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|---|------------------------------------|---|--|--|
| First State Global | | | | |
| Property Investments | | | | |
| (continued) | | | | |
| (a) Primary - by geography | | | | |
| (continued) | | | | |
| Host Hotels & Resorts Inc | 26,087 | 427,412 | 2.70 | - |
| Hyatt Hotels Corp Cl A Com | 2,665 | 111,423 | 0.70 | - |
| Lasalle Hotel Properties Com | 4,417 | 131,652 | 0.83 | - |
| Lennar Corp Cl A Com | 7,796 | 139,442 | 0.88 | - |
| Macerich Co Ltd | 6,311 | 317,554 | 2.01 | - |
| Nationwide Health Properties Inc | - | - | - | 2.15 |
| Pebblebrook Hotel Trust | 4,942 | 151,880 | 0.96 | - |
| Prologis | 15,632 | 300,448 | 1.90 | - |
| Public Storage | - | - | - | 4.64 |
| Simon Property Group | 9,039 | 1,012,686 | 6.40 | 5.11 |
| Starwood Hotels & Resorts Worldwide | 2,685 | 137,817 | 0.87 | - |
| Tanger Factory Outlet Centers Inc | - | - | - | 1.38 |
| U-Store-It Trust Com | 12,164 | 125,008 | 0.79 | - |
| Ventas Inc Com | 5,685 | 349,109 | 2.21 | 2.18 |
| Vornado Realty Trust Inc | - | - | - | 5.58 |
| | | 7,323,776 | 46.29 | 46.05 |
| Unquoted | | | | |
| Hong Kong | | | | |
| China Overseas Land & Investment - Rights | - | - | - | 0.02 |
| Portfolio of investments | | 15,645,831 | 98.89 | 96.29 |
| Other net assets | | 176,393 | 1.11 | 3.71 |
| Net assets attributable to unitholders | | 15,822,224 | 100.00 | 100.00 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|---|--|--|
| First State Global | | |
| Property Investments | | |
| (continued) | | |
| (a) Primary - by geography | | |
| (summary) | | |
| Quoted | | |
| Australia | 12.41 | 9.68 |
| Canada | 7.20 | 6.02 |
| Cyprus | - | 0.16 |
| Finland | 0.58 | 1.04 |
| France | 6.95 | 8.87 |
| Germany | 1.22 | 2.04 |
| Great Britain | 6.39 | 6.61 |
| Guernsey | 0.70 | - |
| Hong Kong | 5.67 | 5.61 |
| India | - | 0.62 |
| Isle of Man | - | 0.14 |
| Japan | 3.12 | 6.79 |
| Jersey (CHI) | 0.65 | - |
| Netherlands | 3.86 | 1.76 |
| Singapore | 2.97 | 0.88 |
| Sweden | 0.88 | - |
| United States of America | 46.29 | 46.05 |
| | 98.89 | 96.27 |
| Unquoted | | |
| Hong Kong | - | 0.02 |
| | 98.89 | 96.29 |
| Portfolio of investments | 98.89 | 96.29 |
| Other net assets | 1.11 | 3.71 |
| Net assets attributable to unitholders | 100.00 | 100.00 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Fair Value at 31 December 2009 S\$ | Fair Value at 31 December 2008 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|---|---|---|--|--|
| First State Global | | | | |
| Property Investments | | | | |
| (continued) | | | | |
| (b) Secondary - by industry | | | | |
| Building/Construction | 455,834 | - | 2.88 | - |
| Diversified Resources | 102,973 | 48,054 | 0.65 | 0.41 |
| Finance | - | 719,559 | - | 6.16 |
| Healthcare | - | 604,396 | - | 5.18 |
| Hotel | 808,304 | - | 5.10 | - |
| Investments | 236,083 | 258,014 | 1.50 | 2.21 |
| Miscellaneous | 173,167 | - | 1.09 | - |
| Property | 2,117,654 | 1,372,819 | 13.39 | 11.76 |
| Property Trust | 488,198 | 209,415 | 3.09 | 1.79 |
| Real Estate | 3,776,512 | 3,707,906 | 23.87 | 31.77 |
| Real Estate Investment Trust | 7,157,332 | 4,130,262 | 45.24 | 35.39 |
| Retail | 117,403 | - | 0.74 | - |
| Unit Trust | 212,371 | 189,077 | 1.34 | 1.62 |
| Portfolio of investments | 15,645,831 | 11,239,502 | 98.89 | 96.29 |
| Other net assets | 176,393 | 432,748 | 1.11 | 3.71 |
| Net assets attributable to unitholders | 15,822,224 | 11,672,250 | 100.00 | 100.00 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|--|------------------------------------|---|--|--|
| <u>First State Global Resources</u> ⁽²⁾ | | | | |
| Quoted | | | | |
| First State Investments ICVC - First State Global Resources Fund Class B | 98,354,707 | 753,003,834 | 98.23 | 97.69 |
| First State Global Umbrella Fund plc - First State Global Resources Fund Class III | 519,818 | 9,786,593 | 1.28 | 1.54 |
| Portfolio of investments | | 762,790,427 | 99.51 | 99.23 |
| Other net assets | | 3,759,037 | 0.49 | 0.77 |
| Net assets attributable to unitholders | | 766,549,464 | 100.00 | 100.00 |

First State Regional China Fund ⁽¹⁾

Quoted

| | | | | |
|--|-----------|-------------|--------|--------|
| First State Global Umbrella Fund plc - First State Greater China Growth Fund Class I | 7,565,844 | 524,198,982 | 99.63 | 99.64 |
| Portfolio of investments | | 524,198,982 | 99.63 | 99.64 |
| Other net assets | | 1,949,390 | 0.37 | 0.36 |
| Net assets attributable to unitholders | | 526,148,372 | 100.00 | 100.00 |

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

First State Global Growth Funds

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

Portfolio Statements

As at 31 December 2009

| | Holdings at 31 December 2009 | Fair Value at 31 December 2009 S\$ | Percentage of total net assets attributable to unitholders at 31 December 2009 % | Percentage of total net assets attributable to unitholders at 31 December 2008 % |
|---|------------------------------------|---|--|--|
| First State Regional India Fund⁽¹⁾ | | | | |
| Quoted | | | | |
| First State Global Umbrella Fund plc - First State Indian Subcontinent Fund Class I | 2,260,599 | 113,493,948 | 99.44 | 99.30 |
| Portfolio of investments | | 113,493,948 | 99.44 | 99.30 |
| Other net assets | | 643,206 | 0.56 | 0.70 |
| Net assets attributable to unitholders | | 114,137,154 | 100.00 | 100.00 |
| First State Singapore Growth Fund⁽¹⁾ | | | | |
| Quoted | | | | |
| First State Global Umbrella Fund plc - First State Singapore and Malaysia Growth Fund Class I | 1,446,466 | 57,897,123 | 99.33 | 99.42 |
| Portfolio of investments | | 57,897,123 | 99.33 | 99.42 |
| Other net assets | | 393,266 | 0.67 | 0.58 |
| Net assets attributable to unitholders | | 58,290,389 | 100.00 | 100.00 |

(1) These sub-funds are invested wholly or substantially into other underlying funds domiciled in Dublin, Ireland and denominated in US dollars.

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

Note: As all the sub-funds, except for First State Global Property Investments, are invested wholly or substantially into other underlying funds, it is not meaningful to classify these investments by industry.

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

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

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

1. General

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

The financial statements of the Fund for the year ended 31 December 2009 comprise the following sub-funds which were launched prior to 31 December 2009 :

First State Asia Innovation Fund (“AIAT”)
First State Asian Growth Fund (“APGF”)
First State Bridge (“BRDG”)
First State Dividend Advantage (“DIVA”)
First State GEM Leaders (“GEML”)
First State Global Balanced Fund (“GBFD”)
First State Global Infrastructure (“GIFT”)
First State Global Opportunities Fund (“G100”)
First State Global Property Investments (“GLPR”)
First State Global Resources (“GRES”)
First State Regional China Fund (“RCFD”)
First State Regional India Fund (“RIFD”)
First State Singapore Growth Fund (“SPGF”)

Except for GLPR, the sub-funds are established as feeder funds investing directly into corresponding sub-funds (the “underlying funds”) under the First State Global Umbrella Fund plc (“GUF”), an umbrella fund domiciled in Dublin, Ireland or under the First State Investments ICVC (“ICVC”), an umbrella fund domiciled in England and Wales.

The investment objective of GLPR is to maximise the total return to investors by investing in a broad selection of securities of real estate investment trusts or companies that own, develop or manage real property from around the world.

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

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

1. General (continued)

| <u>Sub-funds</u> | <u>Launch date</u> | <u>Underlying Fund(s)</u> | <u>Investment objectives</u> |
|------------------------|--------------------|--|--|
| AIAT | 18 October 1999 | GUFD - First State Asia Innovation Fund | The sub-fund aims to achieve long-term capital appreciation by investing all or substantially all of its assets in the underlying fund. The underlying fund invests primarily in equity and equity-related securities in the Asia region (excluding Australia, New Zealand and Japan), focusing on those companies which are considered especially innovative in terms of what they produce, or services they provide, and/or the way in which they carry out their business. The underlying fund shall not specialise in any particular sector. |
| APGF | 17 September 1984 | GUFD - First State Asian Growth Fund | The sub-fund aims to achieve long term capital appreciation by investing all or substantially all of its assets in the underlying fund, which invests primarily in securities in the Asian region excluding Japan. |
| BRDG | 2 June 2003 | | The sub-fund aims to provide investors with an annual distribution and medium term capital stability from investments focused in the Asia-Pacific ex Japan region by investing all or substantially all of its assets in the underlying funds. |
| - Fixed income portion | | GUFD - First State Asian Quality Bond Fund | This fund invests primarily in debt securities of issuers organised, headquartered or having their primary business operations in Asia. |
| - Equity portion | | GUFD - First State Asian Equity Plus Fund | This fund invests primarily in securities in the Asia Pacific region (excluding Japan). Such companies will be selected on the basis of their high dividend yields and their potential for long - term capital appreciation. |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

1. General (continued)

| <u>Sub-funds</u> | <u>Launch date</u> | <u>Underlying Fund(s)</u> | <u>Investment objectives</u> |
|------------------------|--------------------|---|--|
| DIVA | 16 November 2004 | GUFD - First State Asian Equity Plus Fund | The sub-fund aims to provide investors with regular distributions and long-term growth from high dividend yielding equity investments focused in the Asia-Pacific region (excluding Japan), by investing all or substantially all of its assets in the underlying fund, First State Asian Equity Plus Fund (a Dublin-domiciled fund), which invests primarily in securities in the Asia Pacific region (excluding Japan). Such companies will be selected on the basis of their high dividend yields and their potential for long-term capital appreciation. |
| GEML | 1 June 2004 | ICVC - First State Global Emerging Markets Leaders Fund | The sub-fund aims to achieve long term capital growth by investing all or substantially all of its assets in the underlying fund, which invests in large and mid capitalisation equities in emerging economies, including those companies listed on developed market exchanges whose activities predominantly take place in emerging market countries. |
| GBFD | 6 February 1995 | | The sub-fund aims to provide investors with an annual distribution and medium term capital stability from investments focused in the Asia-Pacific ex Japan region by investing all or substantially all of its assets in the underlying funds. |
| - Fixed income portion | | GUFD - First State Global Bond Fund | This fund invests primarily in debt securities of issuers from countries organised, headquartered or having their primary business operations in the WGBI Index, although in the event of unusual market conditions, investments in countries not included in the WGBI Index may be included and may constitute up to 50 per cent of the net assets of this fund. |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

1. General (continued)

| <u>Sub-funds</u> | <u>Launch date</u> | <u>Underlying Fund(s)</u> | <u>Investment objectives</u> |
|------------------|--------------------|--|--|
| - Equity portion | | GUFD - First State Global Opportunities Fund | This fund invests primarily in the securities of up to 100 worldwide growth companies which demonstrate the potential to benefit from positive change that is sustainable and timely and which experience sustainable earnings growth as a result of that change. |
| GIFT | 16 January 2008 | ICVC - First State Global Listed Infrastructure Fund | The sub-fund aims to achieve a total investment return consistent with income and long term capital growth by investing all or substantially all of its assets in the underlying fund, which invests in a diversified portfolio of listed infrastructure securities or infrastructure related securities from around the world. |
| G100 | 15 July 1998 | GUFD - First State Global Opportunities Fund | The sub-fund aims to achieve long term capital appreciation by investing all or substantially all of its assets in the underlying fund which invests primarily in the securities of up to 100 worldwide growth companies which demonstrate the potential to benefit from positive change that is sustainable and timely and which experience sustainable earnings growth as a result of that change. |
| GRES | 25 July 2005 | ICVC - First State Global Resources Fund | The sub-fund aims to provide long term capital growth by investing all or substantially all of its assets in the underlying fund, which invests in equities in the natural resources and energy sectors world-wide. |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

1. General (continued)

| <u>Sub-funds</u> | <u>Launch date</u> | <u>Underlying Fund(s)</u> | <u>Investment objectives</u> |
|------------------|--------------------|---|---|
| RCFD | 27 September 1993 | GUFD - First State Greater China Growth Fund | The sub-fund aims to achieve long term capital appreciation by investing all or substantially all of its assets in the underlying fund, which invests primarily in securities issued by companies with either assets in, or revenues derived from, the People's Republic of China, Hong Kong and Taiwan and which are listed, traded or dealt in on regulated markets in the People's Republic of China, Hong Kong, Taiwan, the U.S., Singapore, Korea, Thailand and Malaysia or in a member state of the OECD. |
| RIFD | 18 July 1994 | GUFD - First State Indian Subcontinent Fund | The sub-fund aims to achieve long term capital appreciation by investing all or substantially all of its assets in the underlying fund, which invests in a diversified portfolio of companies of the Indian Subcontinent. Countries of the Indian subcontinent include India, Pakistan, Sri Lanka and Bangladesh. |
| SPGF | July 1969 | GUFD - First State Singapore and Malaysia Growth Fund | The sub-fund aims to achieve long term capital appreciation by investing all or substantially all of its assets in the underlying fund, which invests primarily in securities issued by companies that are listed, traded or dealt in regulated markets in Singapore or Malaysia or companies that are listed, traded or dealt in another regulated market but are incorporated in, with substantial assets in, or derive significant revenues from operations in Singapore or Malaysia. |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

1. General (continued)

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

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

2. Summary of significant accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, modified by the revaluation of financial assets at fair value through profit or loss, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” (“RAP 7”) issued by the Institute of Certified Public Accountants of Singapore.

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

(b) Recognition of income

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

(c) Investments

Investments are classified as financial assets held at fair value through profit or loss. Purchases of investments are recognised on trade date. Investments are recorded at fair value on initial recognition, and subsequently carried at fair value. Fair value is based on the market quoted bid price or the quoted net asset value of the underlying fund as at that date. Net changes in fair value of investments are included in the Statement of Total Return in the year in which they arise.

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

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

2. Summary of significant accounting policies (continued)

(d) Foreign currency translation

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

(e) Derivative financial instruments

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

Realised and unrealised gains and losses from changes in fair values of financial derivatives held for protection or enhancement of investments are taken to the Statement of Total Return as gains or losses on investments. Such gains or losses on financial derivatives held for generating or protecting income are taken to the Statement of Total Return as income gains or losses.

(f) Distribution

The Manager shall have the absolute discretion to determine whether a distribution is to be made. In the event that the Manager determines that a distribution will be made, an amount required to effect such a distribution shall be transferred to a distribution account for payment on distribution date. This amount shall not be treated as part of the property of the Fund. Distributions are accrued on the ex-dividend date.

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

3. Income Tax

| | First State Global Property Investments | |
|----------------------|---|------------------|
| | 2009 \$ | 2008 \$ |
| Singapore income tax | (1,118) | (2,336) |
| Foreign income tax | (105,599) | (160,389) |
| | <u>(106,717)</u> | <u>(162,725)</u> |

- (a) The Fund is a designated unit trust and, therefore, the following income is exempted from tax in accordance with section 35(12) and (12A) of the Income Tax Act:
- (i) gains or profits derived from Singapore or elsewhere from the disposal of securities;
 - (ii) interest (other than interest for which tax has been deducted under section 45 of the Income Tax Act);
 - (iii) dividends derived from outside Singapore and received in Singapore.
 - (iv) gains or profits derived from foreign exchange transactions; transactions in future contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards, swaps or option contracts relating to any securities of financial index; and
 - (v) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.
- (b) The Singapore income tax represents tax deducted at source for Singapore sourced dividends. The foreign income tax represents tax deducted at source on dividends derived from outside Singapore and received in Singapore.

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

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

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

4. Distribution

| | First State Bridge 2009 | | |
|-------------------------------------|-----------------------------|------------------|------------------------------|
| | Entitlement cut off date | Payment date | Distribution amount \$ |
| Distribution at 1.56 cents per unit | 30 April 2009 | 21 May 2009 | 15,202,211 |
| Distribution at 1.96 cents per unit | 30 October 2009 | 19 November 2009 | 19,680,118 |
| | | | <u>34,882,329</u> |

| | First State Bridge 2008 | | |
|-------------------------------------|-----------------------------|------------------|------------------------------|
| | Entitlement cut off date | Payment date | Distribution amount \$ |
| Distribution at 2.10 cents per unit | 30 April 2008 | 15 May 2008 | 21,213,982 |
| Distribution at 1.50 cents per unit | 31 October 2008 | 20 November 2008 | 14,793,316 |
| | | | <u>36,007,298</u> |

| | First State Dividend Advantage 2009 | | |
|-------------------------------------|--|-----------------|------------------------------|
| | Entitlement cut off date | Payment date | Distribution amount \$ |
| Distribution at 0.89 cents per unit | 31 December 2008 | 22 January 2009 | 5,321,271 |
| Distribution at 0.90 cents per unit | 31 March 2009 | 16 April 2009 | 5,482,729 |
| Distribution at 1.10 cents per unit | 30 June 2009 | 16 July 2009 | 6,894,310 |
| Distribution at 1.26 cents per unit | 30 September 2009 | 15 October 2009 | 8,209,702 |
| | | | <u>25,908,012</u> |

On 31 December 2009, the Manager declared a distribution of 1.30 cents per unit for all units on record as at 31 December 2009. As the ex-date of the distribution is 4 January 2010, the distribution has not been accrued for as at the balance sheet date.

| | First State Dividend Advantage 2008 | | |
|-------------------------------------|--|-----------------|------------------------------|
| | Entitlement cut off date | Payment date | Distribution amount \$ |
| Distribution at 3.02 cents per unit | 31 December 2007 | 17 January 2008 | 15,308,874 |
| Distribution at 1.34 cents per unit | 31 March 2008 | 17 April 2008 | 7,341,278 |
| Distribution at 1.25 cents per unit | 30 June 2008 | 17 July 2008 | 7,416,034 |
| Distribution at 1.06 cents per unit | 30 September 2008 | 16 October 2008 | 6,375,965 |
| | | | <u>36,442,151</u> |

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

4. Distribution (continued)

| First State Global Infrastructure | | | |
|--|-------------------------------------|-------------------------|---------------------------------------|
| 2009 | | | |
| | Entitlement cut off date | Payment date | Distribution amount \$ |
| Distribution at 2.03 cents per unit | 31 December 2008 | 15 January 2009 | 430,145 |
| Distribution at 2.09 cents per unit | 30 June 2009 | 14 July 2009 | 460,229 |
| | | | <u>890,374</u> |

On 31 December 2009, the Manager declared a distribution of 2.35 cents per unit for all units on record as at 31 December 2009. As the ex-date of the distribution is 4 January 2010, the distribution has not been accrued for as at the balance sheet date.

| First State Global Infrastructure | | | |
|--|-------------------------------------|-------------------------|---------------------------------------|
| 2008 | | | |
| | Entitlement cut off date | Payment date | Distribution amount \$ |
| Distribution at 0.95 cents per unit | 30 June 2008 | 14 July 2008 | <u>197,795</u> |

| First State Global Property Investments | | | |
|--|-------------------------------------|-------------------------|---------------------------------------|
| 2009 | | | |
| | Entitlement cut off date | Payment date | Distribution amount \$ |
| Distribution at 2.71 cents per unit | 30 November 2009 | 14 December 2009 | <u>610,364</u> |

| First State Global Property Investments | | | |
|--|-------------------------------------|-------------------------|---------------------------------------|
| 2008 | | | |
| | Entitlement cut off date | Payment date | Distribution amount \$ |
| Distribution at 2.17 cents per unit | 28 November 2008 | 18 December 2008 | <u>467,255</u> |

5. Other receivables

| | First State Asia Innovation Fund | | First State Asian Growth Fund | |
|---|---|--------------------|--|--------------------|
| | 2009 \$ | 2008 \$ | 2009 \$ | 2008 \$ |
| Amounts receivable for creation of units | 40,767 | 601 | 491,700 | 127,554 |
| Management fee rebates receivable | 246,516 | 168,378 | 243,217 | 123,893 |
| | <u>287,283</u> | <u>168,979</u> | <u>734,917</u> | <u>251,447</u> |

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

5. Other receivables (continued)

| | First State Bridge | | First State Dividend Advantage | |
|--|---|-----------|---------------------------------------|-----------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| Amounts receivable for creation of units | 5,222,424 | 1,634,321 | 4,590,022 | 1,503,423 |
| Management fee rebates receivable | 4,174,289 | 3,067,275 | 3,132,085 | 1,906,486 |
| Other receivables | 1,812 | 970 | - | - |
| | 9,398,525 | 4,702,566 | 7,722,107 | 3,409,909 |
| | First State GEM Leaders | | First State Global Balanced Fund | |
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| Amounts receivable for creation of units | 148,915 | 8,917 | 200,661 | 55,186 |
| Management fee rebates receivable | 62,853 | 34,807 | 113,470 | 77,822 |
| Other receivables | 2,163 | 541 | - | - |
| | 213,931 | 44,265 | 314,131 | 133,008 |
| | First State Global Infrastructure | | First State Global Opportunities Fund | |
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| Amounts receivable for creation of units | 7,960 | 10,486 | 42,120 | - |
| Management fee rebates receivable | 64,166 | 49,066 | 143,630 | 90,764 |
| Other receivables | 147 | - | - | - |
| | 72,273 | 59,552 | 185,750 | 90,764 |
| | First State Global Property Investments | | First State Global Resources | |
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| Amounts receivable for creation of units | 26,399 | 206 | 6,905,045 | 2,908,568 |
| Management fee rebates receivable | - | - | 1,484,696 | 665,901 |
| Dividends receivable | 61,342 | 74,143 | - | - |
| Other receivables | 86 | - | 11,000 | 3,253 |
| | 87,827 | 74,349 | 8,400,741 | 3,577,722 |

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

5. Other receivables (continued)

| | First State Regional China Fund | | First State Regional India Fund | |
|---|------------------------------------|------------------|------------------------------------|----------------|
| | 2009 \$ | 2008 \$ | 2009 \$ | 2008 \$ |
| Amounts receivable for creation of units | 3,324,699 | 240,357 | 238,230 | 5,550 |
| Management fee rebates receivable | 1,883,537 | 1,051,601 | 416,226 | 235,669 |
| | <u>5,208,236</u> | <u>1,291,958</u> | <u>654,456</u> | <u>241,219</u> |

| | First State Singapore Growth Fund | |
|---|--------------------------------------|----------------|
| | 2009 \$ | 2008 \$ |
| Amounts receivable for creation of units | 20,414 | 11,496 |
| Management fee rebates receivable | 212,413 | 138,924 |
| Other receivables | 32,604 | - |
| | <u>265,431</u> | <u>150,420</u> |

6. Other payables

| | First State Asia Innovation Fund | | First State Asian Growth Fund | |
|--|-------------------------------------|----------------|----------------------------------|----------------|
| | 2009 \$ | 2008 \$ | 2009 \$ | 2008 \$ |
| Amounts payable to unitholders for cancellation of units | 35,480 | 48,560 | 401,764 | 158,135 |
| Accrued management fees | 94,902 | 60,212 | 89,731 | 48,548 |
| Accrued trustee's fees | 3,610 | 2,349 | 3,904 | 2,169 |
| Other accrued expenses | 23,421 | 33,214 | 28,601 | 38,011 |
| | <u>157,413</u> | <u>144,335</u> | <u>524,000</u> | <u>246,863</u> |

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

6. Other payables (continued)

| | First State Bridge | | First State Dividend Advantage | |
|--|--------------------|------------------|--------------------------------|------------------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| Amounts payable to unitholders for cancellation of units | 2,915,760 | 3,002,768 | 1,379,032 | 504,760 |
| Accrued management fees | 1,685,729 | 1,151,660 | 1,350,970 | 776,344 |
| Accrued trustee's fees | 84,902 | 60,977 | 53,813 | 32,779 |
| Other accrued expenses | 9,500 | 4,433 | 9,511 | 6,439 |
| Other payables | 1,331 | 293 | - | 6 |
| | <u>4,697,222</u> | <u>4,220,131</u> | <u>2,793,326</u> | <u>1,320,328</u> |

| | First State GEM Leaders | | First State Global Balanced Fund | |
|--|-------------------------|---------------|----------------------------------|----------------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| Amounts payable to unitholders for cancellation of units | 29,248 | 40,252 | 55,597 | 203,934 |
| Accrued management fees | 25,139 | 13,886 | 36,123 | 30,833 |
| Accrued trustee's fees | 1,116 | 4,563 | 1,610 | 1,496 |
| Other accrued expenses | 9,522 | 25,269 | 10,007 | 21,190 |
| | <u>65,025</u> | <u>83,970</u> | <u>103,337</u> | <u>257,453</u> |

| | First State Global Infrastructure | | First State Global Opportunities Fund | |
|--|-----------------------------------|---------------|---------------------------------------|---------------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| Amounts payable to unitholders for cancellation of units | 21,714 | 2,061 | 97,473 | 24,462 |
| Accrued management fees | 25,682 | 20,274 | 39,872 | 33,658 |
| Accrued trustee's fees | 1,123 | 2,939 | 1,767 | 1,530 |
| Other accrued expenses | 9,502 | 7,060 | 9,500 | 19,617 |
| Other payables | - | 226 | - | - |
| | <u>58,021</u> | <u>32,560</u> | <u>148,612</u> | <u>79,267</u> |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

6. Other payables (continued)

| | First State Global Property Investments | | First State Global Resources | |
|--|--|---------------|---------------------------------|------------------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| Amounts payable to unitholders for cancellation of units | 61,047 | 12,522 | 1,941,421 | 508,526 |
| Accrued management fees | 22,392 | 15,614 | 1,155,393 | 484,056 |
| Accrued trustee's fees | 2,283 | 4,319 | 46,789 | 20,551 |
| Other accrued expenses | 17,600 | 33,650 | 10,128 | 34,135 |
| Other payables | 63 | - | 188 | 4,335 |
| | <u>103,385</u> | <u>66,105</u> | <u>3,153,919</u> | <u>1,051,603</u> |

| | First State Regional China Fund | | First State Regional India Fund | |
|--|------------------------------------|----------------|------------------------------------|----------------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| Amounts payable to unitholders for cancellation of units | 2,085,049 | 382,017 | 379,749 | 68,510 |
| Accrued management fees | 814,794 | 413,708 | 162,480 | 86,550 |
| Accrued trustee's fees | 32,460 | 18,040 | 7,097 | 3,818 |
| Other accrued expenses | 9,740 | 29,379 | 15,199 | 23,246 |
| | <u>2,942,043</u> | <u>843,144</u> | <u>564,525</u> | <u>182,124</u> |

| | First State Singapore Growth Fund | |
|--|--------------------------------------|----------------|
| | 2009 | 2008 |
| | \$ | \$ |
| Amounts payable to unitholders for cancellation of units | 15,757 | 147,209 |
| Accrued management fees | 81,863 | 50,010 |
| Accrued trustee's fees | 3,632 | 2,265 |
| Other accrued expenses | 25,271 | 35,289 |
| | <u>126,523</u> | <u>234,773</u> |

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

7. Financial derivatives

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

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

| | First State Bridge 2009 | | |
|------------------------------------|------------------------------------|-------------------------------------|--|
| | Notional amount \$ | Fair value assets \$ | Fair value liabilities \$ |
| Forward foreign exchange contracts | 793,132,015 | 667,339 | 10,156,239 |

| | First State Bridge 2008 | | |
|------------------------------------|------------------------------------|-------------------------------------|--|
| | Notional amount \$ | Fair value assets \$ | Fair value liabilities \$ |
| Forward foreign exchange contracts | 737,168,849 | 22,762,790 | 4,544,312 |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

8. Net assets attributable to unitholders

| | First State Asia Innovation Fund | | First State Asian Growth Fund | |
|--|----------------------------------|--------------|-------------------------------|--------------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| At the beginning of the financial year | 37,545,415 | 95,957,131 | 33,608,701 | 57,000,224 |
| Operations | | | | |
| Change in net assets attributable to unitholders resulting from operations | 24,655,491 | (41,943,422) | 17,443,528 | (24,988,800) |
| Unitholders' contributions/ (withdrawals) | | | | |
| Creation of units | 1,331,940 | 2,040,159 | 35,505,125 | 34,088,375 |
| Cancellation of units | (5,004,714) | (18,508,453) | (23,152,072) | (32,491,098) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | (3,672,774) | (16,468,294) | 12,353,053 | 1,597,277 |
| Total increase/(decrease) in net assets attributable to unitholders | 20,982,717 | (58,411,716) | 29,796,581 | (23,391,523) |
| At the end of the financial year | 58,528,132 | 37,545,415 | 63,405,282 | 33,608,701 |
| Units in issue (see Note 9) | 87,554,636 | 94,249,991 | 40,619,335 | 31,362,618 |
| Net assets attributable to unitholders per unit | 0.6684 | 0.3983 | 1.5609 | 1.0716 |

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

8. Net assets attributable to unitholders (continued)

| | First State Bridge | | First State Dividend Advantage | |
|--|--------------------|---------------|--------------------------------|---------------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| At the beginning of the financial year | 965,895,722 | 1,228,206,535 | 527,015,406 | 764,494,322 |
| Operations | | | | |
| Change in net assets attributable to unitholders resulting from operations | 340,774,558 | (461,271,367) | 258,871,776 | (360,191,050) |
| Unitholders' contributions/ (withdrawals) | | | | |
| Creation of units | 196,693,517 | 738,723,303 | 183,434,521 | 257,019,450 |
| Cancellation of units | (150,725,462) | (539,762,749) | (98,071,515) | (134,307,316) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | 45,968,055 | 198,960,554 | 85,363,006 | 122,712,134 |
| Total increase/(decrease) in net assets attributable to unitholders | 386,742,613 | (262,310,813) | 344,234,782 | (237,478,916) |
| At the end of the financial year | 1,352,638,335 | 965,895,722 | 871,250,188 | 527,015,406 |
| Units in issue (see Note 9) | 1,018,413,988 | 982,451,259 | 674,029,801 | 597,895,673 |
| Net assets attributable to unitholders per unit | 1.3281 | 0.9831 | 1.2925 | 0.8814 |

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

8. Net assets attributable to unitholders (continued)

| | First State GEM Leaders 2009 \$ | 2008 \$ | First State Global Balanced Fund 2009 \$ | 2008 \$ |
|--|---------------------------------------|--------------|---|--------------|
| At the beginning of the financial year | 9,794,997 | 16,630,974 | 23,139,540 | 29,361,965 |
| Operations | | | | |
| Change in net assets attributable to unitholders resulting from operations | 6,228,860 | (7,558,596) | 3,404,933 | (8,073,073) |
| Unitholders' contributions/ (withdrawals) | | | | |
| Creation of units | 4,373,534 | 17,877,637 | 13,551,447 | 100,470,736 |
| Cancellation of units | (2,417,889) | (17,155,018) | (14,664,831) | (98,620,088) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | 1,955,645 | 722,619 | (1,113,384) | 1,850,648 |
| Total increase/(decrease) in net assets attributable to unitholders | 8,184,505 | (6,835,977) | 2,291,549 | (6,222,425) |
| At the end of the financial year | 17,979,502 | 9,794,997 | 25,431,089 | 23,139,540 |
| Units in issue (see Note 9) | 9,262,944 | 8,224,859 | 35,605,612 | 36,954,689 |
| Net assets attributable to unitholders per unit | 1.9410 | 1.1909 | 0.7142 | 0.6261 |

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

8. Net assets attributable to unitholders (continued)

| | First State Global Infrastructure | | First State Global Opportunities Fund | |
|--|--------------------------------------|---|--|--------------|
| | 2009 \$ | Period from 16 January 2008 (date of launch) to 31 December 2008 \$ | 2009 \$ | 2008 \$ |
| At the beginning of the financial year/period | 14,305,551 | - | 24,234,348 | 46,925,832 |
| Operations | | | | |
| Change in net assets attributable to unitholders resulting from operations | 2,450,931 | (7,032,890) | 5,611,170 | (18,319,326) |
| Unitholders' contributions/ (withdrawals) | | | | |
| Creation of units | 3,622,044 | 23,147,333 | 1,252,980 | 765,619 |
| Cancellation of units | (2,604,056) | (1,808,892) | (2,918,107) | (5,137,777) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | 1,017,988 | 21,338,441 | (1,665,127) | (4,372,158) |
| Total increase/(decrease) in net assets attributable to unitholders | 3,468,919 | 14,305,551 | 3,946,043 | (22,691,484) |
| At the end of the financial year/period | 17,774,470 | 14,305,551 | 28,180,391 | 24,234,348 |
| Units in issue (see Note 9) | 22,732,616 | 21,189,433 | 30,903,154 | 32,960,946 |
| Net assets attributable to unitholders per unit | 0.7818 | 0.6751 | 0.9118 | 0.7352 |

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Notes to the Financial Statements

For the financial year ended 31 December 2009

8. Net assets attributable to unitholders (continued)

| | First State Global Property Investments | | First State Global Resources | |
|--|--|--------------|---------------------------------|---------------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| At the beginning of the financial year | 11,672,250 | 31,195,867 | 333,381,867 | 716,856,908 |
| Operations | | | | |
| Change in net assets attributable to unitholders resulting from operations | 3,423,171 | (12,460,088) | 313,615,220 | (511,238,256) |
| Unitholders' contributions/ (withdrawals) | | | | |
| Creation of units | 1,473,468 | 715,993 | 291,150,282 | 1,004,442,282 |
| Cancellation of units | (746,665) | (7,779,522) | (171,597,905) | (876,679,067) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | 726,803 | (7,063,529) | 119,552,377 | 127,763,215 |
| Total increase/(decrease) in net assets attributable to unitholders | 4,149,974 | (19,523,617) | 433,167,597 | (383,475,041) |
| At the end of the financial year | 15,822,224 | 11,672,250 | 766,549,464 | 333,381,867 |
| Units in issue (see Note 9) | 23,022,916 | 22,010,349 | 545,294,588 | 439,792,560 |
| Net assets attributable to unitholders per unit | 0.6872 | 0.5303 | 1.4057 | 0.7580 |

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

8. Net assets attributable to unitholders (continued)

| | First State Regional China Fund | | First State Regional India Fund | |
|--|------------------------------------|---------------|------------------------------------|---------------|
| | 2009 | 2008 | 2009 | 2008 |
| | \$ | \$ | \$ | \$ |
| At the beginning of the financial year | 283,424,807 | 568,540,078 | 59,757,729 | 165,855,591 |
| Operations | | | | |
| Change in net assets attributable to unitholders resulting from operations | 192,111,700 | (252,430,806) | 54,730,016 | (89,158,351) |
| Unitholders' contributions/ (withdrawals) | | | | |
| Creation of units | 123,959,923 | 128,828,982 | 16,817,769 | 71,915,244 |
| Cancellation of units | (73,348,058) | (161,513,447) | (17,168,360) | (88,854,755) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | 50,611,865 | (32,684,465) | (350,591) | (16,939,511) |
| Total increase/(decrease) in net assets attributable to unitholders | 242,723,565 | (285,115,271) | 54,379,425 | (106,097,862) |
| At the end of the financial year | 526,148,372 | 283,424,807 | 114,137,154 | 59,757,729 |
| Units in issue (see Note 9) | 273,018,533 | 242,439,392 | 38,039,449 | 38,147,978 |
| Net assets attributable to unitholders per unit | 1.9271 | 1.1690 | 3.0004 | 1.5664 |

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Notes to the Financial Statements

For the financial year ended 31 December 2009

8. Net assets attributable to unitholders (continued)

| | First State Singapore Growth Fund | |
|--|-----------------------------------|------------------|
| | 2009 | 2008 |
| | \$ | \$ |
| At the beginning of the financial year | 36,060,525 | 80,564,841 |
| Operations | | |
| Change in net assets attributable to unitholders resulting from operations | 22,712,005 | (35,891,341) |
| Unitholders' contributions/ (withdrawals) | | |
| Creation of units | 2,206,512 | 9,814,939 |
| Cancellation of units | (2,688,653) | (18,427,914) |
| Change in net assets attributable to unitholders resulting from net creation and cancellation of units | (482,141) | (8,612,975) |
| Total increase/(decrease) in net assets attributable to unitholders | 22,229,864 | (44,504,316) |
| At the end of the financial year | <hr/> 58,290,389 | <hr/> 36,060,525 |
| Units in issue (see Note 9) | 31,608,725 | 31,957,672 |
| Net assets attributable to unitholders per unit | <hr/> 1.8441 | <hr/> 1.1283 |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

9. Units in issue

| | First State Asia Innovation Fund | | First State Asian Growth Fund | |
|----------------------------|----------------------------------|--------------|-------------------------------|--------------|
| | 2009 Units | 2008 Units | 2009 Units | 2008 Units |
| Units at beginning of year | 94,249,991 | 121,190,246 | 31,362,618 | 30,787,077 |
| Units created | 2,398,116 | 3,074,425 | 26,555,966 | 23,569,255 |
| Units cancelled | (9,093,471) | (30,014,680) | (17,299,249) | (22,993,714) |
| Units at end of year * | 87,554,636 | 94,249,991 | 40,619,335 | 31,362,618 |

* Included above are units denominated in USD

| | | | | |
|--|-----------|-----------|---------|---------|
| | 7,015,011 | 6,933,302 | 184,365 | 178,432 |
|--|-----------|-----------|---------|---------|

| | First State Bridge | | First State Dividend Advantage | |
|----------------------------|--------------------|---------------|--------------------------------|---------------|
| | 2009 Units | 2008 Units | 2009 Units | 2008 Units |
| Units at beginning of year | 982,451,259 | 847,154,875 | 597,895,673 | 506,916,354 |
| Units created | 165,734,520 | 557,914,296 | 163,577,736 | 203,811,411 |
| Units cancelled | (129,771,791) | (422,617,912) | (87,443,608) | (112,832,092) |
| Units at end of year * | 1,018,413,988 | 982,451,259 | 674,029,801 | 597,895,673 |

* Included above are units denominated in USD

| | | | | |
|--|---|---|------------|------------|
| | - | - | 28,770,848 | 19,243,086 |
|--|---|---|------------|------------|

| | First State GEM Leaders | | First State Global Balanced Fund | |
|----------------------------|-------------------------|-------------|----------------------------------|---------------|
| | 2009 Units | 2008 Units | 2009 Units | 2008 Units |
| Units at beginning of year | 8,224,859 | 8,162,519 | 36,954,689 | 35,711,288 |
| Units created | 2,536,707 | 9,786,946 | 21,425,981 | 134,322,959 |
| Units cancelled | (1,498,622) | (9,724,606) | (22,775,058) | (133,079,558) |
| Units at end of year * | 9,262,944 | 8,224,859 | 35,605,612 | 36,954,689 |

* Included above are units denominated in USD

| | | | | |
|--|---------|--------|---------|---------|
| | 375,045 | 72,218 | 193,832 | 112,056 |
|--|---------|--------|---------|---------|

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

9. Units in issue (continued)

| | First State Global Infrastructure Period from 16 January 2008 (date of launch) to 31 December 2008 | | First State Global Opportunities Fund | |
|---|--|---------------|---------------------------------------|---------------|
| | 2009 Units | 2008 Units | 2009 Units | 2008 Units |
| Units at beginning of year/period | 21,189,433 | - | 32,960,946 | 37,106,269 |
| Units created | 5,169,335 | 23,465,644 | 1,529,007 | 754,596 |
| Units cancelled | (3,626,152) | (2,276,211) | (3,586,799) | (4,899,919) |
| Units at end of year/period * | 22,732,616 | 21,189,433 | 30,903,154 | 32,960,946 |
| * Included above are units denominated in USD | 815,574 | 622,260 | 2,034,622 | 2,331,501 |
| | First State Global Property Investments | | First State Global Resources | |
| | 2009 Units | 2008 Units | 2009 Units | 2008 Units |
| Units at beginning of year | 22,010,349 | 29,211,198 | 439,792,560 | 399,845,667 |
| Units created | 2,267,612 | 1,051,011 | 257,521,153 | 592,850,110 |
| Units cancelled | (1,255,045) | (8,251,860) | (152,019,125) | (552,903,217) |
| Units at end of year * | 23,022,916 | 22,010,349 | 545,294,588 | 439,792,560 |
| * Included above are units denominated in USD | - | - | 33,786,486 | 23,109,241 |
| | First State Regional China Fund | | First State Regional India Fund | |
| | 2009 Units | 2008 Units | 2009 Units | 2008 Units |
| Units at beginning of year | 242,439,392 | 264,966,412 | 38,147,978 | 45,554,796 |
| Units created | 75,573,043 | 72,279,715 | 6,796,163 | 22,881,336 |
| Units cancelled | (44,993,902) | (94,806,735) | (6,904,692) | (30,288,154) |
| Units at end of year * | 273,018,533 | 242,439,392 | 38,039,449 | 38,147,978 |
| * Included above are units denominated in USD | 27,610,268 | 23,720,359 | 2,174,194 | 1,992,386 |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

9. Units in issue (continued)

| | First State Singapore Growth Fund | |
|---|--------------------------------------|-------------------|
| | 2009 Units | 2008 Units |
| Units at beginning of year | 31,957,672 | 36,994,020 |
| Units created | 1,402,146 | 5,287,604 |
| Units cancelled | (1,751,093) | (10,323,952) |
| Units at end of year * | <u>31,608,725</u> | <u>31,957,672</u> |
| * Included above are units denominated in USD | <u>150,504</u> | <u>153,521</u> |

10. Financial risk management

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

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

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

The data used and assumptions made in the sensitivity analyses below may not reflect actual market conditions, nor is it representative of any potential future market conditions. The sensitivity analyses can be complex and the disclosures made here are not

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

exhaustive. The market exposures change regularly and the assumptions made below may not be representative of the risk taken throughout the year. The sensitivity analyses below should not be solely relied upon by investors in making their investment decisions.

a. Market risk

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

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

(i) Price Risk

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

First State Global Property Investments ("GLPR")

The investments of GLPR are subject to normal market fluctuations and the risks inherent in investing in international securities markets and there can be no assurances that appreciation will occur. It is the policy of the Manager to maintain a diversified portfolio of investments for GLPR so as to minimise risk.

GLPR strives to invest in strong businesses with quality management and at sensible prices. GLPR's preferred strategy is to hold equity investments for the medium-to-long term. The Manager is therefore not concerned by short-term equity price volatility with respect to its investments provided that the underlying business, economic and management characteristics of its investments remains favourable.

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(i) Price Risk (continued)

The carrying values of investments subject to price risk are, in almost all instances, based on quoted market prices as of the balance sheet date. Market prices are subject to fluctuation and, consequently, the amount realised in the subsequent sale of an investment may significantly differ from the reported market value. Fluctuation in the market price of a security may result from perceived changes in the underlying economic characteristics of the investment, the relative price of alternative investments and general market conditions. Furthermore, amounts realised in the sale of a particular security may be affected by the relative quantity of the security being sold.

The exposure to price risk is managed by constructing a diversified portfolio from which it expects the underlying companies it invests in to perform differently in reaction to different risk influences. The Manager monitors the price risk in GLPR's portfolio through both the volatility of the underlying holdings and their combined volatility, both at an absolute level and relative to GLPR's benchmark. The Manager expects the portfolio to carry a certain level of equity price risk and uses such risk measurement to highlight unintended risks in the portfolio.

Feeder Funds

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

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

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

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(i) Price Risk (continued)

The table below summarises the effect on the net assets attributable to unitholders for each sub-fund, as at 31 December 2009 and 31 December 2008, from a reasonable possible change in the benchmark market indices as applied to the respective beta reported by Lipper.

The reasonable possible change in the benchmark market indices has been determined by using the one year benchmark returns for the financial years ended 31 December 2009 and 31 December 2008 respectively. This is a reasonable possible change in the benchmark assuming similar volatility in the respective financial markets will be experienced in the next twelve months.

| <u>Sub-fund</u> | Benchmark Components | Change in Benchmark Market Index | Effect on net assets attributable to unitholders | Change in Benchmark Market Index | Effect on net assets attributable to unitholders |
|----------------------------------|---|----------------------------------|--|----------------------------------|--|
| | | 31 December 2009 % | 31 December 2009 \$ | 31 December 2008 % | 31 December 2008 \$ |
| First State Asia Innovation Fund | MSCI AC Asia ex Japan Free Index | 68.13 | 33,653,263 | 43.38 | 17,003,497 |
| First State Asian Growth Fund | MSCI AC Asia ex Japan | 68.13 | 29,549,351 | 52.18 | 12,546,561 |
| First State Bridge | MSCI AC Asia Pacific ex Japan (unhedged) & JP Morgan Asia Credit Investment Grade (hedged to S\$) | 43.22 | 668,840,724 | 31.08 | 249,706,993 |
| First State Dividend Advantage | MSCI AC Asia Pacific ex Japan | 69.22 | 419,995,465 | 51.58 | 213,879,068 |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(i) Price Risk (continued)

| <u>Sub-fund</u> | <u>Benchmark Components</u> | <u>Change in Benchmark Market Index</u> <u>31 December 2009</u> <u>%</u> | <u>Effect on net assets attributable to unitholders</u> <u>31 December 2009</u> <u>\$</u> | <u>Change in Benchmark Market Index</u> <u>31 December 2008</u> <u>%</u> | <u>Effect on net assets attributable to unitholders</u> <u>31 December 2008</u> <u>\$</u> |
|---|---|--|---|--|---|
| First State GEM Leaders | MSCI Emerging Markets | 74.45 | 8,221,590 | 53.14 | 3,151,875 |
| First State Global Opportunities Fund | MSCI World | 27.45 | 5,982,338 | 40.28 | 9,976,909 |
| First State Global Balanced Fund | 60% MSCI World & 40% Citigroup World Government Bond (Unhedged) | 16.39 | 3,082,786 | 22.24 | 5,231,677 |
| First State Global Infrastructure | UBS Global Infrastructure & Utilities 50-50 Index | 15.95 | 2,538,310 | 30.09 | 2,136,875 |
| First State Global Property Investments | UBS Global Real Estate Investors Index | 32.24 | 4,287,584 | 46.05 | 4,451,180 |
| First State Global Resources | 75% HSBC Global Mining Accumulation, 25% MSCI AC World Energy | 81.70 | 386,383,863 | 54.35 | 188,801,922 |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(i) Price Risk (continued)

| <u>Sub-fund</u> | <u>Benchmark Components</u> | <u>Change in Benchmark Market Index</u> 31 December 2009 % | <u>Effect on net assets attributable to unitholders</u> 31 December 2009 \$ | <u>Change in Benchmark Market Index</u> 31 December 2008 % | <u>Effect on net assets attributable to unitholders</u> 31 December 2008 \$ |
|-----------------------------------|-------------------------------------|--|---|--|---|
| First State Regional China Fund | MSCI Golden Dragon | 62.85 | 266,861,839 | 49.33 | 126,771,584 |
| First State Regional India Fund | MSCI India | 97.63 | 60,942,278 | 64.60 | 32,966,345 |
| First State Singapore Growth Fund | MSCI Singapore Free & MSCI Malaysia | 61.55 | 38,842,890 | 45.05 | 15,182,508 |

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

(ii) Currency Risk

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

The Fund may hold assets and liabilities denominated in currencies other than Singapore dollars and therefore the Fund may be affected favourably or unfavourably by exchange rate regulators or changes in the exchange rates between the Singapore dollar and such other currencies. The Fund may enter into forward foreign exchange contracts designed to either hedge some or all of this exposure, or alternatively increase exposure to preferred foreign currencies.

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

First State Global Growth Funds

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Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Asia Innovation Fund

As at 31 December 2009

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 58,112,541 | - | 58,112,541 |
| Other receivables | 246,516 | 40,767 | 287,283 |
| Cash and bank balances | 124,618 | 161,103 | 285,721 |
| Total assets | 58,483,675 | 201,870 | 58,685,545 |
| LIABILITIES | | | |
| Other payables | - | 157,413 | 157,413 |
| Net assets attributable to unitholders | 4,689,363 | 53,838,769 | 58,528,132 |
| Total liabilities | 4,689,363 | 53,996,182 | 58,685,545 |
| Currency exposure | 53,794,312 | (53,794,312) | |

As at 31 December 2008

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 37,330,121 | - | 37,330,121 |
| Sales awaiting settlement | 46,104 | - | 46,104 |
| Other receivables | 168,378 | 601 | 168,979 |
| Cash and bank balances | 41,591 | 102,955 | 144,546 |
| Total assets | 37,586,194 | 103,556 | 37,689,750 |
| LIABILITIES | | | |
| Other payables | - | 144,335 | 144,335 |
| Net assets attributable to unitholders | 2,761,949 | 34,783,466 | 37,545,415 |
| Total liabilities | 2,761,949 | 34,927,801 | 37,689,750 |
| Currency exposure | 34,824,245 | (34,824,245) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Asian Growth Fund

As at 31 December 2009

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 62,857,986 | - | 62,857,986 |
| Sales awaiting settlement | 113,720 | - | 113,720 |
| Other receivables | 228,713 | 506,204 | 734,917 |
| Cash and bank balances | 151 | 482,239 | 482,390 |
| Total assets | 63,200,570 | 988,443 | 64,189,013 |
| LIABILITIES | | | |
| Purchases awaiting settlement | 259,731 | - | 259,731 |
| Other payables | - | 524,000 | 524,000 |
| Net assets attributable to unitholders | 287,787 | 63,117,495 | 63,405,282 |
| Total liabilities | 547,518 | 63,641,495 | 64,189,013 |
| Currency exposure | 62,653,052 | (62,653,052) | |

As at 31 December 2008

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 33,395,514 | - | 33,395,514 |
| Sales awaiting settlement | 66,275 | - | 66,275 |
| Other receivables | 123,893 | 127,554 | 251,447 |
| Cash and bank balances | 88 | 235,889 | 235,977 |
| Total assets | 33,585,770 | 363,443 | 33,949,213 |
| LIABILITIES | | | |
| Purchases awaiting settlement | 93,649 | - | 93,649 |
| Other payables | - | 246,863 | 246,863 |
| Net assets attributable to unitholders | 191,211 | 33,417,490 | 33,608,701 |
| Total liabilities | 284,860 | 33,664,353 | 33,949,213 |
| Currency exposure | 33,300,910 | (33,300,910) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Bridge

As at 31 December 2009

| | USD \$ | SGD \$ | Total \$ |
|---|----------------------|----------------------|----------------------|
| ASSETS | | | |
| Portfolio of investments | 1,357,478,920 | - | 1,357,478,920 |
| Sales awaiting settlement | 314,485 | - | 314,485 |
| Other receivables | 4,175,755 | 5,222,770 | 9,398,525 |
| Cash and bank balances | 384,085 | 875,620 | 1,259,705 |
| Total assets | 1,362,353,245 | 6,098,390 | 1,368,451,635 |
| LIABILITIES | | | |
| Purchases awaiting settlement | 1,627,178 | - | 1,627,178 |
| Other payables | 1,331 | 4,695,891 | 4,697,222 |
| Net assets attributable to unitholders | - | 1,352,638,335 | 1,352,638,335 |
| Total liabilities | 1,628,509 | 1,357,334,226 | 1,358,962,735 |
| Notional value of forward foreign exchange contracts | (659,313,436) | 649,824,536 | (9,488,900) |
| Currency exposure | 701,411,300 | (701,411,300) | |

As at 31 December 2008

| | USD \$ | SGD \$ | Total \$ |
|---|----------------------|----------------------|--------------------|
| ASSETS | | | |
| Portfolio of investments | 945,215,358 | - | 945,215,358 |
| Sales awaiting settlement | 986,914 | - | 986,914 |
| Other receivables | 3,067,275 | 1,635,291 | 4,702,566 |
| Cash and bank balances | 347,888 | 644,649 | 992,537 |
| Total assets | 949,617,435 | 2,279,940 | 951,897,375 |
| LIABILITIES | | | |
| Other payables | - | 4,220,131 | 4,220,131 |
| Net assets attributable to unitholders | - | 965,895,722 | 965,895,722 |
| Total liabilities | - | 970,115,853 | 970,115,853 |
| Notional value of forward foreign exchange contracts | (502,216,656) | 520,435,134 | 18,218,478 |
| Currency exposure | 447,400,779 | (447,400,779) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Dividend Advantage

As at 31 December 2009

| | USD \$ | SGD \$ | Total \$ |
|--|--------------------|----------------------|--------------------|
| ASSETS | | | |
| Portfolio of investments | 866,792,143 | - | 866,792,143 |
| Other receivables | 3,487,900 | 4,234,207 | 7,722,107 |
| Cash and bank balances | 523,484 | 599,263 | 1,122,747 |
| Total assets | 870,803,527 | 4,833,470 | 875,636,997 |
| LIABILITIES | | | |
| Purchases awaiting settlement | 1,593,483 | - | 1,593,483 |
| Other payables | 11,077 | 2,782,249 | 2,793,326 |
| Net assets attributable to unitholders | 37,189,167 | 834,061,021 | 871,250,188 |
| Total liabilities | 38,793,727 | 836,843,270 | 875,636,997 |
| Currency exposure | 832,009,800 | (832,009,800) | |

As at 31 December 2008

| | USD \$ | SGD \$ | Total \$ |
|--|--------------------|----------------------|--------------------|
| ASSETS | | | |
| Portfolio of investments | 524,879,794 | - | 524,879,794 |
| Other receivables | 2,329,346 | 1,080,563 | 3,409,909 |
| Cash and bank balances | 155,365 | 459,762 | 615,127 |
| Total assets | 527,364,505 | 1,540,325 | 528,904,830 |
| LIABILITIES | | | |
| Purchases awaiting settlement | 569,096 | - | 569,096 |
| Other payables | 126,870 | 1,193,458 | 1,320,328 |
| Net assets attributable to unitholders | 16,961,826 | 510,053,580 | 527,015,406 |
| Total liabilities | 17,657,792 | 511,247,038 | 528,904,830 |
| Currency exposure | 509,706,713 | (509,706,713) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State GEM Leaders

As at 31 December 2009

| | GBP \$ | SGD \$ | USD \$ | Total \$ |
|--|-------------------|---------------------|------------------|-------------------|
| ASSETS | | | | |
| Portfolio of investments | 17,811,457 | - | - | 17,811,457 |
| Other receivables | 64,484 | 149,447 | - | 213,931 |
| Cash and bank balances | 7,778 | 126,172 | 815 | 134,765 |
| Total assets | 17,883,719 | 275,619 | 815 | 18,160,153 |
| LIABILITIES | | | | |
| Purchases awaiting settlement | 115,626 | - | - | 115,626 |
| Other payables | - | 65,025 | - | 65,025 |
| Net assets attributable to unitholders | - | 17,251,535 | 727,967 | 17,979,502 |
| Total liabilities | 115,626 | 17,316,560 | 727,967 | 18,160,153 |
| Currency exposure | 17,768,093 | (17,040,941) | (727,152) | |

As at 31 December 2008

| | GBP \$ | SGD \$ | USD \$ | Total \$ |
|--|------------------|--------------------|-----------------|------------------|
| ASSETS | | | | |
| Portfolio of investments | 9,723,389 | - | - | 9,723,389 |
| Sales awaiting settlement | 22,786 | - | - | 22,786 |
| Other receivables | 34,807 | 9,458 | - | 44,265 |
| Cash and bank balances | 3,705 | 82,973 | 1,849 | 88,527 |
| Total assets | 9,784,687 | 92,431 | 1,849 | 9,878,967 |
| LIABILITIES | | | | |
| Other payables | - | 83,970 | - | 83,970 |
| Net assets attributable to unitholders | - | 9,708,992 | 86,005 | 9,794,997 |
| Total liabilities | - | 9,792,962 | 86,005 | 9,878,967 |
| Currency exposure | 9,784,687 | (9,700,531) | (84,156) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Global Balanced Fund

As at 31 December 2009

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 25,078,595 | - | 25,078,595 |
| Sales awaiting settlement | 26,675 | - | 26,675 |
| Other receivables | 83,800 | 230,331 | 314,131 |
| Cash and bank balances | 77,285 | 74,243 | 151,528 |
| Total assets | 25,266,355 | 304,574 | 25,570,929 |
| LIABILITIES | | | |
| Purchases awaiting settlement | 36,503 | - | 36,503 |
| Other payables | 505 | 102,832 | 103,337 |
| Net assets attributable to unitholders | 138,443 | 25,292,646 | 25,431,089 |
| Total liabilities | 175,451 | 25,395,478 | 25,570,929 |
| Currency exposure | 25,090,904 | (25,090,904) | |

As at 31 December 2008

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 23,062,479 | - | 23,062,479 |
| Other receivables | 77,822 | 55,186 | 133,008 |
| Cash and bank balances | 54,692 | 204,444 | 259,136 |
| Total assets | 23,194,993 | 259,630 | 23,454,623 |
| LIABILITIES | | | |
| Purchases awaiting settlement | 57,630 | - | 57,630 |
| Other payables | 519 | 256,934 | 257,453 |
| Net assets attributable to unitholders | 70,165 | 23,069,375 | 23,139,540 |
| Total liabilities | 128,314 | 23,326,309 | 23,454,623 |
| Currency exposure | 23,066,679 | (23,066,679) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Global Infrastructure

As at 31 December 2009

| | GBP \$ | SGD \$ | USD \$ | Total \$ |
|--|-------------------|---------------------|------------------|-------------------|
| ASSETS | | | | |
| Portfolio of investments | 17,682,407 | - | - | 17,682,407 |
| Sales awaiting settlement | 63,481 | - | - | 63,481 |
| Other receivables | 64,314 | 940 | 7,019 | 72,273 |
| Cash and bank balances | 1,119 | 85,668 | 2,360 | 89,147 |
| Total assets | 17,811,321 | 86,608 | 9,379 | 17,907,308 |
| LIABILITIES | | | | |
| Purchases awaiting settlement | 74,817 | - | - | 74,817 |
| Other payables | - | 57,670 | 351 | 58,021 |
| Net assets attributable to unitholders | - | 17,136,779 | 637,691 | 17,774,470 |
| Total liabilities | 74,817 | 17,194,449 | 638,042 | 17,907,308 |
| Currency exposure | 17,736,504 | (17,107,841) | (628,663) | |

As at 31 December 2008

| | GBP \$ | SGD \$ | USD \$ | Total \$ |
|--|-------------------|---------------------|------------------|-------------------|
| ASSETS | | | | |
| Portfolio of investments | 14,203,223 | - | - | 14,203,223 |
| Other receivables | 49,066 | 10,486 | - | 59,552 |
| Cash and bank balances | 2,912 | 88,191 | 2,876 | 93,979 |
| Total assets | 14,255,201 | 98,677 | 2,876 | 14,356,754 |
| LIABILITIES | | | | |
| Purchases awaiting settlement | 18,643 | - | - | 18,643 |
| Other payables | 226 | 32,334 | - | 32,560 |
| Net assets attributable to unitholders | - | 13,885,447 | 420,104 | 14,305,551 |
| Total liabilities | 18,869 | 13,917,781 | 420,104 | 14,356,754 |
| Currency exposure | 14,236,332 | (13,819,104) | (417,228) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Global Opportunities Fund

As at 31 December 2009

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 27,940,489 | - | 27,940,489 |
| Sales awaiting settlement | 51,946 | - | 51,946 |
| Other receivables | 104,781 | 80,969 | 185,750 |
| Cash and bank balances | 1,367 | 149,451 | 150,818 |
| Total assets | 28,098,583 | 230,420 | 28,329,003 |
| LIABILITIES | | | |
| Other payables | - | 148,612 | 148,612 |
| Net assets attributable to unitholders | 1,855,359 | 26,325,032 | 28,180,391 |
| Total liabilities | 1,855,359 | 26,473,644 | 28,329,003 |
| Currency exposure | 26,243,224 | (26,243,224) | |

As at 31 December 2008

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 24,047,466 | - | 24,047,466 |
| Sales awaiting settlement | 24,493 | - | 24,493 |
| Other receivables | 90,764 | - | 90,764 |
| Cash and bank balances | 16,652 | 165,937 | 182,589 |
| Total assets | 24,179,375 | 165,937 | 24,345,312 |
| LIABILITIES | | | |
| Purchases awaiting settlement | 31,697 | - | 31,697 |
| Other payables | - | 79,267 | 79,267 |
| Net assets attributable to unitholders | 1,714,223 | 22,520,125 | 24,234,348 |
| Total liabilities | 1,745,920 | 22,599,392 | 24,345,312 |
| Currency exposure | 22,433,455 | (22,433,455) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Global Property Investments

As at 31 December 2009

| | USD \$ | SGD \$ | AUD \$ | EUR \$ | Others* \$ | Total \$ |
|--|------------------|---------------------|------------------|------------------|------------------|-------------------|
| ASSETS | | | | | | |
| Portfolio of investments | 7,781,185 | 470,403 | 1,963,955 | 1,995,121 | 3,435,167 | 15,645,831 |
| Sales awaiting settlement | 123,415 | - | 21,918 | 39,464 | 40,556 | 225,353 |
| Other receivables | 26,291 | 38,532 | 17,192 | - | 5,812 | 87,827 |
| Cash and bank balances | 77,379 | 49,407 | 2,057 | - | 77,078 | 205,921 |
| Total assets | 8,008,270 | 558,342 | 2,005,122 | 2,034,585 | 3,558,613 | 16,164,932 |
| LIABILITIES | | | | | | |
| Purchases awaiting settlement | 112,292 | 23,456 | 5,109 | - | 98,466 | 239,323 |
| Other payables | 723 | 99,642 | 1,578 | 580 | 862 | 103,385 |
| Net assets attributable to unitholders | - | 15,822,224 | - | - | - | 15,822,224 |
| Total liabilities | 113,015 | 15,945,322 | 6,687 | 580 | 99,328 | 16,164,932 |
| Currency exposure | 7,895,255 | (15,386,980) | 1,998,435 | 2,034,005 | 3,459,285 | |

As at 31 December 2008

| | USD \$ | SGD \$ | EUR \$ | Others* \$ | Total \$ |
|--|------------------|---------------------|------------------|------------------|-------------------|
| ASSETS | | | | | |
| Portfolio of investments | 5,393,777 | 102,564 | 1,600,709 | 4,142,452 | 11,239,502 |
| Other receivables | 32,194 | 206 | - | 41,949 | 74,349 |
| Cash and bank balances | 121,422 | 266,061 | 11,920 | 25,101 | 424,504 |
| Total assets | 5,547,393 | 368,831 | 1,612,629 | 4,209,502 | 11,738,355 |
| LIABILITIES | | | | | |
| Other payables | 742 | 64,960 | 209 | 194 | 66,105 |
| Net assets attributable to unitholders | - | 11,672,250 | - | - | 11,672,250 |
| Total liabilities | 742 | 11,737,210 | 209 | 194 | 11,738,355 |
| Currency exposure | 5,546,651 | (11,368,379) | 1,612,420 | 4,209,308 | |

* Individual foreign currencies to which the sub-fund does not have a significant exposure are included within "Others".

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Global Resources

As at 31 December 2009

| | GBP \$ | SGD \$ | USD \$ | Total \$ |
|--|--------------------|----------------------|---------------------|--------------------|
| ASSETS | | | | |
| Portfolio of investments | 753,003,834 | - | 9,786,593 | 762,790,427 |
| Sales awaiting settlement | 333,274 | - | - | 333,274 |
| Other receivables | 1,475,762 | 6,458,167 | 466,812 | 8,400,741 |
| Cash and bank balances | 3,116 | 882,609 | 601,015 | 1,486,740 |
| Total assets | 754,815,986 | 7,340,776 | 10,854,420 | 773,011,182 |
| LIABILITIES | | | | |
| Purchases awaiting settlement | 3,307,799 | - | - | 3,307,799 |
| Other payables | - | 2,856,446 | 297,473 | 3,153,919 |
| Net assets attributable to unitholders | - | 719,054,012 | 47,495,452 | 766,549,464 |
| Total liabilities | 3,307,799 | 721,910,458 | 47,792,925 | 773,011,182 |
| Currency exposure | 751,508,187 | (714,569,682) | (36,938,505) | |

As at 31 December 2008

| | GBP \$ | SGD \$ | USD \$ | Total \$ |
|--|--------------------|----------------------|---------------------|--------------------|
| ASSETS | | | | |
| Portfolio of investments | 325,689,969 | - | 5,149,689 | 330,839,658 |
| Sales awaiting settlement | 118,072 | - | - | 118,072 |
| Other receivables | 655,235 | 2,263,483 | 659,004 | 3,577,722 |
| Cash and bank balances | 2,763 | 300,040 | 98,575 | 401,378 |
| Total assets | 326,466,039 | 2,563,523 | 5,907,268 | 334,936,830 |
| LIABILITIES | | | | |
| Purchases awaiting settlement | 503,360 | - | - | 503,360 |
| Other payables | 4,335 | 1,023,992 | 23,276 | 1,051,603 |
| Net assets attributable to unitholders | - | 315,864,058 | 17,517,809 | 333,381,867 |
| Total liabilities | 507,695 | 316,888,050 | 17,541,085 | 334,936,830 |
| Currency exposure | 325,958,344 | (314,324,527) | (11,633,817) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Regional China Fund

As at 31 December 2009

| | USD \$ | SGD \$ | GBP \$ | Total \$ |
|--|--------------------|----------------------|-----------|--------------------|
| ASSETS | | | | |
| Portfolio of investments | 524,198,982 | - | - | 524,198,982 |
| Other receivables | 1,883,537 | 3,324,699 | - | 5,208,236 |
| Cash and bank balances | 371,420 | 603,408 | 3 | 974,831 |
| Total assets | 526,453,939 | 3,928,107 | 3 | 530,382,049 |
| LIABILITIES | | | | |
| Purchases awaiting settlement | 1,291,634 | - | - | 1,291,634 |
| Other payables | 225 | 2,941,818 | - | 2,942,043 |
| Net assets attributable to unitholders | 53,209,200 | 472,939,172 | - | 526,148,372 |
| Total liabilities | 54,501,059 | 475,880,990 | - | 530,382,049 |
| Currency exposure | 471,952,880 | (471,952,883) | 3 | |

As at 31 December 2008

| | USD \$ | SGD \$ | GBP \$ | Total \$ |
|--|--------------------|----------------------|-----------|--------------------|
| ASSETS | | | | |
| Portfolio of investments | 282,403,067 | - | - | 282,403,067 |
| Other receivables | 1,053,042 | 238,916 | - | 1,291,958 |
| Cash and bank balances | 170,853 | 536,060 | 3 | 706,916 |
| Total assets | 283,626,962 | 774,976 | 3 | 284,401,941 |
| LIABILITIES | | | | |
| Purchases awaiting settlement | 133,990 | - | - | 133,990 |
| Other payables | 1,135 | 842,009 | - | 843,144 |
| Net assets attributable to unitholders | 27,730,387 | 255,694,420 | - | 283,424,807 |
| Total liabilities | 27,865,512 | 256,536,429 | - | 284,401,941 |
| Currency exposure | 255,761,450 | (255,761,453) | 3 | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Regional India Fund

As at 31 December 2009

| | USD \$ | SGD \$ | Total \$ |
|--|--------------------|----------------------|--------------------|
| ASSETS | | | |
| Portfolio of investments | 113,493,948 | - | 113,493,948 |
| Other receivables | 416,226 | 238,230 | 654,456 |
| Cash and bank balances | 319,398 | 233,877 | 553,275 |
| Total assets | 114,229,572 | 472,107 | 114,701,679 |
| LIABILITIES | | | |
| Other payables | - | 564,525 | 564,525 |
| Net assets attributable to unitholders | 6,523,657 | 107,613,497 | 114,137,154 |
| Total liabilities | 6,523,657 | 108,178,022 | 114,701,679 |
| Currency exposure | 107,705,915 | (107,705,915) | |

As at 31 December 2008

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 59,338,946 | - | 59,338,946 |
| Other receivables | 235,669 | 5,550 | 241,219 |
| Cash and bank balances | 59,445 | 300,243 | 359,688 |
| Total assets | 59,634,060 | 305,793 | 59,939,853 |
| LIABILITIES | | | |
| Other payables | - | 182,124 | 182,124 |
| Net assets attributable to unitholders | 3,121,016 | 56,636,713 | 59,757,729 |
| Total liabilities | 3,121,016 | 56,818,837 | 59,939,853 |
| Currency exposure | 56,513,044 | (56,513,044) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

First State Singapore Growth Fund

As at 31 December 2009

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 57,897,123 | - | 57,897,123 |
| Other receivables | 212,412 | 53,019 | 265,431 |
| Cash and bank balances | 189,049 | 65,309 | 254,358 |
| Total assets | 58,298,584 | 118,328 | 58,416,912 |
| LIABILITIES | | | |
| Other payables | - | 126,523 | 126,523 |
| Net assets attributable to unitholders | 277,548 | 58,012,841 | 58,290,389 |
| Total liabilities | 277,548 | 58,139,364 | 58,416,912 |
| Currency exposure | 58,021,036 | (58,021,036) | |

As at 31 December 2008

| | USD \$ | SGD \$ | Total \$ |
|--|-------------------|---------------------|-------------------|
| ASSETS | | | |
| Portfolio of investments | 35,852,617 | - | 35,852,617 |
| Sales awaiting settlement | 135,431 | - | 135,431 |
| Other receivables | 138,924 | 11,496 | 150,420 |
| Cash and bank balances | 1,152 | 190,256 | 191,408 |
| Total assets | 36,128,124 | 201,752 | 36,329,876 |
| LIABILITIES | | | |
| Purchases awaiting settlement | 34,578 | - | 34,578 |
| Other payables | - | 234,773 | 234,773 |
| Net assets attributable to unitholders | 173,230 | 35,887,295 | 36,060,525 |
| Total liabilities | 207,808 | 36,122,068 | 36,329,876 |
| Currency exposure | 35,920,316 | (35,920,316) | |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

a. Market risk (continued)

(ii) Currency Risk (continued)

Portfolio of investments, which is the most significant item on the balance sheet, is exposed to currency risk and price risk. The price risk sensitivity analyses in note 10 (a)(i) include the impact of currency risk on portfolio of investments which are non-monetary financial assets. The Fund's net financial assets comprise mainly portfolio of investments which are non-monetary financial assets, hence currency risk sensitivity analyses have not been performed on the remaining financial assets.

(iii) Interest rate risk

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

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

b. Liquidity risk

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

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

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

The tables below analyse the Fund's financial liabilities and net settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months approximate their carrying values, as the impact of discounting is not significant.

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

b. Liquidity risk (continued)

First State Asia Innovation Fund

| | 31 December 2009 | | 31 December 2008 | |
|---|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Other payables | 157,413 | - | 142,799 | 1,536 |
| Net assets attributable to unitholders | 58,528,132 | - | 37,545,415 | - |

First State Asian Growth Fund

| | 31 December 2009 | | 31 December 2008 | |
|---|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Purchases awaiting settlement | 259,731 | - | 93,649 | - |
| Other payables | 524,000 | - | 244,696 | 2,167 |
| Net assets attributable to unitholders | 63,405,282 | - | 33,608,701 | - |

First State Bridge

| | 31 December 2009 | | 31 December 2008 | |
|---|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Derivative financial instruments | - | 10,156,239 | - | 4,544,312 |
| Purchases awaiting settlement | 1,627,178 | - | - | - |
| Other payables | 4,697,222 | - | 4,218,583 | 1,548 |
| Net assets attributable to unitholders | 1,352,638,335 | - | 965,895,722 | - |

First State Dividend Advantage

| | 31 December 2009 | | 31 December 2008 | |
|---|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Purchases awaiting settlement | 1,593,483 | - | 569,096 | - |
| Other payables | 2,793,326 | - | 1,318,803 | 1,525 |
| Net assets attributable to unitholders | 871,250,188 | - | 527,015,406 | - |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

b. Liquidity risk (continued)

First State GEM Leaders

| | 31 December 2009 | | 31 December 2008 | |
|--|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Purchases awaiting settlement | 115,626 | - | - | - |
| Other payables | 65,025 | - | 78,300 | 5,670 |
| Net assets attributable to unitholders | 17,979,502 | - | 9,794,997 | - |

First State Global Balanced Fund

| | 31 December 2009 | | 31 December 2008 | |
|--|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Purchases awaiting settlement | 36,503 | - | 57,630 | - |
| Other payables | 103,337 | - | 255,785 | 1,668 |
| Net assets attributable to unitholders | 25,431,089 | - | 23,139,540 | - |

First State Global Infrastructure

| | 31 December 2009 | | 31 December 2008 | |
|--|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Purchases awaiting settlement | 74,817 | - | 18,643 | - |
| Other payables | 58,021 | - | 30,115 | 2,445 |
| Net assets attributable to unitholders | 17,774,470 | - | 14,305,551 | - |

First State Opportunities Fund

| | 31 December 2009 | | 31 December 2008 | |
|--|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Purchases awaiting settlement | - | - | 31,697 | - |
| Other payables | 148,612 | - | 77,599 | 1,668 |
| Net assets attributable to unitholders | 28,180,391 | - | 24,234,348 | - |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

b. Liquidity risk (continued)

First State Global Property Investments

| | 31 December 2009 | | 31 December 2008 | |
|--|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Purchases awaiting settlement | 239,323 | - | - | - |
| Other payables | 103,385 | - | 64,138 | 1,967 |
| Net assets attributable to unitholders | 15,822,224 | - | 11,672,250 | - |

First State Global Resources

| | 31 December 2009 | | 31 December 2008 | |
|--|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Purchases awaiting settlement | 3,307,799 | - | 503,360 | - |
| Other payables | 3,153,919 | - | 1,029,068 | 22,535 |
| Net assets attributable to unitholders | 766,549,464 | - | 333,381,867 | - |

First State Regional China Fund

| | 31 December 2009 | | 31 December 2008 | |
|--|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Purchases awaiting settlement | 1,291,634 | - | 133,990 | - |
| Other payables | 2,942,043 | - | 841,456 | 1,688 |
| Net assets attributable to unitholders | 526,148,372 | - | 283,424,807 | - |

First State Regional India Fund

| | 31 December 2009 | | 31 December 2008 | |
|--|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Other payables | 564,525 | - | 180,315 | 1,809 |
| Net assets attributable to unitholders | 114,137,154 | - | 59,757,729 | - |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

b. Liquidity risk (continued)

First State Singapore Growth Fund

| | 31 December 2009 | | 31 December 2008 | |
|--|----------------------------|------------------------|----------------------------|------------------------|
| | Less than 1 Month \$ | 1 to 3 Months \$ | Less than 1 Month \$ | 1 to 3 Months \$ |
| Purchases awaiting settlement | - | - | 34,578 | - |
| Other payables | 126,523 | - | 233,106 | 1,667 |
| Net assets attributable to unitholders | 58,290,389 | - | 36,060,525 | - |

c. Credit risk

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

Concentrations of credit risk are minimised primarily by:

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

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

The Fund's credit risk exposure arises mainly from portfolio of investments, financial derivative positions and cash and bank balances held with custodians and financial institutions. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. As at 31 December 2009, all investments are placed in custody with HSBC Institutional Trust Services (Singapore) Limited which had a credit rating of B+ (2008: B+). There are risks involved in dealing with custodians who settle trades with regard to segregation of assets. It is expected that all investments and other assets deposited with custodians will be clearly identified as being assets of the Fund;

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

c. Credit risk (continued)

the Fund should not therefore be exposed to credit risk with respect to such parties. However, it may not always be possible to achieve this segregation, so the portfolio of the Fund may experience increased exposure to credit risk associated with the applicable custodian. The table below summarises the credit rating of banks with whom each sub-fund's cash and bank balances and financial derivative positions are held as at 31 December 2009 and 31 December 2008.

First State Asia Innovation Fund

As at 31 December 2009

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State Asian Growth Fund

As at 31 December 2009

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State Bridge

As at 31 December 2009

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

Counterparty

State Street Bank & Trust

B

Moody's

UBS AG

C

Moody's

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

c. Credit risk (continued)

First State Bridge (continued)

As at 31 December 2008

Bank

The Hongkong Shanghai Banking
Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

Counterparty

State Street Bank & Trust

B+

Moody's

First State Dividend Advantage

As at 31 December 2009

Bank

The Hongkong Shanghai Banking
Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking
Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State GEM Leaders

As at 31 December 2009

Bank

The Hongkong Shanghai Banking
Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking
Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State Global Balanced Fund

As at 31 December 2009

Bank

The Hongkong Shanghai Banking
Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking
Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

c. Credit risk (continued)

First State Global Infrastructure

As at 31 December 2009

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State Global Opportunities Fund

As at 31 December 2009

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State Global Property Investments

As at 31 December 2009

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State Global Resources

As at 31 December 2009

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

10. Financial risk management (continued)

c. Credit risk (continued)

First State Regional China Fund

As at 31 December 2009

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State Regional India Fund

As at 31 December 2009

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

First State Singapore Growth Fund

As at 31 December 2009

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

As at 31 December 2008

Bank

The Hongkong Shanghai Banking Corporation Limited

Credit rating

B+

Source of credit rating

Moody's

d. Capital management

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

11. Related party transactions

The Manager of the Fund is First State Investments (Singapore). The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of the HSBC Group.

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

11. Related party transactions (continued)

In addition to related party transactions shown elsewhere in the financial statements, including management fees charged by the Manager, management fee rebates received from the Manager and trustee fees charged by the Trustee, the significant transactions that took place during the financial year between the sub-funds and related parties and significant balances with related parties at the end of the financial year, at terms agreed between the parties and within the provisions of the Trust Deed, are as follows:

| | First State Asia Innovation Fund | | First State Asian Growth Fund | |
|---|----------------------------------|------------|--------------------------------|------------|
| | 2009 \$ | 2008 \$ | 2009 \$ | 2008 \$ |
| Bank balances with a related party of the Trustee | 285,721 | 144,546 | 482,390 | 235,977 |
| Bank service fees charged by a related company of the Trustee | 5,074 | 9,244 | 5,335 | 6,668 |
| Interest expense incurred with a related company of the Trustee | - | 13 | - | 25 |
| Interest income from a related party of the Trustee | - | 645 | - | - |
| Total expense ratio rebate from the Manager | - | - | 14,504 | 37,681 |
| | | | | |
| | First State Bridge | | First State Dividend Advantage | |
| | 2009 \$ | 2008 \$ | 2009 \$ | 2008 \$ |
| Bank balances with a related party of the Trustee | 1,259,705 | 992,537 | 1,122,747 | 615,127 |
| Bank service fees charged by a related company of the Trustee | 20,008 | 23,537 | 30,073 | 49,183 |
| Interest expense incurred with a related company of the Trustee | 1,480 | 4,637 | - | - |
| Interest income from a related party of the Trustee | 312 | 21,757 | - | 157 |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

11. Related party transactions (continued)

| | First State GEM Leaders | | First State Global Balanced Fund | |
|---|-----------------------------------|------------|---------------------------------------|------------|
| | 2009 \$ | 2008 \$ | 2009 \$ | 2008 \$ |
| Bank balances with a related party of the Trustee | 134,765 | 88,527 | 151,528 | 259,136 |
| Bank service fees charged by a related company of the Trustee | 5,269 | 10,335 | 4,674 | 8,027 |
| Interest expense incurred with a related company of the Trustee | - | - | - | 1,485 |
| Interest income from a related party of the Trustee | - | 109 | - | - |
| Total expense ratio rebate from the Manager | - | 19,232 | 29,670 | 29,661 |
| | | | | |
| | First State Global Infrastructure | | First State Global Opportunities Fund | |
| | 2009 \$ | 2008 \$ | 2009 \$ | 2008 \$ |
| Bank balances with a related party of the Trustee | 89,147 | 93,979 | 150,818 | 182,589 |
| Bank service fees charged by a related company of the Trustee | 2,922 | 4,971 | 2,151 | 3,935 |
| Interest expense incurred with a related company of the Trustee | - | - | - | 66 |
| Total expense ratio rebate from the Manager | - | - | 38,849 | 50,330 |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

11. Related party transactions (continued)

| | First State Global Property Investments | | First State Global Resources | |
|---|--|------------|------------------------------------|------------|
| | 2009 \$ | 2008 \$ | 2009 \$ | 2008 \$ |
| Bank balances with a related party of the Trustee | 205,921 | 424,504 | 1,486,740 | 401,378 |
| Bank service fees charged by a related company of the Trustee | 836 | 3,448 | 23,328 | 43,312 |
| Interest expense incurred with a related company of the Trustee | 22 | 202 | - | - |
| Interest income from a related party of the Trustee | 187 | 2,608 | - | - |
| Sub-custodian fee charged by a related party of the Trustee | 5,356 | 7,875 | - | - |
| Security processing fee charged by a related party of the Trustee | 75,599 | 53,159 | - | - |
| Expense ratio rebate from the underlying fund manager | - | - | - | 17,874 |
| | | | | |
| | First State Regional China Fund | | First State Regional India Fund | |
| | 2009 \$ | 2008 \$ | 2009 \$ | 2008 \$ |
| Bank balances with a related party of the Trustee | 974,831 | 706,916 | 553,275 | 359,688 |
| Bank service fees charged by a related company of the Trustee | 13,872 | 17,083 | 6,479 | 10,591 |
| Interest expense incurred with a related company of the Trustee | - | 84 | - | 269 |
| Interest income from a related party of the Trustee | - | 9,309 | - | 975 |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

11. Related party transactions (continued)

| | First State Singapore Growth Fund | |
|---|--------------------------------------|------------|
| | 2009 \$ | 2008 \$ |
| Bank balances with a related party of the Trustee | 254,358 | 191,408 |
| Bank service fees charged by a related company of the Trustee | 1,994 | 5,227 |
| Interest income from a related party of the Trustee | - | 112 |
| Total expense ratio rebate from the Manager | - | 35,308 |

12. Financial ratios

| | First State Asia Innovation Fund | | First State Asian Growth Fund | |
|------------------|-------------------------------------|-----------|-------------------------------------|-----------|
| | 2009 % | 2008 % | 2009 % | 2008 % |
| Expense ratio* | 2.20 | 2.32 | 1.89 | 1.89 |
| Turnover ratio** | 2.71 | 2.76 | 33.73 | 41.01 |
| | First State Bridge | | First State Dividend Advantage | |
| | 2009 % | 2008 % | 2009 % | 2008 % |
| Expense ratio* | 1.58 | 1.61 | 1.85 | 1.90 |
| Turnover ratio** | 5.88 | 30.97 | 6.00 | 9.78 |
| | First State GEM Leaders | | First State Global Balanced Fund | |
| | 2009 % | 2008 % | 2009 % | 2008 % |
| Expense ratio* | 1.88 | 1.96 | 1.68 | 1.71 |
| Turnover ratio** | 7.89 | 59.09 | 29.52 | 181.34 |

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

12. Financial ratios (continued)

| | First State Global Infrastructure | | First State Global Opportunities Fund | |
|------------------|--|-------------|--|-------------|
| | 2009 | 2008 | 2009 | 2008 |
| | % | % | % | % |
| Expense ratio* | 1.92 | 2.19 | 1.88 | 1.90 |
| Turnover ratio** | 14.02 | 113.99 | 4.22 | 2.67 |
| | First State Global Property Investments | | First State Global Resources | |
| | 2009 | 2008 | 2009 | 2008 |
| | % | % | % | % |
| Expense ratio* | 1.87 | 2.04 | 1.75 | 1.77 |
| Turnover ratio** | 135.77 | 60.00 | 10.71 | 36.04 |
| | First State Regional China Fund | | First State Regional India Fund | |
| | 2009 | 2008 | 2009 | 2008 |
| | % | % | % | % |
| Expense ratio* | 1.84 | 1.91 | 1.91 | 2.03 |
| Turnover ratio** | 4.11 | 9.61 | 10.73 | 19.87 |
| | First State Singapore Growth Fund | | | |
| | 2009 | 2008 | | |
| | % | % | | |
| Expense ratio* | 1.90 | 1.94 | | |
| Turnover ratio** | 5.16 | 8.38 | | |

* The expense ratio is calculated in accordance with the revised IMAS guidelines on the disclosure of expense ratios dated 25 May 2005. Brokerage and other transaction costs, interest expense, foreign exchange gains/losses, tax deducted at source or arising on income received and dividends paid to unitholders are not included in the expense ratio. The Fund does not pay performance fees. The expense ratio for each sub-fund, except for First State Global Property Investments, is expressed as the sum of the expense ratios of the sub-fund and its respective underlying fund(s). The expense ratios of the underlying funds are unaudited. There is no requirement for the expense ratios of the underlying funds to be published or audited.

First State Global Growth Funds

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

Notes to the Financial Statements

For the financial year ended 31 December 2009

12. Financial ratios (continued)

- ** The turnover ratio for each sub-fund is calculated using the lower of purchases and sales of underlying investments of the sub-fund expressed as a percentage of the daily average net asset value of the sub-fund, which is in accordance with the formula stated in the “Code on Collective Investment Schemes”.

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