



TOKIO MARINE
INSURANCE GROUP

Annual Investment-Linked Funds Report

(January to December 2014)

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NOTE FROM THE CHIEF EXECUTIVE OFFICER

Dear Policyholder,

I am pleased to provide you with our Annual Investment Linked (ILP) Funds Report 2014 which will keep you abreast of the information pertaining to our range of ILP sub-funds that can help achieve your financial goals. I would also like to take this opportunity to share several key events in the past year which significantly impacted the financial markets.

2014 was marked by various macroeconomic challenges. The sharp fall in oil prices has caused Russia's economy to slump and the rouble to collapse. While the improved economic outlook in the United States (US) led the US Federal Reserves to end its quantitative easing programme in October, the economic landscapes in other countries were less rosy. The European Central Bank and Bank of Japan introduced new stimulus measures to boost their economic growth. The People's Bank of China also slashed their benchmark lending rate for the first time in more than two years, signalling the government's intention to support the country's slowing growth.

In Asia, financial markets in India and Indonesia rallied strongly on the hope of economic reforms as promised by the newly appointed governments. Thailand rebounded after the military re-established order following a protracted stalemate that had dampened investments.

Domestically, Singapore's economy faced several challenges including lower GDP growth, weaker productivity growth and disinflationary trends, particularly for home rents and energy costs. The low inflation environment also led the Monetary Authority of Singapore to ease its monetary policy by allowing the Singapore Dollar to weaken in the second half of the year.

For the year ahead, investors will probably see greater policy divergence among central banks of the developed markets. With a more benign inflation outlook, it may also provide an opportunity for some Asian economies to lower interest rates to stimulate demand, but potential US rate hikes and a stronger US dollar could lure funds to exit Asia. The Chinese government is likely to adopt accommodative policies to counter a slowdown in its GDP growth. Domestically, lower oil prices should boost consumption and aid Singapore's economy in a similar way as a tax cut.

NOTE FROM THE CHIEF EXECUTIVE OFFICER

Against this backdrop of market uncertainties, I would encourage our policyholders to stay invested to leverage any opportunities that may arise. 2014's wide disparity in performance across the funds highlights the importance of adopting a prudent investment strategy that is reviewed regularly. You can tap on our portfolio of ILPs that best match your risk appetite to help you meet your financial objectives.

Thank you for your continued confidence and trust in us with your investments.

A handwritten signature in black ink, appearing to read "Lance Tay", with a long horizontal flourish extending to the right.

Lance Tay
Chief Executive Officer
Tokio Marine Life Insurance Singapore Ltd.

Manager Comments

Market Review

Asian equities rose in 2014, a year marked by political change and the start of monetary policy divergence. Markets that outperformed included India and Indonesia, where new governments were voted in on the promise of reform. Thailand rebounded after the military re-established order following a protracted stalemate that had stalled investments. Sentiment was also influenced by major central banks' policy decisions, including the Bank of Japan's plan to expand its monetary base to stave off deflation. Chinese stocks rose as the government announced targeted easing measures and the central bank cut interest rates to boost growth. Juxtaposed against this was the Federal Reserve's decision to end quantitative easing. Expectations of a rate hike some time in 2015 strengthened the US dollar and pared market gains in Asia. This was exacerbated by the plunge in global oil prices, which weighed on Malaysia, a net oil exporter.

Portfolio Review

The fund benefited from our underweight to Korea, one of the worst performers in the region as weak consumer demand continued to weigh on investor sentiment. Our position in Samsung Electronics also contributed to relative return. The company's preferred shares, which we hold, outperformed both the ordinary shares and the broader market. While we expect softer operating conditions for Samsung's mobile division, its other core business, memory, is ramping up. The company has a solid balance sheet with close to a quarter of its market capitalisation backed by cash, which will enable it to continue ploughing resources into both capital expenditure as well as research and development. We are also seeing signs of improvement in governance. Management recently announced a share buyback programme and an increase in dividends.

Similarly, the fund gained from positive asset allocation and stock selection in India. We are overweight to the local market, which staged a strong rally from the second quarter of the year in anticipation that the BJP would be elected to form the government and push through much needed reforms. Share prices rose further after the BJP strengthened its grip with wins in regional elections, particularly in key states where it traditionally lacked support. We hold the Aberdeen Global – Indian Equity Fund, which was the best performer at the stock level. Among key detractors, Standard Chartered's stock price continued to face headwinds. The company announced its third profit warning in a year because of unexpected commodities-related provisions as well as speculation that US regulators could re-investigate its alleged sanction violations. Some of its problems are cyclical and should be resolved in the medium

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term. More structural ones will require management to reprioritise investments, divest non-core businesses and streamline riskier portfolios. We think StanChart's advantage is its peerless focus on emerging markets, replete with banking licences and long-term customer relationships, something that cannot be easily replicated. It is an exciting franchise, although we would not be surprised by a management change.

In the last few months, commodity prices continued to decline. We hold diversified mining companies Rio Tinto and BHP Billiton. Both have outlined programmes to reduce cost and capital expenditure in response to the weaker operating environment. In addition, they remain cash generative and have shored up their balance sheets. In Singapore, Keppel Corp was another detractor. One of the world's largest offshore rig builders, the company saw its share price decline along with the fall in crude prices. While near-term investor sentiment will remain weak, our comfort lies in management's track record of successfully managing the company through business cycles.

Outlook

A potential US rate hike and a stronger dollar could compel fund outflows from Asia. But the normalisation of American monetary policy should wean markets off speculative capital. Furthermore, Asia is on a firmer footing today to withstand short-term outflows than back in late 2013, when it experienced the first tremors from tapering. We are also likely to see greater policy divergence. Unlike the US, some Asian economies may cut rates to stimulate demand as inflationary pressures ease. We remain confident in our companies, characterised by regional exposure, established franchises and solid finances. Given the challenging operating environment, earnings growth could be in the high single digits in 2015. But Asia's long-term story still holds, buttressed by rising wealth and pent-up demand for consumer goods. Valuations at a price-to-earnings ratio of around 12.5 times do not seem extreme and remain at a discount relative to developed markets.

TMLS ASIAN EQUITY FUND

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A Fund Objectives/Strategies

TMLS Asian Equity Fund feeds substantially into the Aberdeen Pacific Equity Fund (the "Underlying Fund").

The investment objective of the Underlying Fund is to provide medium to long-term capital growth from a diversified portfolio of Asian-Pacific equities excluding Japanese equities. As a feeder fund, it invests in the equity-based Asia Pacific sub-funds of the Aberdeen Select Portfolio, namely the Aberdeen China Opportunities Fund, Aberdeen Indonesia Equity Fund, Aberdeen Malaysian Equity Fund, Aberdeen Singapore Equity Fund and Aberdeen Thailand Equity Fund, and invests up to 10% of its deposited property in the Aberdeen Global-Indian Equity Fund*, a sub-fund of the Luxembourg-registered Aberdeen Global.

* This fund is not authorised for public sale in Singapore.

B Investments of underlying fund

	Market Value	% of NAV
i By country		
China / Hong Kong	465,943,638	28.32
Singapore	322,404,823	19.60
India	214,951,504	13.07
Australia	180,516,341	10.97
South Korea	93,649,921	5.69
Taiwan	82,641,783	5.02
Malaysia	72,857,441	4.43
Indonesia	68,314,084	4.15
Thailand	64,057,650	3.89
Philippines	48,673,153	2.96
Sri Lanka	9,310,796	0.57
Others	21,805,063	1.33
ii By industry		
Financial	707,354,911	43.00
Industrial	211,480,973	12.85
Information Technology	181,390,231	11.02
Material	162,373,956	9.87
Consumer Staples	106,933,038	6.50
Consumer Discretionary	94,496,047	5.74
Telecommunication Services	74,029,034	4.50
Healthcare	33,744,739	2.05
Energy	30,852,624	1.88
Utilities	20,665,582	1.26
Others	21,805,063	1.33

TMLS ASIAN EQUITY FUND

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iii By asset class

Equities	1,623,321,135	98.67
Cash	21,805,063	1.33

C Top 10 holdings of underlying fund

	2014	
	Market Value	% of NAV
Aberdeen Global - Indian Equity Fund*	168,132,292	10.22
Aberdeen Portfolio Singapore Equity Fund	156,118,139	9.49
Aberdeen China Opportunities Fund	155,248,576	9.44
Samsung Electronics (Pref)	82,045,822	4.99
Aberdeen Indonesia Equity Fund	68,314,084	4.15
Aberdeen Thailand Equity Fund	64,057,650	3.89
Rio Tinto	57,154,625	3.47
Aberdeen Malaysian Equity Fund	56,433,177	3.43
AIA Group	56,239,379	3.42
HSBC Holdings	55,471,762	3.37

* The underlying fund is not authorised for public sale in Singapore.

	2013	
	Market Value	% of NAV
Aberdeen China Opportunities Fund	174,901,858	9.87
Aberdeen Global - Indian Equity Fund*	173,968,359	9.81
Aberdeen Singapore Equity Fund	147,410,746	8.32
Samsung Electronics (Pref)	84,836,088	4.79
Rio Tinto	78,576,073	4.43
BHP Billiton PLC	73,947,927	4.17
Aberdeen Thailand Equity Fund	72,096,935	4.07
Aberdeen Indonesia Equity Fund	71,675,358	4.04
Aberdeen Malaysian Equity Fund	64,606,649	3.64
HSBC Holdings	58,849,512	3.32

* The underlying fund is not authorised for public sale in Singapore.

D Exposure to Derivatives

The investment manager confirms there is no derivatives position in the fund.

E Investments in Collective Investment Schemes

	2014	
	Market Value	% of NAV
Aberdeen Pacific Equity Fund	26,321,461	98.30
Cash and Others	454,747	1.70

	2013	
	Market Value	% of NAV
Aberdeen Pacific Equity Fund	23,075,940	98.30
Cash and Others	398,471	1.70

F Borrowings

Not applicable

G Total Subscriptions and Redemptions

	S\$
Total amount of subscriptions	3,822,126
Total amount of redemptions	2,189,009

H Fund Performance vs Benchmark

	Fund %	Benchmark %
3 Months	0.47	3.18
6 Months	1.33	2.20
1 Year	6.99	8.20
3 Years (annualised)	8.73	10.21
5 Years (annualised)	5.99	4.38
10 Years (annualised)	8.12	7.06
Since inception - 29 October 1999 (annualised)	9.08	6.80

Source: Lipper, based on percentage growth, calculated on a NAV to NAV basis with gross income reinvested.

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I Expense ratios	2014	2013
Local Fund*	1.84%	1.86%
Underlying Fund:		
Aberdeen Pacific Equity Fund**	1.79%	1.67%

* include underlying fund expense ratio

** based on audited accounts as at 30 September 2014

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fees, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines.

J Turnover ratios	2014	2013
Local Fund	5.56%	7.92%
Underlying Fund:		
Aberdeen Pacific Equity Fund**	0.85%	5.35%

** based on audited accounts as at 30 September 2014

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average NAV.

K Material changes

Nil

L Soft Dollars, Commissions or Arrangements

Nil

Income Statement

	2014	2013
	S\$	S\$
Income		
Realised gain from sale of investments	645,472	1,440,716
Interest income	35	34
Fund expense subsidy	332,094	287,068
	<u>977,601</u>	<u>1,727,818</u>
Expenses		
Management fees	304,759	293,450
Fund charges	40,211	39,308
	<u>344,970</u>	<u>332,758</u>
Net Income For The Year	<u>632,631</u>	<u>1,395,060</u>

TMLS ASIAN EQUITY FUND

as at 31 December 2014

Balance Sheet

	Notes	2014 S\$	2013 S\$
Capital Account			
Value of the fund at the beginning of the year		23,474,411	25,461,061
Amount paid into the fund for creation of units		3,822,126	1,996,692
Amount paid for liquidation of units		(2,189,009)	(4,198,857)
		<u>25,107,528</u>	<u>23,258,896</u>
Unrealised gain/(loss) in value of investments		1,036,049	(1,179,545)
Net income for the year		<u>632,631</u>	<u>1,395,060</u>
Value of the fund at end of the year		<u>26,776,208</u>	<u>23,474,411</u>
Represented by:			
Current Assets			
Investments	4	26,321,461	23,075,940
Sundry debtors		350,466	299,068
Bank balances		353,178	334,186
		<u>27,025,105</u>	<u>23,709,194</u>
Less:			
Current Liabilities			
Sundry creditors		54,000	50,443
Accrued expenses		194,897	184,340
		<u>248,897</u>	<u>234,783</u>
Net Assets		<u>26,776,208</u>	<u>23,474,411</u>

Manager Comments

Market Review

Despite heightened volatility, global equity markets recorded gains during the year under review. Initially, markets were affected by risk aversion, fuelled by renewed turmoil in emerging economies, mixed Chinese data and the start of the Federal Reserve's continued tapering of asset purchases. However, confidence returned following improving US economic data and assurances of continued loose monetary policy. The European Central Bank and Bank of Japan introduced fresh stimulus measures. Towards the end of the period, the sustained drop in oil prices caused turmoil in Russia's financial markets and the rouble's collapse, which reverberated worldwide and pared gains. Emerging markets were also depressed by the resurgent US dollar amid expectations that the Federal Reserve could raise interest rates soon as the economy improves.

Portfolio Review

The fund's underperformance was a result of both negative asset allocation and stock selection. Our mining and oil and gas related holdings detracted most from performance, as commodities prices fell sharply over the year. Vale and BHP Billiton were hurt by lower iron ore prices, while the decline in oil prices affected Tenaris, Petrobras and Eni. Tenaris also posted weaker-than-expected quarterly results because of lower sales of premium pipes. Vale and Petrobras also suffered from the weak real. We have since sold out of our position in Petrobras, owing to concerns over its deteriorating business quality and ability to pay its debt.

In addition, our position in Standard Chartered detracted as its stock price continued to face headwinds. The company announced its third profit warning in a year because of unexpected commodities-related provisions as well as speculation that US regulators could re-investigate its alleged sanction violations. Some of its problems are cyclical and should be resolved in the medium term. More structural ones will require management to reprioritise investments, divest non-core businesses and streamline riskier portfolios. We think StanChart's advantage is its peerless focus on emerging markets, replete with banking licences and long-term customer relationships, something that cannot be easily replicated. It is an exciting franchise, although we would not be surprised by a management change.

On the other hand, our non-benchmark exposure to Taiwan aided performance. Taiwan Semiconductor Manufacturing Company (TSMC) rallied after it upgraded its earnings forecast on the back of robust demand, as well as inventory restocking by customers. This underscores the company's leadership in advanced semiconductor technology where capacity remains tight and its manufacturing expertise is uncontested. Further, it posted record net profits in the third quarter that exceeded market expectations,

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driven by robust orders from Apple for its latest smartphone models. Elsewhere, in Switzerland, Novartis' share price climbed following the effectiveness of its psoriatic arthritis drug.

In the US, CVS Health Corp was boosted by a US\$10 billion share buyback and a higher dividend payout. In portfolio activity, we introduced Hong Kong-based conglomerate Jardine Matheson, which has solid underlying businesses and long-term exposure to Southeast Asia, at attractive valuations; Japan Tobacco, which has a strong portfolio of brands and an improving market share in emerging economies; UK aircraft engine manufacturer Rolls Royce, as it has an attractive high recurring revenue model, high barriers to entry and positive structural growth potential; and US payment services company Visa, a high-return business with an established market position and attractive growth drivers.

Against this, we sold Petrobras because of the deterioration in its business quality, and PetroChina following its previous relative price strength. We also divested US healthcare company Quest Diagnostics, in view of its increasingly challenging environment and lower growth visibility; Verizon Communications, which the fund received from the return of cash and shares from Vodafone after it sold its stake in the Verizon Wireless joint venture; as well as Australia's QBE Insurance, in view of more attractive investment opportunities elsewhere.

In portfolio activity, we introduced US energy group Chevron, a well-managed integrated oil business with a solid asset base and stable growth driven by its upstream operations. We also initiated positions in global miner BHP Billiton because of its high quality assets and attractive valuations, as well as South African-listed telecoms company MTN Group, given its attractive growth profile, cash flow generation and progressive dividend policy. Against this, we sold China Mobile and Japan's Canon in view of more attractive investment opportunities elsewhere.

Outlook

Several key risks abound in 2015. In the near term, the prospect of a US rate hike and a stronger dollar could compel a rotation of fund flows from emerging markets to their developed peers. But we think the normalisation of American monetary policy is a good thing as it weans markets off speculative capital that is unhealthy over the long run. China's slowing economy is another concern. Although the potential for a credit crisis remains, we believe Beijing has the balance sheet strength to mitigate systemic risk in its financial markets. While this is likely to be a volatile year on the macroeconomic front, we remain confident of the quality of our companies, characterised by their broad regional exposure, established franchises and solid finances.

TMLS GLOBAL EQUITY FUND

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A Fund Objectives/Strategies

TMLS Global Equity Fund feeds substantially into Aberdeen Global Opportunities Fund (the "Underlying Fund").

The Underlying fund aims for long-term total return from an internationally diversified portfolio of securities through investing all or substantially all of its assets in the Aberdeen Global – World Equity Fund*, a sub-fund of Luxembourg-registered Aberdeen Global which itself will invest two-thirds of its assets in equities or equities-related securities.

* This fund is not authorised for public sale in Singapore.

B Investments of underlying fund

	Market Value (USD)	% of NAV
i By country		
United States	808,327,864	30.84
United Kingdom	411,961,974	15.72
Switzerland	297,379,734	11.34
Japan	166,386,578	6.35
Brazil	135,119,801	5.15
Sweden	130,117,984	4.96
Canada	110,985,778	4.23
Italy	119,462,036	4.56
Hong Kong	79,028,773	3.01
Taiwan	60,445,812	2.31
South Korea	54,482,994	2.08
Mexico	53,873,982	2.06
South Africa	40,022,344	1.53
Singapore	30,524,084	1.16
France	27,257,166	1.04
Others	95,934,168	3.66
ii By industry		
Consumer Staples	449,196,431	17.14
Financial	422,265,064	16.11
Energy	387,371,593	14.78
HealthCare	309,673,338	11.81
Industrial	277,309,575	10.58
Information Technology	258,474,752	9.86
Material	261,015,048	9.96

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Telecommunication Services	67,895,120	2.59
Consumer Discretionary	56,410,800	2.15
Utilities	35,765,183	1.36
Others	95,934,168	3.66

iii By asset class

Equities	2,525,376,904	96.34
Cash	95,934,168	3.66

C Top 10 holdings of underlying fund

	2014	
	Market Value (USD)	% of NAV
Roche Holdings	97,114,963	3.70
CVS Health Corporation	85,951,506	3.28
EOG Resources	83,673,216	3.19
Taiwan Semiconductor Manufacturing Co Ltd	82,044,240	3.13
Johnson & Johnson	79,163,275	3.02
Novartis	78,940,530	3.01
Royal Dutch Shell B	78,894,225	3.01
British American Tobacco	78,067,749	2.98
Banco Bradesco	76,553,926	2.92
Philip Morris International	76,542,011	2.92

	2013	
	Market Value (USD)	% of NAV
Roche Holdings	157,385,881	4.05
Vodafone Group PLC	137,755,309	3.54
British American Tobacco	135,103,121	3.48
Royal Dutch Shell B	118,948,099	3.06
CVS Caremark Corporation	117,853,242	3.03
Novartis	116,395,043	3.00
Standard Chartered	115,242,405	2.97
Philip Morris International	114,761,050	2.95
Taiwan Semiconductor Manufacturing Co Ltd	114,213,337	2.94
Johnson & Johnson	111,898,553	2.88

TMLS GLOBAL EQUITY FUND

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D Exposure to Derivatives

The investment manager confirms there is no derivatives position in the fund.

E Investments in Collective Investment Schemes

	2014	
	Market Value	% of NAV
Aberdeen Global Opportunities Fund	2,323,795	98.06
Cash and Others	45,956	1.94

	2013	
	Market Value	% of NAV
Aberdeen Global Opportunities Fund	2,126,993	97.89
Cash and Others	45,763	2.11

F Borrowings

Not applicable

G Total Subscriptions and Redemptions

	S\$
Total amount of subscriptions	372,931
Total amount of redemptions	280,352

H Fund Performance vs Benchmark

	Fund %	Benchmark %
3 Months	(0.08)	5.07
6 Months	(1.35)	5.28
1 Year	5.02	10.73
3 Years (annualised)	9.30	16.95
5 Years (annualised)	5.21	9.53
Since inception - 30 October 2006 (annualised)	1.12	1.94

Source: Lipper, based on percentage growth, calculated on a NAV to NAV basis with gross income reinvested.

TMLS GLOBAL EQUITY FUND

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I Expense ratios	2014	2013
Local Fund*	1.90%	1.88%
Underlying Fund:		
Aberdeen Global Opportunities Fund**	1.75%	1.74%

* include underlying fund expense ratio

** based on audited accounts as at 30 September 2014

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fees, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines.

J Turnover ratios	2014	2013
Local Fund	13.17%	4.92%
Underlying Fund:		
Aberdeen Global Opportunities Fund**	20.64%	14.49%

** based on audited accounts as at 30 September 2014

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average NAV.

K Material changes

Nil

L Soft Dollars, Commissions or Arrangements

Nil

TMLS GLOBAL EQUITY FUND

For The Financial Year Ended 31 December 2014

Income Statement

	2014	2013
	S\$	S\$
Income		
Realised gain from sale of investments	51,322	16,251
Interest income	4	3
Fund expense subsidy	35,697	33,914
	<u>87,023</u>	<u>50,168</u>
Expenses		
Management fees	27,363	25,357
Fund charges	11,724	11,475
	<u>39,087</u>	<u>36,832</u>
Net Income For The Year	<u>47,936</u>	<u>13,336</u>

TMLS GLOBAL EQUITY FUND

as at 31 December 2014

Balance Sheet

	Notes	2014 S\$	2013 S\$
Capital Account			
Value of the fund at the beginning of the year		2,172,756	1,965,371
Amount paid into the fund for creation of units		372,931	52,106
Amount paid for liquidation of units		(280,352)	(144,040)
		<u>2,265,335</u>	<u>1,873,437</u>
Unrealised gain in value of investments		56,480	285,983
Net income for the year		<u>47,936</u>	<u>13,336</u>
Value of the fund at end of the year		<u>2,369,751</u>	<u>2,172,756</u>
Represented by:			
Current Assets			
Investments	4	2,323,795	2,126,993
Sundry debtors		35,197	38,914
Bank balances		35,687	29,635
		<u>2,394,679</u>	<u>2,195,542</u>
Less:			
Current Liabilities			
Sundry creditors		6,862	6,081
Accrued expenses		<u>18,066</u>	<u>16,705</u>
		<u>24,928</u>	<u>22,786</u>
Net Assets		<u>2,369,751</u>	<u>2,172,756</u>

Manager Comments

Investment and Market Review

In 2014, different topics drove financial markets. While the data showed that the US economy is improving and the ECB took a looser policy stance, Fed tapering fears, a sharp oil price decline and geopolitical risks related to the Middle East and the Ukraine dragged on investors' sentiment.

The MSCI World was up 4.94% while the MSCI Singapore gained 8.02%. At the same time, US Treasuries returned 6.1%.

The Deutsche Premier Select Trust delivered a return of 5.07% in 2014. Main contributor to performance was the overweight in equity positions with the DWS Global Equity Focus Fund returning +4.13% and the Deutsche Asian Small/Mid Cap gaining +7.89%. At the same time, the Deutsche Lion Bond Fund was up by +1.40%.

Market Outlook and Investment Strategy

At the beginning of the new year, the fund's positioning remains tilted towards equities as continued economic growth should drive corporate earnings and dividends. Valuation, however, has already reached levels that justify no fundamental upside in our view.

While the US recovery remains on track and is increasingly self sustaining, Eurozone growth faces headwinds from internal factors and geopolitical risks. In China, GDP growth should slow down in 2015 due to weaker housing activity, but monetary policy should be supportive.

However, developed market central bank policies start to diverge more widely. While central banks in the US and UK prepare markets for rate hikes in mid-2015 and Q3 2015, respectively, the ECB and BoJ take more accommodative stances and so, unconventional measures should prevail.

TMLS GLOBAL BALANCED FUND

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A Fund Objectives/Strategies

TMLS Global Balanced Fund feeds substantially into the DWS Premier Select Trust Fund^a (the "Underlying Fund").

The investment objective of the Underlying Fund is to achieve long term capital appreciation through investment in a diversified portfolio of securities which are not prohibited under the CPF Investment Scheme.

^a DWS Premier Select Trust is renamed to Deutsche Premier Select Trust effective 28 November 2014.

B Investments of underlying fund

	Market Value	% of NAV
i By country		
Singapore	134,741,829	66.89
Luxembourg	51,962,017	25.79
United States	9,798,319	4.86
Others	4,951,440	2.46
ii By industry		
Unit Trusts / Mutual Funds	196,502,165	97.54
Others	4,951,440	2.46
iii By asset class		
Collective Investment Schemes	196,502,165	97.54
Cash	4,951,440	2.46
iv Credit rating of debt securities		
Not applicable		

C Top 10 holdings of underlying fund

	2014	
	Market Value	% of NAV
Deutsche Lion Bond Fund Class M	61,973,680	30.76
DWS Global Equity Focus Fund	51,962,017	25.79
DWS Singapore Equity Fund Class M	45,037,869	22.36
DWS Asian Small/Mid Cap Fund Class A	15,938,750	7.91
Aberdeen Global Opportunities Fund SGD Class	11,791,530	5.85
iShares MSCI ACWI Index Fund	9,798,319	4.86

TMLS GLOBAL BALANCED FUND

01 January 2014 - 31 December 2014

	2013	
	Market Value	% of NAV
DWS Global Equity Focus Fund	63,154,759	30.90
DWS Lion Bond Fund Class M	60,818,437	29.76
DWS Singapore Equity Fund Class M	46,156,529	22.59
Aberdeen Global Opportunities Fund SGD Class	11,238,750	5.50
Aberdeen Asian Smaller Companies Fund SGD Class	8,273,781	4.05
DWS Asian Small/Mid Cap Fund Class A	5,152,647	2.52
SPDR Gold Trust	2,268,256	1.11
iShares MSCI ACWI Index Fund	1,134,916	0.56

D Exposure to Derivatives

Net realised gain on foreign exchange contracts for the period ended 31 December 2014 is S\$2,958.

E Investments in Collective Investment Schemes

	2014	
	Market Value	% of NAV
DWS Premier Select Trust Fund	10,961,658	99.14
Cash and Others	95,528	0.86

	2013	
	Market Value	% of NAV
DWS Premier Select Trust Fund	8,489,631	98.85
Cash and Others	99,097	1.15

F Borrowings

Not applicable

G Total Subscriptions and Redemptions

	S\$
Total amount of subscriptions	3,152,384
Total amount of redemptions	1,149,657

TMLS GLOBAL BALANCED FUND

01 January 2014 - 31 December 2014

H Fund Performance vs Benchmark

	Fund %	Benchmark %
3 Months	1.72	2.59
6 Months	2.98	3.06
1 Year	2.08	5.86
3 Years (annualised)	7.79	8.81
5 Years (annualised)	4.03	4.84
Since inception - 30 October 2006 (annualised)	2.69	3.46

* Returns are calculated on a NAV to NAV basis with dividends reinvested at the NAV price.

I Expense ratios

	2014	2013
Local Fund*	1.45%	1.71%
Underlying Fund:		
DWS Premier Select Trust Fund**	1.47%	1.54%

* include underlying fund expense ratio

** based on unaudited accounts as at 31 December 2014

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fees, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines.

J Turnover ratios

	2014	2013
Local Fund	8.48%	5.78%
Underlying Fund:		
DWS Premier Select Trust Fund**	20.82%	27.63%

** based on unaudited accounts as at 31 December 2014

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average NAV.

K Material changes

Nil

L Soft Dollars, Commissions or Arrangements

Nil

TMLS GLOBAL BALANCED FUND

For The Financial Year Ended 31 December 2014

Income Statement

	2014	2013
	S\$	S\$
Income		
Realised gain from sale of investments	84,992	71,013
Interest income	9	5
Fund expense subsidy	91,803	90,275
	<u>176,804</u>	<u>161,293</u>
Expenses		
Management fees	94,870	87,988
Fund charges	18,274	17,191
	<u>113,144</u>	<u>105,179</u>
Net Income For The Year	<u>63,660</u>	<u>56,114</u>

TMLS GLOBAL BALANCED FUND

as at 31 December 2014

Balance Sheet

	Notes	2014 S\$	2013 S\$
Capital Account			
Value of the fund at the beginning of the year		8,588,728	8,571,052
Amount paid into the fund for creation of units		3,152,384	594,222
Amount paid for liquidation of units		(1,149,657)	(1,416,210)
		<u>10,591,455</u>	<u>7,749,064</u>
Unrealised gain in value of investments		402,071	783,550
Net income for the year		<u>63,660</u>	<u>56,114</u>
Value of the fund at end of the year		<u>11,057,186</u>	<u>8,588,728</u>
Represented by:			
Current Assets			
Investments	4	10,961,658	8,489,631
Sundry debtors		234,021	75,290
Bank balances		<u>62,468</u>	<u>87,828</u>
		<u>11,258,147</u>	<u>8,652,749</u>
Less:			
Current Liabilities			
Sundry creditors		131,046	614
Accrued expenses		<u>69,915</u>	<u>63,407</u>
		<u>200,961</u>	<u>64,021</u>
Net Assets		<u>11,057,186</u>	<u>8,588,728</u>

Manager Comments

Investment and Market Review

The S&P continued to hit new highs in 2014 ending the period up +11.4% ending the year at 2,058, slightly below the all-time high in mid-Dec'14. The 10-year USTs continued to defy worries over QE normalisation, falling through the year by -82bps to 2.17% by the end of the year. Both moves reflected the expectations of policy loosening to tackle weak growth in the Eurozone, China and Japan. A -48% collapse in oil prices was also a strong disinflationary driver of lower yields.

The US economy recorded a high 5.0% QoQ annualised GDP growth rate in 3Q14, reflecting a strong recovery from the wintry first few months of the year. The similarly strong labour market had monthly Nonfarm Payrolls averaging 246k and Unemployment fell to a post-recession low of 5.6%. The stronger rebound was preceded by strong ISM and U. of Michigan Consumer Confidence indices which generally gained momentum over 2014. The low CPI ranging between +1.1-2.1% YoY and slow wage inflation provided leeway for dovish Fed policies.

A rise in geo-political tension was a risk to market sentiment during the year. However, a stalemate in the Ukrainian conflict as well as the containment of the so-called Islamic State removed some risk premium by the end of the reporting period. Aggressive loosening of monetary policy by the ECB and BOJ via QE to tackle deflationary pressures was matched by China's targeted stimulus. China's reforms meant PBOC's stimulus had to be channelled mostly through targeted RRR cuts for the banking sector, unlike the indiscriminate flood of credit in 2012. Reform-minded new governments in India and Indonesia could also spur impetus for wider reform in Asia – a long term positive.

Singapore's restructuring woes continued in spite of rising US consumption/investment demand and ample global liquidity. Sub-3% GDP growth and mildly negative productivity growth added to concerns over disinflationary trends in asset prices. The MAS reiterated its SGD appreciation policy nominally but the actual traded levels in 2H14 weakened towards the lower end of the perceived trading band. Low inflation and much-needed support for exporters against major Asian competitors were probably the main drivers.

TMLS GLOBAL BOND FUND

01 January 2014 - 31 December 2014

Market Outlook and Investment Strategy

Over the period, 10-year SGS underperformed USTs as investors sold off non-USD assets. Short end SGS yields also spiked up as local liquidity was squeezed on SGD weakness. This could persist through 2015 though short duration credit yields were generally more stable, with credit spreads resilient.

The Fund maintained a flexible approach to duration as slowing global growth kept rates lower than expected. A gradual increase in duration and small unhedged USD exposure helped performance.

A Fund Objectives/Strategies

TMLS Global Bond Fund feeds substantially into the DWS Lion Bond Fund[^] (the "Underlying Fund").

The investment objective of the Underlying Fund is to achieve an attractive return by investing in assets which are in the Managers' opinion, equivalent to or better than single 'A' quality investment grade bonds of Singapore and major bond markets such as the G7 countries, Australia, New Zealand, Hong Kong and South Korea. The G7 countries are Canada, France, Germany, Italy, Japan, U.K. and U.S.A.

[^]DWS Lion Bond Fund is renamed to Deutsche Lion Bond Fund effective 28 November 2014.

B Investments of underlying fund

	Market Value	% of NAV
i By country		
Singapore	127,806,354	55.24
Malaysia	15,548,720	6.72
Cayman Islands	14,373,116	6.21
New Zealand	14,079,732	6.09
South Korea	12,753,305	5.51
Australia	9,404,464	4.07
China	8,169,045	3.53
United States	7,188,884	3.11
British Virgin Islands	5,097,263	2.20
Japan	4,969,245	2.15
Great Britain	4,014,339	1.74
Netherlands	2,497,233	1.08
Others	5,446,489	2.35
ii By industry		
Bank	72,310,839	31.26
Real Estate	53,683,546	23.21
Financial	34,511,590	14.92
Transport	11,248,534	4.86
City Gas	8,921,713	3.86
Miscellaneous	7,044,489	3.04

TMLS GLOBAL BOND FUND

01 January 2014 - 31 December 2014

Printing/Publishing	7,016,304	3.03
Education	6,058,482	2.62
Industrial	5,045,355	2.18
Government	4,004,240	1.73
Diversified Resources	3,934,659	1.70
Investment	3,156,425	1.36
Telecommunications	2,497,233	1.08
Shipbuilding	2,395,961	1.04
Insurance	2,049,320	0.89
Electrical/Electronics	2,023,010	0.87
Others	5,446,489	2.35

iii By asset class

Bonds	225,901,700	97.65
Treasury Bills	2,026,202	0.87
Others	3,420,287	1.48

iv Credit rating of debt securities

Aaa	12,769,358	5.52
AA (by S&P)	2,497,233	1.08
Aa2	6,335,814	2.74
Aa3	47,948,892	20.73
A+ (by S&P)	9,675,013	4.18
A1	20,147,739	8.71
A- (by S&P)	1,300,048	0.56
A2	33,575,181	14.52
A3	17,893,966	7.73
Baa2	7,188,884	3.11
Unrated	66,569,572	28.77
Others	5,446,489	2.35

C Top 10 holdings of underlying fund

	2014	
	Market Value	% of NAV
United Overseas Bank Limited Series EMTN Var 11/07/2022	11,955,736	5.17
HK Land Treasury SG 3.65% 05/10/2015	11,744,924	5.08
DBS Bank Limited Singapore Series MTN 21/02/2022	9,671,795	4.18
ANZ National International Limited Series EMTN 2.95% 27/07/2015	9,075,691	3.92
United Overseas Land Limited MTN 2.493% 08/05/2015	7,763,397	3.36
Sun Hung Kai Properties Capital Market Limited MTN 3.25% 20/05/2021	7,625,693	3.30
Morgan Stanley EMTN 3.8% 29/01/2016	7,188,884	3.11
Danga Capital Berhad 2.615% 11/08/2015	7,044,489	3.04
Singapore Press Holdings Limited MTN 2.81% 02/03/2015	7,016,304	3.03
Singapore Bus Services MTN 1.8% 12/09/2017	6,936,882	3.00
	2013	
	Market Value	% of NAV
United Overseas Bank Limited Series EMTN Variable 11/07/2022	11,867,178	3.78
HK Land Treasury SG 3.65% 05/10/2015	11,857,469	3.78
Singapore Press Holdings Limited MTN 2.81% 02/03/2015	11,208,875	3.57
Danga Capital Berhad 2.615% 11/08/2015	10,135,741	3.23
United Overseas Land Limited MTN 2.493% 08/05/2015	7,791,141	2.48
Royal Bank of Scotland PLC Series EMTN 2.85% 31/03/2014	7,766,071	2.47
Lloyds TSB Bank PLC Series EMTN 3.5% 17/09/2014	7,592,520	2.42
DBS Bank Limited Singapore Series MTN 21/02/2022	7,590,527	2.42
Winmall Limited 4.69% 27/04/2014	7,562,213	2.41
Morgan Stanley EMTN 3.8% 29/01/2016	7,225,817	2.30

TMLS GLOBAL BOND FUND

01 January 2014 - 31 December 2014

D Exposure to Derivatives

	Market Value	% of NAV	Realised gains/(losses)	Unrealised gains/(losses)
Futures contracts	(962,666)	0.42	(1,280,846)	(962,666)

E Investments in Collective Investment Schemes

	2014	
	Market Value	% of NAV
DWS Lion Bond Fund Class M	636,467	100.43
Cash and Others	(2,699)	(0.43)

	2013	
	Market Value	% of NAV
DWS Lion Bond Fund Class M	231,207	100.15
Cash and Others	(344)	(0.15)

F Borrowings

Not applicable

G Total Subscriptions and Redemptions

	S\$
Total amount of subscriptions	507,173
Total amount of redemptions	108,127

H Fund Performance vs Benchmark

	Fund %	Benchmark %
3 Months	0.89	0.09
6 Months	1.12	0.18
1 Year	1.96	0.35
3 Years (annualised)	2.49	0.33
Since inception - 6 June 2011 (annualised)	2.00	0.34

* Returns are calculated on a NAV to NAV basis with dividends reinvested at the NAV price.

TMLS GLOBAL BOND FUND

01 January 2014 - 31 December 2014

I Expense ratios	2014	2013
Local Fund*	0.84%	-
Underlying Fund:		
DWS Lion Bond Fund Class M**	0.19%	0.17%

* include underlying fund expense ratio

** based on unaudited accounts as at 31 December 2014

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fees, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines.

J Turnover ratios	2014	2013
Local Fund	26.88%	6.77%
Underlying Fund:		
DWS Lion Bond Fund Class M**	46.68%	30.08%

** based on unaudited accounts as at 31 December 2014

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average NAV.

K Material changes

Nil

L Soft Dollars, Commissions or Arrangements

Nil

TMLS GLOBAL BOND FUND

For The Financial Year Ended 31 December 2014

Income Statement

	2014	2013
	S\$	S\$
Income		
Realised gain from sale of investments	3,144	5,600
Fund expense subsidy	11,776	16,157
	<u>14,920</u>	<u>21,757</u>
Expenses		
Management fees	2,647	2,023
Fund charges	11,429	10,931
	<u>14,076</u>	<u>12,954</u>
Net Income For The Year	<u>844</u>	<u>8,803</u>

Balance Sheet

	Notes	2014 S\$	2013 S\$
Capital Account			
Value of the fund at the beginning of the year		230,863	431,457
Amount paid into the fund for creation of units		507,173	14,441
Amount paid for liquidation of units		(108,127)	(224,339)
		<u>629,909</u>	<u>221,559</u>
Unrealised gain in value of investments		3,015	501
Net income for the year		<u>844</u>	<u>8,803</u>
Value of the fund at end of the year		<u>633,768</u>	<u>230,863</u>
Represented by:			
Current Assets			
Investments	4	636,467	231,207
Sundry debtors		21,208	2,206
Bank balances		<u>126</u>	<u>126</u>
		<u>657,801</u>	<u>233,539</u>
Less:			
Current Liabilities			
Sundry creditors		20,338	6
Accrued expenses		<u>3,695</u>	<u>2,670</u>
		<u>24,033</u>	<u>2,676</u>
Net Assets		<u>633,768</u>	<u>230,863</u>

Manager Comments

Investment and Market Review

Chinese and Hong Kong equities ended the first six months of 2014 marginally down on concerns over weakening economic momentum amidst a slowing property market. Whilst economic readings continued to be muted, the Chinese government announced targeted stimulus and monetary easing policies to boost growth in the world's second-largest economy. Amongst the measures unveiled were the RMB800 billion spending targets on railway infrastructure, the 0.5% reserve requirement ratio cut for banks that lend mainly to small businesses and rural borrowers. Spurred on by further stimulus measures, the markets posted strong returns in the second half of the year. Market sentiment was buoyed by the Chinese government's favorable real estate policy adjustments to support the slowing property market. In September, the Chinese government further eased previous restrictions and constraints on lending for the purchase of additional property. Buyers applying for a loan to buy a second home may get lower down payments and mortgage rates that were previously only available to first-time home buyers as long as they have paid off their initial mortgage. In November, Chinese equities surged following the first interest rate cut in two years. The People's Bank of China (PBoC) unexpectedly lowered its one-year benchmark lending rate by 40 basis points to 5.6% while it also slashed its one-year deposit rate by 25 basis points to 2.75%. This triggered expectations of further rate cuts going into 2015, and led to the rally of higher beta sectors including brokers and banks albeit with a disregard for longer term fundamentals.

The fund posted a strong positive return and outperformed the benchmark over the review period. Stock selection in the industrials and utilities were the main contributors to outperformance. The underweight positions in the energy and materials sectors were also positive, although this was partially offset by the underweight and stock selection in financials, specifically within the banks sector.

The fund's leading contributors over the period were railway related companies, including China's top trainmakers CNR Corporation and CSR Corporation, as well as China's leading train-borne electrical system provider Zhuzhou CSR Times Electric. Shares of CNR Corporation and CSR Corporation surged after the stocks resumed trading after being suspended since September on the announcement of their merger, which is expected to bring about an improving operating environment whilst enhancing the competitiveness of China's high-speed rail products overseas. Shares of Zhuzhou CSR Times Electric, the supplier to CSR Corporation, also advanced as it is a likely beneficiary of the merger. Our overweight position in China's leading one-stop integrated water and wastewater treatment solutions provider Sound Global also

added value after surging earlier this year following the change of its trading board from Singapore to Hong Kong. The move was expected to close the valuation gaps to its HK listed peers, improve trading liquidity and enhance recognition of its strong operating performance from investors. The stock further extended its winning streak in October on strong earnings growth from solid contract wins. Another key contributor was our overweight position in Chinese property and construction conglomerate China State Construction Engineering. The firm's shares surged on the back of the promotion of the Chinese government's 'New Silk Road' project in which a US\$ 40 billion fund has been established. Promoting infrastructure and financial cooperation across Central and South Asia, the company looks set to be a key beneficiary.

Conversely, the fund's top detractor over the period was our underweight position in Bank of China, which gained as its preferred shares issuance has relieved funding pressure in the short term. Chinese banks also rallied on the PBoC's recent surprise interest rate cut in November and expectations for further rate cuts and reductions in banks' reserve requirement ratios. This was partially mitigated by our overweight in select Chinese insurers. China Pacific Insurance and China Life Insurance gained after Chinese insurers rallied in the last quarter of the year on better-than-expected value of new business growth year to date and amidst bullish sentiment surrounding China A-Share market.

Elsewhere, China's leading juice and nectars manufacturer China Huiyuan Juice hurt performance after it fell on concerns that the changes of key management responsibilities could bring about a lack of visibility to the company's operations in the near term. Department store operator Intime Retail was also a drag on the back of worries over a slowdown in the Chinese economy which could hit consumer discretionary spending.

Market Outlook and Investment Strategy

Following on from China's landmark Third Plenum in November, and subsequent planned reforms, investors should remain conscious that economic rebalancing and reforms are long, drawn-out processes. Short term pain is likely to be felt when growth slows as the economy and companies make adjustments, with earnings and margins as a result coming under pressure. The reform process and its longer term success really rest on eventual policy details and implementation. Following the initial market euphoria, whether this momentum can be sustained into the longer term depends on the country's leadership. Developments will require careful monitoring in 2014 and beyond, including China's commitment to staying on course with their reform roadmap and plans, particularly in the face of growth and unemployment headwinds.

TMLS CHINA EQUITY FUND

01 January 2014 - 31 December 2014

Chinese GDP growth in 2014 slowed as expected amidst economic rebalancing efforts and the ongoing anti-corruption campaign. Going into 2015, growth can be expected to moderate further against a backdrop of continued reforms and a property market slowdown. A benign liquidity environment with room for interest rate cuts (as we have seen recently) and targeted areas of policy support are also likely as China seeks to steer its massive economy away from the after-effects of its credit excesses but at the same time tries to avoid a financial crisis or destabilisation of the economy and broader society in the process.

Reforms and policies will continue to feature significantly in China, and we still expect to find select opportunities at the stock level – through evaluating the impact of policies and developments on specific businesses, instead of investing thematically and by sectors without delving into company specific dynamics and fundamentals. The investible universe for China has been expanded further as domestic and more new China stocks have been made accessible through the launch of the Stock Connect Scheme. However valuations here are often expensive and lofty, not dissimilar to their Hong Kong or Nasdaq listed counterparts - we will remain disciplined and look to re-position opportunistically on weakness. Conversely, where we are finding value and are perhaps admittedly being contrarian is on retail and consumer plays. Now at the end of their cost rationalisation processes and with much of the negatives already priced in, this year might hold potential upside surprises as market share losses to e-commerce players stabilise and sales growth start to pick up.

Risks in the shadow banking system have not subsided. Economic growth has slowed in the wake of economic rebalancing and the anti-corruption campaign, and downward pressures on revenues and margins remain. A pickup in NPLs and bankruptcies in 2015 are still therefore potentially likely scenarios, although we don't expect this to lead to a widespread systematic risk event. We continue to find opportunities in insurance and consumption, as well as internet and services, as China tries to shift to a consumption-led economy, and are looking into nuclear energy related companies. Policy and governmental support will also continue to favour healthcare, environmental protection and clean energy related industries.

Whilst the broader macro and policy-driven environment brings up interesting investment themes and ideas, our focus remains on taking a disciplined approach to active investing and selecting quality businesses with strong fundamentals. As China works through its reform agenda, the initial and obvious opportunities around broader sectors and themes will make way for more discerning stock selection to drive longer term returns.

A Fund Objectives/Strategies

TMLS China Equity Fund feeds substantially into Schroder China Opportunities Fund (the "Underlying Fund"), which in turn invests substantially into the Schroder ISF China Opportunities ("ISF China Fund").

The investment objective of ISF China Fund is to provide capital growth primarily through investment in equity and equity related securities of companies which are headquartered in and/or listed in or have a substantial business exposure to the People's Republic of China.

B Investments of ISF China Fund

	Market Value (USD)	% of NAV
i By country		
China	1,158,918,536	94.95
Hong Kong	50,775,156	4.16
Others	10,862,954	0.89
ii By industry		
Financial	459,051,355	37.61
Industrial	160,381,143	13.14
Information Technology	133,773,008	10.96
Telecommunication services	123,398,277	10.11
Consumer Discretionary	91,541,748	7.50
Energy	77,017,124	6.31
Consumer Staples	53,216,270	4.36
Health Care	40,522,481	3.32
Utilities	39,179,868	3.21
Material	24,167,022	1.98
Not Classified	7,445,396	0.61
Others	10,862,954	0.89
iii By asset class		
Equities	1,202,248,297	98.50
Collective investment scheme	7,445,396	0.61
Cash	10,862,954	0.89

TMLS CHINA EQUITY FUND

01 January 2014 - 31 December 2014

C Top 10 holdings of ISF China Fund

	2014	
	Market Value (USD)	% of NAV
China Construction Bank Group	109,117,764	8.94
China Mobile Ltd	103,381,148	8.47
Tencent Hldg Ltd	98,865,088	8.10
Industrial & Commercial Bank of China Ltd	96,301,919	7.89
China Life Insurance Co Ltd	69,205,562	5.67
China Pacific Insurance (Group) Co Ltd	40,156,314	3.29
PetroChina Co Ltd	30,269,805	2.48
Belle Int'l Hldg Ltd	28,927,193	2.37
Bank of China Ltd	27,218,413	2.23
China Overseas Land & Investment Ltd	24,533,189	2.01

	2013	
	Market Value (USD)	% of NAV
Industrial & Commercial Bank of China Ltd	84,874,113	6.72
Tencent Holdings Ltd	81,969,195	6.49
China Construction Bank Corp	78,306,473	6.20
China Mobile (Hong Kong) Ltd	71,991,435	5.70
China Life Insurance Co Ltd	65,423,795	5.18
CNOOC Ltd	41,931,853	3.32
China Petroleum & Chemical Corp	34,353,807	2.72
China Pacific Insurance (Group) Co Ltd	33,343,401	2.64
Longfor Properties Co Ltd	28,670,273	2.27
Anhui Conch Cement Co Ltd	24,881,250	1.97

D Exposure to Derivatives

	Market Value (USD)	% of NAV	Realised gains/(losses)	Unrealised gains/(losses)
Forward FX contracts	(112,419)	0.01	(4,015,964)	(112,419)

E Investments in Collective Investment Schemes

	2014	
	Market Value	% of NAV
Schroder China Opportunities Fund	136,104	97.50
Cash and Others	3,477	2.50

	2013	
	Market Value	% of NAV
Schroder China Opportunities Fund	33,289	100.12
Cash and Others	(39)	(0.12)

F Borrowings

Not applicable

G Total Subscriptions and Redemptions

	S\$
Total amount of subscriptions	127,938
Total amount of redemptions	32,729

H Fund Performance vs Benchmark

	Fund %	Benchmark %
3 Months	9.26	11.36
6 Months	14.70	15.53
1 Year	8.73	13.31
3 Year (annualised)	11.18	12.07
Since inception - 12 August 2011 (annualised)	7.71	10.73

Source: Morningstar, BID to BID, dividends reinvested in SGD as at 31 December 2014

I Expense ratios

	2014	2013
*Local Fund	1.31%	2.01%
Underlying Fund:		
**Schroder China Opportunities Fund	1.89%	1.88%

* include underlying fund expense ratio

** based on unaudited accounts as at 31 December 2014

TMLS CHINA EQUITY FUND

01 January 2014 - 31 December 2014

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fees, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines.

J Turnover ratios	2014	2013
Local Fund	61.70%	6.10%
Underlying Fund:		
**Schroder China Opportunities Fund	4.65%	2.97%

** based on unaudited accounts as at 31 December 2014

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average NAV.

K Material changes

Nil

L Soft Dollars, Commissions or Arrangements

Nil

Income Statement

	2014	2013
	S\$	S\$
Income		
Realised gain from sale of investments	2,359	2,829
Fund expense subsidy	13,774	10,586
	<u>16,133</u>	<u>13,415</u>
Expenses		
Management fees	763	642
Fund charges	11,380	10,003
	<u>12,143</u>	<u>10,645</u>
Net Income For The Year	<u>3,990</u>	<u>2,770</u>

TMLS CHINA EQUITY FUND

as at 31 December 2014

Balance Sheet

	Notes	2014 S\$	2013 S\$
Capital Account			
Value of the fund at the beginning of the year		33,250	43,414
Amount paid into the fund for creation of units		127,938	2,432
Amount paid for liquidation of units		(32,729)	(17,672)
		<u>128,459</u>	<u>28,174</u>
Unrealised gain in value of investments		7,132	2,306
Net income for the year		3,990	2,770
Value of the fund at end of the year		<u>139,581</u>	<u>33,250</u>
Represented by:			
Current Assets			
Investments	4	136,104	33,289
Sundry debtors		3,933	1,365
Bank balances		26,809	407
		<u>166,846</u>	<u>35,061</u>
Less:			
Current Liabilities			
Sundry creditors		25,003	-
Accrued expenses		2,262	1,811
		<u>27,265</u>	<u>1,811</u>
Net Assets		<u>139,581</u>	<u>33,250</u>

Manager Comments

Market Review

Singapore equities rose over the year, on the back of renewed monetary stimulus by major central banks. China boosted liquidity to counter a slowing economy, while Japan and Europe expanded their asset purchase programmes to fight deflationary pressures, exacerbated by the sharp fall in oil prices. The knock-on effects on oil exporters, such as Russia, led to fears of contagion among emerging markets, which raised investors' risk aversion towards the end of the period.

The local economy expanded by 2.8% in 2014, compared with the 3.9% growth in the prior year. Soft housing demand was a drag on growth, but the financial services sector continued to expand. Meanwhile, cheaper home rents and energy costs led to headline deflation for the first time in five years.

On a positive note, corporate results were decent overall, partly because local firms tapped higher growth in regional markets. M&A activity also intensified as firms utilised their healthy balance sheets to take advantage of attractive valuations.

Portfolio Review

Lower oil prices dampened our offshore and marine holdings, Sembcorp Marine and Keppel Corp, due to concerns that their clients may reduce capital expenditure and hence, affect their ability to garner new orders. That said, both firms added to their robust order books over the year, and their balance sheets remain healthy. Elsewhere, our holding in residential developer Bukit Sembawang underperformed, as the housing market continued to suffer from government curbs. Although we are unlikely to see a recovery soon, the company is attractively valued and backed by a robust balance sheet. Meanwhile, our lack of exposure to Jardine Matheson detracted as investors welcomed the election of pro-reform candidate Joko Widodo as Indonesia's new president. However, we have exposure to the Jardine group of companies through Jardine Strategic and Jardine Cycle and Carriage.

On the other hand, contributing to relative performance was our non-benchmark position in property and construction company United Engineers, which rose on news that OCBC and the banks founding family were in talks with Thai billionaire Charoen Sirivadhanabhakdi to sell their stake in the company. In the healthcare segment, our non-benchmark holding Raffles Medical benefited the fund, as it reported solid growth in its hospital and clinic divisions. The firm also acquired land next to its current hospital in Singapore for expansion. Furthermore, our lack of exposure to Genting Singapore aided performance, as the hotel and casino operator posted weaker results in line with the slowdown in tourist arrivals.

TMLS SINGAPORE EQUITY FUND

15 August 2014 - 31 December 2014

Outlook

The manager remains biased towards reducing risk and positioning the portfolio for higher rates over the next six months, given the start of the Fed tapering in January. The fund's short duration position continues to support its defensive bias. The manager maintains an underweight to markets with higher correlations to US Treasuries, including Hong Kong and Singapore. The manager reduce its Asian currency risk and moved to a long US dollar position by trimming the exposure to the Singapore dollar.

TMLS SINGAPORE EQUITY FUND

15 August 2014 - 31 December 2014

A Fund Objectives/Strategies

TMLS Singapore Equity Fund feeds substantially into the Aberdeen Singapore Equity Fund (the "Underlying Fund").

The investment objective of the Underlying Fund is to provide medium to long-term capital growth from a diversified portfolio of Singapore equities.

B Investments of underlying fund

	Market Value	% of NAV
i By country		
NIL	NIL	NIL
ii By industry		
Financial	482,391,078	57.82
Industrial	171,080,396	20.51
Consumer Services	58,620,879	7.03
Telecommunications	36,018,684	4.32
Oil & Gas	31,176,980	3.74
Healthcare	28,198,064	3.38
Basic Material	9,307,062	1.12
Healthcare	1,482,975	0.18
Others	15,820,929	1.90
iii By asset class		
Equities	818,276,118	98.10
Cash and Others	15,820,929	1.90

C Top 10 holdings of underlying fund

	2014	
	Market Value	% of NAV
Oversea-Chinese Banking Corporation	85,928,450	10.30
DBS Group Holdings Ltd	77,030,816	9.24
Jardine Strategic Holdings Ltd	71,654,636	8.59
United Overseas Bank Ltd	70,171,548	8.41
Keppel Corporation Ltd	62,451,795	7.49
City Developments Ltd	47,786,310	5.73
Singapore Telecommunications	36,018,684	4.32
Singapore Tech Engineering	33,425,400	4.01
Venture Corporation Ltd	25,931,650	3.11
Singapore Exchange Ltd	24,960,760	2.99

TMLS SINGAPORE EQUITY FUND

15 August 2014 - 31 December 2014

D Exposure to Derivatives

The investment manager confirms there is no derivatives position in the fund.

E Investments in Collective Investment Schemes

	2014 Market Value	% of NAV
Aberdeen Singapore Equity Fund	1,192,563	96.97
Cash and Others	37,231	3.03

F Borrowings

Not applicable

G Total Subscriptions and Redemptions

	S\$
Total amount of subscriptions	1,209,408
Total amount of redemptions	21

H Fund Performance vs Benchmark

	Fund %	Benchmark %
3 Months	2.04	3.14
Since inception - 22 August 2014 (annualised)	(1.49)	5.18

Source: Lipper, based on percentage growth, calculated on a NAV to NAV basis with gross income reinvested.

I Expense ratios

	2014
Local Fund*	1.73%
Underlying Fund:	
Aberdeen Singapore Equity Fund**	1.66%

* include underlying fund expense ratio

** based on audited accounts as at 30 September 2014

TMLS SINGAPORE EQUITY FUND

15 August 2014 - 31 December 2014

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fees, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines.

J Turnover ratios

2014

Local Fund	181.14%
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Underlying Fund:

Aberdeen Singapore Equity Fund**	10.78%
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** based on audited accounts as at 30 September 2014

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average NAV.

K Material changes

Nil

L Soft Dollars, Commissions or Arrangements

Nil

TMLS SINGAPORE EQUITY FUND

For The Financial Period from 15 August 2014 to 31 December 2014

Income Statement

	2014
	S\$
Income	
Fund expense subsidy	4,188
	<u>4,188</u>
Expenses	
Management fees	3,474
Fund charges	871
	<u>4,345</u>
Net Loss For The Year	<u>(157)</u>

Balance Sheet

	Notes	2014 S\$
Capital Account		
Value of the fund at the beginning of the year		-
Amount paid into the fund for creation of units		1,209,408
Amount paid for liquidation of units		(21)
		<u>1,209,387</u>
Unrealised gain in value of investments		20,564
Net loss for the year		(157)
Value of the fund at end of the year		<u>1,229,794</u>
Represented by:		
Current Assets		
Investments	4	1,192,563
Sundry debtors		31,517
Bank balances		28,114
		<u>1,252,194</u>
Less:		
Current Liabilities		
Sundry creditors		19,000
Accrued expenses		3,400
		<u>22,400</u>
Net Assets		<u>1,229,794</u>

Manager Comments

Investment and Market Review

The Singapore bond market saw losses for the month of December as the United Overseas Bank Singapore Government Bond All Index declined 0.61%, resulting in year-to-date (YTD) gains of 3.62%.

4Q14 GDP advance estimates show GDP grew by 1.5% year-over-year (YoY) with manufacturing a continued drag on growth. The manufacturing sector contracted 5.8% quarter-over-quarter (QoQ) on a seasonally-adjusted annual rate in 4Q14, largely consistent with the monthly industrial production data. Full-year growth for 2014 came in at 2.8%, which was below consensus estimates of 3%. Industrial production contracted 2.8% YoY in November (October: -0.2%; September: -1.0%). The Singapore electronic sector remains de-linked from the broader electronic recovery seen in North Asian exporters despite a pickup in US demand. Petrochemical exports have weakened on the back of lower oil prices, which will also be a drag on the cutback in capex in the offshore marine sector. Though the pharmaceutical sector was a key source of support, with output growth up 7.9% YoY on a YTD basis, non-oil domestic exports (NODX) are on track to decline for the second consecutive year (-0.68% YoY, YTD), reflecting shifting export composition and a continued loss of competitive advantage. Electronics shipments plunged 10.2% YoY, which was sharply weaker than the 3.6% drop in October, and now the 28th consecutive month of YoY contraction.

That said, employment conditions remain tight with unemployment at 2.0% for 3Q14 (2.0% in 2Q14). Resident and citizen unemployment rates were unchanged at 2.8% and 2.9%, respectively. Job creation was revised up to 33,400 (versus 27,700 in 2Q14) with upward revisions in services (up 5,900), construction (up 3,000) and manufacturing (up 2,000). Singapore's headline inflation sank into negative territory for the first time since December 2009. November headline inflation fell by 0.3% YoY (compared with growth of 0.1% in October), core inflation edged down to 1.5% YoY (compared with 1.7% in October), private transport costs fell 7.0% YoY (compared with a decline of 5.6% in October) while accommodation costs fell by 1.2% YoY (versus -1.0% in October) as residential rents and electricity tariffs continued to fall, offsetting the unwinding of Service and Conservancy Charges (S&CC) rebates in October. Lower core inflation was led by lower electricity tariffs and slower increases in services fees. Food inflation edged up to 2.9% YoY (versus 2.8% in October) on both prepared and raw food. With no clear shore in sight, economic restructuring will continue to be a drag on growth momentum with firms having to reduce their reliance in foreign labour as further quotas kick in.

Makret Outlook and Investment Strategy

Singapore's policymakers are cognisant of the risks to financial stability given elevated property market prices. Housing prices are expected to moderate, that will contribute to a decline in headline inflation even as core inflation remains elevated given tight labour markets and structural policies adopted to tighten inbound immigration.

With its diversified drivers of growth, Singapore remains in an attractive position to ride out Asia's volatile growth prospects in the near term. A lower rate of growth and increased volatility will be the norm in a period of structural adjustments when the policy option to pump prime growth via labor force expansion is no longer available. We take comfort in the strong technicals for the Singapore bond market as well as the strong balance sheets of the high-quality corporates we are invested in. However, we are cautious of the rapid expansion of the Singapore credit market and the relatively low level of risk premium being priced into bonds issued by new entrants. We remain highly selective and will place a strong emphasis on sound credit fundamentals as a key premise. We believe our long-term approach will allow us to ride out any volatility in the medium term and minimise risk exposure.

In terms of strategy, we view a broadly overweight benchmark duration position as appropriate. We continue to adopt a tactical approach to positioning across the SGS curve in view of concerns over the impending Fed rate hike. We expect safe-haven demand for SGS to continue given a shrinking universe of sovereigns globally rated AAA by all three international rating agencies. We will seek to bolster carry-through exposure in high-quality corporate and bank credits.

TMLS SINGAPORE BOND FUND

15 August 2014 - 31 December 2014

A Fund Objectives/Strategies

TMLS Singapore Bond Fund feeds substantially into the Legg Mason Western Asset Singapore Bond Fund Class A (the "Underlying Fund").

The investment objective of the Underlying Fund is to achieve yield enhancement by aiming to outperform the benchmark in Singapore Dollar terms via active but prudent management of a portfolio comprising primarily of Singapore bonds, cash and cash equivalent instruments.

B Investments of underlying fund

	Market Value	% of NAV
i By country		
Singapore	68,762,345	76.65
Hong Kong	8,344,075	9.30
Netherlands	7,058,437	7.87
Malaysia	3,312,699	3.69
Others	2,228,956	2.49
ii By industry		
Bank	24,626,893	27.45
Government	21,478,957	23.94
Miscellaneous	14,219,373	15.85
Real Estate	11,020,357	12.28
Financial	5,408,308	6.03
Transport & Shipping	4,786,747	5.34
Hotel	4,024,476	4.49
Utilities	1,912,447	2.13
Others	2,228,956	2.49
iii By asset class		
Fixed Income	87,477,557	97.52
Cash and Others	2,228,956	2.48
iv Credit rating of debt securities		
Aaa	21,478,957	23.94
A+	1,532,207	1.71
A	1,843,101	2.05
BBB+	3,807,990	4.24
Baa1	10,142,011	11.31
BBB	5,408,308	6.03

TMLS SINGAPORE BOND FUND

15 August 2014 - 31 December 2014

Baa3	3,095,868	3.45
BBB-	7,058,437	7.87
Not Rated	33,110,677	36.91
Cash	2,228,956	2.49

C Top 10 holdings of underlying fund

	2014	
	Market Value	% of NAV
Singapore (Govt of) 3% 01/09/2024	11,692,600	13.02
Mapletree Treasury Svcs EMTN (Reg S) Var Perp	8,474,418	9.45
Singapore (Govt of) 3.5% 01/03/2027	8,239,700	9.19
DBS Group Goldings Ltd (Reg S) (Reg) Var Perp	7,523,941	8.39
ANB Amro Bank (Reg S) Var 25/10/2022	7,058,437	7.87
OCBC Capital Corp Preference SGD100	5,408,308	6.03
City Developments Ltd Ser MTN (Seg S) (BR) 2.78% 21/09/2018	4,024,476	4.49
Global Logistic Properti EMTN Var Perp	3,641,009	4.06
Malayan Banking Berhad EMTN (Reg) Var 28/04/2021	3,312,699	3.69
Bank of East Asia Ltd Ser EMTN Var 13/09/2022	3,095,868	3.45

D Exposure to Derivatives

The investment manager confirms there is no derivatives position in the fund.

E Investments in Collective Investment Schemes

	2014	
	Market Value	% of NAV
Legg Mason Western Asset Singapore Bond Fund Class A	361,223	98.50
Cash and Others	5,489	1.50

F Borrowings

Not applicable

G Total Subscriptions and Redemptions

	S\$
Total amount of subscriptions	366,351
Total amount of redemptions	-

TMLS SINGAPORE BOND FUND

15 August 2014 - 31 December 2014

H Fund Performance vs Benchmark

	Fund %	Benchmark %
3 Months	0.46	1.34
Since inception - 1 September 2014 (annualised)	0.65	0.04

Source: Legg Mason. NAV-NAV basis, with net income and dividends reinvested, if any (SGD terms)

I Expense ratios

2014

Local Fund*	1.02%
Underlying Fund:	
Legg Mason Western Asset Singapore Bond Fund Class A **	0.95%

* include underlying fund expense ratio

** based on unaudited accounts as at 31 December 2014

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fees, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines.

J Turnover ratios

2014

Local Fund	0.24%
Underlying Fund:	
Legg Mason Western Asset Singapore Bond Fund Class A **	10.07%

** based on unaudited accounts as at 31 December 2014

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average NAV.

K Material changes

Nil

L Soft Dollars, Commissions or Arrangements

Nil

TMLS SINGAPORE BOND FUND

For The Financial Period from 15 August 2014 to 31 December 2014

Income Statement

	2014
	S\$
Income	
Realised gain from sale of investments	1
Fund expense subsidy	914
	<u>915</u>
Expenses	
Management fees	389
Fund charges	559
	<u>948</u>
Net Loss For The Year	<u>(33)</u>

TMLS SINGAPORE BOND FUND

as at 31 December 2014

Balance Sheet

	Notes	2014 S\$
Capital Account		
Value of the fund at the beginning of the year		-
Amount paid into the fund for creation of units		366,351
Amount paid for liquidation of units		-
		<u>366,351</u>
Unrealised gain in value of investments		394
Net loss for the year		(33)
Value of the fund at end of the year		<u>366,712</u>
Represented by:		
Current Assets		
Investments	4	361,233
Sundry debtors		5,907
Bank balances		655
		<u>367,785</u>
Less:		
Current Liabilities		
Sundry creditors		672
Accrued expenses		401
		<u>1,073</u>
Net Assets		<u>366,712</u>

Manager Comments

Investment and Market Review

The interbank market saw some tightening of liquidity in the month of December, with the three-month interbank rate at 0.45%. The Singapore bond market saw losses for the month of December as the United Overseas Bank Singapore Government Bond All Index declined 0.61%, resulting in year-to-date (YTD) gains of 3.62%.

4Q14 GDP advance estimates show GDP grew by 1.5% year-over-year (YoY) with manufacturing a continued drag on growth. The manufacturing sector contracted 5.8% quarter-over-quarter (QoQ) on a seasonally-adjusted annual rate in 4Q14, largely consistent with the monthly industrial production data. Industrial production contracted 2.8% YoY in November. The Singapore electronic sector remains de-linked from the broader electronic recovery seen in North Asian exporters despite a pickup in US demand. Petrochemical exports have weakened on the back of lower oil prices, which will also be a drag on the cutback in capex in the offshore marine sector.

Market Outlook and Investment Strategy

Singapore's policymakers are cognisant of the risks to financial stability given elevated property market prices. They view the sharp rise in prices over the last five years as a result of an imbalance between constrained public housing supply and a sharp rise in inbound immigration. The slew of macro-prudential measures introduced to curb property market speculation (such as additional stamp duties and total-debt-servicing ratios on household balance sheets) have been viewed as effective in addressing speculative behavior and reducing the risk on banks' balance sheets. The government is also addressing the supply/demand imbalance via aggressive pipeline land sales, and public and private housing supply. Housing prices are expected to moderate, contributing to a decline in headline inflation even as core inflation remains elevated given tight labour markets and structural policies adopted to tighten inbound immigration.

With its diversified drivers of growth, Singapore remains in an attractive position to ride out Asia's volatile growth prospects in the near-term. A lower rate of growth and increased volatility will be the norm in a period of structural adjustments when the policy option to pump prime growth via labor force expansion is no longer available. We take comfort in the strong technicals for the Singapore bond market as well as the strong balance sheets of the high-quality corporates we are invested in. However, we are cautious of the rapid expansion of the Singapore credit market and the relatively

TMLS SINGAPORE CASH FUND

15 August 2014 - 31 December 2014

low level of risk premium being priced into bonds issued by new entrants. We remain highly selective and will place a strong emphasis on sound credit fundamentals as a key premise. We believe our long-term approach will allow us to ride out any volatility in the medium term and minimise risk exposure.

With regard to strategy, we view a neutral duration position as appropriate. We expect broadening safe-haven demand for SGS given a shrinking universe of sovereigns globally rated AAA by all three international rating agencies. We will seek to bolster carry-through exposure in high quality corporate and bank credits.

TMLS SINGAPORE CASH FUND

15 August 2014 - 31 December 2014

A Fund Objectives/Strategies

TMLS Singapore Cash Fund feeds substantially into the Legg Mason Western Asset Singapore Dollar Fund Class B (the "Underlying Fund").

The investment objective of the Underlying Fund is to invest as a money market fund, in Singapore Dollar denominated money market instruments and debt securities, to achieve a return above short-term cash deposit whilst managing liquidity and risk to preserve capital.

B Investments of underlying fund

	Market Value	% of NAV
i By country		
Singapore	28,182,159	92.54
Hong Kong	1,277,536	4.20
New Zealand	759,763	2.50
Others	230,986	0.76
ii By industry		
Government	24,670,263	81.01
Miscellaneous	2,508,138	8.24
Real Estate	1,527,845	5.02
Bank & Financial	759,763	2.50
Building/ Construction	753,450	2.47
Others	230,986	0.76
iii By asset class		
Money Market Instruments	30,219,459	99.24
Cash	230,986	0.76
iv Credit rating of debt securities		
Aaa	24,670,263	81.01
Aa3	759,763	2.50
A2	1,527,845	5.02
Not Rated	3,261,588	10.71
Cash	230,986	0.76

TMLS SINGAPORE CASH FUND

15 August 2014 - 31 December 2014

C Top 10 holdings of underlying fund

	2014	
	Market Value	% of NAV
MAS BILLS (SER 84) ZCP 27/02/2015	6,194,783	20.34
MAS BILLS (SER 84) ZCP 20/03/2015	4,992,107	16.39
MAS BILLS T-BILLS SER 168 03/03/2015	3,997,589	13.13
MAS BILLS (SER 168) ZCP 09/06/2015	3,987,280	13.09
MAS BILLS (SER 84) ZCP 16/01/2015	2,699,590	8.87
SINGAPORE PRESS HOLDINGS LTD MTN 2.81% 02/03/2015	2,508,138	8.24
MAS BILLS (SER 84) ZCP 23/01/2015	1,499,674	4.92
HK LAND TREASURY SG (BR) 3.65% 05/10/2015	1,277,536	4.20
MAS BILLS (SER 84) ZCP 30/01/2015	799,785	2.63
ANZ NATIONAL (INTL) LTD SER EMTN (BR) 2.95% 27/07/2015	759,763	2.50

D Exposure to Derivatives

The investment manager confirms there is no derivatives position in the fund.

E Investments in Collective Investment Schemes

	2014	
	Market Value	% of NAV
Legg Mason Western Asset Singapore Dollar Fund Class B	-	-
Cash and Others	-	-

F Borrowings

Not applicable

G Total Subscriptions and Redemptions

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

H Fund Performance vs Benchmark

	Fund %	Benchmark %
NIL	-	-

Source: Legg Mason. NAV-NAV basis, with net income and dividends reinvested, if any (SGD terms)

I Expense ratios

2014

Local Fund*	-
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Underlying Fund:

Legg Mason Western Asset Singapore Dollar Fund Class B**	0.46%
--	-------

* include underlying fund expense ratio

** based on unaudited accounts as at 31 December 2014

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fees, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines.

J Turnover ratios

2014

Local Fund	-
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Underlying Fund:

Legg Mason Western Asset Singapore Dollar Fund Class B**	329.96%
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** based on unaudited accounts as at 31 December 2014

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average NAV.

K Material changes

Nil

L Soft Dollars, Commissions or Arrangements

Nil

TMLS SINGAPORE CASH FUND

For The Financial Period from 15 August 2014 to 31 December 2014

Income Statement

	2014
	S\$
Income	
Realised gain from sale of investments	-
Fund expense subsidy	-
	<hr/>
	-
	<hr/>
Expenses	
Management fees	-
Fund charges	-
	<hr/>
	-
	<hr/>
Net Income For The Year	<hr/>
	-
	<hr/>

Balance Sheet

	Notes	2014 S\$
Capital Account		
Value of the fund at the beginning of the year		-
Amount paid into the fund for creation of units		-
Amount paid for liquidation of units		-
		<hr/>
		-
		<hr/>
Unrealised loss in value of investments		-
Net income for the year		-
Value of the fund at end of the year		-
		<hr/>
		<hr/>
Represented by:		
Current Assets		
Investments	4	-
Sundry debtors		-
Bank balances		-
		<hr/>
		-
		<hr/>
Less:		
Current Liabilities		
Sundry creditors		-
Accrued expenses		-
		<hr/>
		-
		<hr/>
		<hr/>
Net Assets		-
		<hr/>

Manager Comments

Market Review

Indian equities climbed over the year, largely on the back of election-related optimism. Initially, investors were subdued as a rout in some emerging market currencies cast a pall over the broader asset class. The Reserve Bank of India's (RBI's) January interest rate hike did not help. However, speculation that a leadership change was imminent sparked an enthusiasm for Indian stocks that swiftly turned euphoric following the landslide victory in May of the business-friendly Bharatiya Janata Party (BJP), led by Narendra Modi. Equities rose sharply in a protracted rally, driven by expectations that Modi would usher in a new investment cycle and overhaul the country's crucial yet dismal infrastructure.

The exuberance faltered slightly in the third-quarter as escalating tensions in the Middle East and the prospect of higher US interest rates rattled nerves. However, the BJP's victories in two pivotal state elections, which encouraged Modi to press ahead with much-anticipated reforms, revived sentiment for a period. Investors succumbed to widespread jitters in the last few weeks of the year, though, as oil's downward spiral and concerns over a wobbly China dampened global risk appetites.

Outlook

After almost a year of stellar growth, Indian equities have endured a recent bout of volatility, on the back of mounting global jitters over the plummeting oil price and a wobbly China. That aside, Modi could hardly have asked for a more optimistic start to the new year. Investors may lament oil's downward spiral, but it is an economic blessing for India, helping to ease inflation and take the pressure off the current account deficit. Encouragingly, this has provided the impetus the Reserve Bank needed to deliver a growth-boosting cut in interest rates.

A Fund Objectives/Strategies

TMLS India Equity Fund feeds substantially into the Aberdeen Select Portfolio - Aberdeen India Opportunities Fund ("Underlying Fund") which aims to achieve long term capital growth by investing in the Aberdeen Global - Indian Equity Fund* ("Underlying Sub-Fund").

The Underlying Sub-Fund invests at least two-thirds of its assets in equities and equity-related securities of companies with their registered office in India; of companies which have the bulk of their business activities in India; and/or, of holding companies that have the bulk of their assets in companies with their registered office in India. A wholly-owned Mauritian subsidiary is utilised by Aberdeen Global to hold all the investments of Underlying Sub-Fund.

* The Aberdeen Global - Indian Equity Fund is not authorised for public sale in Singapore.

B Investments of underlying sub-fund

	Market Value (USD)	% of NAV
i By country		
India	5,164,502,562	97.89
Others	111,409,753	2.11
ii By industry		
Financial	1,151,365,998	21.82
Information Technology	883,415,487	16.74
Consumer Staples	819,827,279	15.54
Material	800,212,655	15.17
Consumer Discretionary	512,913,278	9.72
Healthcare	356,527,271	6.76
Utilities	284,133,852	5.39
Industrial	263,047,667	4.99
Telecommunication Services	93,059,075	1.76
Others	111,409,753	2.11
iii By asset class		
Equities	5,164,502,562.00	97.89
Cash	111,409,753.04	2.11

TMLS INDIA EQUITY FUND

26 November 2014 - 31 December 2014

C Top 10 holdings of underlying sub-fund

	2014	
	Market Value (USD)	% of NAV
HDFC	467,387,563	8.86
Tata Consultancy Services	376,615,580	7.14
ICICI Bank	346,617,835	6.57
Infosys	337,833,091	6.40
Bosch	286,863,040	5.44
ITC	254,505,543	4.82
Hero MotoCorp	226,050,238	4.28
Hindustan Unilever	202,383,933	3.84
Godrej Consumer Products	185,314,272	3.51
Ambuja Cements	180,629,017	3.42

D Exposure to Derivatives

The investment manager confirms there is no derivatives position in the fund.

E Investments in Collective Investment Schemes

	2014	
	Market Value	% of NAV
Aberdeen India Opportunities Fund	-	-
Cash and Others	1,112	100.00

F Borrowings

Not applicable

G Total Subscriptions and Redemptions

	S\$
Total amount of subscriptions	1,111
Total amount of redemptions	-

H Fund Performance vs Benchmark

	Fund %	Benchmark %
Since inception - 10 Dec 2014 (annualised)	NA	(29.89)

Source: Lipper, based on percentage growth, calculated on a NAV to NAV basis with gross income reinvested.

I Expense ratios 2014

Local Fund*	0.66%
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Underlying Fund:

Aberdeen India Opportunities Fund**	1.59%
-------------------------------------	-------

* include underlying fund expense ratio

** based on audited accounts as at 30 September 2014

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fees, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines.

J Turnover ratios 2014

Local Fund	-
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Underlying Fund:

Aberdeen India Opportunities Fund**	15.58%
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** based on audited accounts as at 30 September 2014

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average NAV.

K Material changes

Nil

L Soft Dollars, Commissions or Arrangements

Nil

TMLS INDIA EQUITY FUND

For The Financial Period from 26 November 2014 to 31 December 2014

Income Statement

	2014
	S\$
Income	
Fund expense subsidy	<u>2</u>
	<u>2</u>
Expenses	
Management fees	<u>1</u>
	<u>1</u>
Net Income For The Year	<u>1</u>

Balance Sheet

	Notes	2014 S\$
Capital Account		
Value of the fund at the beginning of the year		-
Amount paid into the fund for creation of units		1,111
Amount paid for liquidation of units		-
		<u>1,111</u>
Unrealised gain in value of investments		-
Net income for the year		1
Value of the fund at end of the year		<u>1,112</u>
Represented by:		
Current Assets		
Investments	4	-
Sundry debtors		-
Bank balances		1,113
		<u>1,113</u>
Less:		
Current Liabilities		
Sundry creditors		-
Accrued expenses		1
		<u>1</u>
Net Assets		<u>1,112</u>

Manager Comments

Market Review

Emerging market equities fell during the year. Concerns over a slowdown in Chinese economic growth and worries about earlier-than-anticipated interest rates hikes by the US Federal Reserve hurt investor sentiment. A decline in the price of oil and other raw materials also impacted commodity-exporting emerging markets in the last quarter. Russian stocks fell due to escalating geopolitical tensions on account of Moscow's annexation of Crimea. In Asia, however, Chinese equities advanced as the government reiterated its commitment to reforms.

Portfolio Review

The fund outperformed the index over the period, largely due to stock selection in the consumer discretionary sector. The underweight stance in the energy and materials sectors also contributed to relative performance. From a country perspective, selected holdings in India and South Africa aided returns. Within consumer discretionary, the exposure to South Africa-based media company Naspers enhanced gains, driven by the performance of its ecommerce and internet businesses. More recently, news of Naspers' joint venture with another media company to expand their online classified business in key emerging countries supported its share price. In the information technology sector, the holding in Chinese internet company NetEase added value on the back of its gaming and advertising businesses. The allocation to Chinese automobile website operator Bitauto Holdings also enhanced gains owing to its strong market position and robust cost controls. Meanwhile, shares in India-based HDFC Bank rose as an improving economic backdrop in the country is likely to support the company going forward.

Outlook/Fund Positioning/Strategy:

Emerging market consumers are likely to continue to benefit from rising disposable incomes, improving communications and infrastructure for the foreseeable future. As a result, the fund has significant exposure to consumer stocks such as media company Naspers, which is likely to gain from rising internet penetration. The declines in commodity prices, while detrimental to net commodity exporters, will provide an additional fillip to developing market consumers as living costs ease. This development also explains the fund's underweight position in energy and materials.

TMLS GLOBAL EMERGING MARKETS EQUITY FUND

26 November 2014 - 31 December 2014

A Fund Objectives/Strategies

TMLS Global Emerging Markets Equity Fund feeds substantially into the Fidelity Funds - Emerging Markets Fund (A-SGD) (the "Underlying Fund"), which aims to provide long term capital growth through investing principally in areas experiencing rapid economic growth including countries in Latin America, South East Asia, Africa, Eastern Europe (including Russia) and the Middle East.

* The underlying fund is registered under the restricted foreign scheme in Singapore.

B Investments of underlying fund

	Market Value	% of NAV
i By country		
India	883,866,292	17.10
South Africa	845,617,108	16.36
China	781,523,880	15.12
South Korea	453,304,525	8.77
Hong Kong	334,421,925	6.47
USA	332,871,282	6.44
Taiwan	330,286,878	6.39
Brazil	241,900,248	4.68
Indonesia	191,762,804	3.71
Nigeria	154,547,381	2.99
Others	618,706,405	11.97
ii By industry		
Consumer Discretionary	1,513,944,076	29.29
Financial	1,403,331,570	27.15
Information Technology	1,003,265,774	19.41
Consumer Staples	568,052,079	10.99
Health Care	244,484,653	4.73
Industrial	154,547,381	2.99
Telecommunication Services	136,456,550	2.64
Material	43,417,993	0.84
Energy	38,766,065	0.75
Utilities	9,303,856	0.18
Others	53,238,730	1.03
iii By asset class		
Equities	5,115,569,998	98.97
Cash	53,238,730	1.03

TMLS GLOBAL EMERGING MARKETS EQUITY FUND

26 November 2014 - 31 December 2014

C Top 10 holdings of underlying fund

	2014	
	Market Value	% of NAV
Naspers (N)	434,331,180	8.41
HDFC Bank	216,863,090	4.19
Taiwan Semiconductor Manufacturing	208,349,966	4.03
NetEase	191,244,544	3.70
AIA Group	180,600,292	3.50
Cognizant Technology Solutions (A)	179,160,211	3.47
Steinhoff International Holdings	164,037,881	3.18
Bank Rakyat Indonesia	147,132,727	2.85
Kroton Educacional SA	144,064,489	2.79
Tata Motors	141,116,343	2.74

D Exposure to Derivatives

The investment manager confirms there is no derivatives position in the fund.

E Investments in Collective Investment Schemes

	2014	
	Market Value	% of NAV
Fidelity Funds - Emerging Markets Fund (A-SGD)	7,659	99.97
Cash and Others	2	0.03

F Borrowings

Not applicable

G Total Subscriptions and Redemptions

	S\$
Total amount of subscriptions	7,575
Total amount of redemptions	-

H Fund Performance vs Benchmark

	Fund	Benchmark
	%	%
Since inception - 18 Dec 2014 (annualised)	NA	3.28

Source: FIL Limited, as at 31 December 2014. Past performance is not indicative of future performance.

TMLS GLOBAL EMERGING MARKETS EQUITY FUND

26 November 2014 - 31 December 2014

I Expense ratios 2014

Local Fund*	1.26%
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Underlying Fund:

Fidelity Funds - Emerging Markets Fund (A-SGD)**	1.95%
--	-------

* include underlying fund expense ratio

** based on audited accounts as at 30 April 2014

Expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fees, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received.

The expense ratio is calculated in accordance with the Investment Management Association of Singapore's guidelines.

J Turnover ratios 2014

Local Fund	113.54%
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Underlying Fund:

Fidelity Funds - Emerging Markets Fund (A-SGD)**	118.80%
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** based on audited accounts as at 30 April 2014

The turnover ratio means the number of times per year that a dollar of assets is reinvested. It is calculated based on the lesser of purchases or sales for the 12 months preceding the reporting date expressed as percentage of the daily average NAV.

K Material changes

Nil

L Soft Dollars, Commissions or Arrangements

Nil

TMLS GLOBAL EMERGING MARKETS EQUITY FUND

For The Financial Period from 26 November 2014 to 31 December 2014

Income Statement

	2014
	S\$
Income	
Fund expense subsidy	5
	<u>5</u>
Expenses	
Management fees	3
Fund charges	-
	<u>3</u>
Net Income For The Year	<u>2</u>

Balance Sheet

	Notes	2014 S\$
Capital Account		
Value of the fund at the beginning of the year		-
Amount paid into the fund for creation of units		7,575
Amount paid for liquidation of units		-
		<u>7,575</u>
Unrealised gain in value of investments		84
Net income for the year		2
Value of the fund at end of the year		<u>7,661</u>
Represented by:		
Current Assets		
Investments	4	7,659
Sundry debtors		3
Bank balances		656
		<u>8,318</u>
Less:		
Current Liabilities		
Sundry creditors		654
Accrued expenses		3
		<u>657</u>
Net Assets		<u>7,661</u>

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2014

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

1 General

The TMLS Asian Equity Fund, TMLS Global Equity Fund, TMLS Global Balanced Fund, TMLS Global Bond Fund, TMLS China Equity Fund, TMLS Singapore Bond Fund, TMLS Singapore Equity Fund, TMLS India Equity Fund and TMLS Global Emerging Markets Equity Fund were launched by Tokio Marine Life Insurance Singapore Ltd. ('the Company') as investment-linked policy sub-funds (ILP Sub-Fund) for offering to its policyholders. The TMLS Asian Equity Fund, TMLS Global Equity Fund, TMLS Singapore Equity Fund and TMLS India Equity Fund are managed by Aberdeen Asset Management Asia Limited, TMLS Global Balanced Fund and TMLS Global Bond Fund are managed by Deutsche Asset Management (Asia) Limited, TMLS China Equity Fund is managed by Schroder Investment Management (Singapore) Limited, TMLS Singapore Bond Fund and TMLS Singapore Cash Fund are managed by Western Asset Management Company Pte Limited while TMLS Global Emerging Markets Equity Fund is managed by FIL Fund Management Limited. The Company has appointed the fund managers to manage these funds on its behalf within the investment mandate given to them.

The administrator and custodian of the funds are Citibank, N.A. Singapore and DBS Bank Limited, who are responsible for administering and safekeeping the asset of the funds.

2 Tokio Marine Life Insurance Singapore Ltd. Investment Funds

As at 31 December 2014, the company had the following underlying investments:

<u>Sub - Fund</u>	<u>Underlying Investment</u>
TMLS Asian Equity Fund	Aberdeen Pacific Equity Fund
TMLS Global Equity Fund	Aberdeen Global Opportunities Fund
TMLS Global Balanced Fund	DWS Premier Select Trust Fund
TMLS Global Bond Fund	DWS Lion Bond Fund
TMLS China Equity Fund	Schroder China Opportunities Fund
TMLS Singapore Equity Fund	Aberdeen Singapore Equity Fund
TMLS Singapore Bond Fund	Legg Mason Western Asset Singapore Bond Fund Class A
TMLS Singapore Cash Fund	Legg Mason Western Asset Singapore Dollar Fund Class B
TMLS India Equity Fund	Aberdeen Global - Indian Equity Fund
TMLS Global Emerging Markets Equity Fund	Fidelity Funds - Emerging Markets Fund (A-SGD)

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2014

3 Summary of Significant Accounting Policies

(a) Basis of preparation

The financial statements (expressed in Singapore dollars), are prepared in accordance with the historical cost convention, as modified by the revaluation of investments.

For the purposes of preparation of these financial statements, the basis used for calculating the ratio of expenses and portfolio turnover ratio are in accordance with the guidelines issued by the Investment Management Association of Singapore and the Code of Collective Investment Schemes (under the Securities and Futures Act (Chapter 289)).

(b) Investments

Purchases of investments are recognised on the trade date and are initially recorded at fair value. Investments are subsequently carried at fair value based on the current market quoted net asset value of the underlying funds at the balance sheet date. Net change in fair value of investments are recognised in the Capital Account. Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales of investments are recognised in the Capital Account.

(c) Revenue and expense recognition

Revenue and expenses are recognised on an accrual basis. Dividends are recognised when the right to receive the payment is established. Interest income is recognised on the time proportion basis using the effective interest method.

(d) Foreign currencies

Foreign currency monetary assets and liabilities are translated at exchange rates prevailing at balance sheet date. Foreign currency transactions are translated at exchange rates prevailing on transaction dates. Differences in exchange are included in the Income Statement.

4 Investments

	2014 S\$	2013 S\$
TMLS Asian Equity Fund		
Investments, at cost	18,301,524	16,092,053
Appreciation in value	8,019,937	6,983,887
Investments, at market value	26,321,461	23,075,940
TMLS Global Equity Fund		
Investments, at cost	1,998,284	1,857,962
Appreciation in value	325,511	269,031
Investments, at market value	2,323,795	2,126,993

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2014

	2014 S\$	2013 S\$
TMLS Global Balanced Fund		
Investments, at cost	9,818,612	7,748,656
Appreciation in value	1,143,046	740,975
Investments, at market value	10,961,658	8,489,631
TMLS Global Bond Fund		
Investments, at cost	625,182	222,936
Appreciation in value	11,285	8,271
Investments, at market value	636,467	231,207
TMLS China Equity Fund		
Investments, at cost	123,853	28,170
Appreciation in value	12,251	5,119
Investments, at market value	136,104	33,289
TMLS Singapore Equity Fund		
Investments, at cost	1,172,000	-
Appreciation in value	20,563	-
Investments, at market value	1,192,563	-
TMLS Singapore Bond Fund		
Investments, at cost	360,829	-
Appreciation in value	394	-
Investments, at market value	361,223	-
TMLS Singapore Cash Fund		
Investments, at cost	-	-
Appreciation in value	-	-
Investments, at market value	-	-
TMLS India Equity Fund		
Investments, at cost	-	-
Appreciation in value	-	-
Investments, at market value	-	-
TMLS Global Emerging Markets Equity Fund		
Investments, at cost	7,575	-
Appreciation in value	84	-
Investments, at market value	7,659	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2014

5 Related party disclosures

The funds consider Tokio Marine Life Insurance Singapore Ltd., its immediate holding company, Asia General Holdings Limited, its ultimate holding company, Tokio Marine Holdings Inc. and their subsidiaries and associated companies as related companies. The transactions between the fund and the related companies have been summarised below.

Included in the Capital Account are the following units held by the related companies:

	2014 S\$	2013 S\$
TMLS Asian Equity Fund		
Management fees payable to Tokio Marine Life Insurance Singapore Ltd.	152,574	146,725
Fund subsidy provided by Tokio Marine Life Insurance Singapore Ltd.	332,094	287,068
TMLS Global Equity Fund		
Management fees payable to Tokio Marine Life Insurance Singapore Ltd.	13,700	12,678
Fund subsidy provided by Tokio Marine Life Insurance Singapore Ltd.	35,697	33,914
TMLS Global Balanced Fund		
Management fees payable to Tokio Marine Life Insurance Singapore Ltd.	57,575	52,793
Fund subsidy provided by Tokio Marine Life Insurance Singapore Ltd.	91,803	90,275
TMLS Global Bond Fund		
Management fees payable to Tokio Marine Life Insurance Singapore Ltd.	1,941	1,484
Fund subsidy provided by Tokio Marine Life Insurance Singapore Ltd.	11,776	16,157

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2014

	2014 S\$	2013 S\$
TMLS China Equity Fund		
Management fees payable to Tokio Marine Life Insurance Singapore Ltd.	281	321
Fund subsidy provided by Tokio Marine Life Insurance Singapore Ltd.	13,773	10,586
TMLS Singapore Equity Fund		
Management fees payable to Tokio Marine Life Insurance Singapore Ltd.	1,505	-
Fund subsidy provided by Tokio Marine Life Insurance Singapore Ltd.	4,188	-
TMLS Singapore Bond Fund		
Management fees payable to Tokio Marine Life Insurance Singapore Ltd.	259	-
Fund subsidy provided by Tokio Marine Life Insurance Singapore Ltd.	914	-
TMLS Singapore Cash Fund		
Management fees payable to Tokio Marine Life Insurance Singapore Ltd.	-	-
Fund subsidy provided by Tokio Marine Life Insurance Singapore Ltd.	-	-
TMLS India Equity Fund		
Management fees payable to Tokio Marine Life Insurance Singapore Ltd.	-	-
Fund subsidy provided by Tokio Marine Life Insurance Singapore Ltd.	2	-
TMLS Global Emerging Markets Equity Fund		
Management fees payable to Tokio Marine Life Insurance Singapore Ltd.	1	-
Fund subsidy provided by Tokio Marine Life Insurance Singapore Ltd.	5	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2014

6 Bid and Offer value per unit

2014

2013

TMLS Asian Equity Fund		
The number of units in issue	7,770,803	7,288,745
The bid value per unit	S\$3.4457	S\$3.2206
The offer value per unit	S\$3.6271	S\$3.3901
TMLS Global Equity Fund		
The number of units in issue	2,192,883	2,111,515
The bid value per unit	S\$1.0807	S\$1.0290
The offer value per unit	S\$1.1376	S\$1.0832
TMLS Global Balanced Fund		
The number of units in issue	9,369,998	7,623,072
The bid value per unit	S\$1.1801	S\$1.1237
The offer value per unit	S\$1.2422	S\$1.1828
TMLS Global Bond Fund		
The number of units in issue	625,751	230,860
The bid value per unit	S\$1.0196	S\$1.0000
The offer value per unit	S\$1.0733	S\$1.0526
TMLS China Equity Fund		
The number of units in issue	114,222	29,583
The bid value per unit	S\$1.222	S\$1.1239
The offer value per unit	S\$1.2863	S\$1.1831
TMLS Singapore Equity Fund		
The number of units in issue	1,301,490	-
The bid value per unit	S\$0.9449	-
The offer value per unit	S\$0.9946	-

NOTES TO THE FINANCIAL STATEMENTS

For The Financial Year Ended 31 December 2014

	2014	2013
TMLS Singapore Bond Fund		
The number of units in issue	383,524	-
The bid value per unit	S\$0.9562	-
The offer value per unit	S\$1.0065	-
TMLS Singapore Cash Fund		
The number of units in issue	-	-
The bid value per unit	S\$0.9500	-
The offer value per unit	S\$1.0000	-
TMLS India Equity Fund		
The number of units in issue	1,170	-
The bid value per unit	S\$0.9504	-
The offer value per unit	S\$1.0004	-
TMLS Global Emerging Markets Equity Fund		
The number of units in issue	7,940	-
The bid value per unit	S\$0.9648	-
The offer value per unit	S\$1.0156	-

7 Comparatives

The following funds have no comparatives as this is the first set of audited financial statements since they were launched.

<u>Sub-Fund</u>	<u>Launch Date</u>
TMLS Singapore Equity Fund	15 August 2014
TMLS Singapore Bond Fund	15 August 2014
TMLS Singapore Cash Fund	15 August 2014
TMLS India Equity Fund	26 November 2014
TMLS Global Emerging Markets Equity Fund	26 November 2014

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of TMLS Asian Equity Fund, TMLS Global Equity Fund, TMLS Global Balanced Fund, TMLS Global Bond Fund, TMLS China Equity Fund, TMLS Singapore Equity Fund, TMLS Singapore Bond Fund, TMLS Singapore Cash Fund, TMLS India Equity Fund and TMLS Global Emerging Markets Equity Fund (collectively known as the "Funds") which comprise the balance sheet as at 31 December 2014, the income statement for the financial period ended 31 December 2014 and Notes to Financial Statements respectively set out on pages 10 to 11, 18 to 19, 24 to 25, 33 to 34, 42 to 43, 49 to 50, 56 to 57, 63 to 64, 69 to 70 and 75 to 76 and 77 to 83 (the "Statements"). The Statements have been prepared by management based on the summary of significant accounting policies set out in Note 3. The Statements do not include the Manager Comments and Fund report in respect of each fund incorporated within pages 4 to 83, which have not been subject to our audit.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the Statements in accordance with the accounting policies disclosed in Note 3. This includes determining that these accounting policies form an acceptable basis for the preparation of the Statements in the circumstances, and for such internal control as management determines is necessary to enable preparation of the Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 about whether the Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the 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 control. An audit also includes evaluating the appropriateness of the

INDEPENDENT AUDITOR'S REPORT

accounting policies used and the reasonableness of the accounting estimates made by management as well as evaluating the overall presentation of the Statements.

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 Statements are prepared, in all material respects, in accordance with the accounting policies set out in Note 3.

Basis of accounting and Restriction of Distribution and Use

Without modifying our opinion, we draw attention to Note 3 to the Statements, which describes the basis of accounting. The Statements are prepared to assist the Company to comply with MAS Notice 307 Investment Linked Life Insurance Policies. As a result, the Statements may not be suitable for another purpose.

Our report is intended solely for the use of the Company and our duties are owed solely to the Company. We do not accept responsibility and we expressly disclaim liability for loss occasioned to any third party acting or refraining from acting as a result of our report.

Other Matters

This report relates solely to the financial statements of the Funds of the Company and does not extend to the financial statements of the Company taken as a whole.

Public Accountants and Chartered Accountants

Singapore, 18 March 2015

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