



**BOS WEALTH
MANAGEMENT**

A subsidiary of Bank of Singapore

PACIFIC ASIA BRANDS FUND

INTERIM REPORT

For the six months ended 30 September 2020

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FUND INFORMATION
As At 30 September 2020

Name Of Fund : Pacific Asia Brands Fund

Manager Of Fund : BOS Wealth Management Malaysia Berhad
(formerly known as Pacific Mutual Fund Bhd)
199501006861 (336059-U)

Launch Date : 20 January 2006

The Fund will continue its operations until terminated as provided under Part 12 of the Deed.

Category Of Fund : Equity

Type Of Fund : Growth

Investment Objective : Pacific Asia Brands Fund aims to provide high capital growth in the medium* to long term* by investing in a portfolio of listed companies that have strong brand equity in the Asian region.

* *Medium term is defined as a period of one to three years, and long term is a period of more than three years.*

Performance Benchmark : Composite benchmark:
Since inception to 20 November 2007
50% MSCI All Countries World Consumer Staples Local Index (MSCLCSTA)
50% MSCI All Countries World Consumer Discretionary Local Index (MSCLCDIS)

21 November 2007 onwards
50% MSCI All Countries World Consumer Staples USD Index (MSCUCSTA)
50% MSCI All Countries World Consumer Discretionary USD Index (MSCUCDIS)

Distribution Policy : Income, if any, will be distributed annually.

Fund Size : 13.54 million units

Breakdown Of Unitholdings	Size Of Holdings	No. Of Unitholders	% Of Unitholders	No. Of Units (million)
	5,000 units & below	97	19.76	0.26
	5,001-10,000 units	87	17.72	0.63
	10,001-50,000 units	239	48.68	5.56
	50,001-500,000 units	68	13.84	7.09
	500,001 units & above	0	0.00	0.00
	Total	491	100.00	13.54

FUND PERFORMANCE

Financial Highlights

Category	As At 30.9.2020	As At 31.3.2020	As At 31.3.2019	As At 31.3.2018
Quoted Equity Securities	%	%	%	%
Banks	-	-	2.00	-
Capital Goods	-	-	-	1.86
Consumer Services	-	-	-	0.95
Health Care Equipment & Services	-	-	2.71	-
Household & Personal Products	-	1.80	-	-
Media & Entertainment	2.79	1.76	-	-
Real Estate	-	-	-	4.02
Retailing	-	-	5.10	-
Transportation	-	-	-	1.87
Foreign Equity Securities:				
- Australia	-	-	-	4.35
- Germany	2.50	6.07	2.05	3.63
- Great Britain	9.10	6.85	7.76	6.70
- Hong Kong	23.44	26.81	17.98	10.20
- Indonesia	-	3.62	3.54	1.58
- Japan	-	-	3.02	4.64
- Singapore	17.43	10.14	12.25	16.52
- South Korea	-	-	1.90	1.54
- Thailand	-	1.95	-	2.46
- United States of America	32.42	30.72	33.27	20.72
	87.68	89.72	91.58	81.04
Collective Investment Scheme	-	-	-	2.45
Cash And Liquid Assets	12.32	10.28	8.42	16.51
Total	100.00	100.00	100.00	100.00
Net Asset Value (RM'000)	5,314	5,511	7,916	8,240
Number Of Units In Circulation (Units '000)	13,544	16,133	19,145	19,523
Net Asset Value Per Unit (RM)	0.3924	0.3416	0.4135	0.4221
Management Expense Ratio ("MER") ¹	1.15%	2.03%	1.95%	2.31%
Portfolio Turnover Ratio (times)	0.83	2.76	2.99	2.74

The Management Expense Ratio for the current interim period is higher due to a lower percentage of decrease in expenses compared with the average net asset value attributable to unitholders. (30 September 2019: 1.01%)

¹ The MER does not include brokerage and other transaction fees.

The Portfolio Turnover Ratio for the current interim period is lower due to decrease in investing activities. (30 September 2019: 1.33 times)

Notes:

The net asset value per unit of the Fund is largely determined by market factors. Therefore past performance figures shown are only a guide and should not be taken as indicative of future performance. Net asset value per unit and investment returns may go up or down.

Performance Data

	<u>Pacific Asia Brands Fund</u>		<u>Composite Benchmark[#]</u>	
	Total Return	Average Annual Return	Total Return	Average Annual Return
6 Months' Period (1.4.2020 to 30.9.2020)	14.87%	-	27.43%	-
1 Year's Period (1.4.2019 to 31.3.2020)	-17.41%	-17.41%	-4.80%	-4.80%
3 Years' Period (1.4.2017 to 31.3.2020)	-28.22%	-9.41%	-2.40%	-0.80%
5 Years' Period (1.4.2015 to 31.3.2020)	-13.98%	-2.80%	24.53%	4.91%

	1.4.2020 to 30.9.2020	1.4.2019 to 31.3.2020	1.4.2018 to 31.3.2019	1.4.2017 to 31.3.2018	1.4.2016 to 31.3.2017	1.4.2015 to 31.3.2016
Pacific Asia Brands Fund						
- Capital Return	14.87%	-17.41%	-2.04%	-11.28%	28.83%	-6.98%
- Income Return	-	-	-	-	-	-
- Total Return	14.87%	-17.41%	-2.04%	-11.28%	28.83%	-6.98%
Composite Benchmark [#]	27.43%	-4.80%	7.84%	-4.93%	20.00%	6.32%

	1.4.2020 to 30.9.2020	1.4.2019 to 31.3.2020	1.4.2018 to 31.3.2019	1.4.2017 to 31.3.2018
Unit Prices				
Highest NAV (RM)	0.4190	0.4556	0.4443	0.4774
Lowest NAV (RM)	0.3348	0.3017	0.3831	0.4211
Distributions				
Gross Distribution Per Unit (sen)	- (30.9.2020)	- (31.3.2020)	- (29.3.2019)	- (30.3.2018)
Net Distribution Per Unit (sen)	- (30.9.2020)	- (31.3.2020)	- (29.3.2019)	- (30.3.2018)
Unit Splits	-	-	-	-

[#] The benchmark returns are adjusted by the movement of Ringgit Malaysia against foreign currencies.

Notes:

- All figures pertaining to the Fund's return were extracted from Lipper.
- The net asset value per unit of the Fund is largely determined by market factors. Therefore past performance figures shown are only a guide and should not be taken as indicative of future performance. Net asset value per unit and investment returns may go up or down.

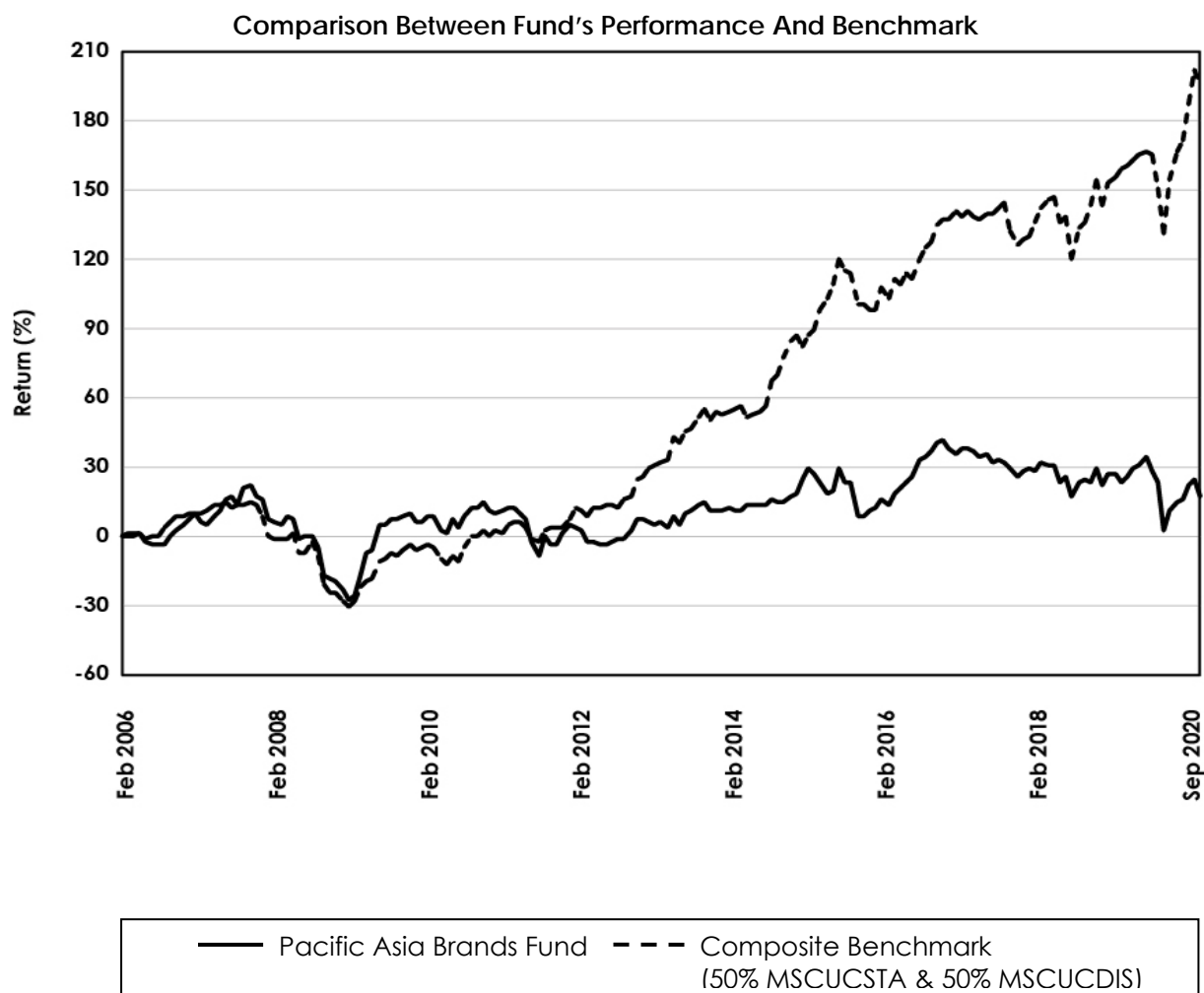
MANAGER'S REPORT

30 September 2020

Performance Review

From 10 February 2006 (date of launch: 20 January 2006) to 30 September 2020, the Pacific Asia Brands Fund registered a total return of 18.54%, while its composite benchmark (50% MSCI All Countries World Consumer Staples USD Index [MSCUCSTA] and 50% MSCI All Countries World Consumer Discretionary USD Index [MSCUCDIS]), rose 201.62%.

For the interim period under review (1 April 2020 to 30 September 2020), the Fund registered a total return of 14.87%. In comparison, its benchmark rose 27.43%.



Source: Lipper

Notes:

The benchmark returns are adjusted by the movement of Ringgit Malaysia against foreign currencies.

Investment Strategy Review

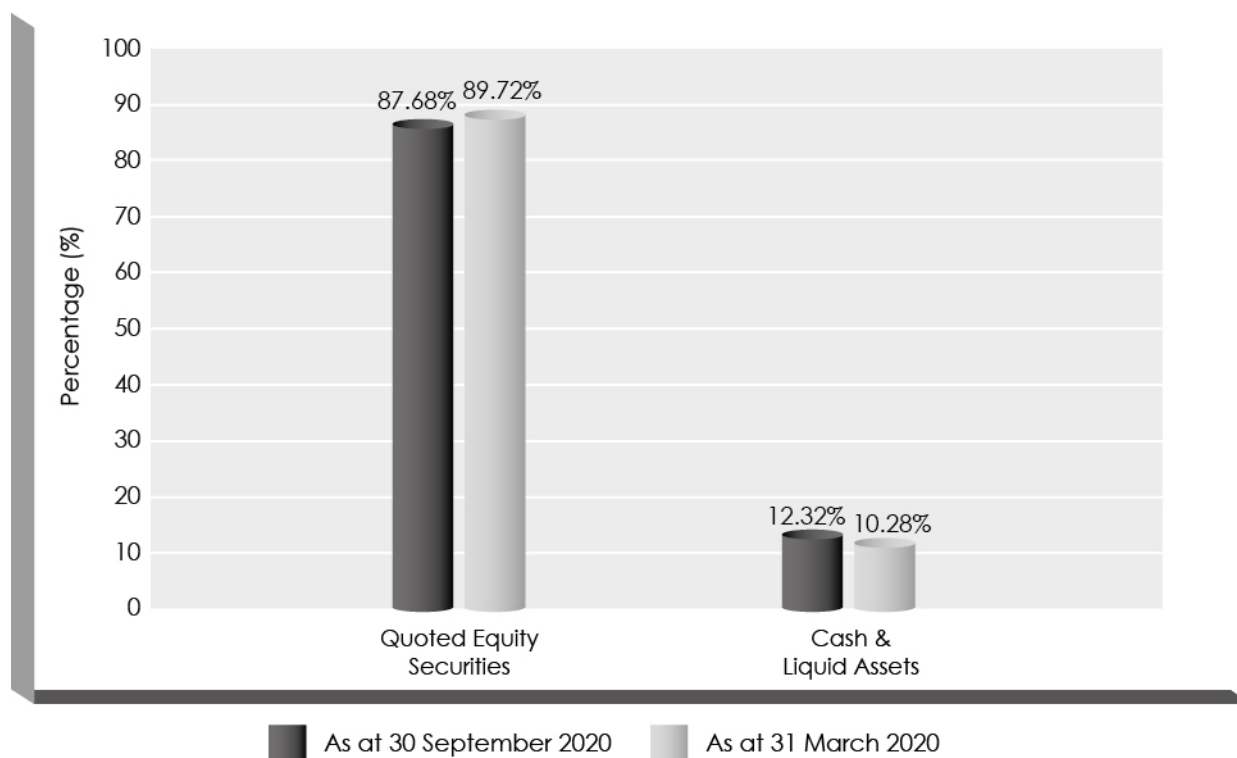
The Pacific Asia Brands Fund started the interim period under review with an equity exposure below 87% but gradually bought into market dips as a wave of fiscal and monetary stimulus in major economies limited the economic fall out of the COVID-19 pandemic.

In particular, the Fund topped up on stocks in Technology, Communications, Consumer Discretionary and Consumer Staples that were trading at attractive valuations. Equity exposure was raised to 89% at end-May 2020 and was maintained at an average 88% throughout June to July 2020 as market sentiment remained positive. However, the Fund cut equity exposure to 83.7% at end-August 2020 as valuations hit lofty levels (+3SD to mean 10 year PE) for US and Asian stocks.

For the interim period under review, average equity exposure was at 87.1%.

In the near term, both fiscal and monetary policies remain supportive of global economies. However, following the sharp market rallies since March 2020, valuations are demanding especially in the US, with investors pricing in a V-shaped recovery. Yet, continued escalation in COVID-19 cases in US, Europe and selected Asian countries suggest that growth may be uneven, while US elections and Brexit risk may add to market volatility. Given potential downside risks, the Fund will continue to trim its equity exposure on strength.

Asset Allocation



The quoted equity securities allocation of Pacific Asia Brands Fund decreased to 87.68% as at 30 September 2020 from 89.72% recorded at the beginning of the interim period under review due to net equity sales that were marginally offset by net redemption outflows.

Analysis Of Net Asset Value

The net asset value (NAV) per unit of Pacific Asia Brands Fund increased from RM0.3416 to RM0.3924 during the interim period under review. Meanwhile, total NAV of the Fund decreased from RM5,510,649 to RM5,314,313 mainly due to net outflow of funds.

Market Review

Review Of Global Markets

Global markets rebounded 20% in the first quarter supported by a boost in global liquidity and optimism surrounding a speedy economic recovery as global lockdown measures ease. Early in the quarter, economic data released showed investors the extent of the damage caused by the pandemic. US unemployment benefit claims increased to 30.3 million in the week ending 25 April or 18.6% of the US labour force and the flash reading of Eurozone Markit composite PMI in the month of April 2020 plunged to an all-time low of 29.7 in March 2020 from 51.6 in February 2020. However, markets continue to trend higher despite the negative data due to ample fiscal support and notably loose liquidity conditions. The reopening of economies further boosted investor's confidence as economic data released started to show improvements giving hope for a meaningful rebound in the first quarter.

The rally continued into the second quarter as it gained 8% on the back of loose monetary policy, progress in COVID-19 vaccine development and synchronised economic recovery. Markets continued to climb higher earlier in the quarter as economic data posted by major economies showed signs of recovery. The Federal Reserve (Fed) kept its dovish stance as they signalled that interest rates could be persistently low under the possibility that they would let inflation exceed its target figure. In Europe, PMI reading continues to improve for the third consecutive month. The European Central Bank (ECB) also unveiled a new 750 billion Euro fiscal stimulus package and its accommodative monetary policy. Unsurprisingly, China's recovery was ahead of its peers as it was the quickest to recover from the COVID-19, hence the Chinese equity markets saw a sturdy inflow of capital. Unfortunately, markets begin to pull back in September 2020. The US equities gave up its 5-month winning streak amidst a rising number of COVID-19 cases and the looming presidential elections. Economic data released also indicated a recovery less speedy than hoped for. Crucially, investors were also discouraged by the failure of Congress to pass an additional stimulus bill, as partisan friction was increased by skewed incentives created by the nearing elections in November 2020. Over in Europe, a pullback was similarly observed alongside rising COVID-19 cases and moderating economic data. China produced the most convincing appearance of a continued economic recovery but tension between the US and China continued to escalate after the US administration curb exports to Chinese largest chipmaker SMIC. This was after forcing the sale of social media app TikTok under national security concerns. How US-China relations develop in the foreseeable future is perceived to be also contingent on the results of the US elections, but pundits do not generally expect a major easing of restrictions even if the Trump administration is replaced.

Income Distribution Nil

Unit Split Nil

Significant Changes In The State Of Affairs Of The Fund Nil

Circumstances That Materially Affect Interest Of Unitholders Nil

Soft Commissions

During the interim period under review, the Fund has received soft commissions from brokers. Soft commissions received from brokers are retained by the Manager for purchasing goods and services which are of demonstrable benefit to the unitholders and in the form of research and advisory services that assist in the decision-making process relating to the investment of the Fund such as research materials, data and quotation services, computer software, investment advisory services, and investment related publications.

**TRUSTEE'S REPORT
TO THE UNIT HOLDERS OF PACIFIC ASIA BRANDS FUND**

We, **CIMB Commerce Trustee Berhad** being the trustee for **Pacific Asia Brands Fund** ("the Fund"), are of the opinion that **BOS Wealth Management Malaysia Berhad (formerly known as Pacific Mutual Fund Bhd)** ("the Manager"), acting in the capacity as the Manager of the Fund, has fulfilled its duties in the following manner for the six months ended 30 September 2020.

- a) The Fund has been managed in accordance with the limitations imposed on the investment powers of the Manager under the Deeds, the Securities Commission Malaysia's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 (as amended from time to time) and other applicable laws;
- b) Valuation and pricing for the Fund has been carried out in accordance with the Deeds and relevant regulatory requirements; and
- c) Creation and cancellation of units have been carried out in accordance with the Deeds and relevant regulatory requirements.

For and on behalf of
CIMB Commerce Trustee Berhad



Lee Kooi Yoke
Chief Executive Officer

Kuala Lumpur, Malaysia
02 November 2020

PACIFIC ASIA BRANDS FUND

STATEMENT BY THE MANAGER

We, **Teh Chi-cheun** and **Tan Ai Chin**, being two of the Directors of **BOS Wealth Management Malaysia Berhad (formerly known as Pacific Mutual Fund Bhd)** do hereby declare that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 10 to 32 are prepared in accordance with the requirements of the Deeds, Malaysian Financial Reporting Standards, International Financial Reporting Standards and Securities Commission's Guidelines on Unit Trust Funds in Malaysia so as to give a true and fair view of the financial position of **Pacific Asia Brands Fund** as at 30 September 2020 and of its results, changes in net asset value and cash flows for the interim period then ended.

Signed on behalf of the Manager in accordance with a resolution of the Directors



TEH CHI-CHEUN



TAN AI CHIN

Kuala Lumpur, Malaysia
2 November 2020

PACIFIC ASIA BRANDS FUND

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020**

	Note	30.9.2020 RM	31.3.2020 RM
ASSETS			
Investments	3	4,659,692	4,944,180
Dividend receivable		8,284	15,949
Interest receivable		-	13
Amount due from brokers/dealers	7	121,348	122,279
Cash and cash equivalents	5	687,597	539,683
TOTAL ASSETS		<u>5,476,921</u>	<u>5,622,104</u>
LIABILITIES			
Amount due to Manager	6	147,919	7,276
Amount due to brokers/dealers	7	-	87,067
Other payables		14,689	17,112
TOTAL LIABILITIES		<u>162,608</u>	<u>111,455</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>5,314,313</u>	<u>5,510,649</u>
EQUITY			
Unitholders' capital		10,683,310	11,721,275
Accumulated losses		(5,368,997)	(6,210,626)
NAV ATTRIBUTABLE TO UNITHOLDERS	14	<u>5,314,313</u>	<u>5,510,649</u>
TOTAL EQUITY AND LIABILITIES		<u>5,476,921</u>	<u>5,622,104</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)	15	<u>13,543,838</u>	<u>16,133,161</u>
NAV PER UNIT	14	<u>RM0.3924</u>	<u>RM0.3416</u>

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

PACIFIC ASIA BRANDS FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

	Note	1.4.2020 to 30.9.2020 RM	1.4.2019 to 30.9.2019 RM
INVESTMENT INCOME			
Gross dividends from financial assets at fair value through profit or loss		91,095	149,885
Interest income		1,773	4,702
Net income on investments			
- Financial assets at fair value through profit or loss		260,973	50,705
- Foreign exchange		(9,513)	62,458
Net unrealised (loss)/gain on foreign exchange		(4,366)	2,757
Net unrealised gain on changes in value of financial assets at FVTPL		620,243	64,653
		<u>960,205</u>	<u>335,160</u>
EXPENSES			
Audit fee		4,011	4,000
Tax agent's fee		1,504	1,901
Manager's fee	8	46,649	57,549
Trustee's fee	9	4,211	4,200
Custodian's fee	10	543	647
Brokerage and other transaction fees		47,479	86,833
Administration expenses		14,179	9,227
		<u>118,576</u>	<u>164,357</u>
Net income before taxation		841,629	170,803
Taxation	13	-	-
Net income after taxation		<u>841,629</u>	<u>170,803</u>
Total comprehensive income		<u>841,629</u>	<u>170,803</u>
Total comprehensive income is made up as follows:			
Realised income		225,752	103,393
Unrealised income		615,877	67,410
		<u>841,629</u>	<u>170,803</u>

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

PACIFIC ASIA BRANDS FUND

**UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020**

	Unitholders' capital RM	Accumulated losses RM	NAV attributable to unitholders RM
At 1 April 2019	12,995,344	(5,079,180)	7,916,164
Net income after taxation	-	170,803	170,803
Creation of units	37,092	-	37,092
Cancellation of units	(931,776)	-	(931,776)
At 30 September 2019	<u>12,100,660</u>	<u>(4,908,377)</u>	<u>7,192,283</u>
At 1 April 2020	11,721,275	(6,210,626)	5,510,649
Net income after taxation	-	841,629	841,629
Creation of units	50,885	-	50,885
Cancellation of units	(1,088,850)	-	(1,088,850)
At 30 September 2020	<u>10,683,310</u>	<u>(5,368,997)</u>	<u>5,314,313</u>

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

PACIFIC ASIA BRANDS FUND

UNAUDITED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

	1.4.2020 to 30.9.2020 RM	1.4.2019 to 30.9.2019 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	5,729,585	10,939,689
Purchase of investments	(4,641,949)	(9,526,995)
Dividends received	95,049	155,310
Interest received	1,786	4,731
Manager's fee paid	(46,466)	(59,052)
Trustee's fee paid	(3,519)	(4,226)
Custodian's fee paid	(543)	(647)
Payment for other fees and expenses	(41,821)	(43,420)
Net cash generated from operating and investing activities	<u>1,092,122</u>	<u>1,465,390</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	50,885	37,092
Cash paid on units cancelled	(948,390)	(925,872)
Distributions paid	-	-
Net cash used in financing activities	<u>(897,505)</u>	<u>(888,780)</u>
Net increase in cash and cash equivalents	194,617	576,610
Effect of exchange rate changes	(46,703)	(100)
Cash and cash equivalents at beginning of interim period	539,683	577,740
Cash and cash equivalents at end of interim period	<u>687,597</u>	<u>1,154,250</u>
Cash and cash equivalents comprise:		
Cash at banks	687,597	1,154,250
Deposits with licensed financial institutions	-	-
	<u>687,597</u>	<u>1,154,250</u>

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

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

30 SEPTEMBER 2020

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Pacific Asia Brands Fund (hereinafter referred to as "the Fund") was constituted pursuant to the execution of a Deed dated 28 December 2005 as amended by the First Supplemental Deed dated 28 June 2007, Supplemental Master Deed dated 22 May 2009, Second Supplemental Master Deed dated 25 June 2010 and its Third Supplemental Master Deed dated 12 July 2017 (hereinafter referred to as "the Deeds"), made between the Manager, BOS Wealth Management Malaysia Berhad and the Trustees, HSBC (Malaysia) Trustee Berhad (the Trustee prior to 1 October 2017) and CIMB Commerce Trustee Berhad (the new Trustee with effect from 1 October 2017) for the registered holders of the Fund.

The principal activity of the Fund is to invest in "Permitted Investments" as defined in the Deeds, which include stocks and shares of companies quoted on Bursa Malaysia Securities Berhad, fixed income securities, foreign securities, unlisted securities, futures contracts and any other investments approved by the Securities Commission Malaysia. The Fund was launched on 20 January 2006 and will continue its operations until terminated as provided in the Deeds.

Prior to 29 November 2019, the Manager, a company incorporated in Malaysia was a 70% owned subsidiary of Lion Global Investors Limited, a company incorporated in Singapore. The remaining 30% of the share capital of the Manager was held by Koperasi Angkatan Tentera Malaysia Bhd.

On 29 November 2019, the Manager became a wholly owned subsidiary of Bank of Singapore Limited, a private bank based in Singapore. The ultimate holding company is Oversea-Chinese Banking Corporation Limited, a public listed company incorporated in Singapore.

The principal activities of the Manager are the establishment and management of unit trust funds as well as the management of private investment mandates. The Manager received approval from the Securities Commission Malaysia to include the regulated activity of investment advice under the variation of its Capital Markets Services License on 25 October 2019. The Manager registered to be an Institutional Unit Trust Adviser with the Federation of Investment Managers Malaysia on 13 November 2019. The Manager has not commenced activities relating to investment advice and marketing and distribution of third party funds as of the end of the interim period.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.) 30 SEPTEMBER 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Fund have been prepared on a historical cost basis, except as otherwise stated in the accounting policies and comply with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS"), the Deeds and the Securities Commission Malaysia's Guidelines on Unit Trust Funds in Malaysia.

The significant accounting policies adopted are consistent with those applied in the previous financial year end except for the adoption of new MFRSs and Amendments to MFRSs which are effective for the financial year beginning on or after 1 January 2020. These new MFRSs and Amendments to MFRSs did not give rise to any significant effect on the financial statements.

The Fund will adopt the following MFRS and Amendments to MFRSs when they become effective in the respective financial periods and these MFRS and Amendments to MFRSs are not expected to have any material impact to the financial statements of the Fund upon initial application.

Standards issued but not yet effective:

	Effective dates interim periods beginning on or after
Amendments to MFRSs contained in the document entitled <i>"Annual Improvements to MFRS Standards 2018–2020"</i>	1 January 2022
Reference to the Conceptual Framework (Amendments to <i>MFRS 3 Business Combinations</i>)*	1 January 2022
<i>Property, Plant and Equipment—Proceeds before Intended Use</i> (Amendments to MFRS 116 <i>Property, Plant and Equipment</i>)*	1 January 2022
Onerous Contracts—Cost of Fulfilling a Contract (Amendments to <i>MFRS 137 Provisions, Contingent Liabilities and</i> <i>Contingent Assets</i>)	1 January 2022
Amendments to MFRS 101: Presentation of Financial Statements <i>Classification of Liabilities as Current or Non-Current</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i> *	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i> *	1 January 2023
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution</i> <i>of Assets between an Investor and its Associate or Joint</i> <i>Venture</i> *	Deferred

* These MFRS and Amendments to MFRSs are not relevant to the Fund.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(b) Functional and presentation currency

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Fund's functional currency.

(c) Foreign currency translation

Assets and liabilities denominated in foreign currencies are translated into RM at rates of exchange prevailing at the reporting date.

Transactions in foreign currencies are translated into RM at the rates of exchange ruling on the dates of transactions. Exchange differences arising are included in profit or loss.

(d) Financial instruments

The Fund recognises financial assets and financial liabilities in the statement of financial position on the date it becomes a party to the contractual provisions of the instruments.

Regular way purchase and sales of all categories of investments in financial instruments are recognised on trade dates i.e. dates on which the Fund commits to purchase or sell the financial instruments.

Financial Assets

The Fund classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss ("FVTPL") on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Financial assets at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Receivables are classified as financial assets at amortised cost. They are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These include cash and cash equivalents, amount due from Manager, brokers/dealers and other receivables.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(d) Financial instruments (Cont'd.)

Financial Assets (cont'd.)

(ii) *Financial assets at FVTPL*

A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest ("SPPI") on the principal amount outstanding; or
- (b) It is held within a business model whose objective is to sell; or
- (c) At initial recognition, it is irrevocably designated as measured at FVTPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Fund includes in this category debt instruments. These include investments that are held under a business model to manage them on a fair value basis for investment income and fair value gains.

Financial liabilities

Financial liabilities are recognised initially at fair value i.e. the consideration for goods and services received and subsequently stated at amortised cost. These include amounts due to Manager, brokers/dealers, Trustee and other payables. The difference between the proceeds and the amount payable is recognised over the period of the payable using the effective interest method.

(e) Derecognition of financial assets and liabilities

Financial assets

A financial asset is derecognised when the asset is disposed and the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liability is derecognised, and through the amortisation process.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(f) Impairment of financial assets

Credit losses are recognised based on the expected credit loss ("ECL") model. The Fund recognises loss allowances for ECL on financial instruments that are not measured at fair value through profit or loss ("FVTPL"), either on a 12-month or lifetime basis based on the significant increase in credit risk since initial recognition. The impairment model does not apply to equity investments.

Given the limited exposure of the Fund to credit risk, there is no material impact on the Fund's financial statements. For balances which are short-term in nature and with no financing component (e.g. profit receivable, dividend receivable and amount due from brokers/dealers), full impairment will be recognised on uncollected balances after the grace period exceeded.

(g) Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Dividend income is recognised when the Fund's right to receive payment is established.

Interest income, accretion of discount and amortisation of premium are recognised using the effective interest method on an accrual basis.

(h) Unrealised reserves/(deficits)

The unrealised reserves/(deficits) represent the net gain or loss arising from carrying quoted investments and fixed income securities at their fair value and are recognised in the statement of comprehensive income.

(i) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and deposits with licensed financial institutions with original maturities of 3 months or less which have an insignificant risk of changes in value.

(j) Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rate and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

(k) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(l) Unitholders' capital

Unitholders' capital meets the conditions for the definition of puttable instruments classified as equity instruments.

Distribution equalisation is accounted for on the date of creation and cancellation of units. It represents the average distributable amount included in the creation and cancellation prices of units. This amount is either refunded to unitholders by way of distribution and/or adjusted accordingly when units are cancelled.

(m) Significant accounting estimates and judgments

The preparation of financial statements in accordance with MFRS and IFRS requires the use of certain accounting estimates and exercise of judgments. Estimates and judgments are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

No major estimates or judgments have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities at the reporting date.

3. INVESTMENTS

	30.9.2020 RM	31.3.2020 RM
Financial assets at FVTPL		
- Equity securities	4,659,692	4,944,180
Total investments	<u>4,659,692</u>	<u>4,944,180</u>

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

3. INVESTMENTS (CONT'D.)

The composition of quoted investments at the reporting date is as detailed below. The industry classifications are based on MSCI's Global Industry Classification Standard.

Quantity	Name of counter	Cost RM	Fair value RM	Fair value as a % of NAV
EQUITY SECURITIES				
<u>Malaysia</u>				
Media & Entertainment				
470,600	Star Media Group Berhad	195,904	148,239	2.79
<u>Germany</u>				
Health Care Equipment & Services				
702	Fresenius SE & Co KGaA	134,443	132,619	2.50
<u>Great Britain</u>				
Banks				
8,909	Standard Chartered PLC	300,028	168,983	3.18
Energy				
3,308	Royal Dutch Shell PLC	358,346	165,664	3.12
Telecommunication Services				
27,264	Vodafone Group PLC	182,651	149,114	2.80
	Total equity securities - Great Britain	841,025	483,761	9.10
<u>Hong Kong</u>				
Banks				
70,000	Bank of China Limited	117,758	90,082	1.70
Consumer Services				
	Wisdom Education International			
74,000	Holdings Co Ltd.	131,813	115,068	2.16
23,400	Wynn Macau, Limited	186,196	155,082	2.92
		318,009	270,150	5.08
Energy				
	China Petroleum & Chemical			
106,000	Corporation	330,699	176,764	3.33
142,000	PetroChina Company Limited	298,523	172,839	3.25
		629,222	349,603	6.58

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

3. INVESTMENTS (CONT'D.)

Quantity	Name of counter	Cost RM	Fair value RM	Fair value as a % of NAV
EQUITY SECURITIES (CONT'D.)				
Real Estate				
11,500	China Overseas Land & Investment Limited	123,927	119,626	2.25
Technology Hardware & Equipment				
26,000	Lenovo Group Limited	72,871	71,240	1.34
Telecommunication Services				
7,000	China Mobile Limited	260,018	185,606	3.49
222,000	China Tower Corporation Limited	166,813	159,509	3.00
		426,831	345,115	6.49
	Total equity securities - Hong Kong	1,688,618	1,245,816	23.44
Indonesia				
Banks				
Materials				
5,416,000	PT Borneo Lumbung Energi & Metal TBk*	-	-	-
Singapore				
Consumer Durables & Apparel				
1,376,000	China Hongxing Sports Ltd **	-	-	-
Consumer Services				
70,800	Genting Singapore Limited	194,755	143,864	2.71
Diversified Financials				
4,300	Singapore Exchange Limited	109,843	119,325	2.24

* This security was suspended from trading and the cost and fair value had been written down to nil as there was no further news on this security.

** This security was suspended from trading and the cost and fair value had been written down to nil effective 6 August 2013. On 29 June 2018, the Fund received cash distribution of SGD3,288.64 from China Hongxing Sports Ltd, resulting from a capital re-organisation of the issuing company.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

3. INVESTMENTS (CONT'D.)

Quantity	Name of counter	Cost RM	Fair value RM	Fair value as a % of NAV
EQUITY SECURITIES (CONT'D.)				
<u>Singapore (cont'd.)</u>				
Technology Hardware & Equipment				
43,900	First Resources Limited	187,236	161,099	3.03
68,000	Thai Beverage Public Company Limited	139,829	124,769	2.35
10,000	Wilmar International Ltd	134,674	133,443	2.51
		461,739	419,311	7.89
Real Estate				
88,381	ESR-REIT	122,143	103,196	1.94
Telecommunication Services				
21,900	Singapore Telecommunications Limited	168,956	140,807	2.65
	Total equity securities - Singapore	1,057,436	926,503	17.43
<u>United States of America</u>				
Banks				
261	Citigroup Inc	94,702	46,751	0.88
Capital Goods				
3,870	General Electric Company	102,663	100,177	1.89
Consumer Services				
2,672	Melco Resorts & Entertainment Limited	166,012	184,851	3.48
Energy				
658	Exxon Mobil Corporation	165,745	93,858	1.77
Exchange Traded Fund				
2,504	United States Brent Oil Fund LP - ETF	136,669	110,804	2.09
Food, Beverage & Tobacco				
1,042	Anheuser-Busch InBev SA/NV-SPN ADR	366,213	233,274	4.39
391	The Coca-Cola Company	73,183	80,207	1.51
		439,396	313,481	5.90

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

3. INVESTMENTS (CONT'D.)

Quantity	Name of counter	Cost RM	Fair value RM	Fair value as a % of NAV
EQUITY SECURITIES (CONT'D.)				
<u>United States of America (cont'd.)</u>				
Media & Entertainment				
250	Baidu, Inc.- SPON ADR	117,136	131,495	2.47
Pharma., Biotech. & Life Sciences				
537	Gilead Sciences, Inc	171,753	140,992	2.65
438	Pfizer Inc	64,575	66,790	1.26
		<u>236,328</u>	<u>207,782</u>	<u>3.91</u>
Retailing				
116	Alibaba Group Holding Limited	103,509	141,692	2.67
Semiconductors & Semi. Equipment				
694	Intel Corporation	141,232	149,311	2.81
Technology Hardware & Equipment				
750	HP Inc	50,394	59,178	1.11
Telecommunication Services				
1,548	AT&T Inc	195,549	183,374	3.44
	Total equity securities - United of America	<u>1,949,335</u>	<u>1,722,754</u>	<u>32.42</u>
	Total equity securities	<u>5,866,761</u>	<u>4,659,692</u>	<u>87.68</u>
	TOTAL QUOTED INVESTMENTS	<u>5,866,761</u>	<u>4,659,692</u>	<u>87.68</u>
	UNREALISED LOSS FROM QUOTED INVESTMENTS		<u>(1,207,069)</u>	

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

4. FAIR VALUE HIERARCHY

The Fund uses the following hierarchy for determining and disclosing the fair values of financial instruments by valuation techniques:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 RM	Level 2 RM	Total RM
30.9.2020			
Financial assets at FVTPL			
Quoted investments	4,659,692	-	4,659,692
31.3.2020			
Financial assets at FVTPL			
Quoted investments	4,944,180	-	4,944,180

The carrying amounts of other financial assets and financial liabilities, approximate fair values due to the relatively short term maturities of these financial instruments.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at banks and deposits with licensed financial institutions.

	30.9.2020 RM	31.3.2020 RM
Cash at banks:		
- Malaysia	238,333	13,399
- Outside Malaysia	449,264	326,284
Cash at banks	687,597	339,683
Deposits with licensed financial institutions:		
- Commercial bank	-	200,000
Cash and cash equivalents	687,597	539,683

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.) 30 SEPTEMBER 2020

5. CASH AND CASH EQUIVALENTS (CONT'D.)

The weighted average rate of return and remaining maturity of deposits with licensed financial institutions at the reporting date were as follows:

	Weighted average effective interest rate (% per annum)		Weighted average remaining maturity (Days)	
	30.9.2020	31.3.2020	30.9.2020	31.3.2020
Deposits with licensed financial institutions: - Commercial bank	-	2.45	-	1

6. AMOUNT DUE TO MANAGER

The amount due to Manager represents amount payable for units cancelled and/or amount payable for management fee.

Management fee is payable on a monthly basis and amount payable for units cancelled is paid within 10 days of the transaction dates.

7. AMOUNT DUE FROM/TO BROKER/DEALER

The amount due from/to brokers/dealers relates to disposal/purchase of investments which remain outstanding at the reporting date. These are normally received/paid within two (2) business days of the transaction dates.

8. MANAGER'S FEE

The Manager's fee provided in the financial statements is computed at 1.50% (2019: 1.50%) per annum of the NAV attributable to unitholders of the Fund, calculated on a daily basis.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

9. TRUSTEE'S FEE

The Trustee's fee provided in the financial statements is computed at 0.06% (2019: 0.06%) per annum of the NAV attributable to unitholders of the Fund, calculated on a daily basis, subject to a minimum fee of RM8,400 per annum.

10. CUSTODIAN'S FEE

The Custodian's fee provided in the financial statements ranges from 0.01% to 0.30% (2019: 0.01% to 0.30%) per annum, computed based on the NAV attributable to unitholders of the Fund of the respective foreign portfolio at the end of the month.

11. PORTFOLIO TURNOVER RATIO ("PTR")

	1.4.2020 to 30.9.2020	1.4.2019 to 30.9.2019
Portfolio turnover ratio ("PTR")	<u>0.83 times</u>	<u>1.33 times</u>

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the interim period over the average NAV attributable to unitholders of the Fund calculated on a daily basis. The PTR for the current interim period is lower due to decrease in investing activities.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.) 30 SEPTEMBER 2020

12. MANAGEMENT EXPENSE RATIO ("MER")

	1.4.2020 to 30.9.2020	1.4.2019 to 30.9.2019
Management expense ratio ("MER") ¹	1.15%	1.01%

MER is the ratio of expenses of the Fund expressed as a percentage of the average NAV attributable to unitholders of the Fund for the interim period calculated on a daily basis. The Management Expense Ratio for the current interim period is higher due to a lower percentage of decrease in expenses compared with the average net asset value attributable to unitholders

¹ The MER does not include brokerage and other transaction fees.

13. TAXATION

	1.4.2020 to 30.9.2020 RM	1.4.2019 to 30.9.2019 RM
Malaysian income tax: Current interim period's provision	-	-

Income tax is calculated at the Malaysian statutory rate of taxation of 24% (2019: 24%) of the estimated assessable income for the interim period.

There was no taxation charge for the current and previous interim periods due to tax exempt income received.

A reconciliation of income tax expense applicable to net income before taxation at the statutory rate of taxation to income tax expense at the effective rate of taxation is as follows:

PACIFIC ASIA BRANDS FUND

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)
30 SEPTEMBER 2020**

13. TAXATION (CONT'D.)

	1.4.2020 to 30.9.2020 RM	1.4.2019 to 30.9.2019 RM
Net income before taxation	<u>841,629</u>	<u>170,803</u>
Taxation at Malaysian statutory rate of 24%	201,991	40,993
Tax effects of:		
Income not subject to tax	(233,780)	(80,438)
Loss not subject to tax	3,330	-
Expenses not deductible for tax purpose	15,275	23,609
Restriction on tax deductible expenses for unit trust funds	<u>13,184</u>	<u>15,836</u>
Tax expense for the interim period	<u>-</u>	<u>-</u>

14. NET ASSET VALUE ATTRIBUTABLE ("NAV") TO UNITHOLDERS

	30.9.2020 RM	31.3.2020 RM
Unitholders' capital	10,683,310	11,721,275
Retained earnings		
- Realised deficits	(4,167,442)	(4,393,194)
- Unrealised deficits	<u>(1,201,555)</u>	<u>(1,817,432)</u>
NAV attributable to unitholders	<u>5,314,313</u>	<u>5,510,649</u>

The NAV per unit is rounded up to four decimal places.

15. NUMBER OF UNITS IN CIRCULATION

	30.9.2020 No. of units	31.3.2020 No. of units
At beginning of the period	16,133,161	19,145,000
Creation	128,630	149,287
Cancellation	<u>(2,717,953)</u>	<u>(3,161,126)</u>
At end of the period	<u>13,543,838</u>	<u>16,133,161</u>

16. UNITS HELD BY THE MANAGER AND ITS RELATED PARTIES

There were no units held by the Manager and other related parties.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.) 30 SEPTEMBER 2020

17. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the brokers/dealers for the interim period are as follows:

Brokers/Dealers	Value of trade# RM	% of total trades	Brokerage fee* RM	% of total brokerage fees
Credit Suisse Securities (Malaysia) Sdn Bhd	3,438,999	33.42	8,347	39.47
DBS Vickers Securities (Singapore) Pte Ltd	3,214,724	31.24	8,092	38.26
Instinet LLC	2,602,058	25.29	1,668	7.89
CGS-CIMB Securities Sdn Bhd	609,426	5.92	1,588	7.51
Maybank Investment Bank Bhd	147,040	1.43	515	2.43
Hong Leong Investment Bank Bhd	130,033	1.26	455	2.15
UOB Kay Hian Securities (M) Sdn Bhd	115,806	1.13	412	1.95
Alliance Investment Bank Berhad	31,790	0.31	72	0.34
	<u>10,289,876</u>	<u>100.00</u>	<u>21,148</u>	<u>100.00</u>

Excludes brokerage and other transaction fees.

* Only applicable to equity securities.

The transactions above are with non related parties.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk, credit risk, liquidity risk, specific risk and single issuer risk.

Financial risk management is carried out through policy reviews, internal control systems and adherence to the investment restrictions as stipulated in the Securities Commission Malaysia's Guidelines on Unit Trust Funds in Malaysia.

(i) Market Risk

The Fund's principal exposure to market risk arises primarily due to changes in the market environment, global economic and geo-political developments. The Fund seeks to diversify some of these risks by investing into different sectors to mitigate risk exposure to any single asset class.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.) 30 SEPTEMBER 2020

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(i) Market Risk (cont'd.)

Financial markets have experienced and may continue to experience significant volatility resulting from the spread of a novel coronavirus known as Covid-19. The outbreak of Covid-19 has resulted in travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. The outcomes of global and local financial markets are highly uncertain and cannot be predicted at this point in time. Due to this, the Manager of the Fund is unable to reliably estimate the quantitative impact of Covid-19 towards the Fund's performance for the next twelve months. The Manager of the Fund will continue to actively monitor the developments in the market to minimise any potential impact to the Fund.

The Fund's market risk is affected primarily by the following risks:

(a) Price risk

Price risk is the adverse changes in the fair value of securities as a result of changes in the levels of equity indices and the value of individual securities. The price risk exposure arises from the Fund's quoted investments.

The table below summarises the effect on net income before tax and the NAV attributable to the unitholders of the Fund at the reporting date due to possible changes in equity prices, with all other variables held constant:

Change in price (%)	Effect on net income before tax and NAV attributable to unitholders	
	Increase/ (Decrease) 30.9.2020 RM	Increase/ (Decrease) 31.3.2020 RM
+5/	232,985	247,209
(5)	<u>(232,985)</u>	<u>(247,209)</u>

(b) Interest rate risk

The Fund does not have any deposits with licensed financial institutions as at reporting date and consequently no sensitivity analysis on interest rate risk has been presented.

PACIFIC ASIA BRANDS FUND

**NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)
30 SEPTEMBER 2020**

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(c) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund invests in securities and other investments that are denominated in currencies other than the functional currency. Accordingly, the value of the Fund's assets may be affected favourably or unfavourably by fluctuations in currency rates and therefore subject to foreign exchange risks.

The table below indicates the currency to which the Fund had significant exposure at the reporting date on its NAV. The analysis shows the currency risk concentration and calculates the effect on NAV attributable to unitholders due to fluctuations in currency rates against the functional currency, with all other variables held constant.

	Currency risk concentration as a % of NAV	Changes in currency rates	Effect on net Income before tax Increase	Effect on NAV attributable to unitholders (Decrease)
	RM	%	RM	RM
30.9.2020				
USD	2,262,325	42.57	+5	113,116
HKD	1,254,539	23.61	+5	62,727
SGD	954,265	17.96	+5	47,713
31.3.2020				
USD	1,933,242	35.08	+5	96,662
HKD	1,479,549	26.85	+5	73,977
SGD	620,205	11.25	+5	31,010

(ii) Credit risk

The Fund's principal exposure to credit risk arises primarily due to changes in the financial conditions of an issuer or a counterparty to make payment of principals, interest and proceeds from realisation of investments. Such events can lead to loss of capital or delayed or reduced income for the Fund resulting in a reduction in the Fund's NAV and thus, unit price. This risk is mitigated by setting counterparty limits and vigorous credit analyses.

Credit risk is generally arising from investments, cash and cash equivalents and other receivables. The maximum exposure to credit risk is presented in the statement of financial position. None of these balances are impaired. Cash and cash equivalents are placed in licensed financial institutions with strong credit ratings.

PACIFIC ASIA BRANDS FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONT'D.)

30 SEPTEMBER 2020

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D.)

(iii) Liquidity risk

This risk occurs in thinly traded or illiquid securities. Should the Fund need to sell a relatively large amount of such securities, the act itself may significantly depress the selling price. The risk is minimised by maintaining a prudent level of liquid assets that allows the Fund to meet daily redemption of units without jeopardising potential returns.

The maturity of the Fund's financial liabilities fall due within three months while the NAV attributable to unitholders are payable on demand.

(iv) Specific risk

The Fund is exposed to the individual risks of the respective companies issuing securities which includes changes to the business performance of the company, consumer tastes and demands, lawsuits and management practices. This risk is minimised through the diversification of the portfolio of investments of the Fund.

(v) Single issuer risk

The Fund's exposure to securities issued by any issuer is limited to not more than a certain percentage of the Fund's NAV. Under such restriction, the risk exposure to the securities of any issuer is minimised.

19. OPERATING SEGMENT

The Fund is organised into one main operating segment for investment management purposes. The Investment Department takes a team approach to the investment process of the Fund. The decision-making process involves input from the entire team, with each team member (inclusive of analysts) contributing their respective expertise and views to yield fully informed conclusions. The Investment Committee is responsible for ensuring adherence to investment guidelines, both internal and external, as well as to assess strategy and implementation effectiveness, and to oversee the entire investment function. Accordingly, significant operating decisions are based upon the analysis of the Fund as one operating segment. The financial results from this segment are equivalent to the financial statements of the Fund as a whole.

20. CAPITAL MANAGEMENT

The Fund's capital comprises unitholders' subscription to the Fund. The unitholders' capital fluctuates according to the daily subscription and redemption of units at the discretion of unitholders.

The Fund aims to achieve its investment objective and at the same time maintain sufficient liquidity to meet unitholders' redemptions.

BOS WEALTH MANAGEMENT MALAYSIA BERHAD

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iFAST Capital Sdn Bhd 200701024957 (782978-H)	Tel: 03-2149 0600
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Areca Capital Sdn Bhd 200601021087 (740840-D)	Tel: 03-7956 3111

Our IUTA may not carry the complete set of our Funds. Investments made via our IUTA may be subject to different terms and conditions.

IMPORTANT NOTICES**Beware of phishing scams**

Kindly be alert of any email or SMS that requires you to provide your personal information and/or to login to your account via an unsolicited link. Do not click on email links or URLs without verifying the sender of the email. Please ensure the actual internet address is displayed i.e. www.boswealthmanagement.com.my

If you suspect your account may be compromised and/or would like to seek clarification, please contact us as above.

Update of particulars

Investors are advised to furnish us updated personal details on a timely basis. You may do so via the E-Service at www.boswealthmanagement.com.my Alternatively, you may call or email us as above.