



**BOS WEALTH
MANAGEMENT**

A subsidiary of Bank of Singapore

PACIFIC DANA MURNI

INTERIM REPORT

For the six months ended 30 September 2020

CONTENTS

Fund Information	2
Fund Performance	4
Manager's Report	6
Performance Review	
Investment Strategy Review	
Asset Allocation	
Analysis Of Net Asset Value	
Market Review	
Income Distribution	
Unit Split	
Significant Changes In The State Of Affairs Of The Fund	
Circumstances That Materially Affect Interest Of Unitholders	
Soft Commissions	
Report Of The Trustee	9
Shariah Adviser's Report	10
Statement By The Manager	11
Unaudited Statement Of Financial Position	12
Unaudited Statement Of Comprehensive Income	13
Unaudited Statement Of Changes In Net Asset Value	14
Unaudited Statement Of Cash Flows	15
Notes To The Unaudited Financial Statements	16

FUND INFORMATION

As At 30 September 2020

Name Of Fund	:	Pacific Dana Murni
Manager Of Fund	:	BOS Wealth Management Malaysia Berhad (formerly known as Pacific Mutual Fund Bhd) 199501006861 (336059-U)
Launch Date	:	25 March 2003
		The Fund will continue its operations until terminated as provided under Part 12 of the Deed.
Category Of Fund	:	Sukuk
Type Of Fund	:	Income
Investment Objective	:	Pacific Dana Murni aims to achieve a stable income [□] stream with reasonable protection of capital by investing in a diversified portfolio of sukuk and other Islamic liquid assets. The Fund may also provide some degree of capital growth potential over a medium* to long-term* period.
		[□] <i>Income is in reference to the Fund's distribution, which could be in the form of cash or units.</i>
		[*] <i>Medium term is defined as a period of one to three years, and long term is a period of more than three years.</i>
Performance Benchmark	:	Since inception to 31 August 2018 – Maybank GIA Tier II 12-Month Rate [#]
		From 1 September 2018 onwards – Maybank 12-Month Islamic Fixed Deposit Rate
		[#] <i>GIA refers to General Investment Account. It is similar to conventional fixed deposits for benchmarking purpose except it is structured based on Shariah principles. The Tier II 12-month rate refers to the 12-month rate offered to placements in excess of RM1 million. Only placements within RM1 million qualify for the board rate of Tier I rate which is higher than the Tier II rate.</i>
Distribution Policy	:	Income, if any, will be distributed annually.
Fund Size	:	76.00 million units

Breakdown Of Unitholdings :	Size Of Holdings	No. Of Unitholders	% Of Unitholders	No. Of Units (million)
	5,000 units & below	67	17.49	0.16
	5,001-10,000 units	53	13.84	0.38
	10,001-50,000 units	128	33.42	3.08
	50,001-500,000 units	116	30.29	18.44
	500,001 units & above	19	4.96	53.93
	Total	383	100.00	76.00

FUND PERFORMANCE**Financial Highlights**

Category	As At	As At	As At	As At
	30.9.2020	31.3.2020	31.3.2019	31.3.2018
	%	%	%	%
Sukuk	96.49	83.97	89.72	95.08
Islamic Collective Investment Scheme	-	-	0.47	2.55
Cash And Islamic Money Market Instruments	3.51	16.03	9.81	2.37
Total	100.00	100.00	100.00	100.00
Net Asset Value (RM'000)	43,068	45,387	43,577	45,851
Number Of Units In Circulation (Units '000)	76,001	83,412	80,819	86,325
Net Asset Value Per Unit (RM)	0.5667	0.5442*	0.5392*	0.5312*
Management Expense Ratio ("MER")	0.56%	1.12%	1.12%	1.16%
Portfolio Turnover Ratio (times)	0.13	0.19	0.51	0.60

The Management Expense Ratio for the current interim period remains consistent with that of the previous interim period. (30 September 2019: 0.57%)

The Portfolio Turnover Ratio for the current interim period is higher due to increase in investing activities. (30 September 2019: 0.06 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.

** Price quoted is ex-distribution.*

Performance Data

	<u>Pacific Dana Murni</u>		<u>Maybank 12-Month Islamic Fixed Deposit Rate</u>			
	Total Return	Average Annual Return	Total Return	Average Annual Return		
6 Months' Period (1.4.2020 to 30.9.2020)	4.13%	-	1.04%	-		
1 Year's Period (1.4.2019 to 31.3.2020)	4.28%	4.28%	3.07%	3.07%		
3 Years' Period (1.4.2017 to 31.3.2020)	13.31%	4.44%	10.07%	3.36%		
5 Years' Period (1.4.2015 to 31.3.2020)	21.52%	4.30%	17.46%	3.49%		
	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 Dana Murni						
- Capital Return	4.13%	0.95%	1.51%	0.55%	0.65%	-0.10%
- Income Return	-	3.31%	3.15%	3.20%	3.22%	3.33%
- Total Return	4.13%	4.28%	4.71%	3.77%	3.89%	3.24%
Maybank 12-Month Islamic Fixed Deposit Rate	1.04%	3.07%	3.38%	3.30%	3.30%	3.31%
	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)	0.5677	0.5786	0.5560	0.5480		
Lowest NAV (RM)	0.5445	0.5394	0.5308	0.5285		
Distributions						
Gross Distribution Per Unit (sen)	- (30.9.2020)	1.80 (31.3.2020)	1.70 (29.3.2019)	1.70 (30.3.2018)		
Net Distribution Per Unit (sen)	- (30.9.2020)	1.80 (31.3.2020)	1.70 (29.3.2019)	1.70 (30.3.2018)		
Unit Splits	-	-	-	-		

Notes:

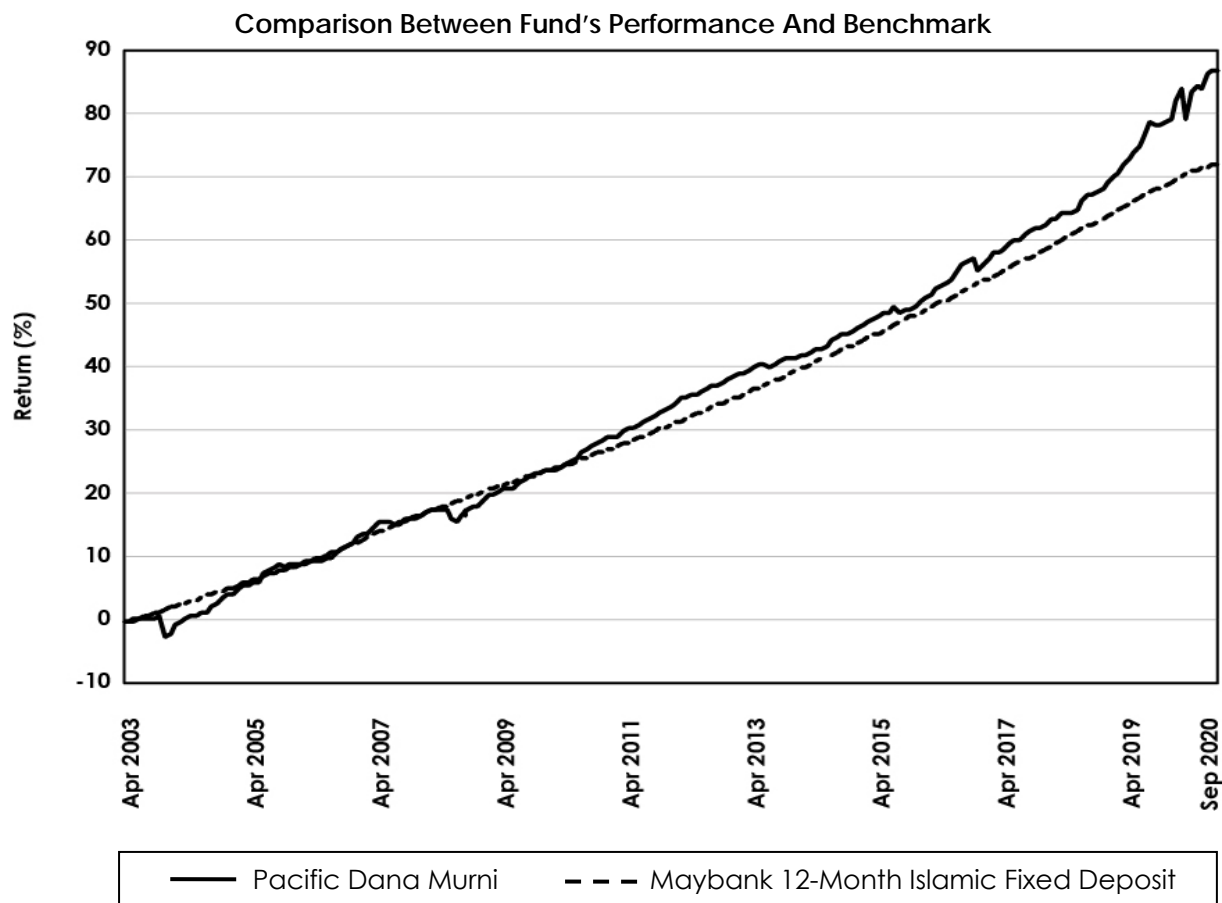
1. All figures pertaining to the Fund's return were extracted from Lipper.
2. The net asset value per unit of the Fund is largely determined by market factors. Therefore past performance figures shown are only a guide and should not be taken as indicative of future performance. Net asset value per unit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

MANAGER'S REPORT 30 September 2020

Performance Review

From 15 April 2003 (date of launch: 25 March 2003) to 30 September 2020, the Pacific Dana Murni registered a total return of 87.11%, while its benchmark, the Maybank 12-Month Islamic Fixed Deposit rate, rose 72.56%.

For the interim period under review (1 April 2020 to 30 September 2020), the Fund registered a total return of 4.13%. In comparison, its benchmark rose 1.04%.

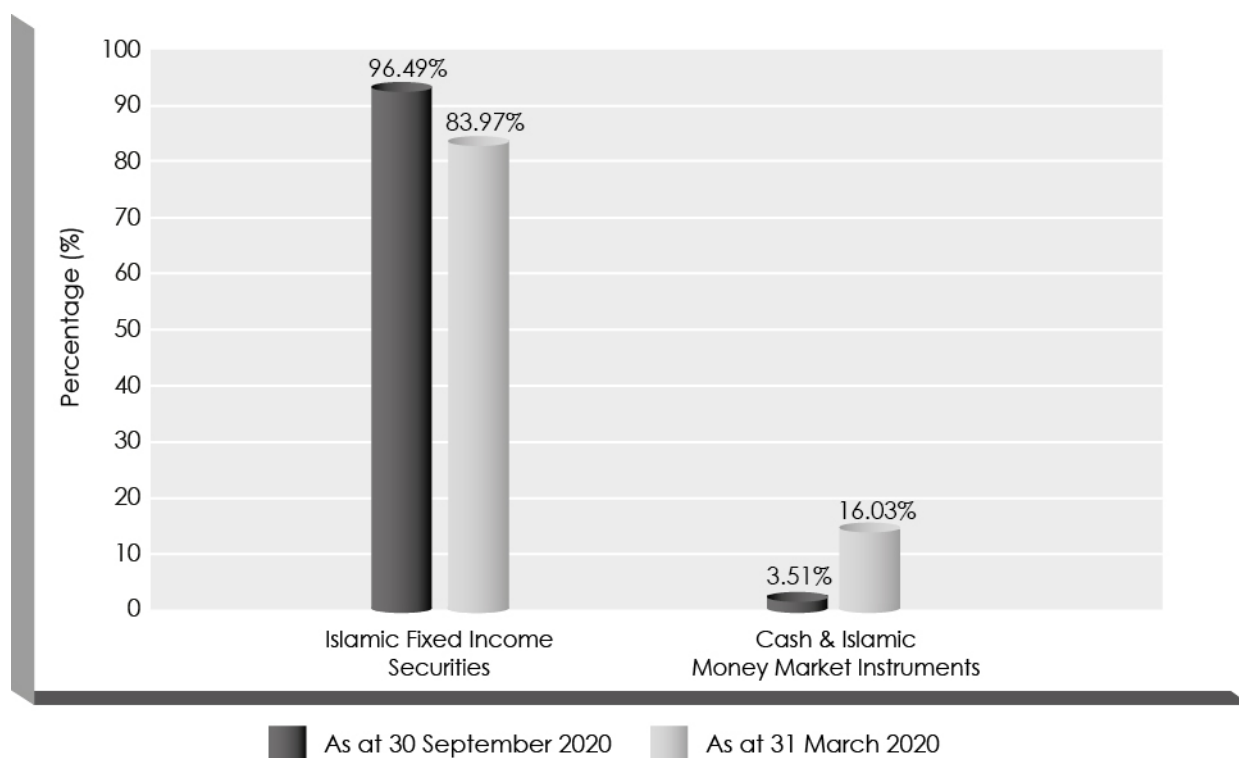


Source: Lipper

Investment Strategy Review

For most part of the interim period, the Pacific Dana Murni mainly adopted a neutral duration approach given the volatility in yields as the economy continue to battle with the losses impacted by the pandemic. Additionally, aggressive duration extension was capped by liquidity needs to match potential liabilities. A pandemic, shutdown of the global economy and economic recession globally had investors succumbed to safe haven assets which had benefited bond investments with yields falling to record lows. To address fears of a prolonged recession, Bank Negara had cut overnight policy rate (OPR) by a total of 75 basis points (bps) to 1.75% during the review period. The Islamic fixed income allocation of the Fund was kept within the range of 85%-96% for most of the review period. Fundamentals of the underlying sukuk portfolio remained satisfactory with decent earnings expectations and rating stability.

Asset Allocation



The Islamic fixed income securities allocation of Pacific Dana Murni increased to 96.49% as at 30 September 2020 from 83.97% recorded at the beginning of the interim period under review due to net outflow of funds.

Analysis Of Net Asset Value

The net asset value (NAV) per unit of Pacific Dana Murni increased from RM0.5442 to RM0.5667 during the interim report under review. Meanwhile, total NAV of the Fund decreased from RM45,386,959 to RM43,067,903 due to net outflow of funds.

Market Review

Bond Market Review

The yield curve continued to advance at the start of the interim period as drastic containment measures imposed globally had caused economic shocks. Additionally, the market has started to flirt with the notion of a negative interest rate environment despite Federal Reserve (Fed) officials indicating otherwise. Flight to quality bids intensified in 2Q2020 as economic fallout from the pandemic deepened and number of tolls continued to rise. Newer and lower levels were clawed into the yield curve with the 10Y yield touching 0.51% on several counts. Thereafter, longer-end yields started to rise following the release of additional USD1 trillion requirements from US Department of Treasury in anticipation of supplementary legislation being passed in response to the pandemic. Towards end-August 2020, all eyes were shifted towards Fed Chair Powell's speech in Jackson Hole, in which the Fed had effectively raised the bar for rate hikes in the medium term with its average inflation targeting framework. As a result, longer-end yields started to climb further and the curve had started to steepen. The 2Y yield decreased by 11 basis points (bps) to 0.13% whereas the 10Y yield rose by 1bps to 0.68% over the interim period.

Local government bonds had staged a remarkable rally over the interim period on the back of overnight policy rate (OPR) cuts by Bank Negara to a historical low of 1.75%, brushing aside sovereign outlook downgrades by S&P and Fitch Ratings. Moreover, foreign interest remained piqued as waves of foreign buying had engulfed the market underpinned by Fed's accommodative stance and the addition of 5Y MGS into the JPMorgan GBI-EM Global Diversified Index. That said, Bank Negara's status quo decision coupled with tepid 7Y MGS and 30Y GII auction results had triggered a small sell-off in the local bond market in September 2020. Meanwhile, FTSE Russell had decided to keep Malaysia on its watchlist for another six months in its WGBI Index, while acknowledging Bank Negara's initiatives to improve market accessibility to foreign investors. The 2Y and 10Y yields decreased by 76bps and 0.67bps to 1.99% and 2.66% respectively over the interim period.

Income Distribution Nil

Unit Split Not applicable

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 did not receive any soft commissions.

**REPORT OF THE TRUSTEE TO THE UNITHOLDERS OF
PACIFIC DANA MURNI**

We, **MTrustee Berhad**, being the Trustee of **Pacific Dana Murni** ("the Fund"), are of the opinion that in its capacity as Manager of the Fund, **BOS Wealth Management Malaysia Berhad (formerly known as Pacific Mutual Fund Bhd)** ("the Manager"), has managed the Fund for the interim period ended 30 September 2020 in accordance with the following:

- (a) limitations imposed on the investment powers of the Manager and the Trustee under the Deeds, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 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 are carried out in accordance with the Deeds and relevant regulatory requirements.

For and on behalf of the Trustee
MTrustee Berhad


NURIZAN JALIL
Chief Executive Officer

Selangor, Malaysia
2 November 2020



SHARIAH ADVISER'S REPORT

TO THE UNITHOLDERS OF PACIFIC DANA MURNI ("Fund")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, BOS Wealth Management Malaysia Berhad (formerly known as Pacific Mutual Fund Bhd) has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises instruments that have been classified as Shariah compliant.

For and on behalf of the Shariah Adviser,
BIMB SECURITIES SDN BHD

IR. DR. MUHAMAD FUAD ABDULLAH
Designated Shariah Person

16 November 2020

PACIFIC DANA MURNI

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 12 to 30 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 Dana Murni** 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 DANA MURNI

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Note	30.9.2020 RM	31.3.2020 RM
ASSETS			
Shariah-compliant investments	3	41,557,405	38,112,884
Profit receivable		517,801	500,542
Amount due from Manager	7	1,461	4,214,338
Cash and cash equivalents	5	1,305,828	4,114,981
TOTAL ASSETS		<u>43,382,495</u>	<u>46,942,745</u>
LIABILITIES			
Amount due to Manager	7	302,122	37,931
Other payables		12,470	16,441
Distribution payable		-	1,501,414
TOTAL LIABILITIES		<u>314,592</u>	<u>1,555,786</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>43,067,903</u>	<u>45,386,959</u>
EQUITY			
Unitholders' capital		38,244,386	42,477,327
Retained earnings		4,823,517	2,909,632
NAV ATTRIBUTABLE TO UNITHOLDERS	13	<u>43,067,903</u>	<u>45,386,959</u>
TOTAL EQUITY AND LIABILITIES		<u>43,382,495</u>	<u>46,942,745</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)			
	14	<u>76,001,264</u>	<u>83,411,906</u>
NAV PER UNIT (* ex-distribution)	13	<u>RM0.5667</u>	<u>RM0.5442*</u>

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

PACIFIC DANA MURNI

**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		-	3,429
Profit from Islamic money market instruments		1,019,411	1,047,082
Net gain from sale of financial assets at FVTPL		17,169	-
Net unrealised gain on changes in value of financial assets at FVTPL		1,141,039	817,805
		<u>2,177,619</u>	<u>1,868,316</u>
EXPENSES			
Audit fee		3,861	3,850
Tax agent's fee		1,504	1,901
Manager's fee	8	235,397	226,312
Trustee's fee	9	14,124	13,594
Administration expenses		8,848	11,351
		<u>263,734</u>	<u>257,008</u>
Net income before taxation		1,913,885	1,611,308
Taxation	12	-	-
Net income after taxation		<u>1,913,885</u>	<u>1,611,308</u>
Total comprehensive income		<u>1,913,885</u>	<u>1,611,308</u>
Total comprehensive income is made up as follows:			
Realised income		772,846	793,503
Unrealised income		1,141,039	817,805
		<u>1,913,885</u>	<u>1,611,308</u>

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

PACIFIC DANA MURNI

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

	Unitholders' capital RM	Retained earnings RM	NAV attributable to unitholders RM
At 1 April 2019	41,214,914	2,361,917	43,576,831
Net income after taxation	-	1,611,308	1,611,308
Creation of units	3,149,829	-	3,149,829
Cancellation of units	(1,745,868)	-	(1,745,868)
At 30 September 2019	<u>42,618,875</u>	<u>3,973,225</u>	<u>46,592,100</u>
At 1 April 2020	42,477,327	2,909,632	45,386,959
Net income after taxation	-	1,913,885	1,913,885
Creation of units	4,398,797	-	4,398,797
Cancellation of units	(8,631,738)	-	(8,631,738)
At 30 September 2020	<u>38,244,386</u>	<u>4,823,517</u>	<u>43,067,903</u>

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

PACIFIC DANA MURNI

**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	5,078,235	2,650,000
Purchase of investments	(7,382,148)	(2,668,400)
Dividends received	-	3,429
Profit received	1,019,753	1,058,115
Manager's fee paid	(237,031)	(226,148)
Trustee's fee paid	(16,397)	(13,584)
Payment for other fees and expenses	(15,913)	(18,977)
Net cash (used in)/generated from operating and investing activities	<u>(1,553,501)</u>	<u>784,435</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	8,611,674	3,137,541
Cash paid on units cancelled	(8,365,912)	(1,778,633)
Distributions paid	(1,501,414)	(1,373,923)
Net cash used in financing activities	<u>(1,255,652)</u>	<u>(15,015)</u>
Net (decrease)/increase in cash and cash equivalents	(2,809,153)	769,420
Cash and cash equivalents at beginning of interim period	4,114,981	5,170,278
Cash and cash equivalents at end of interim period	<u>1,305,828</u>	<u>5,939,698</u>
Cash and cash equivalents comprise:		
Cash at banks	25,828	19,698
Islamic deposits with licensed financial institutions	1,280,000	5,920,000
	<u>1,305,828</u>	<u>5,939,698</u>

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

PACIFIC DANA MURNI

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS 30 SEPTEMBER 2020

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Pacific Dana Murni (hereinafter referred to as "the Fund") was constituted pursuant to the execution of a Deed dated 17 March 2003 as amended by the First Supplemental Deed dated 14 February 2006, Second Supplemental Deed dated 28 June 2007, Supplemental Master Deed dated 22 May 2009, Second Supplemental Master Deed dated 14 December 2009, Third Supplemental Master Deed dated 26 April 2010, Fourth Supplemental Master Deed dated 8 January 2014, Fifth Supplemental Master Deed dated 7 July 2017, Sixth Supplemental Master Deed 22 November 2018 and Seventh Supplemental Master Deed dated 22 January 2019 (hereinafter referred to as "the Deeds") made between the Manager, BOS Wealth Management Malaysia Berhad and the Trustee, MTrustee Berhad 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 Islamic fixed income securities and Islamic money market instruments as approved by the Securities Commission Malaysia. The Fund was launched on 25 March 2003 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 advise and marketing and distribution of third party funds as of the end of the interim period.

PACIFIC DANA MURNI

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 for 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 <i>MFRS 116 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
<i>MFRS 17 Insurance Contracts</i> *	1 January 2023
Amendments to <i>MFRS 17 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.

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) 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 profit ("SPPP") 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. For the purpose of the investment made by the Fund, debt instrument refers to sukuk.

(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 profit ("SPPP") on the principal amount outstanding; or
- (b) It is held within a business model whose objective is to sell; or

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

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

(c) Financial instruments (Cont'd.)

Financial Assets (cont'd.)

(ii) *Financial assets at FVTPL (cont'd.)*

- (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 its Permitted Investments. 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 profit method.

(d) 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.

(e) 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.

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

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

(e) Impairment of financial assets (cont'd.)

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.

(f) 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.

Profit income is recognised using the effective profit method on an accrual basis.

(g) Unrealised reserves/(deficits)

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

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and placements in Islamic money market instruments with original maturities of 3 months or less which have an insignificant risk of changes in value.

(i) 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.

(j) 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.

PACIFIC DANA MURNI

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

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

(k) 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.

(l) 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. SHARIAH-COMPLIANT INVESTMENTS

	30.9.2020 RM	31.3.2020 RM
Financial assets at FVTPL		
Islamic fixed income securities	41,557,405	38,112,884
Total investments	<u>41,557,405</u>	<u>38,112,884</u>

PACIFIC DANA MURNI

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

30 SEPTEMBER 2020

3. INVESTMENTS (CONT'D.)

ISLAMIC FIXED INCOME SECURITIES

The composition of Islamic fixed income securities at the reporting date is as detailed below:

Name of counter	Credit rating	Nominal value RM	Cost RM	Fair value RM	Fair value as a % of NAV
Alpha Circle Sdn Bhd	AA-	466,000	466,000	476,084	1.10
Alpha Circle Sdn Bhd	AA-	212,000	212,000	217,533	0.51
Bank Islam Malaysia Berhad	A1	3,000,000	3,000,000	3,017,340	7.01
Bank Muamalat Malaysia Berhad	A	2,000,000	2,000,000	2,037,200	4.73
Danainfra Nasional Berhad	GG	3,200,000	3,311,344	3,476,416	8.07
Danum Capital Berhad	AAA	4,000,000	4,000,000	4,551,760	10.57
Edra Energy Sdn Bhd	AA3	2,000,000	2,032,917	2,203,600	5.12
Jimah East Power Sdn Bhd	AA-	4,000,000	4,000,000	4,482,440	10.41
Mumtaz Rakyat Sukuk Berhad	AA3	3,000,000	3,000,000	3,047,790	7.08
Prasarana Malaysia Berhad	GG	4,500,000	4,658,348	5,112,675	11.87
TSH Sukuk Ijarah Sdn Bhd	A+	2,100,000	2,101,544	2,147,082	4.98
TSH Sukuk Ijarah Sdn Bhd	A+	4,000,000	4,000,000	4,049,240	9.40
UEM Sunrise Berhad	AA-	3,000,000	3,006,476	3,197,190	7.42
UEM Sunrise Berhad	AA-	3,500,000	3,500,000	3,541,055	8.22
		38,978,000	39,288,629	41,557,405	96.49

UNREALISED GAIN FROM ISLAMIC
FIXED INCOME SECURITIES

2,268,776

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			
Islamic Fixed income securities	-	41,557,405	41,557,405
31.3.2020			
Financial assets at FVTPL			
Islamic Fixed income securities	-	38,112,884	38,112,884

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 placements in Islamic money market instruments.

	30.9.2020 RM	31.3.2020 RM
Cash at banks	25,828	14,981
Islamic money market instruments with licensed financial institutions:		
- Commercial bank	770,000	4,100,000
- Investment bank	510,000	-
	1,280,000	4,100,000
Cash and cash equivalents	1,305,828	4,114,981

PACIFIC DANA MURNI

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 placements in Islamic money market instruments at the reporting date were as follows:

	Weighted average effective profit rate (% per annum)		Weighted average remaining maturity (Days)	
	30.9.2020	31.3.2020	30.9.2020	31.3.2020
Islamic money market instruments with licensed financial institutions:				
- Commercial bank	1.60	2.33	3	2
- Investment bank	1.70	-	2	-

6. SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:

- (a) Sukuk as per the list of sukuk available at Bond Info Hub and Fully Automated System for Issuing/Tendering of Bank Negara Malaysia; and
- (c) Liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

7. AMOUNT DUE FROM/TO MANAGER

The amount due from/to manager represents amount receivable/payable for units created/cancelled and/or amount payable for management fee.

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

8. MANAGER'S FEE

The Manager's fee provided in the financial statements is computed at 1.00% (2019: 1.00%) per annum of the NAV attributable to unitholders of the Fund, calculated on a daily basis.

9. TRUSTEE'S FEE

The Trustee's fee provided in the financial statements is computed at 0.06% (2019: 0.07%) per annum of the NAV attributable to unitholders of the Fund, calculated on a daily basis.

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

10. PORTFOLIO TURNOVER RATIO ("PTR")

	1.4.2020 to 30.9.2020	1.4.2019 to 30.9.2019
Portfolio turnover ratio ("PTR")	<u>0.13 times</u>	<u>0.06 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 higher due to increase in investing activities.

11. MANAGEMENT EXPENSE RATIO ("MER")

	1.4.2020 to 30.9.2020	1.4.2019 to 30.9.2019
Management expense ratio ("MER") ¹	<u>0.56%</u>	<u>0.57%</u>

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 MER for the current interim period remains consistent with that of the previous interim period.

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

12. 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	<u>-</u>	<u>-</u>

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 DANA MURNI

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

12. TAXATION (CONT'D.)

	1.4.2020 to 30.9.2020 RM	1.4.2019 to 30.9.2019 RM
Net income before taxation	1,913,885	1,611,308
Taxation at Malaysian statutory rate of 24%	459,332	386,714
Tax effects of:		
Income not subject to tax	(522,629)	(448,396)
Expenses not deductible for tax purpose	4,495	5,540
Restriction on tax deductible expenses for unit trust funds	58,802	56,142
Tax expense for the interim period	-	-

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

	30.9.2020 RM	31.3.2020 RM
Unitholders' capital	38,244,386	42,477,327
Retained earnings		
- Realised reserves	2,554,741	1,781,895
- Unrealised reserves	2,268,776	1,127,737
NAV attributable to unitholders	43,067,903	45,386,959

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

14. NUMBER OF UNITS IN CIRCULATION

	30.9.2020 No. of units	31.3.2020 No. of units
At beginning of the period	83,411,906	80,819,000
Creation	7,903,221	17,275,003
Cancellation	(15,313,863)	(14,682,097)
At end of the period	76,001,264	83,411,906

PACIFIC DANA MURNI

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

15. UNITS HELD BY THE MANAGER AND ITS RELATED PARTIES

	30.9.2020		31.3.2020	
	No. of units	RM	No. of units	RM
Key Management Personnel of the Manager	-	-	27,566	15,001

There were no units held by the Manager.

16. 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
Malayan Banking Bhd	7,462,285	90.89
Kenanga Investment Bank Berhad	748,098	9.11
	<u>8,210,383</u>	<u>100.00</u>

The transactions above are with non related parties.

17. 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.

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

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

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) Interest rate risk

This risk refers to the effect of interest rate changes on the returns on placements in Islamic money market instruments. In the event of reduction in interest rates, the returns on placements in Islamic money market instruments will decrease, thus affecting the NAV of the Fund. This risk will be minimised via the management of the duration structure of the placements in Islamic money market instruments.

Interest rate is a general economic indicator that will have an impact on the management of the Fund regardless whether it is an Islamic unit trust fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments. All the investments carried out for the Fund are in accordance with Shariah requirements.

The table below summarises the effect on the NAV of the Fund at the reporting date due to possible changes in interest rate, with all other variables held constant:

Change in basis point (%)	Effect on net income before tax and NAV attributable to unitholders	
	Increase/(Decrease)	
	30.9.2020	31.3.2020
	RM	RM
+25/	25,562	24,097
-25	(25,562)	(24,097)

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

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

(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, profit and proceeds from realisation of Shariah-compliant investments. Such events can lead to loss of capital or delayed or reduced profit for the Fund resulting in a reduction in the Fund's asset value and thus unit price. This risk is mitigated by setting counterparty limits and vigorous credit analyses.

Credit risk is generally arising from Shariah-compliant 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 Islamic licensed financial institutions with strong credit ratings.

Islamic fixed income securities are either government-guaranteed or rated by RAM Rating Services Berhad ("RAM") or Malaysian Rating Corporation Berhad ("MARC").

The following table analyses the Fund's portfolio of Islamic fixed income securities by rating categories at the reporting date:

30.9.2020

RAM Credit Rating	MARC Credit Rating	Government Guaranteed	as a % of NAV
-	-	GG	19.94
-	AAA	-	10.57
AA3	AA-	-	39.86
A1	-	-	7.01
-	A+	-	14.38
-	A	-	4.73
			96.49

31.3.2020

RAM Credit Rating	MARC Credit Rating	Government Guaranteed	As a % of NAV
-	-	GG	12.77
-	AAA	-	9.25
-	AA	-	7.75
AA3	AA-	-	29.37
A1	-	-	6.71
-	A+	-	13.61
-	A	-	4.51
			83.97

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

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

(iii) Liquidity risk

This risk occurs in thinly traded or illiquid Shariah-compliant securities. Should the Fund need to sell a relatively large amount of Shariah-compliant securities, the act itself may significantly depress the selling price. The risk is minimised by maintaining a prudent level of Islamic 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 Shariah-compliant 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 Shariah-compliant investments of the Fund.

(v) Single issuer risk

The Fund's exposure to Shariah-compliant 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 Shariah-compliant securities of any issuer is minimised.

18. 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.

19. 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

(formerly known as Pacific Mutual Fund Bhd) 199501006861 (336059-U)

A subsidiary of Bank of Singapore

1001, Level 10, Uptown 1,
No. 1 Jalan SS21/58, Damansara Uptown,
47400 Petaling Jaya, Selangor
Tel: 03-7712 3000 Fax: 03-7712 3001
customercare@boswm.com
www.boswealthmanagement.com.my

INSTITUTIONAL UNIT TRUST ADVISERS

OCBC Bank (Malaysia) Berhad 199401009721 (295400-W)	Tel: 1300 88 7000
OCBC Al-Amin Bank Berhad 200801017151 (818444-T)	Tel: 1300 88 0310
CGS-CIMB Securities Sdn. Bhd. 197901004504 (48703-W) (A Participating Organisation of Bursa Malaysia Securities Berhad)	Tel: 03-2635 6666
United Overseas Bank (Malaysia) Bhd 199301017069 (271809-K)	Tel: 03-2612 8121
Alliance Bank Malaysia Berhad 198201008390 (88103-W)	Tel: 03-2604 3333
RHB Bank Berhad 196501000373 (6171-M)	Tel: 03-9206 8118
iFAST Capital Sdn Bhd 200701024957 (782978-H)	Tel: 03-2149 0600
Phillip Mutual Bhd 200201002746 (570409-K)	Tel: 03-2783 0300
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.