



**BOS WEALTH
MANAGEMENT**

A subsidiary of Bank of Singapore

PACIFIC MILLENNIUM FUND

INTERIM REPORT

For the six months ended 31 December 2021

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FUND INFORMATION
As At 31 December 2021

Name Of Fund	: Pacific Millennium Fund
Manager Of Fund	: BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)
Launch Date	: 15 April 1999
	The Fund will continue its operations until terminated as provided under Clause 12 of the Deed.
Category Of Fund	: Equity
Type Of Fund	: Growth and income
Investment Objective	: Pacific Millennium Fund aims to achieve long-term* capital growth, with income [□] as its secondary objective, by investing mainly in fundamentally sound large market capitalisation companies and also any other investments as may be permitted by the Securities Commission from time to time.
	* Long term is defined as a period of more than three years.
	□ Income is in reference to the Fund's distribution, which could be in the form of cash or units.
Performance Benchmark	: Since inception until 5 July 2009 – Kuala Lumpur Composite Index (KLCI) From 6 July 2009 onwards – FTSE Bursa Malaysia Top 100 Index (FBM 100)
Distribution Policy	: Distribution of income, if any, will be made once a year.
Fund Size	: 83.30 million units

Breakdown Of Unitholdings	: Size Of Holdings	No. Of Unitholders	% Of Unitholders	No. Of Units (million)
	5,000 units & below	144	10%	8.52
	5,001-10,000 units	186	13%	11.00
	10,001-50,000 units	656	47%	38.81
	50,001-500,000 units	405	29%	23.96
	500,001 units & above	17	1%	1.01
	Total	1,408	100.00	83.30

FUND PERFORMANCE

Financial Highlights

Category	As At 31.12.2021	As At 30.6.2021	As At 30.6.2020	As At 30.6.2019
Quoted Equity Securities	%	%	%	%
Automobiles & Components	-	1.61	-	-
Banks	15.11	13.62	12.87	26.60
Capital Goods	10.25	15.24	12.59	7.00
Consumer Durables & Apparel	-	-	1.27	-
Consumer Services	3.82	2.36	2.12	5.49
Diversified Financials	-	2.64	2.42	-
Energy	3.37	1.92	2.66	5.28
Food, Beverage & Tobacco	4.01	7.39	4.42	8.76
Health Care Equipment & Services	3.26	3.67	9.31	5.52
Household & Personal Products	-	-	1.86	0.23
Insurance	2.54	-	-	-
Materials	6.24	3.25	5.21	4.66
Media & Entertainment	3.25	3.06	-	1.36
Pharma., Biotech. & Life Sciences	-	1.84	1.20	1.28
Real Estate	1.39	1.95	3.85	3.63
Retailing	2.50	1.44	1.07	4.83
Semiconductors & Semi. Equipment	4.20	5.78	2.09	1.25
Software & Services	2.22	4.25	-	-
Technology Hardware & Equipment	5.31	4.67	1.08	2.19
Telecommunication Services	6.77	4.71	4.33	4.74
Transportation	2.07	1.75	-	-
Utilities	4.10	7.24	9.55	9.00
Foreign Equity Securities:				
- Hong Kong	7.62	8.26	3.09	-
	88.03	96.65	80.99	91.82
Warrants	0.27	-	0.72	1.16
Quoted Loan Stocks	-	-	0.32	0.48
Collective Investment Scheme	-	-	3.43	0.53
Cash And Liquid Assets	11.70	3.35	14.54	6.01
Total	100.00	100.00	100.00	100.00
Net Asset Value (RM'000)	34,248	37,015	14,827	19,110
Number Of Units In Circulation (Units '000)	83,305	90,568	42,074	48,153
Net Asset Value Per Unit (RM)	0.4112	0.4088	0.3525	0.3969
Management Expense Ratio ("MER") ¹	0.83%	1.65%	1.73%	1.70%
Portfolio Turnover Ratio (times)	0.82	1.51	0.79	1.11

The MER for the current interim period remains consistent with that of the previous interim period. (31.12.2020: 0.83%)

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

The Portfolio Turnover Ratio for the current financial period is higher due to increase in investing activities. (31 Dec 2020: 0.74 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

	01/07/2021 - 31/12/2021 6 Months' Period	01/07/2020 - 30/06/2021 1 Year's Period	01/07/2018 - 30/06/2021 3 Years' Period	01/07/2016 - 30/06/2021 5 Years' Period
Pacific Millennium Fund				
- Total Return	0.59%	15.97%	0.71%	13.36%
- Average Return	-	15.97%	0.24%	2.67%

FBM 100				
- Total Return	1.29%	4.44%	-7.51%	-3.23%
- Average Return	-	4.44%	-2.50%	-0.65%

	01/07/2021 - 31/12/2021	01/07/2020 - 30/06/2021	01/7/2019 - 30/06/2020	01/7/2018 - 30/06/2019
Pacific Millennium Fund				
- Capital Return	0.59%	15.97%	-10.51%	-6.75%
- Income Return	0.00%	0.00%	0.00%	4.06%
- Total Return	0.59%	15.97%	-10.51%	-2.96%

FBM 100	1.29%	4.44%	-10.48%	-1.07%
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	01/07/2021 - 31/12/2021	01/07/2020 - 30/06/2021	01/7/2019 - 30/06/2020	01/7/2018 - 30/06/2019
Unit Prices				
Highest NAV (RM)	0.4278	0.4432	0.4023	0.4461
Lowest NAV (RM)	0.3958	0.3562	0.2606	0.3901

Unit Splits

Distributions

Gross Distribution Per Unit (sen)

01/07/2021 - 31/12/2021		01/07/2020 - 30/06/2021		01/7/2019 - 30/06/2020	
31/12/21	-	30/6/21	-	30/6/20	-

Net Distribution Per Unit (sen)

01/07/2021 - 31/12/2021		01/07/2020 - 30/06/2021		01/7/2019 - 30/06/2020	
31/12/21	-	30/6/21	-	30/6/20	-

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.

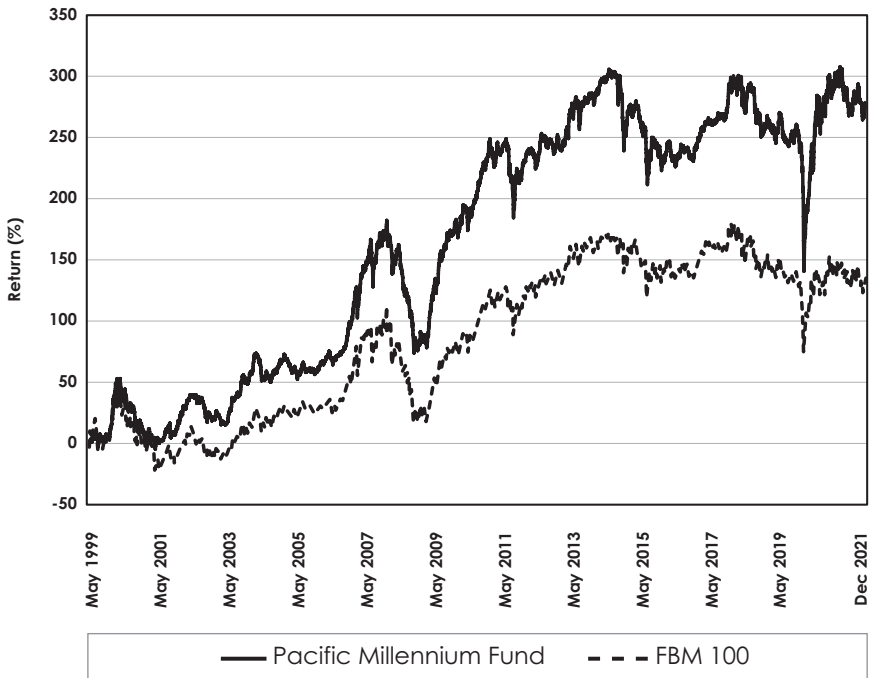
**MANAGER'S REPORT
31 DECEMBER 2021**

Performance Review

From 6 May 1999 (date of launch: 15 April 1999) to 31 December 2021, the Pacific Millennium Fund registered a total return of 283.56%, while its benchmark, the FTSE Bursa Malaysia Top 100 Index (FBM 100), rose 134.55%.

For the interim period under review (1 July 2021 to 31 December 2021), the Fund registered a total return of -3.61%. In comparison, its benchmark declined 4.23%.

Comparison Between Fund's Performance And Benchmark

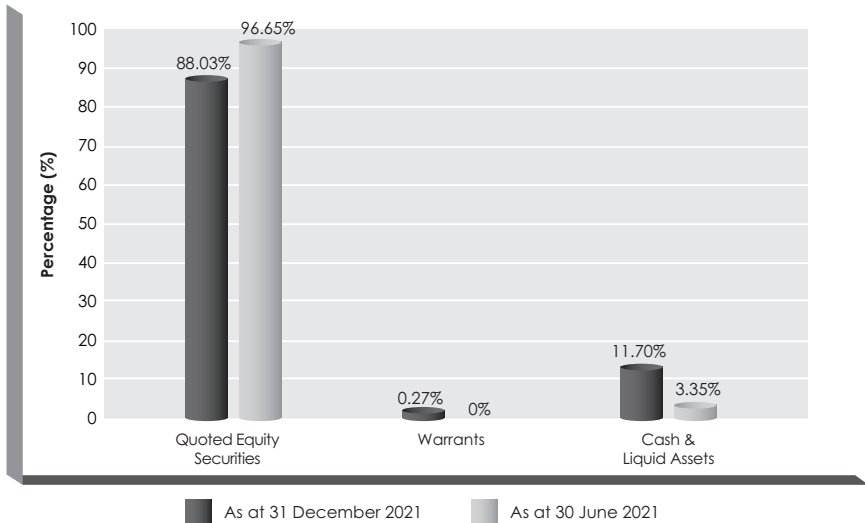


Source: Lipper

Investment Strategy Review

For the most part of the period under review, the Pacific Millennium Fund steadily held its equity allocation and rotated across most sectors to position for a more broad-based recovery in the market. The Fund changed its positioning in the later part of the period as it took a Neutral stance on Malaysian equities from an Overweight stance. In light of the changing view on Malaysian equities, the Fund reduced its equity allocation and built up cash levels to give it the flexibility to re-enter the market once there are more visible signs of a sustainable recovery and sentiment strengthens more significantly.

Asset Allocation



The quoted equity securities allocation of Pacific Millennium Fund decreased to 88.03% as at 31 December 2021 from 96.65% recorded at the beginning of the interim period under review mainly due to less optimistic outlook on Malaysian equities.

Analysis Of Net Asset Value

The net asset value (NAV) per unit of Pacific Millennium Fund increased from RM0.4088 to RM0.4112 during the interim period under review. Meanwhile, total NAV of the Fund decreased from RM37,015,211 to RM34,247,564 mainly due to capital outflows.

Market Review

Equity Market Review

The start of the period under review coincided with the fuller reopening of many developed market economies, although concerns were mounting over the ongoing spread of the Delta variant. Positive recovery in the global economy and resilient corporate earnings, especially in the US, have been major factors pushing market participants to adopt a risk-on stance throughout the period, even on the back more aggressive rate hike expectations. However, Chinese markets tumbled amid heightened regulatory risk and further issues surrounding the domestic property sector. Towards the end of 2021, Omicron sparked fresh concerns over the economic impact of the virus and the efficacy of vaccines, at a time when outlook for inflation seemed to be more persistent than anticipated. Despite the escalated volatility, global markets managed to end the year on a rally.

In Malaysia, despite the reinstatement of lockdowns in the beginning of the period, the stellar vaccination pace proved sufficient to combat the backdrop of persistently high caseload. A fuller economic reopening ensued after the government announced the lifting of restrictions for interstate travel and adopted a strategy of treating Covid-19 as an endemic. Political risk largely dissipated for now after the appointment of the current administration. However, Budget 2022 failed to excite the market over the lack of visible catalysts and uncertainty of the tax measures proposed. Positively, the government's announcement to reverse and adjust some of the tax measures proposed restored some sentiment into the market.

Technology and Materials were the best performing sectors on the back of convincing orderbook expansion amid secular rising demand and strong commodity prices respectively. On the other hand, Health Care and Consumer were the worst performing sectors. ASP declines and normalising economic conditions post-pandemic had been driving investors out of Healthcare, while the Consumer sector was hit by prolonged lockdowns which severely dampened goods and services consumption.

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.

REPORT OF THE TRUSTEE

To the Unit Holders of **PACIFIC MILLENNIUM FUND**

We, **CIMB COMMERCE TRUSTEE BERHAD** being the trustee of **PACIFIC MILLENNIUM FUND** ("the Fund"), are of the opinion that **BOS WEALTH MANAGEMENT MALAYSIA BERHAD** ("the Manager"), acting in the capacity as Manager of the Fund, has fulfilled its duties in the following manner for the six months ended 31 December 2021.

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

For and on behalf of
CIMB COMMERCE TRUSTEE BERHAD

EZREEN ELIZA ZULKIPLEE
Chief Executive Officer

Kuala Lumpur, Malaysia
15 February 2022

STATEMENT BY THE MANAGER

We, **TEH CHI-CHEUN** and **TAN AI CHIN**, being two of the directors of **BOS WEALTH MANAGEMENT MALAYSIA BERHAD**, do hereby declare that, in the opinion of the Manager, the accompanying unaudited financial statements set out on pages 11 to 31 are prepared in accordance with the requirements of the Deed, 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 MILLENNIUM FUND** as at 31 December 2021 and of their 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

Kuala Lumpur, Malaysia
15 February 2022

TAN AI CHIN

UNAUDITED STATEMENT OF FINANCIAL POSITION
As At 31 December 2021

	Note	31.12.2021 RM	30.6.2021 RM
Assets			
Investments	3	30,239,568	35,775,006
Dividend receivable		33,714	123,918
Interest receivable		563	42
Amount due from brokers/dealers	7	48,249	25,917
Cash and cash equivalents	5	<u>5,209,529</u>	<u>1,378,334</u>
Total Assets		<u>35,531,623</u>	<u>37,303,217</u>
Liabilities			
Amount due to Manager	6	57,456	75,074
Amount due to brokers/dealers	7	1,202,840	187,641
Other payables		<u>23,763</u>	<u>25,291</u>
Total Liabilities		<u>1,284,059</u>	<u>288,006</u>
Net Asset Value ("NAV") Of The Fund		<u>34,247,564</u>	<u>37,015,211</u>
Equity			
Unitholders' capital		32,902,227	35,876,448
Retained earnings		<u>1,345,337</u>	<u>1,138,763</u>
NAV Attributable To Unitholders	13	<u>34,247,564</u>	<u>37,015,211</u>
Total Equity And Liabilities		<u>35,531,623</u>	<u>37,303,217</u>
Number Of Units In Circulation (Units)	14	<u>83,304,870</u>	<u>90,567,801</u>
NAV Per Unit	13	<u>RM0.4112</u>	<u>RM0.4088</u>

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

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
For The Six Months Ended 31 December 2021**

	Note	1.7.2021 to 31.12.2021 RM	1.7.2020 to 31.12.2020 RM
Investment Income			
Gross dividends from financial assets at fair value through profit or loss ("FVTPL")		525,905	281,210
Interest income		14,123	29,952
Net (loss)/gain on investments			
- Financial assets at FVTPL		(2,014,309)	2,143,956
- Foreign exchange		6,513	(3,834)
Net unrealised gain/(loss) on foreign exchange		9,121	(40,093)
Net unrealised gain on changes in value of financial assets at FVTPL		2,232,354	2,217,459
		<u>773,707</u>	<u>4,628,650</u>
Expenses			
Audit fee		4,033	4,033
Tax agent's fee		2,180	2,118
Manager's fee	8	272,345	196,970
Trustee's fee	9	10,894	6,050
Custodian's fee	10	177	64
Brokerage and other transaction fees		268,535	173,265
Administration expenses		8,969	10,030
		<u>567,133</u>	<u>392,530</u>
Net Income before taxation		206,574	4,236,120
Less: Taxation	12	-	-
Net Income after taxation		<u>206,574</u>	<u>4,236,120</u>
Total comprehensive Income		<u>206,574</u>	<u>4,236,120</u>
Total comprehensive Income is made up as follows:			
Realised (Loss)/ Gain		(2,034,901)	2,058,754
Unrealised Gain		2,241,475	2,177,366
		<u>206,574</u>	<u>4,236,120</u>

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

UNAUDITED STATEMENT OF CHANGES IN NET ASSET VALUE
For The Six Months Ended 31 December 2021

	Unitholders' Capital RM	Retained Earnings RM	NAV Attributable To Unitholders RM
At 1 July 2020	16,338,214	(1,511,214)	14,827,000
Net income after taxation	-	4,236,120	4,236,120
Creation of units	24,005,669	-	24,005,669
Cancellation of units	(1,197,762)	-	(1,197,762)
At 31 December 2020	<u>39,146,121</u>	<u>2,724,906</u>	<u>41,871,027</u>
At 1 July 2021	35,876,448	1,138,763	37,015,211
Net Income after taxation	-	206,574	206,574
Cancellation of units	(2,974,221)	-	(2,974,221)
At 31 December 2021	<u>32,902,227</u>	<u>1,345,337</u>	<u>34,247,564</u>

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

UNAUDITED STATEMENT OF CASH FLOWS
For The Six Months Ended 31 December 2021

	1.7.2021 to 31.12.2021 RM	1.7.2020 to 31.12.2020 RM
Cash Flows From Operating And Investing Activities		
Proceeds from sale of investments	32,249,022	8,847,105
Purchase of investments	(25,674,198)	(29,971,777)
Dividends received	531,772	172,835
Interest received	13,602	30,239
Tax refunded	-	-
Manager's fee paid	(276,060)	(161,491)
Trustee's fee paid	(18,044)	(7,832)
Custodian's fee paid	(177)	(64)
Payment for other fees and expenses	(10,558)	(19,879)
Net cash generated from/(used in) operating and investing activities	<u>6,815,359</u>	<u>(21,110,864)</u>
Cash Flows From Financing Activities		
Cash proceeds from units created	-	24,005,669
Cash paid on units cancelled	(2,988,123)	(1,233,930)
Distributions paid	-	-
Net cash (used in)/generated from financing activities	<u>(2,988,123)</u>	<u>22,771,739</u>
Net increase in cash and cash equivalents	3,827,236	1,660,875
Effect of exchange rate changes	3,959	(50,759)
Cash and cash equivalents at beginning of interim period	1,378,334	2,238,056
Cash and cash equivalents at end of interim period	<u>5,209,529</u>	<u>3,848,172</u>
Cash and cash equivalents comprise:		
Cash at banks	689,529	788,172
Deposits with financial institutions	4,520,000	3,060,000
	<u>5,209,529</u>	<u>3,848,172</u>

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

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS
31 December 2021**1. The Fund, The Manager And Their Principal Activities**

Pacific Millennium Fund (hereinafter referred to as "the Fund") was constituted pursuant to the execution of a Master Deed dated 14 April 1999 as amended by the First Supplemental Deed dated 13 June 2000, Second Supplemental Deed dated 7 August 2000, Third Supplemental Deed dated 18 December 2000, Fourth Supplemental Deed dated 30 August 2007, Supplemental Master Deed dated 27 April 2011, Second Supplemental Master Deed dated 2 June 2011, Third Supplemental Master Deed dated 4 March 2013, Fourth Supplemental Master Deed dated 5 October 2020, Fifth Supplemental Master Deed dated 6 November 2020 and its Sixth Supplemental Master Deed dated 25 November 2020 (hereinafter referred to as "the Deed") made between the Manager, BOS Wealth Management Malaysia Berhad and the Trustee, CIMB Commerce Trustee 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 stocks and shares of companies quoted on Bursa Malaysia Securities Berhad, foreign securities, fixed income securities and money market instruments as approved by the Securities Commission Malaysia. The Fund was launched on 15 April 1999 and will continue their 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 (formerly known as Lion Capital Management 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 UTS Adviser with the Federation of Investment Managers Malaysia on 13 November 2019. As at end of the current financial year, no transactions relating to investment advice and marketing and distribution of third party funds were performed by the Manager.

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with a resolution of the Directors on 15 February 2022.

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"), and the Securities Commission Malaysia's Guidelines on Unit Trust Fund 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 and IC Interpretation which are effective for financial year beginning on or after 1 January 2021. 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 MFRSs and Amendments to MFRSs when they become effective in the respective financial periods and these MFRSs 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:

Description	Effective dates financial periods beginning on or after
Amendments to MFRS 16 <i>Covid-19-Related Rent Concessions beyond 30 June 2021*</i>	1 April 2021
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 (<i>Amendments to MFRS 3 Business Combinations</i>)*	1 January 2022
Property, Plant and Equipment – Proceeds before Intended Use (<i>Amendments to MFRS 116 Property, Plant and Equipment</i>)*	1 January 2022
Onerous Contracts - Cost of Fulfilling a Contract (<i>Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets</i>)	1 January 2023
Amendments to MFRS 101: Presentation of Financial Statements <i>Classification of Liabilities as Current or Non-Current</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies MFRS 17 Insurance Contracts*</i>	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023

Description	Effective dates financial periods beginning on or after
Amendments to MFRS 112 Income Taxes: <i>Deferred Tax Related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*</i>	Deferred

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

(b) Functional and presentation currency

The financial statements of the Fund is measured using the currency of the primary economic environment in which the Fund operate ("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 they become 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.

(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 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.

(iii) *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.

(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 recognise loss allowances for ECL on financial instruments that are not measured at 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 Funds' financial statements. For balances which are short-term in nature and with no financing component (e.g. interest receivable, dividend receivable and amount due from brokers/dealers), full impairment will be recognised on uncollected balances after the grace period is 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.

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

(g) Unrealised reserves/(deficits)

The unrealised reserves/(deficits) represent the net gain or loss arising from carrying quoted investments 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 deposits with licensed financial institutions 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.

(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. Investments

	31.12.2021 RM	30.6.2021 RM
Financial assets at FVTPL		
Quoted investments		
- Equity securities	30,147,799	35,775,006
- Warrants	91,769	-
Total investments	<u>30,239,568</u>	<u>35,775,006</u>

Equity Securities

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
	Malaysia			
	Banks			
74,900	Hong Leong Financial Group Berhad	1,088,767	1,298,766	3.79
77,500	Hong Leong Bank Berhad	1,472,006	1,443,050	4.21
64,122	CIMB Group Holdings Berhad	311,982	349,465	1.02
170,100	Public Bank Berhad	703,608	707,616	2.07
256,246	RHB Bank Bhd	<u>1,341,572</u>	<u>1,376,041</u>	<u>4.02</u>
		<u>4,917,935</u>	<u>5,174,938</u>	<u>15.11</u>
	Capital Goods			
479,600	Sime Darby Berhad	1,078,009	1,112,672	3.25
825,300	Sunway Bhd	1,366,740	1,419,516	4.14
170,900	Supercomnet Technologies Berhad	248,363	343,509	1.00
101,800	UWC Berhad	417,780	632,178	1.86
		<u>3,110,892</u>	<u>3,599,644</u>	<u>10.25</u>
	Consumer Services			
279,900	Genting Berhad	<u>1,466,222</u>	<u>1,307,133</u>	<u>3.82</u>
	Energy			
224,600	Dialog Group Berhad	771,652	588,452	1.72
94,300	Yinson Holdings Berhad	480,903	565,800	1.65
		<u>1,252,555</u>	<u>1,154,252</u>	<u>3.37</u>
	Food, Beverage & Tobacco			
226,700	Guan Chong Bhd	663,697	634,760	1.85
196,800	Sime Darby Plantation Berhad	732,438	739,968	2.16
		<u>1,396,135</u>	<u>1,374,728</u>	<u>4.01</u>

Quantity	Name Of Counter	Cost RM	Fair Value RM	Fair Value As A % Of NAV
Malaysia				
Health Care Equipment & Services				
89,300	IHH Healthcare Bhd	596,262	655,462	1.91
240,300	Kossan Rubber Industries Berhad	1,219,436	461,376	1.35
		<u>1,815,698</u>	<u>1,116,838</u>	<u>3.26</u>
Insurance				
235,200	Syarikat Takaful Malaysia Keluarga Berhad	860,496	870,240	2.54
Materials				
77,600	Petronas Chemicals Group Bhd	646,627	692,192	2.02
249,800	Press Metal Aluminium Holdings Berhad	1,282,364	1,443,844	4.22
		<u>1,928,991</u>	<u>2,136,036</u>	<u>6.24</u>
Media & Entertainment				
562,300	Astro Malaysia Holdings Bhd	561,716	534,185	1.56
1,391,000	Media Prima Berhad	653,936	577,265	1.69
		<u>1,215,652</u>	<u>1,111,450</u>	<u>3.25</u>
Real Estate				
355,100	Legenda Properties Bhd	562,506	475,834	1.39
Retailing				
237,400	MR D.I.Y. Group (M) Bhd.	891,826	857,014	2.50
Semiconductors & Semi. Equipment				
104,300	Greotech Technology Berhad	732,232	701,939	2.05
180,500	Unisem (M) Berhad	659,481	736,440	2.15
		<u>1,693,483</u>	<u>1,818,629</u>	<u>5.31</u>
Software & Services				
712,100	My E.G. Services Bhd	692,146	761,947	2.22
Technology Hardware & Equipment				
252,000	Inari Amertron Berhad	806,730	1,008,000	2.94
591,700	V.S. Industry Berhad	886,753	810,629	2.37
		<u>1,693,483</u>	<u>1,818,629</u>	<u>5.31</u>
Telecommunication Services				
169,199	Axiata Group Berhad	624,598	703,868	2.06
127,900	Telekom Malaysia Berhad	739,467	703,450	2.05
198,300	TIME dotCom Berhad	864,643	912,180	2.66
		<u>2,228,708</u>	<u>2,319,498</u>	<u>6.77</u>

Quantity	Name Of Counter	Cost RM	Fair Value RM	Fair Value As A % Of NAV
Malaysia				
Transportation				
294,600	Tasco Berhad	341,736	341,736	1.00
90,400	Westports Holdings Berhad	353,808	366,120	1.07
		<u>695,544</u>	<u>707,856</u>	<u>2.07</u>
Utilities				
150,400	Tenaga Nasional Berhad	1,818,888	1,404,735	4.10
		<u>1,818,888</u>	<u>1,404,735</u>	<u>4.10</u>
Total equity securities - Malaysia		<u>27,939,390</u>	<u>27,537,382</u>	<u>80.41</u>
Hong Kong				
Exchange Traded Fund				
7,200	Hang Seng China Enterprises Index ETF	341,580	321,178	0.94
Insurance				
24,200	AIA Group Limited	1,023,110	1,015,922	2.97
Retailing				
5,300	JD.com, Inc.	765,546	775,621	2.26
Technology Hardware & Equipment				
104,000	Lenovo Group Limited	514,194	497,696	1.45
Total equity securities - Hong Kong		<u>2,644,430</u>	<u>2,610,417</u>	<u>7.62</u>
Total equity securities		<u>30,583,820</u>	<u>30,147,799</u>	<u>88.03</u>
WARRANTS				
Malaysia				
115,433	Kelington Group Bhd - WB 24/07/2026	-	91,769	0.27
TOTAL QUOTED INVESTMENTS		<u>30,583,820</u>	<u>30,239,568</u>	<u>88.30</u>
UNREALISED LOSS FROM QUOTED INVESTMENTS			<u>(344,252)</u>	

4. Fair Value Hierarchy

The Fund use 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	Total RM
31.12.2021		
Financial assets at FVTPL		
Quoted investments	<u>30,239,568</u>	<u>30,239,568</u>
30.6.2021		
Financial assets at FVTPL		
Quoted investments	<u>35,775,006</u>	<u>35,775,006</u>

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.

	31.12.2021 RM	30.6.2021 RM
Cash at banks:		
- Malaysia	26,281	14,137
- Outside Malaysia	<u>663,248</u>	<u>894,197</u>
	<u>689,529</u>	<u>908,334</u>
Deposits with licensed financial institutions:		
- Commercial bank	220,000	470,000
- Investment banks	<u>4,300,000</u>	<u>-</u>
	<u>4,520,000</u>	<u>470,000</u>
Cash and cash equivalents	<u>5,209,529</u>	<u>1,378,334</u>

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

	Weighted Average Rate Of Return (% Per Annum)		Weighted Average Remaining Maturity (Days)	
	31.12.2021	30.6.2021	31.12.2021	30.6.2021
Deposits with licensed financial institutions:				
- Commercial bank	1.70	1.65	7	1
- Investment banks	1.74	-	3	-

6. Amount Due To Manager

The amount due to Manager represents amount payable for units cancelled and 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 Brokers/Dealers

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 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% (2020: 1.50%) per annum of the net asset value attributable to unitholders of the Fund, calculated on a daily basis net of Manager's fee rebate on the collective investment schemes as agreed by the Trustee and the Manager as follows:

9. Trustee's Fee

The Trustee's fee provided in the financial statements are computed at 0.06% (2020: 0.06%) per annum of the net asset value attributable to unitholders of the Fund, calculated on a daily basis, subject to a minimum annual fee of RM12,000.

10. Portfolio Turnover Ratio

	1.7.2021 to 31.12.2021 RM	1.7.2020 to 31.12.2020 RM
Portfolio turnover ratio ("PTR")	0.82 times	0.74 times

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the interim period over the average net asset value 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

	1.7.2021 to 31.12.2021 RM	1.7.2020 to 31.12.2020 RM
Management expense ratio ("MER") ¹	<u>0.83%</u>	<u>0.83%</u>

MER is the ratio of expenses of the Fund expressed as a percentage of the average net asset value attributable to unitholders of the Fund for the interim period calculated on a daily basis. The MER for the current interim period is remains consistent with that of the previous interim period.

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

12. Taxation

	1.7.2021 to 31.12.2021 RM	1.7.2020 to 31.12.2020 RM
Malaysian income tax: Current period's provision	<u>-</u>	<u>-</u>

Income tax is calculated at the Malaysian statutory rate of taxation of 24% (2020: 24%) of the estimated assessable income for the interim period.

There were 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 expenses at the effective rate of taxation are as follows:

	1.7.2021 to 31.12.2021 RM	1.7.2020 to 31.12.2020 RM
Net Income before taxation	<u>206,574</u>	<u>4,236,120</u>
Taxation at Malaysian statutory rate of 24%	49,578	1,016,669
Tax effects of:		
Income not subject to tax	(669,124)	(1,121,419)
Losses not subject to tax	483,434	10,542
Expenses not deductible for tax purpose	68,201	44,341
Restriction on tax deductible expenses for unit trust funds	<u>67,911</u>	<u>49,867</u>
Tax expenses for the period	<u>-</u>	<u>-</u>

13. Net Asset Value ("Nav") Attributable To Unitholders

Pacific Millennium Fund

	31.12.2021	30.6.2021
	RM	RM
Unitholders' capital	32,902,227	35,876,448
Retained earnings		
- Realised reserves	1,705,019	3,739,920
- Unrealised deficits	<u>(359,682)</u>	<u>(2,601,157)</u>
NAV attributable to unitholders	<u>34,247,564</u>	<u>37,015,211</u>

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

14. Number Of Units In Circulation

	31.12.2021	30.6.2021
	No. of units	No. of units
At beginning of the period	90,567,801	42,074,197
Creation	-	59,029,033
Cancellation	<u>(7,262,931)</u>	<u>(10,535,429)</u>
At end of the period	<u>83,304,870</u>	<u>90,567,801</u>

15. Units Held By The Manager And Its Related Parties

	31.12.2021		30.6.2021	
	No. of units	RM	No. of units	RM
Key management of the Manager	<u>-</u>	<u>-</u>	<u>85,725</u>	<u>35,044</u>

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

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 %	Brokerage Fee* RM	% Of Total Brokerage Fees %
RHB Investment Bank Bhd	9,686,477	16.42	33,994	17.13
CIMB Investment Bank Bhd	9,267,165	15.71	31,814	16.03
Hong Leong Investment Bank Bhd	8,902,135	15.09	30,585	15.41
UOB Kay Hian Securities (M) Sdn Bhd	7,050,579	11.95	24,677	12.43
Maybank Investment Bank Bhd	6,392,608	10.84	22,374	11.27
Credit Suisse Securities (Malaysia) Sdn Bhd/ Credit Suisse (Hong Kong) Limited	5,860,578	9.93	16,692	8.41
Nomura Securities Malaysia Sdn Bhd	4,876,645	8.27	17,073	8.60
J.P. Morgan Securities (Malaysia) Sdn Bhd	4,381,551	7.43	15,335	7.73
Alliance Investment Bank Berhad	2,006,026	3.40	4,514	2.27
DBS Vickers Securities (Singapore) Pte Ltd	567,052	0.96	1,418	0.72
	58,990,816	100.00	198,476	100.00

[#] Excludes brokerage and other transaction fees.

* Only applicable to equity securities.

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.

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) 31.12.2021 RM	Increase/ (Decrease) 30.6.2021 RM
+5/	1,511,978	1,788,750
(5)	<u>(1,511,978)</u>	<u>(1,788,750)</u>

(b) Interest rate risk

This risk refers to the effect of interest rate changes on the returns on deposits with licensed financial institutions. In the event of reduction in interest rates, the returns on deposits with licensed financial institutions will decrease, thus affecting the NAV of the Fund. This risk will be minimised via the management of the duration structures of the deposits with licensed financial institutions.

The Fund's exposure to interest rate risk with respect to deposits with licensed financial institutions is not considered to be significant at the reporting date and consequently no sensitivity analysis on interest rate risk has been presented.

(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 currencies 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 net income before tax and NAV attributable to unitholders due to fluctuations in currency rates against the functional currency, with all other variables held constant.

	Currency Risk Concentration	Changes In Currency Rates	Effect On Net Income Before Tax Increase	Effect On NAV Attributable To Unitholders Increase
	RM	As A % Of NAV %	RM	RM
HKD	3,273,664	9.56	+5	163,683

The currency exposure risk at the end of the previous reporting period was not significant, hence no analysis was included.

An equivalent decrease in the currency rate shown above would have resulted in an equivalent, but opposite impact.

(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 net asset value 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 financial institutions with strong credit ratings.

(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 net asset value attributable to unitholders are repayable on demand.

(iv) Specific risk

The Fund is exposed to the individual risk 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 Funds' net asset value. Under such restriction, the risk exposure to the 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 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 comprise 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 their investment objective and at the same time maintain sufficient liquidity to meet unitholders' redemptions.

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INSTITUTIONAL UNIT TRUST ADVISERS (IUTA)

For more details on the list of appointed IUTA (if any), please contact the Manager. 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 with updated personal details on a timely basis. You may do so by downloading and completing the Update of Particulars Form available at www.boswealthmanagement.com.my, and e-mail to customercare@boswm.com. Alternatively, you may call us as above.

Certificates of unitholdings

Please be informed that notwithstanding any certificates issued to any unitholder on the holdings of units in the Pacific Millennium Fund, the final and conclusive proof of ownership and details to the units of the Fund shall be according to the Register of Unitholders as required to be kept and maintained by the Manager.

The information stated on the certificate may not reflect the latest information on the holdings of units in the Fund due to subsequent transactions that were entered into between the unitholder and the Manager such as the sale of units, repurchase of units, transfer of units, and creation of additional units due to distribution of the Fund. Unitholders may refer to the Statement of Account and/or Transaction Advice Slip for details of the transactions made with the Manager.