

# CIMB-Principal Millennial Equity Fund

Unaudited Interim Report

For The Six Months Financial Period Ended 31 December 2019

**CIMB-PRINCIPAL MILLENNIAL EQUITY FUND**

**UNAUDITED INTERIM REPORT**

**FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2019**

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## INVESTORS' LETTER

Dear Valued Investor,

As we write this letter, we're watching the impact the Coronavirus is having on families, communities and markets around the world. Our thoughts are with those directly impacted by this illness and hope that together, as a global community we can find ways to prevent the further spread of this virus.

From an investment perspective, yes, the Coronavirus outbreak is disrupting markets – but it's important to remember this is an event, not a trend. And, just how interlinked our economies really are and how ripple effects are felt globally.

Ahead of the virus outbreak, we were seeing many positive trends in the market and were anticipating an upturn. We're still optimistic that the upturn will happen – it's just a matter of when. We still encourage our investors to focus on the fundamentals, seek portfolio diversification and to focus on the long-term.

As a fund house, we've never been better positioned to help our investors navigate the market volatility that is becoming the new norm. Our capabilities span from local to global markets with products, strategies and ideas to position your portfolio of investments based on your unique risk tolerance and financial goals.

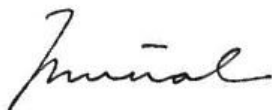
We're committed to helping meet the varying needs of our customers and in the past few months, we've launched several new funds, including: Principal Global Real Estate, Principal Greater Bay and Principal Islamic ASEAN Equity Fund. Together these funds showcase our breadth and depth of expertise and offerings – helping set us apart as the fund house of choice. You can learn more about each of these funds and other solutions at: [www.principal.com.my](http://www.principal.com.my).

Please be informed that effective 16 January 2020, the Fund has been renamed as Principal Global Millennial Equity following the issuance of the Replacement Prospectus Issue No.2 dated 16 January 2020.

Thank you for your continuous support and allowing us to help you achieve your financial goals.

Thank you.

Yours faithfully,  
for **Principal Asset Management Berhad**  
(formerly known as CIMB-Principal Asset Management Berhad)



**Munirah Khairuddin**  
Chief Executive Officer

## MANAGER'S REPORT

### FUND OBJECTIVE AND POLICY

#### What is the investment objective of the Fund?

The Fund aims to achieve capital appreciation over the medium to long term through investments primarily in a portfolio of global equities.

#### Has the Fund achieved its objective?

For the period under review, the Fund has achieved its objectives as stated under the Fund investment policy.

#### What are the Fund investment policy and its strategy?

The Fund seeks to achieve its objective by investing in global equity of companies that are impacted by the spending and lifestyle activities of the Millennial generation, which refers to people born from 1980 to the mid-2000s. The investment universe includes listed securities as well as Initial Public Offering ("IPO"). The universe is broadly defined as global all-country and all-cap, across the full market capitalization spectrum (small, medium and large). The Fund is expected to have a growth bias overall, including both growth and value oriented companies over time. Market segments with the greatest Millennial exposure are likely to include, without limitation, consumer goods (including fashion and apparel), social media and ecommerce, and digital media and technology.

Under normal circumstances, the Fund invests a maximum of 98% of its Net Asset Value ("NAV") in equities. The Fund may opt to access into equities via the investment in units of other CIS. The Fund currently does not intend to invest in warrants. The Fund may also invest in derivative instruments for hedging purpose, subject to the prevailing Securities Commission Malaysia ("SC") Guidelines.

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund's NAV will be invested in equities; and
- at least 2% of the Fund's NAV in liquid assets.

#### Base Currency

US Dollar ("USD")

#### Fund category/type

Equity / Growth

#### How long should you invest for?

Recommended three (3) years or more

#### When was the Fund launched?

Class MYR, Class MYR-Hedged ("MYR-H"), SGD-Hedged ("SGD-H") & Class USD

31 May 2018

#### What was the size of the Fund as at 31 December 2019?

USD29.83 million (117.98 million units)

#### What is the Fund's benchmark?

Nasdaq Global Millennial Opportunity Index.

**Note:** The Fund's benchmark is for performance comparison purpose only. Investors are cautioned that the risk profile of the Fund is different from the benchmark.

#### What is the Fund distribution policy?

We have the discretion to make income distribution on an ad-hoc basis, taking into consideration the level of its realised income and/or realised gains, as well as the performance of the Fund. We also have the right to make provisions for reserves in respect of distribution of the Class.

**FUND OBJECTIVE AND POLICY (CONTINUED)**

**What was the net income distribution for the six months financial period ended 31 December 2019?**

There was no distribution made for the six months financial period ended 31 December 2019.

**PERFORMANCE DATA**

Details of portfolio composition of the Fund for the last two unaudited financial period is as follows:

	<b>31.12.2019</b>	<b>31.12.2018</b>
	%	%
Quoted securities		
- Consumer Discretionary	58.79	45.46
- Consumer Staples	5.38	3.14
- Financials	3.72	3.75
- Industrials	-	3.05
- Information Technology	9.55	13.97
- Real Estate	0.41	-
- Telecommunication Services	22.36	24.00
Cash and other net assets	(0.21)	6.63
	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund for the last two unaudited financial period is as follows:

	<b>31.12.2019</b>	<b>31.12.2018</b>
NAV (USD Million)		
- Class MYR	3.67	1.55
- Class MYR-Hedged ("MYR-H")	26.03	33.43
- Class SGD-Hedged ("SGD-H")	0.11	-*
- Class USD	0.02	-*
Units in circulation (Million)		
- Class MYR	14.11	7.62
- Class MYR-H	103.70	171.02
- Class SGD-H	0.15	0.00
- Class USD	0.02	0.00
NAV per unit (USD)		
- Class MYR	0.2601	0.2038
- Class MYR-H	0.2510	0.1954
- Class SGD-H	0.7538	0.5900
- Class USD	1.0706	0.8400

Note: -\* denotes fair value less than USD1.

**PERFORMANCE DATA (CONTINUED)**

Performance details of the Fund for the last two unaudited financial period is as follows: (continued)

	<b>01.07.2019 to 31.12.2019</b>	<b>31.05.2018 (date of launch) to 31.12.2018</b>
Highest NAV per unit (USD)		
- Class MYR	0.2618	0.3554
- Class MYR-H	0.2510	0.2511
- Class SGD-H	0.7538	0.7799
- Class USD	1.0779	1.0800
Lowest NAV per unit (USD)		
- Class MYR	0.2284	0.1838
- Class MYR-H	0.2161	0.1940
- Class SGD-H	0.6470	0.5691
- Class USD	0.9398	0.8100
Total return (%)		
- Class MYR	10.07	(18.93)
- Class MYR-H	9.79	(22.95)
- Class SGD-H	9.47	(21.09)
- Class USD	10.06	(16.00)
Capital growth (%)		
- Class MYR	10.07	(18.93)
- Class MYR- H	9.79	(22.95)
- Class SGD- H	9.47	(21.09)
- Class USD	10.06	(16.00)
Income distribution (%)		
- Class MYR	-	-
- Class MYR-H	-	-
- Class SGD-H	-	-
- Class USD	-	-
Management Expense Ratio ("MER") (%) ^	0.96	1.11
Portfolio Turnover Ratio ("PTR") (times) #	0.41	1.21

^ The Fund's MER decreased from 1.11% to 0.96% due to an increase in average NAV of the Fund during the financial period under review.

# For the period under review, the PTR for the Fund decreased from 1.21 times to 0.41 times, as there were lesser trading activities during the period.

**PERFORMANCE DATA (CONTINUED)**

	<b>31.12.2019</b>	<b>Since inception to 31.12.2018</b>
	%	%
Annual total return		
- Class MYR	27.65	(18.93)
- Class MYR-H	27.13	(22.25)
- Class SGD-H	26.03	(21.09)
- Class USD	27.45	(16.00)

(Launch date: 31 May 2018)

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up. All performance figures for the financial period have been extracted from Lipper.

**MARKET REVIEW (1 JULY 2019 TO 31 DECEMBER 2019)**

Equity markets started the period by posting positive returns in July 2019. The US Dollar appreciated 0.78% against the Japanese Yen (“JPY”), 3.83% against the Great Britain Pound (“GBP”) and 2.25% against the Euro Dollar (“EUR”). During the month, Morgan Stanley Capital International (“MSCI”) All country (“AC”) World Index rose 0.29% with MSCI Emerging Markets (“EM”) down 1.22%. In local terms, Belgium and New Zealand led, while Hong Kong and Spain lagged in developed markets. Meanwhile, EM performance were led by United Arab Emirates and Turkey, while Peru and India lagged during the month.

Equity markets mostly declined during the month of August 2019. The US Dollar (“USD”) depreciated 2.31% against the JPY, appreciated 0.54% against the GBP and 1.10% against the EUR. During the month, MSCI AC World was down 2.37% with MSCI EM down 4.88%. In local terms, Denmark and Switzerland led, while Hong Kong and Israel lagged in developed markets. In EM, performance was led by Egypt and Mexico, with Argentina and Pakistan lagging.

In September 2019, Equity markets reversed and posted positive returns. The USD appreciated 1.80% against the JPY, depreciated 1.20% against the GBP and appreciated 1.01% against the EUR. During the month, MSCI AC World was up 2.10% with MSCI EM up 1.91%. In local terms, Japan and Portugal led, while Hong Kong and Israel lagged in developed markets. EM were led by Pakistan and Turkey, with United Arab Emirates and Indonesia lagging

Equity markets continued to post positive returns in October 2019. The USD appreciated 0.03% against the JPY, depreciated 5.06% against the GBP and depreciated 2.36% against the EUR. During the month, MSCI AC World was up 2.74% with MSCI Emerging Markets up 4.22%. In local terms, Sweden and Israel led, while Belgium and Finland lagged in developed markets. Emerging markets were led by Russia and Pakistan, with Turkey and Chile lagging.

In November 2019, Equity markets posted mainly positive return. The USD appreciated 1.30% against the JPY, 0.04% against the GBP and 1.18% against the EUR. During the month, MSCI AC World was up 2.44% with MSCI EM down 0.14%. In local terms, New Zealand and Ireland led, while Hong Kong and Norway lagged in developed markets. EM were led by Pakistan and Turkey, with Chile and Philippines lagging.

Equity markets ended the year by posting positive returns in the month of December 2019. The USD depreciated 0.78% against the JPY, depreciated 2.44% against the GBP and depreciated 1.82% against the EUR. During the month, MSCI AC World was up 3.56% with MSCI EM up 7.53%. In local terms, Hong Kong and Finland led, while Australia and Israel lagged in developed markets. EM were led by China and South Korea, with Thailand and Poland lagging.



**FUND PERFORMANCE**

	<b>6 months to 31.12.2019</b>			
	<b>Class</b>	<b>Class</b>	<b>Class</b>	<b>Class</b>
	<b>MYR</b>	<b>MYR-H</b>	<b>SGD-H</b>	<b>USD</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Income	-	-	-	-
Capital	10.07	9.79	9.47	10.06
Total Return	10.07	9.79	9.47	10.06
Benchmark	8.69	8.69	8.69	8.69
Average Total Return	N/A	N/A	N/A	N/A

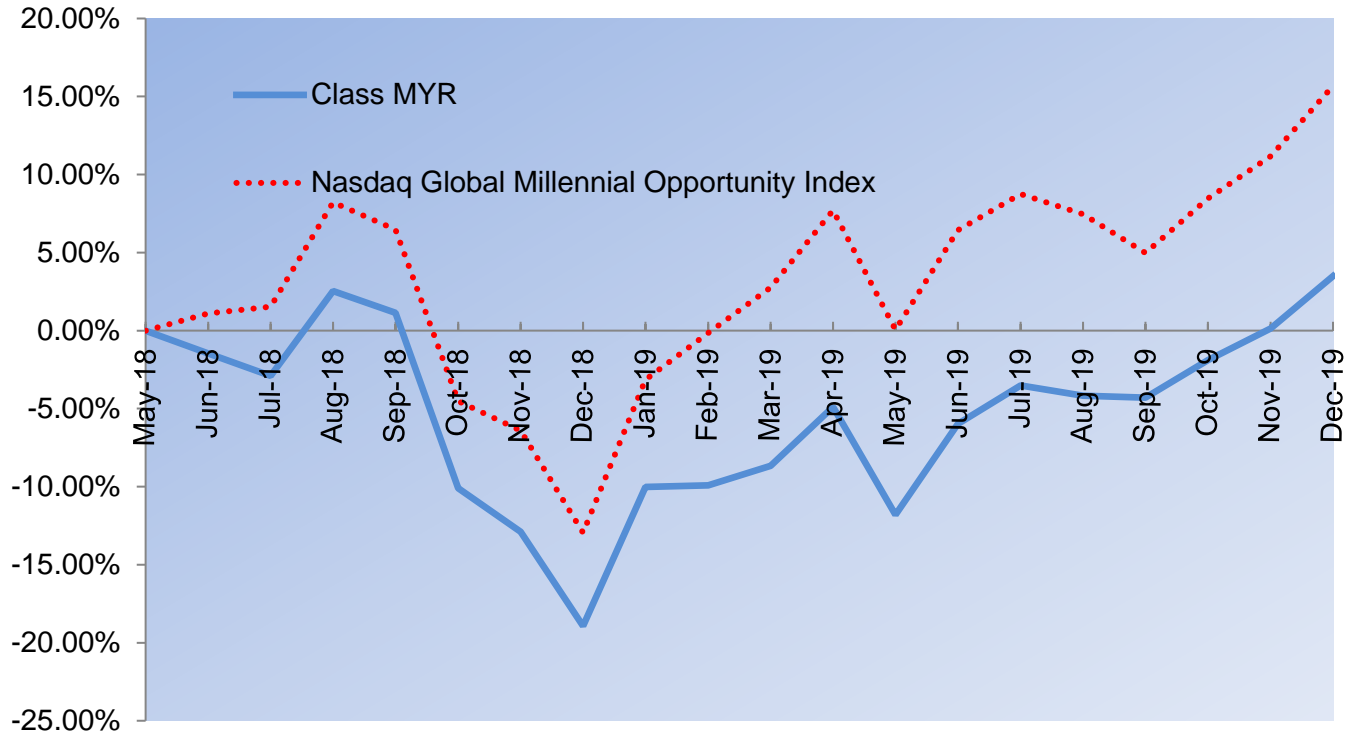
	<b>1 year to 31.12.2019</b>			
	<b>Class</b>	<b>Class</b>	<b>Class</b>	<b>Class</b>
	<b>MYR</b>	<b>MYR-H</b>	<b>SGD-H</b>	<b>USD</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Income	-	-	-	-
Capital	27.65	27.13	26.03	27.45
Total Return	27.65	27.13	26.03	27.45
Benchmark	32.89	32.89	32.89	32.89
Average Total Return	32.89	32.89	32.89	32.89

	<b>Since inception to 31.12.2019</b>			
	<b>Class</b>	<b>Class</b>	<b>Class</b>	<b>Class</b>
	<b>MYR</b>	<b>MYR-H</b>	<b>SGD-H</b>	<b>USD</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Income	-	-	-	-
Capital	3.49	2.63	1.35	7.06
Total Return	3.49	2.63	1.35	7.06
Benchmark	15.68	15.68	15.68	15.68
Average Total Return	2.18	1.65	0.85	4.39

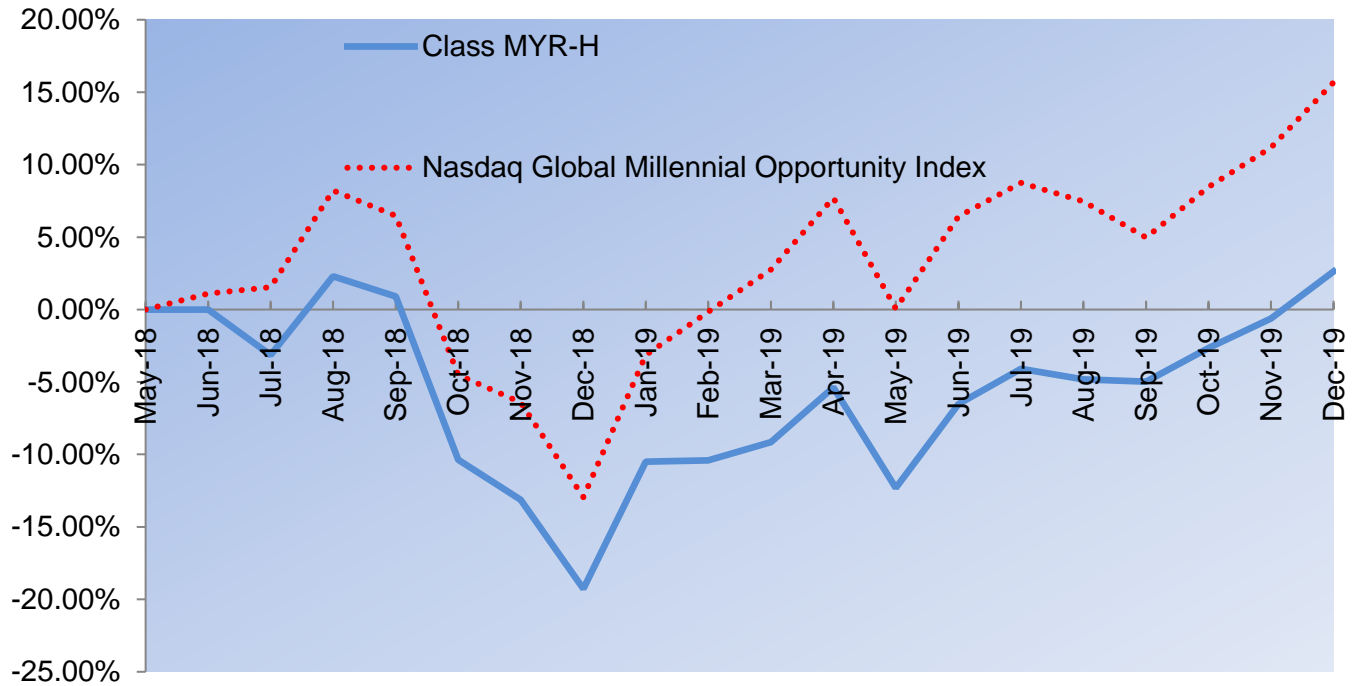
For the period under review, the Fund posted positive returns for all the classes, Class MYR, Class MYR-H, Class SGD-H and Class USD, which increased by 10.07%, 9.79%, 9.47% and 10.06% respectively outperforming the benchmark which rose by 8.69%.

FUND PERFORMANCE (CONTINUED)

CLASS MYR

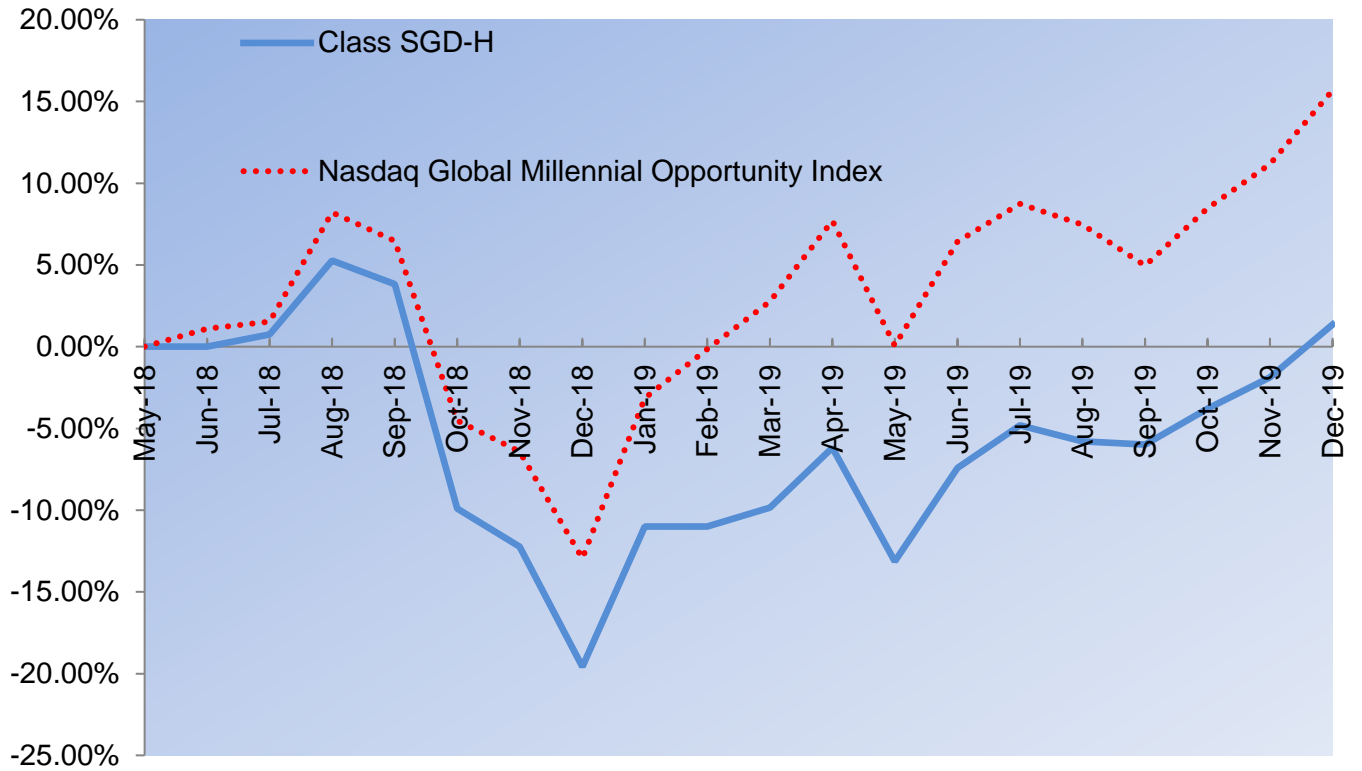


CLASS MYR-H

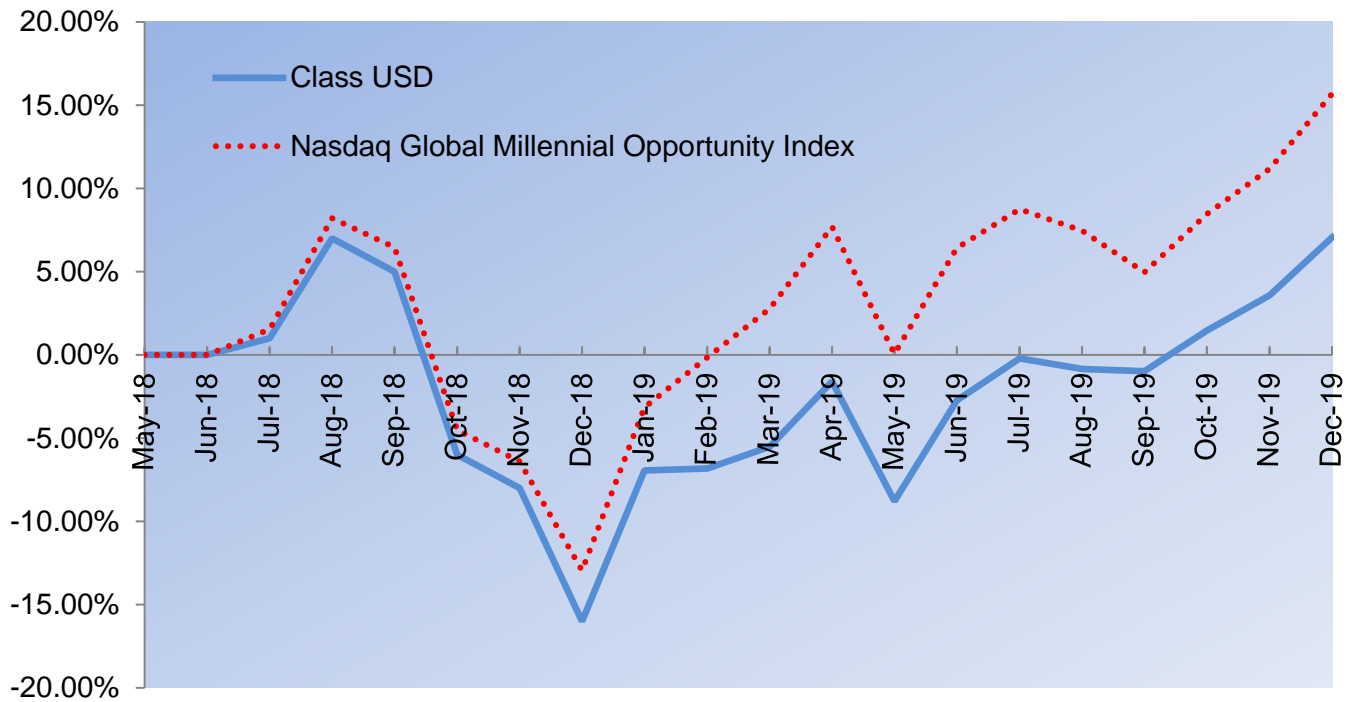


FUND PERFORMANCE (CONTINUED)

CLASS SGD-H



CLASS USD



**Changes in NAV**

	<b>31.12.2019</b>	<b>30.06.2019 Audited</b>	<b>Changes %</b>
<b>CLASS MYR</b>			
NAV (USD Million)	3.67	3.72	(1.34)
NAV/Unit (USD)	0.2601	0.2363	10.07
<b>CLASS MYR-H</b>			
NAV (USD Million)	26.03	36.25	(28.19)
NAV/Unit (USD)	0.2510	0.2263	10.91
<b>CLASS SGD-H</b>			
NAV (USD Million)	0.11	0.00*	>100.00
NAV/Unit (USD)	0.7538	0.6842	10.17
<b>CLASS USD</b>			
NAV (USD Million)	0.02	0.23	(91.30)
NAV/Unit (USD)	1.0706	0.9726	10.08

Note: 0.00\* denotes fair value less than USD 1.

During the financial period, The Fund recorded positive net inflow from unit creations for one of the four classes - Class SGD-H. Meanwhile, Class MYR, Class MYR-H and Class USD saw a decline in NAV by 1.34%, 28.19% and 91.30% respectively due to net redemptions.

In terms of NAV per unit, the Fund recorded an increase in NAV for all the classes – Class MYR, Class MYR-H, Class SGD-H, and Class USD. The increase in NAV per unit for all classes were due to the positive investment performance achieved during the financial period.

Performance data represents the combined income and capital return as a result of holding units in the fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the fund are reinvested and are net of management and trustee fees. Past performance is not reflective of future performance and income distributions are not guaranteed. Unit prices and income distributions, if any, may fall and rise. All performance figures for the financial period have been extracted from Lipper.

**PORTFOLIO STRUCTURE**

**Asset allocation**

<b>(% of NAV)</b>	<b>31.12.2019</b>	<b>30.06.2019 Audited</b>
Quoted securities	100.21	97.80
Cash and other net assets	(0.21)	2.20
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>

During the financial period under review, the Fund was fully invested with minimal level of liquid assets maintained primarily for redemption purposes. At the reporting date, a material amount of cancellation was still sitting in payable.

## MARKET OUTLOOK\*

We expect global economic growth to accelerate in the coming quarters as global manufacturing Purchasing Managers' Index ("PMI") bottoms. We expect lowered market volatility as we enter a period of relative calm in policies and geopolitics. Meanwhile, with core Personal Consumption Expenditure ("PCE") inflation of 1.6% well below targeted inflation of 2%, the US Federal Reserve (the "Fed") interest rate policy would remain very accommodative in 2020. On top of that, further supporting equities is the resumption of balance sheet expansion by the major central banks.

\*This market outlook does not constitute an offer, invitation, commitment, advice or recommendation to make a purchase of any investment. The information given in this article represents the views of Principal Malaysia or based on data obtained from sources believed to be reliable by Principal Malaysia. Whilst every care has been taken in preparing this, Principal Malaysia makes no guarantee, representation or warranty and is under no circumstances liable for any loss or damage caused by reliance on, any opinion, advice or statement made in this market outlook.

## INVESTMENT STRATEGY

The Fund will continue to remain fully invested in the Target Fund with minimal cash kept for liquidity purposes.

## UNIT HOLDINGS STATISTICS

Breakdown of unit holdings by size as at 31 December 2019 are as follows:

### CLASS MYR

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	13	0.04	0.29
5,001 to 10,000	11	0.09	0.65
10,001 to 50,000	17	0.33	2.34
50,001 to 500,000	4	0.37	2.63
500,001 and above	5	13.28	94.09
<b>Total</b>	<b>50</b>	<b>14.11</b>	<b>100.00</b>

### CLASS MYR-H

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	4	0.01	0.01
5,001 to 10,000	3	0.02	0.02
10,001 to 50,000	4	0.07	0.07
50,001 to 500,000	3	0.20	0.19
500,001 and above	4	103.40	99.71
<b>Total</b>	<b>18</b>	<b>103.70</b>	<b>100.00</b>

## UNIT HOLDINGS STATISTICS (CONTINUED)

## CLASS SGD-H

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	2	0.00	0.00
5,001 to 10,000	-	-	-
10,001 to 50,000	-	-	-
50,001 to 500,000	1	0.15	100.00
500,001 and above	-	-	-
<b>Total</b>	<b>3</b>	<b>0.15</b>	<b>100.00</b>

## CLASS USD

Size of unit holdings (units)	No. of unit holders	No. of units held (million)	% of units held
5,000 and below	1	0.00	0.00
5,001 to 10,000	-	-	-
10,001 to 50,000	1	0.02	100.00
50,001 to 500,000	-	-	-
500,001 and above	-	-	-
<b>Total</b>	<b>2</b>	<b>0.02</b>	<b>100.00</b>

## SOFT COMMISSIONS AND REBATES

Principal Asset Management Berhad (*formerly known as CIMB-Principal Asset Management Berhad*) (the "Manager") and the Trustee will not retain any form of rebate or soft commission from, or otherwise share in any commission with, any broker in consideration for directing dealings in the investments of the Funds unless the soft commission received is retained in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds. All dealings with brokers are executed on best available terms.

During the financial period under review, the Manager and the Trustee did not receive any rebates from the brokers or dealers but the Manager has retained soft commission in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Funds.

**STATEMENT BY MANAGER TO THE UNIT HOLDERS OF  
CIMB-PRINCIPAL MILLENNIAL EQUITY FUND**

We, being the Directors of Principal Asset Management Berhad (*formerly known as CIMB-Principal Asset Management Berhad*) (the “Manager”), do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 14 to 45 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 December 2019 and of its financial performance, changes in equity and cash flows for the financial year then ended in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

For and on behalf of the Manager  
Principal Asset Management Berhad (Company No.: 304078-K)  
**(formerly known as *CIMB-Principal Asset Management Berhad*)**

**MUNIRAH KHAIRUDDIN**  
Chief Executive Officer/Executive Director

**JUAN IGNACIO EYZAGUIRRE BARAONA**  
Director

Kuala Lumpur  
13 February 2020

**TRUSTEE'S REPORT TO THE UNIT HOLDERS OF  
CIMB-PRINCIPAL MILLENNIAL EQUITY FUND**

We have acted as Trustee for CIMB-Principal Millennial Equity Fund (the "Fund") for the financial period ended 31 December 2019. To the best of our knowledge, for the financial year under review, Principal Asset Management Berhad (*formerly known as CIMB-Principal Asset Management Berhad*) (the "Manager") has operated and managed the Fund in accordance with the following:-

- (a) limitations imposed on the investment powers of the Manager under the Deed(s), 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 is carried out in accordance with the Deed(s) of the Fund and any regulatory requirements; and
- (c) creation and cancellation of units for the Fund are carried out in accordance with the Deed(s) of the Fund and any regulatory requirements.

For Deutsche Trustees Malaysia Berhad

**Ng Hon Leong**  
Head, Trustee Operations

**Richard Lim Hock Seng**  
Chief Executive Officer

Kuala Lumpur  
13 February 2020



**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2019**

		01.07.2019 to 31.12.2019	31.05.2018 (date of launch) to 31.12.2018
	Note	USD	USD
<b>INCOME/(LOSS)</b>			
Dividend income		200,046	166,659
Net gain/(loss) on financial assets at fair value through profit or loss	9	3,575,937	(6,141,223)
Net gain/(loss) on derivative assets at fair value through profit or loss	10	152,633	(709,114)
Net foreign exchange loss		<u>(61,624)</u>	<u>(258,847)</u>
		<u>3,866,992</u>	<u>(6,942,525)</u>
<b>EXPENSES</b>			
Management fee	4	321,647	261,858
Trustee's and custodian fees	5	14,476	9,198
Audit fee		1,805	1,907
Tax agent's fee		488	1,399
Transaction costs		10,707	92,693
Other expenses		<u>58,618</u>	<u>403</u>
		<u>407,741</u>	<u>367,458</u>
<b>INCOME/LOSS BEFORE TAXATION</b>		3,459,251	(7,309,983)
Taxation	6	<u>-</u>	<u>(45,147)</u>
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>3,459,251</u>	<u>(7,355,130)</u>
Increase/(decrease) in net assets attributable to unit holders are made up as follows:			
Realised amount		826,802	(1,688,550)
Unrealised amount		<u>2,632,449</u>	<u>(5,666,580)</u>
		<u>3,459,251</u>	<u>(7,355,130)</u>

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

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2019**

		31.12.2019	30.06.2019
	Note	USD	Audited USD
<b>ASSETS</b>			
Cash and cash equivalents	8	3,766,487	968,359
Financial assets at fair value through profit or loss	7	29,893,342	39,313,610
Amount due from stockbrokers		532,185	6,053,193
Amount due from Manager		302,801	84,798
Derivative assets at fair value through profit or loss	10	298,300	382,581
Dividends receivable		8,112	26,651
<b>TOTAL ASSETS</b>		34,801,227	46,829,192
<b>LIABILITIES</b>			
Amount due to stockbrokers		-	6,032,907
Amount due to Manager		4,918,395	532,700
Accrued management fee		47,729	58,555
Amount due to Trustee		1,458	1,789
Other payables and accruals		2,931	4,220
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)</b>		4,970,513	6,630,171
<b>NET ASSET VALUE OF THE FUND</b>		29,830,714	40,199,021
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>		29,830,714	40,199,021

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

**UNAUDITED STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 DECEMBER 2019**

	<b>31.12.2019</b>	<b>30.06.2019</b>
		<b>Audited</b>
	<b>USD</b>	<b>USD</b>
<b>REPRESENTED BY:</b>		
<b>FAIR VALUE OF OUTSTANDING UNITS (USD)</b>		
- Class MYR	3,670,588	3,721,572
- Class MYR-H	26,028,099	36,248,463
- Class SGD-H	115,112	684
- Class USD	16,915	228,302
	<u>29,830,714</u>	<u>40,199,021</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>		
- Class MYR	14,111,642	15,746,310
- Class MYR-H	103,698,508	160,149,908
- Class SGD-H	152,711	1,000
- Class USD	15,800	234,727
	<b>9</b> <u>117,978,661</u>	<u>176,131,945</u>
<b>NET ASSET VALUE PER UNIT (USD)</b>		
- Class MYR	0.2601	0.2363
- Class MYR-H	0.2510	0.2263
- Class SGD-H	0.7538	0.6842
- Class USD	<u>1.0706</u>	<u>0.9726</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>		
- Class MYR	MYR1.0636	MYR0.9761
- Class MYR-H	MYR1.0263	MYR0.9347
- Class SGD-H	MYR1.0135	SGD0.9256
- Class USD	<u>MYR1.0706</u>	<u>USD0.9726</u>

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

**UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2019**

	<b>01.07.2019 to 31.12.2019 USD</b>	<b>31.05.2018 (date of launch) to 31.12.2018 USD</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	40,199,021	-
Movement due to units created and cancelled during the financial period:		
- Creation of units from applications		
- Class MYR	1,792,923	1,812,300
- Class MYR-H	2,553,439	44,305,692
- Class SGD-H	227,549	1
- Class USD	97,087	1
	<u>4,670,998</u>	<u>46,117,994</u>
- Cancellation of units		
- Class MYR	(2,214,740)	(22,447)
- Class MYR-H	(15,843,902)	(3,757,008)
- Class SGD-H	(120,359)	-
- Class USD	(319,555)	-
	<u>(18,498,556)</u>	<u>(3,779,455)</u>
Increase/(decrease) in net assets attributable to unit holders during the financial period	<u>3,459,251</u>	<u>(7,355,130)</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AT THE END OF THE FINANCIAL PERIOD</b>	<u><u>29,830,714</u></u>	<u><u>34,983,409</u></u>

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

**UNAUDITED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2019**

	01.07.2019 to 31.12.2019 USD	31.05.2018 (date of launch) to 31.12.2018 USD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from disposal of quoted securities	26,960,542	9,444,365
Purchase of quoted securities	(14,246,995)	(49,420,777)
Dividend income received	218,565	166,118
Management fee paid	(332,473)	(209,814)
Trustee's and custodian fees paid	(14,807)	(7,608)
Payments for other fees and expenses	(6,170)	(1,751)
Net realised exchange loss	(61,653)	(258,848)
Tax paid	(56,029)	(45,147)
<b>Net cash generated from/(used in) operating activities</b>	<b>12,460,980</b>	<b>(40,333,462)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	4,454,508	44,751,750
Payments for cancellation of units	(14,115,167)	(3,439,770)
<b>Net cash (used in)/generated from financing activities</b>	<b>(9,660,659)</b>	<b>41,311,980</b>
Net increase in cash and cash equivalents	2,800,321	978,518
Effects of foreign exchange differences	(2,193)	-
Cash and cash equivalents at the beginning of the financial period	968,359	-
Cash and cash equivalents at the end of the financial period	<b>3,766,487</b>	<b>978,518</b>
<u>Cash and cash equivalents comprised of:</u>		
Bank balances	3,766,487	978,518
Cash and cash equivalents at the end of the financial period	<b>3,766,487</b>	<b>978,518</b>

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2019****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITIES**

CIMB-Principal Millennial Equity Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 10 May 2018 and a First Supplement deed dated 7 November 2019 (the “Deed”), made between Principal Asset Management Berhad (*formerly known as CIMB-Principal Asset Management Berhad*) (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”).

The principal activity of the Fund is to achieve its objective by investing in global equity of companies that are impacted by the spending and lifestyle activities of the Millennial generation, which refers to people born from 1980 to the mid-2000s. The investment universe includes listed securities as well as IPOs. The universe is broadly defined as global all-country and all-cap, across the full market capitalization spectrum (small, medium and large). The Fund is expected to have a growth bias overall, including both growth and value oriented companies over time. Market segments with the greatest Millennial exposure are likely to include, without limitation, consumer goods (including fashion and apparel), social media and e-commerce, and digital media and technology.

Under normal circumstances, the Fund invests a maximum of 98% of its NAV in equities. The Fund may opt to access into equities via the investment in units of other collective investment scheme. The Fund currently does not intend to invest in warrants. The Fund may also invest in derivative instruments for hedging purpose, subject to the prevailing SC Guidelines.

The asset allocation strategy for this Fund is as follows:

- between 70% to 98% (both inclusive) of the Fund’s NAV will be invested in equities; and
- at least 2% of the Fund’s NAV in liquid assets.

The Manager has appointed Principal Global Investors (“PGI”), a company incorporated in the United States, as the Sub-Manager of the Fund. PGI will be responsible for the investment management function of the fund in accordance with the investment objective and within the investment parameters, restrictions and limits of this Fund.

All investments are subjected to the SC Guidelines on Unit Trust Funds, SC requirements, the Deed, except where exemptions or variations have been approved by the SC, internal policies and procedures and the Fund’s objective.

The Manager, is a joint venture between Principal Financial Group®, a member of the FORTUNE 500® and a Nasdaq-listed global financial services and CIMB Group Holdings Berhad, one of Southeast Asia’s leading universal banking groups. The principal activities of the Manager are the establishment and management of unit trust funds and fund management activities.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:

### (a) Basis of preparation

The financial statements have been prepared in accordance with the provisions of the MFRS and International Financial Reporting Standards ("IFRS").

The financial statements have been prepared under the historical cost convention, as modified by financial assets at fair value through profit or loss.

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period.

It also requires the Manager to exercise their judgement in the process of applying the Fund's accounting policies. Although these estimates and judgement are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(m).

Standard that is effective and relevant:

The Fund has applied the following standard for the first time for the financial period beginning 1 July 2019:

#### (i) Financial year beginning on/after 1 July 2019

- Amendments to MFRS 112 'Income Taxes' (effective from 1 January 2019) clarify that where income tax consequences of dividends on financial instruments classified as equity is recognised (either in profit or loss, other comprehensive income or equity) depends on where the past transactions that generated distributable profits were recognised.

Accordingly, the tax consequences are recognised in profit or loss when an entity determines payments on such instruments are distribution of profits (that is, dividends). Tax on dividend should not be recognised in equity merely on the basis that it is related to a distribution to owners.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 July 2019 that have a material effect on the financial statements of the Fund.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(b) Financial assets and financial liabilities**Classification

The Fund classifies financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through OCI.

The Fund classifies cash and cash equivalents, amount due from Manager, dividends receivable and other receivable at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to Manager, accrued management fee, amount due to Trustee, and other payables and accruals as other financial liabilities as financial liabilities subsequently measured at amortised cost.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit or loss in the financial period which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund's right to receive payments is established.

Foreign quoted securities are valued at the last traded market price quoted on the respective foreign stock exchanges at the close of the business day of the respective foreign stock exchanges.



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(b) Financial assets and financial liabilities**Recognition and measurement (continued)

If a valuation based on the market price does not represent the fair value of the quoted securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the quoted securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

Financial assets at amortised cost and other financial liabilities are subsequently carried at amortised cost using the effective interest method.

Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward looking information in determining any expected credit loss. Management consider the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial period.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**(c) Income recognition**

Dividend income is recognised on the ex-dividend date when the right to receive payment is established.

Realised gain or loss on disposal of quoted securities are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

**(d) Foreign currency**

Functional and presentation currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”).

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in USD primarily due to the following factors:

- i) Significant portion of the NAV is invested in the form of collective investment scheme denominated in USD.
- ii) Significant portion of the Fund’s expenses are denominated in USD.
- iii) Significant portion of the cash is denominated in USD for the purpose of making settlement of foreign trades.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

**(e) Cash and cash equivalents**

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balances that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(f) Taxation**

Current tax expense is determined according to Malaysian tax laws at the current rate based on taxable profit earned during the financial period.

Tax on dividend income from foreign collective investment scheme is based on the tax regime of the respective countries that the Fund invests in.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(g) Increase/Decrease in net assets attributable to unit holders**

Income not distributed is included in net assets attributable to unit holders

**(h) Unit holders' capital**

The unit holders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's NAV;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial period if unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

**(i) Distribution**

A distribution to the Fund's unit holders is accounted for as a finance cost in the statement of comprehensive income. A proposed distribution is recognised as a financial liability in the financial period in which it is approved.

**(j) Unit holders' contributions**

The unit holders' contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in four classes of units, known respectively as Class MYR, Class MYR-H, Class SGD-H and Class USD, which are cancelled at the unit holder's option, do not have identical features subject to restrictions as stipulated in the Prospectus and SC's Guidelines on Unit Trust Funds. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the member exercises the right to put back the units to the Fund.

Units are created and cancelled at the unit holders' option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to members of respective classes with the total number of outstanding units of respective classes.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(k) Amount due from/to stockbrokers**

Amount due from and amount due to stockbrokers represent receivables for quoted securities sold and payables for quoted securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund measure the loss allowance on amounts due from broker at an amount equal to the lifetime ECL if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month ECL. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Any contractual payment which is more than 90 days past due is considered credit impaired.

**(l) Derivative financial instruments**

A derivative financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavorable.

The Fund's derivative financial instruments comprise forward foreign exchange contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value.

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the date of statements of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as held-for-trading and accounted for in accordance with the accounting policy set out in Note 2(b).

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (m) Critical accounting estimates and judgments in applying accounting policies

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgement are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC Guidelines on Unit Trust Funds.

However, the Manager is of the opinion that in applying these accounting policy, no significant judgement was required.

## 3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund aims to achieve capital appreciation over the medium to long term through investments primarily in a portfolio of global equities.

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk and currency risk), credit risk and liquidity risk.

Financial risk management is carried out through internal control process adopted by the Manager and adherence to the investment restrictions as stipulated in the Deeds and SC Guidelines on Unit Trust Funds.

### (a) Market risk

#### (i) Price risk

Price risk is the risk that the fair value of an investment in quoted securities will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk). The value of quoted securities may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's NAV and prices of units to fall as well as rise, and income produced by the Fund may also fluctuate.

The price risk is managed through diversification and selection of quoted securities and other financial instruments within specified limits according to the Deed.

#### (ii) Currency risk

Currency risk is associated with investments that are quoted and/or priced in foreign currency denomination. Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Manager will evaluate the likely directions of a foreign currency versus USD based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels, and technical chart considerations.

**3. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT OBJECTIVES AND POLICIES****(b) Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligation resulting in financial loss to the Fund.

For amount due from Manager, the settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC Guidelines on Unit Trust Funds.

**(c) Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unit holders. Liquid assets comprise bank balances and other instruments, which are capable of being converted into cash within 7 business days. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

**(d) Capital risk management**

The capital of the Fund is represented by net assets attributable to unit holder. The amount of capital can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns to unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

**(e) Fair value estimation**

Fair value is defined as 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 (i.e. an exit price).

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(e) Fair value estimation (continued)

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
<b>31.12.2019</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	29,893,342	-	-	29,893,342
- Forward foreign currency contract	-	298,300	-	298,300
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	<b>Level 1 USD</b>	<b>Level 2 USD</b>	<b>Level 3 USD</b>	<b>Total USD</b>
<b>30.06.2019</b>				
<b>Audited</b>				
Financial assets at fair value through profit or loss:				
- Quoted securities	39,313,610	-	-	39,313,610
- Forward foreign currency contract	-	382,581	-	382,581
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

**3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)**

**(e) Fair value estimation (continued)**

(i) Fair value hierarchy (continued)

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note 2(b).

(ii) The carrying values of cash and cash equivalents, amount due from stockbrokers, amount due from Manager, dividends receivable and all current liabilities are a reasonable approximation of their fair values due to their short term nature.

**4. MANAGEMENT FEE**

In accordance with the Deeds, the Manager is entitled to a maximum management fee of 3.00% per annum for each unit class, calculated daily based on the NAV of the Fund.

For the six months financial period from 31 December 2019 and for the financial period from 31 May 2018 (date of launch) to 31 December 2018, the management fee for the respective classes is recognised at the following rates:

<b>Class MYR</b>	<b>Class MYR-H</b>	<b>Class SGD-H</b>	<b>Class USD</b>
1.80%	1.80%	1.80%	1.80%

There is no further liability to the Manager in respect of management fee other than the amount recognised above.

**5. TRUSTEE'S AND CUSTODIAN FEES**

In accordance with the Deeds, the Trustee is entitled to a maximum fee of 0.06% per annum, (including local custodian fee but excluding foreign sub-custodian fee and charges) on the NAV of the Fund. The foreign sub-custodian fee and charges is dependent on the country invested and is charged monthly in arrears.

For the six months financial period ended 31 December 2019, the foreign sub-custodian fee amounted to USD4,648. (31.12.2018: USD1,197)

For the six months financial period ended 31 December 2019, the Trustee's fee is recognised at the rate of 0.05% per annum (31.12.2018: 0.05% per annum).

There is no further liability to the Trustee and custodian in respect of Trustee's and custodian fees other than the amount recognised above.

**6. TAXATION**

	<b>01.07.2019 to 31.12.2019 USD</b>	<b>31.05.2018 (date of launch) to 31.12.2018 USD</b>
Tax charged for the financial period:		
- Withholding tax	-	45,147
	-	45,147



**6. TAXATION (CONTINUED)**

A numerical reconciliation between the income/(loss) before taxation multiplied by the Malaysian statutory income tax rate and tax expense of the Fund is as follows:

	<b>01.07.2019 to 31.12.2019 USD</b>	<b>31.05.2018 (date of launch) to 31.12.2018 USD</b>
Income/(loss) before taxation	<u>3,459,251</u>	<u>(7,309,983)</u>
Taxation at Malaysian statutory rate of 24%	830,220	(1,754,396)
Tax effects of:		
Investment loss not deductible for tax purposes	(952,562)	1,666,207
Expenses not deductible for tax purposes	44,681	24,867
Restriction on tax deductible expenses for Unit Trust Funds	77,661	63,322
Investment income subject to withholding tax	-	45,147
Taxation	<u>-</u>	<u>45,147</u>

**7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>31.12.2019 USD</b>	<b>30.06.2019 Audited USD</b>
At fair value through profit or loss at inception:		
- Quoted securities	<u>29,893,342</u>	<u>39,313,610</u>

	<b>01.07.2019 to 31.12.2019 USD</b>	<b>31.05.2018 (date of launch) to 31.12.2018 USD</b>
Net gain/(loss) on financial assets at fair value through profit or loss:		
- Realised gain/(loss) on disposals	856,683	(106,352)
- Unrealised fair value gain/(loss)	<u>2,719,254</u>	<u>(6,034,871)</u>
	<u>3,575,937</u>	<u>(6,141,223)</u>

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.12.2019</b>				
<b>QUOTED SECURITIES</b>				
<b>FRANCE</b>				
<b>Telecommunication Services</b>				
Vivendi SA	<u>26,534</u>	<u>753,359</u>	<u>768,828</u>	<u>2.58</u>
<b>TOTAL FRANCE</b>	<u><b>26,534</b></u>	<u><b>753,359</b></u>	<u><b>768,828</b></u>	<u><b>2.58</b></u>

## 7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.12.2019 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>GERMANY</b>				
<b>Consumer Discretionary</b>				
Adidas Ag	5,168	1,183,324	1,680,704	5.63
<b>TOTAL GERMANY</b>	<b>5,168</b>	<b>1,183,324</b>	<b>1,680,704</b>	<b>5.63</b>
<b>HONG KONG Special Administrative Region ("SAR"), CHINA</b>				
<b>Consumer Discretionary</b>				
China Yuhua Education Corporation Ltd	1,376,000	598,609	930,804	3.12
Li Ning Co. Ltd	265,000	450,180	794,258	2.66
	1,641,000	1,048,789	1,725,062	5.78
<b>TOTAL HONG KONG SAR, CHINA</b>	<b>1,641,000</b>	<b>1,048,789</b>	<b>1,725,062</b>	<b>5.78</b>
<b>JAPAN</b>				
<b>Consumer Discretionary</b>				
Fast Retailing Co., Ltd.	200	116,103	119,639	0.40
Sony Corporation	16,100	782,748	1,096,596	3.69
	16,300	898,851	1,216,235	4.09
<b>TOTAL JAPAN</b>	<b>16,300</b>	<b>898,851</b>	<b>1,216,235</b>	<b>4.09</b>
<b>SPAIN</b>				
<b>Consumer Discretionary</b>				
Industria De Diseno Textil, S.A.	3,361	100,519	118,620	0.40
<b>TOTAL SPAIN</b>	<b>3,361</b>	<b>100,519</b>	<b>118,620</b>	<b>0.40</b>
<b>UNITED KINGDOM</b>				
<b>Consumer Discretionary</b>				
Boohoo Group PLC	183,460	574,326	723,712	2.43
JD Sports Fashion PLC	63,754	379,528	706,959	2.37
	247,214	953,854	1,430,671	4.80

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.12.2019 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>UNITED KINGDOM (CONTINUED)</b>				
<b>Telecommunication Services</b>				
Rightmove PLC	45,199	302,790	379,226	1.27
<b>TOTAL UNITED KINGDOM</b>	<b>292,413</b>	<b>1,256,644</b>	<b>1,809,897</b>	<b>6.07</b>
<b>SWEDEN</b>				
<b>Consumer Discretionary</b>				
Aktiebolaget Electrolux	9,750	239,123	239,553	0.80
Hennes & Mauritz AB (H&M)	66,675	1,163,280	1,357,285	4.56
	76,425	1,402,403	1,596,838	5.36
<b>TOTAL SWEDEN</b>	<b>76,425</b>	<b>1,402,403</b>	<b>1,596,838</b>	<b>5.36</b>
<b>UNITED STATES</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	2,850	504,017	604,485	2.03
Amazon.Com, Inc.	122	213,431	225,436	0.75
Booking Holdings Inc.	562	1,073,281	1,154,196	3.86
Bright Horizons Family Solutions Inc.	5,372	814,578	807,358	2.71
Deckers Outdoor Corporation	2,643	331,262	446,297	1.50
Ebay Inc.	5,526	204,750	199,544	0.67
Garmin Ltd.	12,903	1,007,896	1,258,817	4.22
Lululemon Athletica Inc.	861	161,345	199,468	0.67
New Oriental Education & Technology Group Inc.	7,723	906,113	936,414	3.15
Nike, Inc.	9,148	764,897	926,784	3.11
Starbucks Corporation	10,116	734,966	889,399	2.98
Tal Education Group	4,302	190,019	207,356	0.70
The Home Depot, Inc.	6,155	1,199,502	1,344,129	4.51
Toll Brothers, Inc.	7,859	287,046	310,509	1.04
Trip.Com Group Ltd	7,392	300,090	247,928	0.83
	83,534	8,693,193	9,758,120	32.73

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.12.2019 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>UNITED STATES (CONTINUED)</b>				
<b>Consumer Staples</b>				
Molson Coors Brewing Company	13,744	866,136	740,802	2.48
The Kroger Co.	29,805	735,063	864,047	2.90
	<u>43,549</u>	<u>1,601,199</u>	<u>1,604,849</u>	<u>5.38</u>
<b>Financials</b>				
Discover Financial Services	10,999	805,406	932,935	3.13
Lexinfintech Holdings Ltd.	12,739	165,087	176,945	0.59
	<u>23,738</u>	<u>970,493</u>	<u>1,109,880</u>	<u>3.72</u>
<b>Information Technology</b>				
Apple Inc	3,328	647,508	977,267	3.28
Cornerstone Ondemand, Inc.	5,241	300,467	306,860	1.02
Hewlett-Packard Company	31,678	669,436	650,983	2.18
Microsoft Corporation	5,835	695,716	920,179	3.07
	<u>46,082</u>	<u>2,313,127</u>	<u>2,855,289</u>	<u>9.55</u>
<b>Real Estate</b>				
Avalonbay Communities, Inc.	584	117,728	122,465	0.41
<b>Telecommunication Services</b>				
Alphabet Inc.	1,078	1,399,244	1,441,308	4.83
Comcast Corporation	16,307	704,206	733,326	2.46
Facebook, Inc.	720	134,825	147,780	0.5
IAC/InterActiveCorp	3,393	719,950	845,230	2.83
Joyy Inc	10,321	695,760	544,846	1.83
Match Group, Inc.	16,264	767,677	1,335,437	4.48
Momo Inc.	1,089	41,153	36,481	0.11
Msg Networks Inc.	3,054	54,636	53,140	0.18
Viacomcbs Inc	3,152	151,025	132,289	0.44
Walt Disney Co	1,775	254,872	256,718	0.85
	<u>57,153</u>	<u>4,923,348</u>	<u>5,526,555</u>	<u>18.51</u>
<b>TOTAL UNITED STATES</b>	<b><u>331,065</u></b>	<b><u>20,021,491</u></b>	<b><u>22,573,996</u></b>	<b><u>75.66</u></b>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>31.12.2019 (CONTINUED)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>TOTAL QUOTED SECURITIES</b>	<u>2,315,841</u>	<u>25,262,977</u>	<u>29,893,342</u>	<u>100.21</u>
<b>ACCUMULATED UNREALISED GAIN ON QUOTED SECURITIES</b>		4,630,365		
<b>TOTAL QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>29,893,342</u>		

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>30.06.2019</b>				
<b>Audited</b>				
<b>QUOTED SECURITIES</b>				
<b>FRANCE</b>				
<b>Telecommunication Services</b>				
Vivendi SA	<u>55,360</u>	<u>1,583,507</u>	<u>1,526,295</u>	<u>3.80</u>
<b>TOTAL FRANCE</b>	<b><u>55,360</u></b>	<b><u>1,583,507</u></b>	<b><u>1,526,295</u></b>	<b><u>3.80</u></b>
<b>GERMANY</b>				
<b>Consumer Discretionary</b>				
Adidas Ag	<u>7,359</u>	<u>1,685,000</u>	<u>2,275,287</u>	<u>5.66</u>
<b>TOTAL GERMANY</b>	<b><u>7,359</u></b>	<b><u>1,685,000</u></b>	<b><u>2,275,287</u></b>	<b><u>5.66</u></b>
<b>HONG KONG SAR, CHINA</b>				
<b>Consumer Discretionary</b>				
China YuHua Education Corporation Ltd	<u>2,284,000</u>	<u>993,622</u>	<u>994,022</u>	<u>2.47</u>
Li Ning Co. Ltd	<u>351,000</u>	<u>596,276</u>	<u>827,595</u>	<u>2.06</u>
	<u>2,635,000</u>	<u>1,589,898</u>	<u>1,821,617</u>	<u>4.53</u>
<b>TOTAL HONG KONG SAR, CHINA</b>	<b><u>2,635,000</u></b>	<b><u>1,589,898</u></b>	<b><u>1,821,617</u></b>	<b><u>4.53</u></b>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>30.06.2019 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>JAPAN</b>				
<b>Consumer Discretionary</b>				
Fast Retailing Co., Ltd.	300	174,154	181,353	0.45
<b>Information Technology</b>				
Sony Corporation	22,500	1,093,902	1,179,506	2.94
<b>TOTAL JAPAN</b>	<b>22,800</b>	<b>1,268,056</b>	<b>1,360,859</b>	<b>3.39</b>
<b>NETHERLANDS</b>				
<b>Financials</b>				
Adyen N.V.	744	565,885	574,956	1.43
<b>TOTAL NETHERLANDS</b>	<b>744</b>	<b>565,885</b>	<b>574,956</b>	<b>1.43</b>
<b>SOUTH AFRICA</b>				
<b>Telecommunication Services</b>				
Naspers Limited	3,385	768,402	821,364	2.04
<b>TOTAL SOUTH AFRICA</b>	<b>3,385</b>	<b>768,402</b>	<b>821,364</b>	<b>2.04</b>
<b>SWEDEN</b>				
<b>Consumer Discretionary</b>				
Aktiebolaget Electrolux	13,362	327,710	341,821	0.85
Hennes & Mauritz AB (H&M)	95,494	1,666,184	1,702,301	4.24
<b>TOTAL SWEDEN</b>	<b>108,856</b>	<b>1,993,894</b>	<b>2,044,122</b>	<b>5.09</b>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>30.06.2019 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>UNITED KINGDOM</b>				
<b>Consumer Discretionary</b>				
Boohoo Group PLC	361,473	1,074,431	973,689	2.42
JD Sports Fashion PLC	107,245	638,431	800,193	1.99
	<u>468,718</u>	<u>1,712,862</u>	<u>1,773,882</u>	<u>4.41</u>
<b>Telecommunication Services</b>				
Rightmove PLC	136,633	874,414	929,586	2.31
	<u>136,633</u>	<u>874,414</u>	<u>929,586</u>	<u>2.31</u>
<b>TOTAL UNITED KINGDOM</b>	<b><u>605,351</u></b>	<b><u>2,587,276</u></b>	<b><u>2,703,468</u></b>	<b><u>6.72</u></b>
<b>UNITED STATES</b>				
<b>Consumer Discretionary</b>				
Alibaba Group Holding Ltd	4,229	731,271	716,604	1.78
Amazon.Com, Inc.	122	213,431	231,023	0.58
Bright Horizons Family Solutions Inc.	1,606	240,525	242,297	0.60
Carter's, Inc.	9,321	860,531	909,170	2.26
Deckers Outdoor Corporation	4,573	535,161	804,711	2.00
Ebay Inc.	5,670	210,086	223,965	0.56
Lowe's Companies, Inc.	10,028	1,120,546	1,011,925	2.52
Lululemon Athletica Inc.	562	101,281	101,278	0.25
New Oriental Education & Technology Group Inc.	1,226	117,340	118,407	0.29
Nike, Inc.	11,932	997,678	1,001,692	2.49
Starbucks Corporation	12,505	908,535	1,048,293	2.61
TAL Education Group	2,631	100,215	100,241	0.25
The Home Depot, Inc.	8,235	1,604,858	1,712,633	4.26
Toll Brothers, Inc.	25,316	924,654	927,072	2.31
	<u>97,956</u>	<u>8,666,112</u>	<u>9,149,311</u>	<u>22.76</u>
<b>Consumer Staples</b>				
Molson Coors Brewing Company	18,182	1,145,815	1,018,192	2.53
The Kroger Co.	45,946	1,133,139	997,488	2.48
	<u>64,128</u>	<u>2,278,954</u>	<u>2,015,680</u>	<u>5.01</u>



7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>30.06.2019 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES</b>				
<b>(CONTINUED)</b>				
<b>UNITED STATES</b>				
<b>(CONTINUED)</b>				
<b>Financials</b>				
Discover Financial Services	16,596	1,215,248	1,287,684	3.20
LexinFintech Holdings Ltd.	12,369	160,609	138,038	0.35
PayPal Holdings, Inc.	3,943	440,435	451,316	1.12
	<u>32,908</u>	<u>1,816,292</u>	<u>1,877,038</u>	<u>4.67</u>
<b>Information Technology</b>				
Apple Inc	5,129	997,917	1,015,132	2.53
Baozun Inc.	3,268	136,572	162,943	0.41
Cornerstone OnDemand, Inc.	8,760	495,415	507,467	1.26
Hewlett-Packard Enterprise	38,667	817,131	803,887	2.00
Microsoft Corporation	7,817	932,033	1,047,165	2.60
Momo Inc.	1,113	45,735	39,846	0.10
	<u>64,754</u>	<u>3,424,803</u>	<u>3,576,440</u>	<u>8.90</u>
<b>Real Estate</b>				
AvalonBay Communities, Inc.	3,186	642,198	647,332	1.61
<b>Telecommunication Services</b>				
Booking Holdings Inc.	486	933,730	911,108	2.27
CBS Corporation	21,008	1,006,581	1,048,299	2.61
Ctrip.Com International, Ltd.	39,218	1,607,066	1,447,536	3.60
Facebook, Inc.	736	137,821	142,048	0.35
IAC/InterActiveCorp	7,662	1,625,775	1,666,715	4.15
Match Group, Inc.	23,069	1,088,879	1,551,852	3.86
MSG Networks Inc.	43,997	915,049	912,498	2.27
YY Inc.	17,790	1,217,321	1,239,785	3.08
	<u>153,966</u>	<u>8,532,222</u>	<u>8,919,841</u>	<u>22.19</u>
<b>TOTAL UNITED STATES</b>	<b>416,898</b>	<b>25,360,581</b>	<b>26,185,642</b>	<b>65.14</b>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>30.06.2019 (CONTINUED)</b>				
<b>Audited (Continued)</b>				
<b>QUOTED SECURITIES (CONTINUED)</b>				
<b>TOTAL QUOTED SECURITIES</b>	<u><b>3,855,753</b></u>	<b>37,402,499</b>	<u><b>39,313,610</b></u>	<u><b>97.80</b></u>
<b>ACCUMULATED UNREALISED GAIN ON QUOTED SECURITIES</b>		<u><b>1,911,111</b></u>		
<b>TOTAL QUOTED SECURITIES AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u><b>39,313,610</b></u>		

8. CASH AND CASH EQUIVALENTS

	<b>31.12.2019</b>	<b>30.06.2019</b>
	<b>USD</b>	<b>Audited USD</b>
Bank balances	<u>3,766,487</u>	<u>968,359</u>

9. NUMBER OF UNITS IN CIRCULATION (UNITS)

	<b>01.07.2019 to 31.12.2019</b>	<b>31.05.2018 (date of launch) to 30.06.2019 Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
Class MYR (i)	14,111,642	15,746,310
Class MYR-H (ii)	103,698,508	160,149,908
Class SGD (iii)	152,711	1,000
Class USD (iv)	<u>15,800</u>	<u>234,727</u>
	<u><b>117,978,661</b></u>	<u><b>176,131,945</b></u>

9. NUMBER OF UNITS IN CIRCULATION (UNITS) (CONTINUED)

(i) Class MYR

	<b>01.07.2019 to 31.12.2019</b>	<b>31.05.2018 (date of launch) to 30.06.2019 Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period	15,746,310	-
Add: Creation of units from applications	7,360,008	19,164,299
Less: Cancellation of units	(8,994,676)	(3,417,989)
At the end of the financial period	<u>14,111,642</u>	<u>15,746,310</u>

(ii) Class MYR-H

	<b>01.07.2019 to 31.12.2019</b>	<b>31.05.2018 (date of launch) to 30.06.2019 Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period	160,149,908	-
Add: Creation of units from applications	10,944,776	211,577,885
Less: Cancellation of units	(67,396,176)	(51,427,977)
At the end of the financial period	<u>103,698,508</u>	<u>160,149,908</u>

(i) Class SGD

	<b>01.07.2019 to 31.12.2019</b>	<b>31.05.2018 (date of launch) to 30.06.2019 Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period	1,000	-
Add: Creation of units from applications	326,526	1,000
Less: Cancellation of units	(174,815)	-
At the end of the financial period	<u>152,711</u>	<u>1,000</u>

(ii) Class USD

	<b>01.07.2019 to 31.12.2019</b>	<b>31.05.2018 (date of launch) to 30.06.2019 Audited</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period	234,727	-
Add: Creation of units from applications	99,710	234,727
Less: Cancellation of units	(318,637)	-
At the end of the financial period	<u>15,800</u>	<u>234,727</u>

**10. DERIVATIVE ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>31.12.2019</b>	<b>30.06.2019</b>
	<b>USD</b>	<b>Audited USD</b>
Forward foreign currency contract	<u>298,300</u>	<u>382,581</u>
		<b>31.05.2018</b>
		<b>(date of</b>
	<b>01.07.2019</b>	<b>launch)</b>
	<b>to 31.12.2019</b>	<b>to 31.12.2018</b>
	<b>USD</b>	<b>USD</b>
Net gain/(loss) on derivative assets at fair value through profit or loss:		
- Net realised gain/(loss) on forward foreign currency contracts	236,944	(1,091,695)
- Net unrealised (loss)/gain on forward foreign currency contracts	<u>(84,281)</u>	<u>382,581</u>
	<u>152,633</u>	<u>(709,114)</u>

As at 31 December 2019, there are five outstanding USD/MYR forward foreign currency contract.

The USD/MYR forward foreign currency contract is entered into during the financial period to minimise the risk of foreign exchange exposure between the USD and the MYR for the Fund.

As the Fund has not adopted hedge accounting during the financial period, any changes in the fair value of the forward currency contract are recognised immediately in the statement of comprehensive income during the financial period.

**11. MANAGEMENT EXPENSE RATIO (“MER”)**

	<b>01.07.2019 to 31.12.2019</b>	<b>31.05.2018 (date of launch) to 31.12.2018</b>
	%	%
MER	<u>0.96</u>	<u>1.11</u>

MER is derived based on the following calculation:

$$\text{MER} = \frac{(A + B + C + D + E) \times 100}{F}$$

- A = Management fee
- B = Trustee’s and custodian fees
- C = Audit fee
- D = Tax agent’s fee
- E = Other expenses
- F = Average NAV of the Fund calculation on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is USD 35,540,789 (31.12.2018: USD24,694,682)

**12. PORTFOLIO TURNOVER RATIO (“PTR”)**

	<b>01.07.2019 to 31.12.2019</b>	<b>31.05.2018 (date of launch) to 31.12.2018</b>
PTR (times)	<u>0.41</u>	<u>1.21</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period}) \div 2}{\text{Average NAV of the Fund for the financial period calculated on a daily basis}}$$

where:

- total acquisition for the financial period = USD8,212,372 (31.12.2018: USD49,398,348)
- total disposal for the financial period = USD21,199,587 (31.12.2018: USD10,431,227)

**13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER, AND SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES**

The related parties and their relationship with the Fund are as follows:

<u>Related parties</u>	<u>Relationship</u>
Principal Asset Management Berhad <i>(formerly known as CIMB-Principal Asset Management Berhad)</i>	The Manager
Principal Financial Group, Inc.	Ultimate holding company of shareholder of the Manager
Principal International (Asia) Ltd	Shareholder of the Manager
Subsidiaries and associates of Principal Financial Group Inc., other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager
CIMB Group Holdings Bhd	Ultimate holding company of shareholder of the Manager
CIMB Group Sdn Bhd	Shareholder of the Manager
Subsidiaries and associates of CIMB Group Holdings Bhd, other than above, as disclosed in its financial statements	Fellow subsidiary and associated companies of the ultimate holding company of shareholder of the Manager
CIMB Investment Bank Bhd	Fellow related party to the Manager

Units held by the Manager and parties related to the Manager

	31.12.2019		31.05.2018 (date of launch) to 30.06.2019 Audited	
	No. of units	USD	No. of units	USD
<b>Manager</b>				
Principal Asset Management Berhad <i>(formerly known as CIMB-Principal Asset Management Berhad)</i>				
- Class MYR	10,298	2,679	9,063	2,142
- Class MYR-H	2,418	607	1,937	438
- Class SGD	1,443	1,088	1,000	684
- Class USD	1,000	1,071	1,000	973

In the opinion of the Manager, the above units were transacted at the prevailing market price.

The units are held beneficially by the Manager for booking purposes. Other than the above, there were no units held by the Directors or parties related to the Manager.

There were no significant related party transactions during the financial period, other than those already disclosed in the financial statements.

14. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers/dealers for the six months financial period ended 31 December 2019 are as follows:

<b>Brokers/Dealers</b>	<b>Value of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees USD</b>	<b>Percentage of brokerage fees %</b>
Sanford Bernstein	4,618,876	15.70	924	13.55
Deutsche Bank (Malaysia) Bhd	4,502,503	15.31	520	7.63
Merrill Lynch Int Ltd	4,305,549	14.64	729	10.69
Citigroup Global Markets Limited	2,280,913	7.76	684	10.04
Bidstagg	1,683,115	5.72	461	6.76
Goldman, Sachs and Co.	1,585,166	5.39	504	7.39
Stifel Nicolaus Program Desk	1,498,305	5.09	354	5.20
Algogsco	1,472,423	5.01	212	3.11
Morgan Stanley	1,167,401	3.97	435	6.39
Bank of America Securities	786,360	2.67	159	2.34
Others	5,511,348	18.74	1,833	26.90
	<u>29,411,959</u>	<u>100.00</u>	<u>6,817</u>	<u>100.00</u>

Details of transactions with the top 10 brokers/dealers for the six months financial period ended 31 December 2018 are as follows:

<b>Brokers/Dealers</b>	<b>Value of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees USD</b>	<b>Percentage of brokerage fees %</b>
Barclays Capital Programs Credit	7,331,153	12.26	10,303	14.70
Goldman, Sachs And Co.	3,875,960	6.48	6,425	9.17
Wells Fargo -Program	3,762,939	6.29	1,894	2.70
J.P. Morgan Securities Inc	2,827,852	4.73	2,797	3.99
Merrill Lynch Int Ltd	2,636,326	4.41	2,477	3.53
Sanford Bernstein	2,489,606	4.16	1,502	2.14
Jefferies & Co., Inc	2,007,725	3.36	2,417	3.45
UBS Securities	1,994,250	3.34	3,200	4.57
JP Morgan Securities Limited London	1,557,920	2.61	3,067	4.38
Others	31,295,705	52.35	35,996	51.37
	<u>59,779,436</u>	<u>100.00</u>	<u>70,078</u>	<u>100.00</u>

**15. SUBSEQUENT EVENT**

The Fund has changed its name from CIMB-Principal Millennial Equity Fund to Principal Millennial Equity Fund following the issuance of Replacement Prospectus Issue No.2 dated 16 January 2020.



**DIRECTORY**

**Head Office of the Manager**

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**Trustee for the CIMB-Principal Millennial Equity Fund**

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