

CIMB ISLAMIC EQUITY AGGRESSIVE FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

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INVESTOR LETTER

Dear Valued Investors,

In 2010, the Malaysian market exceeded almost everyone's expectations. We expected about a 15% return at the beginning of 2010, but the FTSE Bursa Malaysia 100 Index (FBM100) has jumped 19.4% over the course of the year. By the end of December, our conventional equity funds have showed an average return of 23-28.5%.

In less than two years, the market has fully recovered from its low in March 2009, which was brought on by the global crisis. This is quite remarkable, considering that predictions about the rate of recovery at that time were quite dire. Investors, who stayed invested and continued to invest through the downturn, were rewarded with really good returns.

We hope that with the experience of the Asian financial crisis and this most recent global financial crisis, investors have seen for themselves that markets do bounce back and it is not easy to predict the speed at which they can recover.

We are cautiously optimistic for 2011. In light of the market having gone up two years in a row, our outlook for this year are returns in the low double digits. We expect the US economy to continue to recover, driven by consumer spending and corporate capital expenditures. The Federal Reserve's sustained purchases of bonds will continue to underpin the recovery. Events in Europe are expected to lead to volatility. At some point, we believe bond markets will force Portugal into accepting a bailout. We believe there is a 50-50 chance that Spain will be bailed out as well.

In Asia Pacific ex-Japan, the concern is mainly over inflation and rising interest rates. In China, the recent hikes in bank reserve requirements to 18.5% will not be sufficient to tame inflation. Although higher food prices are currently the main source of inflation, there are signs that input prices are also rising. We expect China to hike interest rates by 1.25% next year. However, this hike is unlikely to derail the economy, especially if it is balanced with the rumored loan quota of Renminbi 6.0-7.0 trillion.

For Bursa Malaysia, conditions seem right for continued market appreciation. The implementation of the Economic Transformation Program (ETP) will lead to the roll out of large projects that will benefit the construction as well as oil and gas sectors, and closer ties with Singapore will benefit projects in the Iskandar Region – all which could lead to a revival in corporate loans growth. We expect earnings growth in the mid-teens and price-to-earnings ratios (PERs) to re-rate to the long-term average of 14.5-15.0 times.

It's also been a busy year for us here at CIMB-Principal Asset Management Berhad ("CIMB-Principal"). We are happy to share that our total assets under management have grown 28% from RM23.1¹ billion to RM29.5 billion a clear sign of clients' confidence. With 66 unit trust funds (23 are Shariah-compliant), including 6 wholesale funds and 2 exchange-traded funds (ETFs), the Company is also one of the largest institutional money managers. Institutional AUM rose 35.3% to RM18.0 billion in December last year, also made further inroads into the region, managing RM1.4 billion for regional clients. The stability of our senior management team, with an average tenure of 5.3 years, has endowed the CIMB-Principal with the flexibility to adapt strategically and innovatively to rapidly-changing circumstances in a competitive regional marketplace.

¹ End December 2009

INVESTOR LETTER (CONTINUED)

You may not be aware but back in 2009, CIMB-Principal was the first Malaysian company to implement PAM® for Securities², a world class international portfolio management and accounting system. Last year, we implemented the Factset Attribution System to further enhance our fund managers' expertise. The firm remains ahead of the curve compared to many of its domestic peers, exemplified by the implementation of SWIFT and OMGEO connections for some clients, providing automated trading and settlement services. CIMB-Principal is one of the few fund managers in ASEAN with all these systems in place to better serve our clients and partners.

We thank you for your trust in us. As you continue to regularly invest with us in 2011, it is our promise to be a vigilant steward of your money and help you grow it over time.

Yours sincerely

Campbell Tupling

Chief Executive

CIMB-Principal Asset Management Berhad

² http://www.pfs.com/products/Pages/PFS_Products_PAMsecurities.aspx

MANAGER'S REPORT

What is the investment objective of the Fund?

To earn reasonable returns for investors by investing in approved equities listed on Bursa Malaysia as well as unlisted securities and other non interest bearing assets acceptable under Shariah.

Has the Fund achieved its objective?

For the period under review, the Fund is in line with its stated objectives as stated under the fund performance review

What are the Fund's investment policy and its strategy?

The Fund may invest a minimum of 70% and up to a maximum of 98% of the Fund's NAV in local Shariah-compliant equities. As an aggressive Fund, the Fund will be managed with higher beta and tracking error. The investment policy and strategy of the Fund will be to invest in Shariah compliant stocks which are selected based on their future growth prospects with benchmarking of the Fund being a secondary consideration. As such, the Fund may hold a larger percentage of its NAV (may exceed 10%) in Shariah-compliant stocks of companies with small capitalization. In addition, Shariah-compliant liquid assets with at least 2% of its NAV may also be strategically used if the Manager feels that the market downside risk is high in the short-term.

The Fund's policies on investments were carried out in accordance with the Deed.

Fund category/ type

Equity (Shariah) / Growth

How long should you invest for?

Recommended 5 years or more

Indication of short-term risk (low, moderate, high)

High

When was the Fund launched?

15 June 1995

What was the size of the Fund as at 31 December 2010?

RM144.16 million (209.39 million units)

What is the Fund's benchmark?

FTSE Bursa Malaysia Emas Shariah Index

What is the Fund's distribution policy?

Distribution (if any) is expected to be distributed every January at the Manager's discretion.

What was the net income distribution for the financial year ended 31 December 2010?

No distribution was declared for the financial year ended 31 December 2010.

PERFORMANCE DATA

Details of portfolio composition of the Fund for the last three financial years are as follows:

	31.12.10	31.12.09	31.12.08
	%	%	%
Quoted Shariah-compliant Investments			
- Construction	10.59	7.37	13.61
- Consumer Products	4.30	3.63	3.82
- Industrial Products	12.12	13.17	8.96
- Infrastructure	7.91	1.01	6.76
- Plantation	23.05	16.27	12.52
- Properties	5.66	6.51	3.05
- Trading Services	31.30	49.39	35.24
Cash and other net assets	5.07	2.65	16.04
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Performance details of the Fund for the last three financial years are as follows:

	31.12.10	31.12.09	31.12.08
Net Asset Value (RM million)	144.16	92.71	33.00
Units In circulation (Million)	209.39	164.49	93.00
Net Asset Value per Unit (RM)	0.6884	0.5636	0.3548
Highest published price (RM)	0.6950	0.5636	0.7106
Lowest published price (RM)	0.5354	0.3511	0.3368
Total return (%)	22.29	58.69	(47.83)
- capital (%)	22.29	58.69	(47.83)
- income(%)	-	-	-
Management Expenses Ratio (%)	1.65	1.63	1.71
Portfolio Turnover Ratio (times)#	1.50	1.26	1.28

Period	Total return (%)	Annualised (%)
1 year	22.29	22.29
3 years	1.24	0.41
5 years	84.66	13.05
Since Inception (Launch date : 15 June 1995)	30.91	1.75

During the period under review, the portfolio turnover ratio increased to 1.50 times from 1.26 times in the same period the previous year. This increased in activities was due to profit taking on stocks that had performed well and switching into stocks that had lagged the market rally.

PERFORMANCE DATA (CONTINUED)

	31.12.10	31.12.09	31.12.08	31.12.07	Since Inception
Annual total return (%)	22.29	58.69	(47.83)	50.43	30.91

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 have been verified by Mercer Zainal Consulting Sdn Bhd, Consulting Actuaries (35090-H).

MARKET REVIEW (1 JANUARY 2010 – 31 DECEMBER 2010)

Bursa Malaysia had a better year than expected in 2010. Given the significant global headwinds, investors had braced for the worst but the bulls prevailed and Bursa Malaysia had a convincing climb especially in the second half of the year. For the full year, the FBM Shariah rose 1,548 points or 18.2% to close at 10058.2.

The steep ascent of the Index was achieved despite volatile market conditions. In the first half of 2010, the markets were buffeted by patchy economic news. Investors were also jittery over tightening measures by China to cool down its property market. In April, global markets were roiled by the sovereign debt crisis in Europe after Greece government bonds yields spiked, widening its risk spreads. Even after the belated EU-IMF US\$147bn bailout of Greece, there were lingering fears of contagion to other peripheral European countries such as Portugal, Ireland and Spain which also had high fiscal deficits and large country debt.

The Index started to rise decisively in June, assisted by a reversal of the net equity outflows in the first half of the year. Foreign funds were encouraged by global economic data which suggested that a double dip recession was unlikely. Funds in the US and Europe were also looking to this region for higher return as the continued patchy economic recovery in the developed economies suggested that returns there could be sub-par for an extended period of time. Another catalyst for foreign inflow was prospects of foreign exchange gain from an appreciating Ringgit after Bank Negara raised OPR by 25bps twice, in March 4 and July 8.

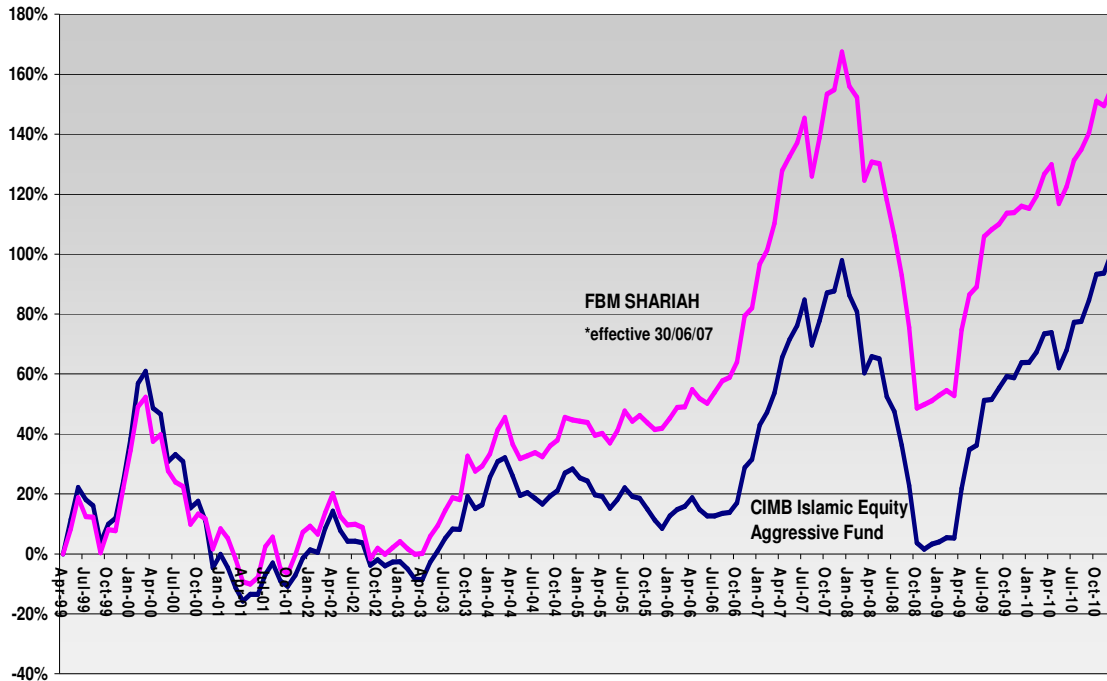
The positive momentum on Index sustained into the fourth quarter assisted by several local catalysts. The unveiling of the New Economic Model (NEM) in March and the subsequent launch of the Economic Transformation Programme (ETP) in October raised hopes of economic reforms which will boost economic growth for Malaysia. There were also the listings of two PETRONAS subsidiaries – Malaysia Marine and Heavy Engineering on 29 October and Petronas Chemicals on 26 November. The three mega property mergers proposed in November - between UEML-Sunrise, MRCB-IJMP and SunCity-SunHoldings – were also positive on market sentiment.

FUND PERFORMANCE

	1 year to 31.12.10	3 years to 31.12.10	5 years to 31.12.10	Since Inception to 31.12.2010
Income	-	-	5.81	80.73
Capital	22.29	1.24	74.51	(27.57)
Total Return	22.29	1.24	84.66	30.91
Benchmark	18.20	(4.51)	79.95	155.38
Average Total Return	22.29	0.41	13.05	1.75

The Fund recorded 22.29% in capital gains for the period under review, outperforming the benchmark by 4.09%. On a longer term 3 years period, the Fund is outperforming its benchmark by 5.75%.

FUND PERFORMANCE (CONTINUED)



CHANGES IN NET ASSET VALUE (“NAV”)

	31.12.10	31.12.09	% Changes
Net Asset Value (“NAV”) (RM million)	144.16	92.71	55.50
NAV / unit (RM)	0.6884	0.5636	22.14

NAV of the Fund rose 55.50% during the 1 year period ending 31st December 2010 due to both capital appreciation and injections.

As at 31st December 2010, the Fund is ranked 10th out of 46 funds (1st Quartile) YTD.

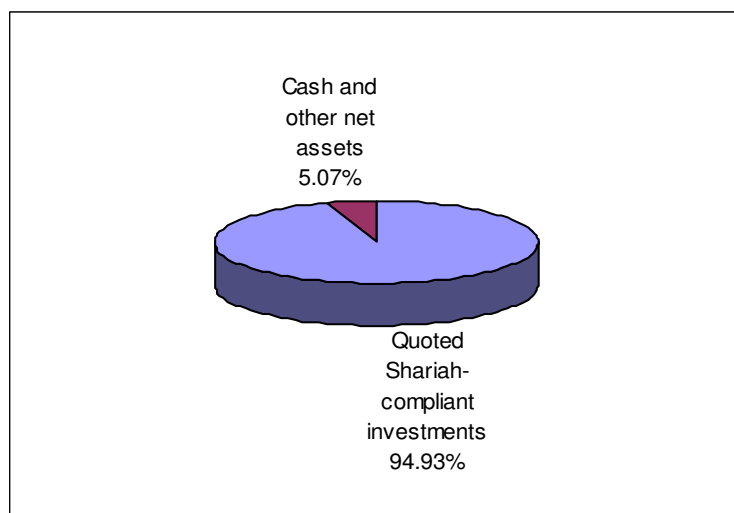
Performance data represents the combined income and capital return as a result of holding units in the fund for the specified length of time, based on NAV to NAV price. The performance data assumes that all earnings from the fund are reinvested and are net of management and trustee fees. Past performance 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 have been verified by Mercer Zainal Consulting Sdn Bhd, a Consulting Actuaries (35090-H).

PORTFOLIO STRUCTURE

Asset allocation

(% of NAV)	31 December 2010	31 December 2009
Quoted Shariah-compliant investments	94.93	97.35
Cash and other net assets	5.07	2.65
TOTAL	100.00	100.00

The Fund was 94.93% invested in equities as at the end of the period under review. Within the period, there were movements to this weighting. We reduced equity exposure by 2.42% from 97.35% previously. The fund took profit in stocks that had performed well during the period and switched into stocks that lagged the market rally.



MARKET OUTLOOK

We are positive on the market outlook for 2011. We have a year-end target of about 1,700 on the benchmark KLCI. This is at a forward 2011 PER of about 15x which is the historical mid-cycle PER for the local market.

In the first half of the year, we are likely to see the continued impact of the US\$600bn QE2 announced by the US Fed in November last year. This will raise liquidity levels and a portion of these could find their way into emerging markets in search of higher returns. QE2 is likely to keep the US Dollar weak for now and we are anticipating Bank Negara to raise the OPR twice to 3.25% in 2011. A stronger Ringgit would be another strong incentive for foreign funds to look at Malaysia.

The Economic Transformation Program (ETP) is likely to gather traction this year and this could result in upward revisions to Malaysia growth forecasts in the medium term. On January 2011 this year, the Prime Minister announced 19 new projects which will contribute to RM67bn in investments and RM36bn in Gross National Income.

Earnings will remain healthy. Malaysia's GDP is expected to grow another 5.5% in 2011, after the estimated 7.0% growth in 2010. This will provide a robust environment to sustain the momentum on corporate earnings growth. We forecast EPS growth to grow another strong 16% - 18% in 2011 which will underpin share prices.

MARKET OUTLOOK (CONTINUED)

Sentiment on the Bursa Malaysia could be also be lifted by the prospects of elections. Firstly, there is the Sarawak state election which must be held over the next few months. There is also the speculation that the 13th General Elections could be held in the second half of this year, followed then by the UMNO elections in 2012.

In terms of risks, the trade-off between inflation and growth will be harder in 2011. Investors may be jittery over tightening measures as emerging economies will be under significant pressure to raise rates to combat prices pressures and mop up liquidity further. Escalating tension in the Middle East is another worry. Also, there are the lingering sovereign debt problems in the European periphery and the possible contagion to Portugal and Spain.

INVESTMENT STRATEGY

With inflation remaining a key concern in 2011, we look to reduce our holdings in high beta stocks and increase our weightings in defensive dividend-growth stocks.

We remain overweight on the oil & gas sector as we expect contract awards to remain strong in 2011. We also like the plantation sector as CPO prices continues to rise.

In the near term, we remain cautious on the market. Therefore, will continue to take profit on stocks that have performed well and switch into stocks that have lagged this market rally.

SPREAD OF UNIT HOLDINGS AS AT 31 DECEMBER 2010

Size of holdings(units)	No. of unitholders	No. of units held (million)	% of units held
5,000 and below	6,846	8,250	3.94
5,001-10,000	2,119	15,534	7.42
10,001-50,000	3,152	67,887	32.42
50,001-500,000	664	70,315	33.58
Above 500,000	20	47,409	22.64
Total	12,801	209,395	100.00

REBATES AND SOFT COMMISSION

Dealings on investments of the Fund through brokers or dealers will be on terms which are best available for the Fund. Any rebates from brokers or dealers will be directed to the account of the Fund.

The Investment Manager may from time to time receive and retain soft commissions in the form of subscription for real-time services or advisory services that assist in the decision-making process relating to the Fund's investments from brokers or dealers.

During the financial period under review, the management company did not receive any rebates and soft commissions from brokers or dealers.

STATEMENT BY MANAGER TO THE UNIT HOLDERS OF CIMB ISLAMIC EQUITY AGGRESSIVE FUND

I, being the Director of CIMB-Principal Asset Management Berhad, do hereby state that, in the opinion of the Manager, the accompanying audited financial statements set out on pages 14 to 47 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 December 2010 and of its financial performance, changes in equity and cash flows for the financial year then ended in accordance with Financial Reporting Standards in Malaysia and the Securities Commission's Guidelines on Unit Trust Funds.

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

JOHN CAMPBELL TUPLING
Chief Executive Officer/Director

Kuala Lumpur
28 February 2011

Trustee's Report

For the Financial Year Ended 31 December 2010

To the Unit Holders of

CIMB ISLAMIC EQUITY AGGRESSIVE FUND

We, AmanahRaya Trustees Berhad, have acted as Trustee of CIMB ISLAMIC EQUITY AGGRESSIVE FUND for the financial year ended 31 December 2010. In our opinion, CIMB – PRINCIPAL ASSET MANAGEMENT BERHAD, the Manager, has managed CIMB ISLAMIC EQUITY AGGRESSIVE FUND in accordance with the limitations imposed on the investment powers of the management company and the Trustee under the Deed, other provisions of the Deed, the applicable Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws during the financial year then ended.

We are of the opinion that:

- a) the procedures and processes employed by the Manager to value and/or price the units of CIMB ISLAMIC EQUITY AGGRESSIVE FUND are adequate and that such valuation/pricing is carried out in accordance with the Deed and other regulatory requirement; and
- b) creation and cancellation of units are carried out in accordance with the Deed and other regulatory requirement.

Yours faithfully

AMANAHRAYA TRUSTEES BERHAD

HABSAH BINTI BAKAR

Chief Executive Officer

Kuala Lumpur, Malaysia

23 February 2011

**SHARIAH ADVISER REPORT TO THE UNIT HOLDERS OF
CIMB ISLAMIC EQUITY AGGRESSIVE FUND**

We have acted as the Shariah Adviser of CIMB Islamic Equity Aggressive Fund. Our responsibility is to ensure that the procedures and processes employed by CIMB-Principal Asset Management Berhad are in accordance with Shariah.

In our opinion, CIMB-Principal Asset Management Berhad has managed and administered CIMB Islamic Equity Aggressive Fund in accordance with Shariah and complied with applicable guidelines, rulings or decisions issued by the Securities Commission pertaining to Shariah matters for the financial year from 1 January 2010 to 31 December 2010.

In addition, we also confirm that the investment portfolio of CIMB Islamic Equity Aggressive Fund comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission ("SACSC"). As for the securities which are not certified by the SACSC, we have reviewed the said securities and opine that these securities are designated as Shariah-compliant.

For and on behalf of Shariah Adviser
CIMB Islamic Bank Berhad

ABDUL GHANI ENDUT

Head, Shariah Department / Designated Person Responsible for Shariah Advisory

Kuala Lumpur
28 February 2011

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
CIMB ISLAMIC EQUITY AGGRESSIVE FUND**

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of CIMB Islamic Equity Aggressive Fund, which comprise the statement of financial positions as at 31 December 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 14 to 47.

Manager's Responsibility for the Financial Statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards in Malaysia and the Securities Commission's Guidelines on Unit Trust Funds. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Manager's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Manager, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
CIMB ISLAMIC EQUITY AGGRESSIVE FUND (CONTINUED)**

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards in Malaysia and the Securities Commission's Guidelines on Unit Trust Funds so as to give a true and fair view of the financial position of the Fund as of 31 December 2010 and of its financial performance, changes in equity and cash flows for the financial year then ended.

OTHER MATTERS

This report is made solely to the unitholders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

Kuala Lumpur
28 February 2011

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	Note	2010 RM	2009 Restated RM
NET INVESTMENT INCOME (SHARIAH-COMPLIANT)			
Dividend income		3,110,973	977,615
Profit income and Hibah from Shariah-compliant deposits with licensed financial institutions		107,578	87,943
Unrealised gain on financial assets at fair value through profit or loss	7	1,198,924	-
Net realised gain on sale of financial assets at fair value through profit or loss	7	<u>22,055,081</u>	<u>2,525,837</u>
		<u>26,472,556</u>	<u>3,591,395</u>
EXPENSES			
Management fee	4	1,561,142	796,470
Trustee's fee	5	104,077	53,098
Transaction costs		978,288	-
Audit fee		6,100	6,100
Tax agent's fee		6,433	4,400
Other expenses		<u>44,724</u>	<u>16,670</u>
		<u>2,700,764</u>	<u>876,738</u>
NET PROFIT BEFORE TAXATION		23,771,792	2,714,657
TAXATION	6	<u>(283,967)</u>	<u>(53,912)</u>
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME		<u>23,487,825</u>	<u>2,660,745</u>
Net profit after taxation is made up as follows:			
Realised amount		22,715,163	2,660,745
Unrealised amount		<u>772,662</u>	<u>-</u>
		<u>23,487,825</u>	<u>23,487,825</u>

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	Note	31-Dec-2010 RM	31-Dec-2009 As restated RM	31-Dec-2008 As restated RM
INVESTMENTS (SHARIAH – COMPLIANT)				
Financial assets at fair value through profit or loss	7	136,851,226	-	-
Quoted Shariah-compliant investment	8	-	90,264,138	27,702,295
		<u>136,851,226</u>	<u>90,264,138</u>	<u>27,702,295</u>
LIQUID ASSETS (SHARIAH – COMPLIANT)				
Deposits with licensed financial institutions	9	9,838,670	2,910,000	3,860,569
Bank balance in a licensed bank	9	20,826	259,169	486,195
		<u>9,859,496</u>	<u>3,169,169</u>	<u>4,346,764</u>
OTHER ASSETS				
Amount due from stockbrokers		889,280	369,653	570,445
Amount due from Manager		1,468,441	485,337	57,665
Tax recoverable		160,931	111,459	59,775
Dividends receivable		281,260	158,589	827,083
Profit income receivable from Shariah-compliant deposits with licensed financial institutions		-	283	337
		<u>2,799,912</u>	<u>1,125,321</u>	<u>1,515,305</u>
TOTAL ASSETS		<u>149,510,634</u>	<u>94,558,628</u>	<u>33,564,364</u>
LIABILITIES				
Amount due to stockbrokers		3,935,761	1,381,563	477,753
Amount due to Manager		1,198,828	326,774	14,893
Accrued management fee		172,899	103,807	45,104
Amount due to Trustee		11,527	6,920	3,007
Other payables and accruals		24,629	25,800	27,800
TOTAL LIABILITIES		<u>5,343,644</u>	<u>1,844,864</u>	<u>568,557</u>
NET ASSETS VALUE OF THE FUND	10	<u>44,166,990</u>	<u>92,713,764</u>	<u>32,995,807</u>

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010 (CONTINUED)

	Note	31-Dec-2010 RM	31-Dec-2009 As restated RM	31-Dec-2008 As restated RM
Equity				
Unitholders' capital	10	135,974,937	108,009,536	70,510,686
Retained earnings/ (accumulated losses)		8,192,053	(28,160,870)	(30,821,615)
Fair value reserve		-	12,865,000	(6,693,264)
NET ASSET ATTRIBUTABLE TO UNITHOLDERS		<u>144,166,990</u>	<u>92,713,764</u>	<u>32,995,807</u>
Number of units in circulation		<u>209,394,866</u>	<u>164,490,785</u>	<u>93,000,785</u>
Net asset value per unit (RM)		<u>0.6884</u>	<u>0.5636</u>	<u>0.3548</u>

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

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	Note	Unitholders' capital RM	Retained earnings/ accumulated losses) RM	Fair value reserve RM	Total RM
Balance as at 1 January 2010, as previously stated		-	-	-	-
Prior year adjustment for adoption of amendments to FRS 132	16 (a)	108,009,536	(28,160,870)	12,865,098	92,713,764
Balance as at 1 January 2010, restated after adoption of amendments to FRS 132		108,009,536	(28,160,870)	12,865,098	92,713,764
Adjustment for adoption of FRS 139	16(b)	-	12,865,098	(12,865,098)	-
Balance as at 1 January 2010, restated after adoption of FRS 139		108,009,536	(15,295,772)	-	92,713,764
Movement in unitholders' contribution:					
Creation of units		139,263,498	-	-	139,263,498
Cancellation of units		(111,298,097)	-	-	(111,298,097)
Total comprehensive income for the financial year		-	23,487,825	-	23,487,825
Change in fair value reserve		-	-	-	-
		<u>135,974,937</u>	<u>8,192,053</u>	<u>-</u>	<u>144,166,990</u>
Balance as at 1 January 2009, as previously stated		-	-	-	-
Prior year adjustment for adoption of amendments to FRS 132	16 (a)	70,510,686	(30,821,615)	(6,693,264)	32,995,807
Balance as at 1 January 2009, restated after adoption of amendments to FRS 132		70,510,686	(30,821,615)	(6,693,264)	32,995,807
Movement in unitholders' contribution:					
Creation of units		58,830,485	-	-	58,830,485
Cancellation of units		(21,331,635)	-	-	(21,331,635)
Total comprehensive income for the financial year		-	2,660,745	-	2,660,745
Change in fair value reserve		-	-	19,558,362	19,558,362
Balance as at 31 December 2009, restated		<u>108,009,536</u>	<u>(28,160,870)</u>	<u>12,865,098</u>	<u>92,713,764</u>

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

**CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010**

	Note	2010 RM	2009 RM
CASH FLOW FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		155,645,881	50,153,106
Purchase of investments		(177,900,401)	(89,682,948)
Dividend received		2,633,437	1,540,513
Profit income received from Shariah-compliant deposits with licensed financial institutions		106,190	87,997
Capital repayment received		-	156,800
Management fee paid		(1,492,050)	(737,767)
Trustee's fees paid		(99,470)	(49,185)
Payment for other fees and expenses		(59,281)	(29,170)
		<u>(21,165,694)</u>	<u>(38,560,654)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Cash proceeds from units created		138,280,394	58,402,813
Payments for cancellation of units		(110,426,043)	(21,019,754)
		<u>27,854,351</u>	<u>37,383,059</u>
Net increase/(decrease) in cash and cash equivalents		6,688,657	(1,177,595)
Cash and cash equivalents at beginning of the financial year		<u>3,169,169</u>	<u>4,346,764</u>
Cash and cash equivalents at end of the financial year	9	<u>9,857,826</u>	<u>3,169,169</u>

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

**NOTES TO FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010****1. THE FUND, THE MANAGER AND ITS PRINCIPAL ACTIVITY**

CIMB Islamic Equity Aggressive Fund ("the Fund") is governed by a Principal Master Deed dated 15th May 2008, a Third Supplemental Master Deed dated 25th June 2008, a Sixth Supplemental Master Deed dated 14th July 2008 and a Seventh Supplemental Master Deed dated 19th November 2008 (collectively referred to as "the Deeds"), made between CIMB-Principal Asset Management Berhad (the "Manager") and AmanahRaya Trustee Berhad (the "Trustee").

The principal activity of the Fund is to invest in "Permitted Investments", as described under Clause 17 of the Master Deed, which include stocks and shares of companies quoted on the Bursa Malaysia Securities Berhad and short term investments approved by the Shariah Committee or Shariah Adviser of the Fund and that of the SC's Shariah Advisory Council. The Fund commenced operations on 15 June 1995 and will continue its operations until terminated by the Trustee as provided under Clause 25 of the Master Deed.

The investment objective of the Fund is to earn reasonable returns for investors by investing in approved Shariah-compliant stocks listed on Bursa Malaysia Securities Berhad and Shariah-compliant unlisted stocks and other non-interest bearing assets acceptable under Shariah.

The Manager, a company incorporated in Malaysia, is subsidiary of CIMB Group Sdn. Bhd. and regards CIMB Group Holdings Berhad as its ultimate holding company. Its principal activities are the management of unit trusts 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 under the historical cost convention in accordance with Financial Reporting Standards ("FRS") in Malaysia and the SC Guidelines on Unit Trust Funds.

The preparation of financial statements in conformity with the FRS 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 financial year. It also requires the Manager to exercise their judgment in the process of applying the Fund's accounting policies. Although these estimates and judgment are based on the Manager's best knowledge of current events and actions, actual results may differ.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(a) Basis of preparation (continued)**

- (i) Standards and amendments to published standards that are effective
- FRS 8 "Operating Segments" (effective from 1 July 2009) replaces FRS 1142004 Segment Reporting. The new standard requires a 'management approach', under which segment information is reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. The improvement to FRS 8 (effective from 1 January 2010) clarifies that entities that do not provide information about segment assets to the chief operating decision-maker will no longer need to report this information. Prior year comparatives must be restated.
 - FRS 7 "Financial instruments: Disclosures" (effective from 1 January 2010) provides information to users of financial statements about an entity's exposure to risks and how the entity manages those risks. The improvement to FRS 7 clarifies that entities must not present total interest income and expense as a net amount within finance costs on the face of the Income Statement. This standard does not have any impact on the classification and valuation of the Fund's financial statements.
 - The revised FRS 101 "Presentation of financial statements" (effective from 1 January 2010) prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity. 'Non-owner changes in equity' are to be presented separately from owner changes in equity. All non-owner changes in equity will be required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period.

- FRS 107 "Statement of cash flows" (effective from 1 January 2010) clarifies that only expenditure resulting in a recognised asset can be categorised as a cash flow from investing activities.
- FRS 110 "Events after the balance sheet date" (effective from 1 January 2010) reinforces existing guidance that a dividend declared after the reporting date is not a liability of an entity at that date given that there is no obligation at that time.
- FRS 118 "Revenue" (effective from 1 January 2010) provides more guidance when determining whether an entity is acting as a 'principal' or as an 'agent'. This standard does not have material impact on the classification and valuation of the Fund's financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards and amendments to published standards that are effective (continued)

- Amendment FRS 132 “Financial Instruments: Presentation”

In the previous financial year, the Fund had classified its puttable instruments as liabilities in accordance with FRS 132, 'Financial instruments: Presentation'. However, the FRS 132 (amendment), 'Financial instruments: Presentation', and FRS 101 (amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2010) (the 'amendment') requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met.

Those criteria include: (i) the puttable instruments must entitle the holder to a pro-rata share of net assets; (ii) the puttable instruments must be the most subordinated class and that class's features must be identical; (iii) there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and (iv) the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer. As a result, the prior year financial statements are restated from amounts previously reported to conform with the amendment. The amendment has been applied retrospectively.

The effects as a result of adoption of the amendment on the statement of financial position for the prior periods are set out in Note 16(a).

- FRS 139 “Financial Instruments: Recognition and Measurement”

In the previous financial year, unrealised gains or losses from the derivative financial instrument are recognised in the statement of financial position as receivables and payables while the corresponding effect are transferred to the fair value reserve included in the capital and reserves attributable to equity holders of the fund.

However, the FRS 139 (new standard) 'Financial Instruments: Recognition and Measurement' (effective 1 January 2010) (the 'standard') requires the Fund to recognise all derivatives in its balance sheet as either assets or liabilities and shall measure them at fair value (except for a derivative that is linked to and that must be settled by delivery of an unquoted equity instrument whose fair value cannot be measured reliably) at the beginning of the financial period in which this standard is initially applied. Because all derivatives, other than those that are designated hedging instruments, are considered held for trading, the unrealised gains or losses transferred to the fair value reserve in the previous financial period shall be recognised as an adjustment of the balance of retained earnings at the beginning of the financial period in which this Standard is initially applied (other than for a derivative that is a designated hedging instrument).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

(i) Standards and amendments to published standards that are effective (continued)

- FRS 139 "Financial Instruments: Recognition and Measurement" (continued)

The effects as a result of adoption of the new standard on the opening balances of the statement of financial position at the beginning of the financial year are set out in Note 16(b).

(ii) The new standards, amendments and interpretations to published standards which are relevant to the Fund and have not been early adopted are:

- Amendments to FRS 7 "Financial instruments: Disclosures" and FRS 1 "First-time adoption of financial reporting standards" (effective from 1 January 2011) require enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. The Fund will apply this standard when effective.

The Fund has applied the transitional provision which exempts entities from disclosing the possible impact arising from the initial application of this amendment on the financial statements of the Fund.

- IC Interpretation 17 "Distribution of non-cash assets to owners" (effective from 1 July 2010) provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. FRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable.

(b) Financial assets at fair value through profit or loss

Classification

The Fund designates its Shariah-compliant investment in quoted securities as financial assets at fair value through profit or loss at inception.

Financial assets are designated at fair value through profit or loss when they are managed and their performance evaluated on a fair value basis

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(b) Financial assets at fair value through profit or loss (continued)**Recognition and measurement (continued)

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.

Gains or losses arising from changes in fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income. Gains or losses from changes in the fair value of the investments 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 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.

Quoted Shariah-compliant investments in Malaysia are valued at the last done market price quoted on Bursa Malaysia Securities Berhad ("Bursa Securities") at the date of the statement of financial position.

If a valuation based on the market price does not represent the fair value of the Shariah-compliant 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 Shariah-compliant securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the Shariah-compliant 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.

(c) Income recognition

Dividend income is recognised on the ex-dividend date.

Profit income earned from Shariah-compliant deposits is recognised on an accrual basis.

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

(d) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia, which is the Fund's functional and presentation currency.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(e) Creation and cancellation of units**

The Fund issues cancellable units, which are cancelled at the holder's option and are classified as equity. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value. The outstanding units are carried at the redemption amount that is payable at the date of statement of financial position if the holder exercises the right to put the unit back to the Fund.

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

(f) Cash and cash equivalents (Shariah-compliant)

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and deposits held in highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

(g) Taxation

Current tax expense is determined according to Malaysian tax laws and includes all taxes based upon the taxable profits.

(h) Distribution

Proposed distributions to unitholders are recognised in the statement of changes in equity upon approval by the Board of Directors of the Manager.

(i) Amount due from/to stockbrokers

Amounts due from and to brokers represent receivables for securities sold and payables for 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 using the effective interest method, less provision for impairment for amounts due from brokers. A provision for impairment of amounts due from brokers is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from brokers is impaired. Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the interest rate used to discount the future cash flows for the purpose of measuring the impairment loss.

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

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instrument, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(j) Proceeds and payments on creation and cancellation of units

The net asset value per unit is computed for each dealing day. The price at which units are created or cancelled is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day. Units in the Fund are classified as equity in the statement of financial position and are stated at fair value representing the price at which unitholders can redeem the units from the Fund.

(k) Segmental information

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographic segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Investment Committee of the Fund's manager that undertakes strategic decisions for the Fund.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(I) Financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is the amount at which a financial asset could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction. The information presented herein represents the estimates of fair values as at the date of the statement of financial position.

Financial instruments as at 31 December 2010 are as follows:

	Loans and receivables RM	Financial assets at fair value through profit or loss RM	Total RM
Financial assets at fair value through profit or loss (Note 7)	-	136,851,226	136,851,226
Cash and cash equivalents (Note 9)	9,859,496	-	9,859,496
Amount due from stockbrokers	889,280	-	889,280
Amount due from Manager	1,468,441	-	1,468,441
Dividend receivable	281,260	-	281,260
	<u>12,498,477</u>	<u>136,851,226</u>	<u>149,349,703</u>

All current liabilities are financial liabilities which are carried at amortised cost.

(m) Critical accounting estimates and judgements in applying accounting policies

The preparation of financial statements in conformity with FRS and the SC Guidelines on Unit Trust Funds requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of income and expenses during the reported financial period. Although these estimates are based on the Manager's best knowledge of current events and actions, actual results may differ from those estimates. Estimates and judgments 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.

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 Funds' results and financial position are tested for sensitivity to changes in the underlying parameters.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES

The investment objective of the Fund is to invest a minimum of 70% and up to a maximum of 98% of the Fund's NAV in local Shariah-compliant equities. As an aggressive Fund, the Fund will be managed with higher beta and tracking error. The investment policy and strategy of the Fund will be to invest in Shariah-compliant stocks which are selected based on their future growth prospects with benchmarking of the Fund being a secondary consideration. As such, the Fund may hold a larger percentage of its NAV (may exceed 10%) in Shariah-compliant stocks of companies with small capitalization. In addition, Shariah-compliant liquid assets with at least 2% of its NAV may also be strategically used if the Manager feels that the market downside risk is high in the short-term.

The Fund is exposed to a variety of risks which include market risk inclusive of price risk and cash flow profit rate risk, credit risk, liquidity risk, single issuer risk, reclassification of Shariah status risk arising from the financial instruments it holds, non-compliance risk and capital risk.

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

(a) Market risk

(i) Price risk

This is the risk that the fair value of an investment in quoted security will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk). The value of securities may fluctuate according to the activities of individual companies, sector and overall political and economic conditions. Such fluctuation may cause the Fund's net asset value 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 portfolio diversification and asset allocation whereby the equity exposure will be reduced in the event of anticipated market weakness.

At 31 December 2010, the Fund's overall exposure to price risk was as follows:

	2010
	RM
Quoted securities designated at fair value through profit or loss	136,851,226
	<u><u>136,851,226</u></u>

The table below summarises the sensitivity of the Fund's net asset value to movements in prices of quoted securities as at 31 December 2010. The analysis is based on the assumptions that the price of the quoted securities increased and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

% Change in price of quoted securities	Market value RM	Change in net asset value RM
- 5%	130,008,665	(6,842,561)
0%	136,851,226	-
5%	143,693,787	6,842,561
	<u><u>143,693,787</u></u>	<u><u>6,842,561</u></u>

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(a) Market risk (continued)

(ii) Cash flow profit rate risk

The Fund holds a limited amount cash and cash equivalents that expose the Fund to cash flow profit rate risk.

Profit rate is a general economic indicator that will have an impact on the management of the Fund regardless of whether it is a Shariah-compliant fund or otherwise. The Fund's exposure to the profit rate risk is mainly confined to short term placements with financial institutions. The Manager overcomes the exposure by way of maintaining deposits on short term basis.

It does not in any way suggest that this Fund will invest in conventional financial instruments. All investments carried out for the Fund including placements and deposits are in accordance with Shariah

The table below summarises the sensitivity of the Fund's net asset value to movements in profit income from deposits with licensed financial institutions held by the Fund as at 31 December 2010. The analysis is based on the assumptions that the interest rate increased and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the interest rate, having regard to the historical volatility of the interest rate.

% Change in profit rate	Interest receivable from deposits held as at 31 December 2010 RM	Change in net asset value RM
-5%	1,587	(83)
0%	1,670	-
5%	1,753	83
<u> </u>	<u> </u>	<u> </u>

(iii) Currency risk

The Fund is not exposed to any currency risk as the Fund has no investments overseas.

(b) Credit risk

Credit risk refers to the ability of an issuer or a counter party to make timely payments of profit, principals and proceeds from realisation of investments.

The Fund is exposed to credit risk arising from placements of Shariah-compliant deposits in licensed financial institutions is managed by ensuring that the Fund will only place Shariah-compliant deposits in reputable licensed financial institutions. For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Securities. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the Securities Commission's Guidelines on Unit Trust Funds.

The credit/default risk is minimal as all transactions in quoted Shariah-compliant investments are settled / paid upon delivery using approved stockbrokers.

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(b) Credit risk (continued)

The following table sets out the credit risk concentration of the Fund:

As at 31 December 2010	Cash balance and Shariah- compliant deposits RM	Other receivable RM	Total RM
Finance	9,859,496	-	9,859,496
Industrial product	-	10,000	10,000
Infrastructure	-	14,200	14,200
Trading and services	-	257,060	257,060
Others	-	2,357,721	2,357,721
	9,859,496	2,638,981	12,498,477

All financial assets of the Fund as at 31 December 2010 are neither past due nor impaired.

(c) Liquidity risk

Liquidity risk is the risk that investment cannot be readily sold at or near its actual value without taking a significant discount. This will result in lower net asset value of the Fund. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of the units by unitholders. Liquid assets comprise cash, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month RM	1 month above RM	Total RM
At 31 December 2010			
Amount due to stockbrokers	3,935,761	-	3,935,761
Amount due to Manager	1,198,828	-	1,198,828
Accrued management Fee	172,899	-	172,899
Amount due to Trustee	11,527	-	11,527
Other payables and accruals	-	24,629	24,629
Contractual cash out flows	5,319,015	24,629	5,343,644

3. RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(d) Single issuer risk

Any major price fluctuation of a particular security invested by the Fund may affect the Fund's net asset value and thus the prices of units.

The single issuer risk is managed by adhering to the investment limits as specified in the SC Guidelines on Unit Trust Funds.

(e) Reclassification of Shariah status risk

The risk refers to the risk that the currently held Shariah-compliant securities in the portfolio of Shariah-compliant funds may be reclassified to be non Shariah-compliant in the periodic review of the securities by the relevant Shariah adviser. If this occurs, the value of the Fund may be adversely affected where the Manager will take the necessary steps to dispose of such securities in accordance with the advice from the Shariah Adviser.

(f) Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund do not follow the rules set out in the Fund's constitution, or the law that govern the Fund, or act fraudulently or dishonestly. It also includes the risk of the Manager not complying with internal control procedures. The non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the manager.

(g) Capital risk management

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of shareholders. 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 for shareholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

4. MANAGEMENT FEE

In accordance with Clause 24(1) of the Master Deed dated 15 May 2008, the Manager is entitled to a maximum management fee of 1.50% per annum calculated daily based on the net asset value of the Fund.

For the financial year ended 31 December 2010, the Manager's fee is recognised at a rate of 1.50% per annum (2009: 1.50%).

There will be no further liability to the Manager in respect of management fee other than the amount recognized above.

5. TRUSTEE'S FEE

In accordance with Clause 24(2) of the Master Deed dated 15 May 2008, the Trustee is entitled to a fee not exceeding 0.10% per annum calculated daily based on the net asset value of the Fund prior to any deduction for management fees and trustee fees for that particular day.

For the financial year ended 31 December 2010, the Trustee's fee is recognised at a rate of 0.10% per annum (2009: 0.10%).

There will be no further liability to the Trustee in respect of trustee fee other than the amount recognized above.

6. TAXATION

	2010	2009
	RM	RM
Current taxation	292,825	94,997
Over provision in prior year	(8,858)	(41,085)
	<u>283,967</u>	<u>53,912</u>

The numerical reconciliation between net profit before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	2010	2009
	RM	RM
Net profit before taxation	<u>23,771,792</u>	<u>2,714,657</u>
Taxation at Malaysian statutory rate of 25% (2009: 25%)	5,942,948	678,664
Tax effects of:		
Income not subject to tax	(665,218)	(151,093)
Net realised loss from sale of investments not (subject to tax)/deductible for tax purposes	(5,375,764)	(631,459)
Expenses not deductible for tax purposes	33,019	16,193
Restriction on tax deductible expenses for unit trust funds	357,840	182,692
Over provision in prior year	(8,858)	(41,085)
Taxation	<u>283,967</u>	<u>53,912</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss comprise investments in quoted securities.

	Quantity Unit(s)	Aggregate cost RM	Fair value RM	Percentage of net asset value %
As at 31 December 2010				
MAIN BOARD				
Construction				
Gamuda Bhd	200,300	556,804	763,143	0.53
Hock Seng Lee Bhd	383,010	499,275	658,777	0.46
IJM Corporation Bhd	450,370	2,172,996	2,805,805	1.94
Malaysian Resources Corporation Bhd	954,300	1,563,596	1,899,057	1.32
UEM Land Holdings Bhd	2,859,100	5,554,305	6,976,204	4.84
WCT Bhd	47,732	109,157	152,265	0.10
YTL Corporation Bhd	240,000	1,811,985	2,018,400	1.40
	<u>5,134,812</u>	<u>12,268,118</u>	<u>15,273,651</u>	<u>10.59</u>
Consumer Products				
Padini Holdings Bhd	89,200	465,556	486,140	0.34
Tan Chong Motor Holdings Bhd	152,900	877,009	792,022	0.55
UMW Holdings Bhd	700,000	4,690,498	4,914,000	3.41
	<u>942,100</u>	<u>6,033,063</u>	<u>6,192,162</u>	<u>4.30</u>
Industrial Products				
Benalec Holdings Bhd	3,522,500	3,522,500	3,522,500	2.44
Ann Joo Resources Bhd	631,200	1,725,716	1,830,480	1.27
APM Automotive Holdings Bhd	126,800	659,855	722,760	0.50
Kossan Rubber Industries Bhd	200,000	730,303	632,000	0.44
Lafarge Malayan Cement Bhd	125,000	780,530	958,750	0.66
Parkson Holdings Bhd	151,525	650,061	816,720	0.57
Perisai Petroleum Teknologi Bhd	4,915,000	2,841,327	2,678,675	1.86
Perwaja Holdings Bhd	1,594,000	1,730,056	1,594,000	1.11
Petronas Chemicals Group Bhd	623,000	3,298,677	3,438,960	2.39
Scomi Group Bhd	1,760,200	824,674	642,473	0.45
Supermax Corporation Bhd	155,025	507,457	616,999	0.43
	<u>13,804,250</u>	<u>17,271,156</u>	<u>17,454,317</u>	<u>12.12</u>

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

	Quantity Unit(s)	Aggregate cost RM	Fair value RM	Percentage of net asset value %
As at 31 December 2010 (continued)				
MAIN BOARD (CONTINUED)				
Infrastructure				
Digi.com Bhd	302,300	7,417,091	7,436,580	5.16
Maxis Bhd	177,500	928,695	940,750	0.65
Puncak Niaga Holdings Bhd	520,400	1,420,022	1,196,920	0.83
YTL Power International Bhd	750,000	1,846,120	1,830,000	1.27
	<u>1,750,200</u>	<u>11,611,928</u>	<u>11,404,250</u>	<u>7.91</u>
Plantation				
Genting Plantations Bhd	867,100	6,667,719	7,630,480	5.29
Hap Seng Plantations Holdings Bhd	505,200	1,618,211	1,692,420	1.17
IJM Plantations Bhd	800,000	2,331,240	2,384,000	1.65
IOI Corporation Bhd	1,275,541	6,060,296	7,410,893	5.14
Kuala Lumpur Kepong Bhd	119,250	1,601,772	2,635,425	1.83
Sime Darby Bhd	1,305,442	10,867,409	11,487,890	7.97
	<u>4,872,533</u>	<u>29,146,647</u>	<u>33,241,108</u>	<u>23.05</u>
Properties				
Bandar Raya Developments Bhd	709,400	1,586,636	1,667,090	1.15
IJM Land Bhd	384,300	847,379	1,099,098	0.76
Mah Sing Group Bhd	2,468,000	4,556,774	4,541,120	3.15
SP Setia Bhd	144,300	729,106	858,585	0.60
	<u>3,706,000</u>	<u>7,719,895</u>	<u>8,165,893</u>	<u>5.66</u>

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

	Quantity	Aggregate	Fair	Percentage
	Unit(s)	cost	value	of net asset
		RM	RM	value
				%
As at 31 December 2010				
(continued)				
MAIN BOARD				
(CONTINUED)				
Trading/Services				
Alam Maritim Resources Bhd	1,532,600	1,572,399	1,517,274	1.05
Axiata Group Bhd	1,546,600	4,848,341	7,346,350	5.10
Dialog Group Bhd	240,400	210,138	430,316	0.30
Faber Group Bhd	707,100	1,715,390	1,796,034	1.25
Kencana Petroleum Bhd	521,250	291,083	1,256,213	0.87
KPJ Healthcare Bhd	238,600	682,369	887,592	0.62
Malaysia Marine And Heavy Engineering Holdings Bhd	87,100			
		328,953	513,890	0.36
MMC Corporation Bhd	1,017,100	2,684,891	2,827,538	1.96
Media Chinese International Ltd	3,756,200	3,141,335	3,230,332	2.24
MISC Bhd	250,000	2,206,942	2,090,000	1.45
PLUS Expressways Bhd	547,800	2,244,470	2,476,056	1.72
QSR Brands Bhd	302,500	1,211,450	1,530,650	1.06
QSR Brands Bhd-Warrant	250,000	655,070	582,500	0.40
SapuraCrest Petroleum Bhd	1,129,800	2,240,822	3,502,380	2.43
Telekom Malaysia Bhd	1,000,000	3,394,600	3,510,000	2.43
Tenaga Nasional Bhd	1,300,000	10,671,533	10,881,000	7.55
Uzma Bhd	441,500	636,611	741,720	0.51
	<u>14,868,550</u>	<u>38,736,397</u>	<u>45,119,845</u>	<u>31.30</u>
TOTAL QUOTED SECURITIES	<u>45,078,445</u>	<u>122,787,204</u>	<u>136,851,226</u>	<u>94.93</u>
UNREALISED GAIN ON CHANGE IN VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>14,064,022</u>		
FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>136,851,226</u>	

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

	2010 RM
Designated at fair value through profit or loss at inception	
-Quoted securities	136,851,226
	<hr/>
Net gain on financial assets at fair value through profit or loss	
-Realised	22,055,081
-Unrealised	1,198,924
	<hr/>
	23,254,005
	<hr/>

8. QUOTED SHARIAH-COMPLIANT INVESTMENTS

Name of counter	Quantity Unit(s)	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 31 December 2009				
MAIN BOARD				
Construction				
Gamuda Bhd	960,000	2,568,359	2,496,000	2.69
IJM Corporation Bhd	600,700	2,326,070	2,688,313	2.90
WCT Bhd	265,031	494,700	689,081	0.74
Zelan Bhd	1,412,500	1,110,163	960,500	1.04
	<hr/>	<hr/>	<hr/>	<hr/>
	3,237,601	6,499,292	6,833,894	7.37
Consumer Products				
PPB Group Bhd	95,000	1,087,473	1,516,200	1.64
UMW Holdings Bhd	290,000	1,840,084	1,841,500	1.99
	<hr/>	<hr/>	<hr/>	<hr/>
	385,000	2,927,557	3,357,700	3.63

8. QUOTED SHARIAH-COMPLIANT INVESTMENTS (CONTINUED)

Name of counter	Quantity Unit(s)	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 31 December 2009 (continued)				
MAIN BOARD (CONTINUED)				
Industrial Products				
Adventa Bhd	517,500	1,186,391	1,640,475	1.77
KNM Group Bhd	2,662,500	2,077,283	2,050,125	2.21
Lafarge Malayan Cement Bhd	300,000	1,869,244	1,875,000	2.02
Latexx Partners Bhd	305,000	401,313	936,350	1.01
Lingui Development Bhd	688,800	761,311	688,800	0.74
Lion Industries Corporation	872,500	1,058,714	1,195,325	1.29
Lion Diversified Holdings Bhd	1,715,000	983,523	720,300	0.78
Perwaja Holdings Bhd	595,000	718,701	767,550	0.83
Supermax Corp Bhd	495,300	1,553,469	2,337,816	2.52
Wah Seong Corp Bhd	2	6	5	0.00
	<u>8,151,602</u>	<u>10,609,955</u>	<u>12,211,746</u>	<u>13.17</u>
Infrastructure				
Digi.com Bhd	42,500	908,994	933,300	1.01
Plantation				
Genting Plantations Bhd	220,000	1,032,506	1,372,800	1.48
IOI Corporation Bhd	1,662,641	7,776,184	9,094,646	9.81
Kuala Lumpur Kepong Bhd	280,050	3,501,686	4,620,825	4.98
	<u>2,162,691</u>	<u>12,310,376</u>	<u>15,088,271</u>	<u>16.27</u>
Properties				
Bandar Raya Developments Bhd	735,000	1,188,699	1,161,300	1.25
DNP Holdings Bhd	250,000	354,857	337,500	0.36
Eastern and Oriental Bhd	2,117,500	2,198,193	2,223,375	2.40
IJM Land Bhd	587,500	1,000,294	1,380,625	1.49
UEM Land Bhd	630,000	782,576	938,700	1.01
	<u>4,320,000</u>	<u>5,524,619</u>	<u>6,041,500</u>	<u>6.51</u>

8. QUOTED SHARIAH-COMPLIANT INVESTMENTS (CONTINUED)

Name of counter	Quantity Unit(s)	Aggregate cost RM	Market value RM	Percentage of net asset value %
As at 31 December 2009 (continued)				
MAIN BOARD (CONTINUED)				
Trading/Services				
Alam Maritim Resources Bhd	1,427,500	2,007,698	2,683,700	2.89
Axiata Group Bhd	2,102,500	4,878,912	6,412,625	6.92
Dayang Enterprise Holdings Bhd	550,000	914,466	951,500	1.03
Dialog Group Bhd	1,074,900	1,237,455	1,418,868	1.53
Kencana Petroleum Bhd	1,250,000	2,430,144	3,025,000	3.26
Malaysia Mining Corp Bhd	1,050,000	2,228,299	2,551,500	2.75
Malaysian Bulk Carriers Bhd	655,000	2,113,715	2,109,100	2.27
Maxis Communications Bhd	672,500	3,488,815	3,611,325	3.90
Parkson Holdings Bhd	214,926	844,644	1,141,257	1.23
Petra Energy Bhd	-	51	-	-
Sapura Crest Petroleum Bhd	1,360,000	2,212,454	3,372,800	3.64
Sime Darby Bhd	1,027,542	7,657,631	9,217,052	9.94
Tenaga Nasional Bhd	1,107,500	8,603,963	9,303,000	10.03
	<u>12,492,368</u>	<u>38,618,247</u>	<u>45,797,727</u>	<u>49.39</u>
TOTAL QUOTED SECURITIES	<u>30,791,762</u>	<u>77,399,040</u>	<u>90,264,138</u>	<u>97.35</u>
FAIR VALUE RESERVE		12,865,098		
MARKET VALUE		<u>90,264,138</u>		

9. CASH AND CASH EQUIVALENTS (SHARIAH-COMPLIANT)

	2010	2009
	RM	RM
Deposits with licensed financial institutions	9,837,000	2,910,000
Bank balance in a licensed bank	20,826	259,169
	<u>9,857,826</u>	<u>-</u>
Profit income receivable on deposits with licensed financial institutions	1,670	-
	<u>9,859,496</u>	<u>3,169,169</u>

The effective weighted average profit rate per annum is as follows:

	2010	2009
	%	%
Deposits with licensed financial institutions	<u>2.69</u>	<u>1.96</u>

Deposits with licensed financial institutions of the Fund have an average maturity of 2 days (2009: 5 days).

10. NUMBER OF UNITS IN CIRCULATION AND NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

	2010		2009	
	No. of Units	RM	No. of Units	RM
At beginning of the financial year	164,490,785	92,713,764	93,000,785	32,995,807
Creations arising from applications	225,402,826	139,263,498	112,343,202	58,830,485
Cancellation of units	(180,498,745)	(111,298,097)	(40,853,202)	(21,331,635)
Total comprehensive income for the financial year	-	23,487,825	-	2,660,745
Net change in fair value reserve	-	-	-	19,558,362
At end of the financial year	<u>209,394,866</u>	<u>144,166,990</u>	<u>164,490,785</u>	<u>92,713,764</u>
Approved size of the Fund	<u>300,000,000</u>		<u>300,000,000</u>	

As at 31 December 2010, the number of units not yet issued is 90,605,134 (2009: 135,509,215).

11. MANAGEMENT EXPENSE RATIO (“MER”)

	2010	2009
	%	%
MER	<u>1.65</u>	<u>1.63</u>

MER is derived from the following calculation:

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

- A = Management fee
- B = Trustee’s fee
- C = Transaction costs
- D = Auditors’ remuneration
- E = Tax agent’s fee
- F = Other expenses
- G = Average net asset value of the Fund calculation on a daily basis

The average net asset value of the Fund for the financial year calculated on daily basis is RM 104,629,867 (2009: RM 53,694,869)

12. PORTFOLIO TURNOVER RATIO (“PTR”)

	2010	2009
PTR (times)	<u>1.50</u>	<u>1.26</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period})}{2}$$

Average net asset value of the Fund for the financial period calculated on a daily basis

Where:

Total acquisition for the financial year = RM 180,028,337 (2009: RM 88,106,851)

Total disposal for the financial year = RM 134,662,453 (2009: RM 46,615,993)

13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

<u>Related parties</u>	<u>Relationship</u>
CIMB-Principal Asset Management Berhad	The Manager
CIMB Group Sdn Bhd	Holding company of the Manager
CIMB Group Holdings Berhad (“CIMB”)	Ultimate holding company of the Manager
Subsidiaries and associates of CIMB as disclosed in its financial statements	Subsidiary and associated companies of the ultimate holding company of the Manager

13. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER (CONTINUED)

Units held by the Manager and parties related to the Manager

	<u>2010</u>		<u>2009</u>	
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>RM</u>
CIMB-Principal Asset Management Berhad	<u>580,739</u>	<u>399,781</u>	<u>383,383</u>	<u>216,075</u>

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 other Directors or parties related to the Manager.

In addition to related party disclosure mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on terms and conditions obtainable in transactions with unrelated parties unless otherwise stated. Profit rates on Shariah-compliant fixed and short-term deposits were at normal commercial rates.

	<u>2010</u>	<u>2009</u>
	<u>RM</u>	<u>RM</u>
<u>Significant related party transactions</u>		
Profit from Shariah-compliant deposits:		
- CIMB Islamic Bank Berhad	<u>29,329</u>	<u>23,253</u>
<u>Significant related party balances</u>		
Shariah-compliant deposits with licensed financial institutions:		
- CIMB Islamic Bank Berhad	<u>2,000,000</u>	<u>550,000</u>

14. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the top 10 brokers/dealers for the financial year ended 31 December 2010 are as follows:

Brokers/dealers	Values of trades RM	Percentage of total trades %	Brokerage fees	Percentage of total brokerage fees %
CIMB Investment Bank Bhd #	106,404,075	31.61	254,216	35.51
Credit Suisse M Sdn Bhd	42,571,781	12.65	62,123	8.68
AmInvestment Bank Bhd	40,103,323	11.92	80,761	11.28
Maybank Securities	33,237,518	9.88	72,829	10.17
OSK Investment Bank Bhd	26,227,651	7.79	59,179	8.27
RHB Investment Bank Berhad	25,206,532	7.49	56,520	7.89
JPMorgan Securities M S B	19,670,961	5.84	43,760	6.11
Macquarie Malaysia Sdn Bhd	15,874,970	4.72	35,999	5.03
CLSA Securities M Sdn Bhd	7,634,260	2.28	17,197	2.40
UBS Securities Malaysia S B	5,970,281	1.77	12,724	1.77
Others	13,646,950	4.05	20,675	2.89
	336,548,302	100.00	715,983	100.00

Details of transactions with the top 10 brokers/dealers for the financial year ended 31 December 2009 are as follows:

Brokers/dealers	Values of trades RM	Percentage of total trades %	Brokerage fees	Percentage of total brokerage fees %
CIMB Investment Bank Bhd #	52,223,442	38.14	131,891	41.05
AmInvestment Bank Bhd	21,147,209	15.44	47,735	14.86
Macquarie Malaysia Sdn Bhd	12,717,418	9.29	28,810	8.97
JPMorgan Securities M S B	9,541,965	6.97	21,469	6.68
Maybank Investment Bank Bhd	9,401,372	6.86	21,412	6.66
RHB Investment Bank Berhad	8,594,955	6.28	19,845	6.18
Maybank Securities	6,697,700	4.89	14,783	4.60
Credit Suisse M Sdn Bhd	5,063,094	3.70	11,514	3.58
CLSA Securities M Sdn Bhd	4,728,901	3.46	10,713	3.33
OSK Investment Bank Bhd	4,557,013	3.33	10,462	3.26
Others	2,249,785	1.64	2,680	0.83
	136,922,854	100.00	321,314	100.00

#Included in transactions by the Fund are trades conducted on normal terms with CIMB Investment Bank Berhad, a company related to the Manager amounting to RM 106,404,075 (2009: RM 52,223,442).

15. SEGMENT INFORMATION

The Investment Committee of the Manager makes the strategic resource allocations on behalf of the Fund. The Fund has determined the operating segments based on the reports reviewed by this committee that are used to make strategic decisions.

The committee is responsible for the Fund's entire portfolio and considers the business as one sub-portfolio, consisting of a quoted investments portfolio, which focuses on equity and equity-related securities. The committee's asset allocation decisions are based on a single, integrated investment strategy and the Fund's performance is evaluated on an overall basis.

The reportable operating segment derives its income by seeking investments to achieve targeted returns commensurate with an acceptable level of risk within the portfolio. These returns consist of profit income, dividend income and gains on the appreciation in the value of investments.

There were no changes in the reportable operating segment during the financial year.

The segment information provided to the Investment Committee for the reportable operating segment is as follows:

For the year ended 31 December 2010:

	Quoted investments sub-portfolio RM
Dividend income	3,110,973
Net realised gain on sale of financial assets at fair value through profit or loss	22,055,081
Unrealised gain on financial assets at fair value through profit or loss	1,198,924
Transaction costs	(978,288)
Total segment income	25,386,690
Dividend receivable	281,260
Amount due from stockbrokers	889,280
Financial assets at fair value through profit or loss	136,851,226
Total segment assets	138,021,766
Amount due to stockbrokers	3,935,761
Total segment liabilities	3,935,761

15. SEGMENT INFORMATION (CONTINUED)

For the year ended 31 December 2009:

	Quoted investments sub-portfolio RM
Dividend income	977,615
Net realised gain on sale of financial assets at fair value through profit or loss	2,525,837
Total segment income	3,503,452
Dividend receivable	158,589
Amount due from stockbrokers	369,653
Financial assets at fair value through profit or loss	90,264,138
Total segment assets	90,792,380
Amount due to stockbrokers	1,381,563
Total segment liabilities	1,381,563

The Fund's management fee, trustee's fee and other expenses are not considered to be segment expenses.

A reconciliation of total segmental income to the total comprehensive income is provided as follows:

	2010 RM	2009 RM
Total net segmental income	25,386,690	3,503,452
Profit and hibah income from deposits with licensed financial institutions	107,578	87,943
Other fees and expenses	(1,722,476)	(876,738)
Net profit before taxation	23,771,792	2,714,657
Taxation	(283,967)	(53,912)
Total comprehensive income for the financial year	23,487,825	2,660,745

15. SEGMENT INFORMATION (CONTINUED)

Reportable operating segment's assets and liabilities are reconciled to total assets and total liabilities as follows:

	2010 RM	2009 RM
Total segment assets	138,021,766	90,792,380
Cash and cash equivalents	9,859,496	3,169,169
Other receivables	1,629,372	597,079
Total assets	<u>149,510,634</u>	<u>94,558,628</u>
Total segment liabilities	3,935,761	1,381,563
Amount due to manager	1,198,828	326,774
Amount due to trustee	11,527	6,920
Accrued management fee	172,899	103,807
Other payables and accrued expenses	24,629	25,800
Total liabilities	<u>5,343,644</u>	<u>1,844,864</u>

The Fund's other receivables and other payables and accrued expenses are not considered to be segment assets and segment liabilities respectively and are managed by the administration function.

16. CHANGES IN ACCOUNTING POLICIES

(a) Amendment FRS 132 "Financial Instruments: Presentation"

In the previous financial year, the Fund had classified its puttable instruments as liabilities and distribution to unitholders of the puttable instruments as finance costs in accordance with FRS 132, 'Financial instruments: Presentation'. However, the FRS 132 (amendment), 'Financial instruments: Presentation', and FRS 101 (amendment), 'Presentation of financial statements' - 'Puttable financial instruments and obligations arising on liquidation' (effective from 1 January 2010) (the 'amendment') requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met. As a result, distribution to unitholders of these puttable instruments shall be debited by the entity directly to equity.

Those criteria include: (i) the puttable instruments must entitle the holder to a pro-rata share of net assets; (ii) the puttable instruments must be the most subordinated class and that class's features must be identical; (iii) there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and (iv) the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer. As a result, the prior year financial statements are restated from amounts previously reported to conform with the amendment. The amendment has been applied retrospectively.

The effects as a result of adoption of the amendment on the statement of financial position for the prior periods are set out below.

	As previously stated RM	Adjustment RM	As restated RM
<u>1 January 2009</u>			
Financial liability	32,995,807	(32,995,807)	-
Unitholders' capital	-	70,510,686	70,510,686
Retained earnings	-	(30,821,615)	(30,821,615)
Fair value reserve	-	(6,693,264)	(6,693,264)
	-	32,995,807	32,995,807
<u>31 December 2009</u>			
Financial liability	92,713,764	(92,713,764)	-
Unitholders' capital	-	108,009,536	108,009,536
Retained earnings	-	(28,160,870)	(28,160,870)
Fair value reserve	-	12,865,098	12,865,098
	-	92,713,764	92,713,764

16. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(a) Amendment FRS 132 “Financial Instruments: Presentation” (continued)

Effect of changes in accounting policy on the balance sheet as at 31 December 2010 and statement of changes in equity for the year ended 31 December 2010 are set out below.

	Previous accounting policy RM	Change in accounting policy RM	Revised accounting policy RM
Financial liability	144,166,990	(144,166,990)	-
Unitholders' capital	-	135,974,937	135,974,937
Retained earnings	-	(5,871,969)	(5,871,969)
Fair value reserve	-	14,064,022	14,064,022
	<u>-</u>	<u>144,166,990</u>	<u>144,166,990</u>

(b) FRS 139 “Financial Instruments: Recognition and Measurement”

In the previous financial year, unrealised gains or losses from the financial instrument are recognised in the statement of financial position as investments while the corresponding effect are transferred to the fair value reserve included in the capital and reserves attributable to equity holders of the fund.

However, the FRS 139 (new standard) ‘Financial Instruments: Recognition and Measurement’ (effective 1 January 2010) (the ‘standard’) requires the Fund to recognise all derivatives in its statement of financial position as either assets or liabilities and shall measure them at fair value (except for a derivative that is linked to and that must be settled by delivery of an unquoted equity instrument whose fair value cannot be measured reliably) at the beginning of the financial period in which this standard is initially applied. The unrealised gains or losses transferred to the fair value reserve in the previous financial year shall be recognised as an adjustment of the balance of retained earnings at the beginning of the financial year in which this Standard is initially applied (other than for a derivative that is a designated hedging instrument).

The effects as a result of adoption of the new standard on the opening balances of the statement of financial position at the beginning of the financial year are set out below.

	As restated after adoption of amendments to FRS 132 (Note 18(a)) RM	Adjustment RM	As restated RM
<u>1 January 2010</u>			
Unitholders' capital	108,009,536	-	108,009,536
Retained earnings	(28,160,870)	12,865,098	(15,295,772)
Fair value reserve	12,865,098	(12,865,098)	-
	<u>92,713,764</u>	<u>-</u>	<u>92,713,764</u>

16. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

(b) FRS 139 “Financial Instruments: Recognition and Measurement” (continued)

Effect of changes in accounting policy on the statement of financial position as at 31 December 2010, and statement of comprehensive income and statement of changes in equity for the financial year ended 31 December 2010 are set out below.

	Previous accounting policy RM	Change in accounting policy RM	Revised accounting policy RM
Statement of Financial Position			
Financial assets at fair value through profit or loss	-	136,851,226	136,851,226
Quoted investments	136,851,226	(136,851,226)	-
Deposits with licensed financial institutons	9,837,000	1,670	9,838,670
Interest receivable from deposits with licensed financial insitutions	1,670	(1,670)	-
Fair value reserve	14,064,022	(14,064,022)	-
	<u>14,064,022</u>	<u>(14,064,022)</u>	<u>-</u>
Statement of Comprehensive Income			
Net realised gain on sale of financial assets at fair value through profit or loss	22,481,343	426,262	22,055,081
Net unrealised gain on financial assets at fair value through profit or loss	-	1,198,924	1,198,924
Transaction costs	-	(978,288)	(978,288)
Total comprehensive income for the financial year	<u>22,715,163</u>	<u>772,662</u>	<u>23,487,825</u>

DIRECTORY

Head office of the Manager

CIMB-Principal Asset Management Sdn Bhd (Company No.: 304078-K)
Level 5, Menara Milenium,
8, Jalan Damanlela,
Bukit Damansara.
50490 Kuala Lumpur, MALAYSIA.

Postal address

CIMB-Principal Asset Management Sdn Bhd (Company No.: 304078-K)
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Internet site

www.cimb-principal.com.my

E-mail address

cimb-p.custsupport@cimb.com

General investment enquiries

(03) 7718 3100

Trustee for the CIMB Islamic Equity Aggressive Fund

Amanah Raya Berhad
Level 10, Wisma Amanah Raya,
No. 2, Jalan Ampang,
50450 Kuala Lumpur, MALAYSIA

Auditors of the Trusts and of the Manager

PricewaterhouseCoopers (No. AF: 1146)
Level 10, 1 Sentral,
Jalan Travers, Kuala Lumpur Sentral,
PO Box 10192, 50706 Kuala Lumpur, MALAYSIA

Consulting Actuaries

Mercer Zainal Consulting Sdn Bhd. (35090-H)
1702 Kenanga International
Jalan Sultan Ismail
50250 Kuala Lumpur
MALAYSIA

Shariah Adviser of the CIMB Islamic Equity Aggressive Fund

CIMB Islamic Bank Berhad. (Company No.:671380 H)
Level 34, Menara Bumiputra-Commerce
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CIMB CIMB Islamic Equity Aggressive Fund is also available from CIMB Wealth Advisors Berhad's Offices

ADDRESS **TELEPHONE**

HEAD OFFICE

- 50, 52 & 54, Jalan SS21/39, Damansara Utama,
47400 Petaling Jaya, Selangor. 03-77183000

FINANCIAL CARE CENTER

- 1 Jalan PJU 8/3B, Damansara Perdana,
47820 Petaling Jaya, Selangor. 03-77262000

REGIONAL OFFICES

- 5A, 1st & 2nd Floor, Jalan Todak 4, Bandar Sunway,
Seberang Jaya, 13700 Perai, Penang. 04-3702155
04-3702156
- 23 & 23A Jalan Harimau Tarum,
Taman Century, 80250 Johor Bahru, Johor. 07-3341748
- 5B, Lot 414, Section 10, KTLD Jalan Rubber,
93400 Kuching, Sarawak. 082-259777
- No 1 Jalan Pasar Baru, Kampung Air,
88000 Kota Kinabalu, Sabah. 088-239951
088-239952

BRANCHES

- U7-3, 7th Floor, Menara Perbadanan,
Jalan Tengku Petra Semerak,
15000 Kota Bharu, Kelantan. 09-7471172
09-7471190
- 30A, First Floor, Persiaran Greentown 1,
Greentown Business Centre, 30450 Ipoh, Perak. 05-2439001
05-2439002
- No 13B, 2nd Floor, Jalan Mamanda 7/1,
Off Jalan Ampang, 68000 Ampang, Selangor. 03-42702970
- 39-3 & 41-3, Jalan Radin Anum, Bandar Baru Sri Petaling,
57000 Kuala Lumpur. 03-90592333
- 61, Jalan Melaka Raya 24, Taman Melaka Raya, 75000 Melaka. 06-2811111
- Lot 228, 1st Floor, Beautiful Jade Centre, Jalan Maju,
98000 Miri, Sarawak. 085-432525

ADDRESS	TELEPHONE
SALES OFFICES	
• 18A, Tingkat Taman Ipoh 6, Ipoh Garden South, 31400 Ipoh, Perak.	05-5453343
• 75-76, Taman Aman Muhibbah, Jalan Kampung Sitiawan, 32000 Sitiawan, Perak.	05-6917761
• 32-3, 3rd Floor Jalan 1/27F, KL Satellite Centre (KLSC), Wangsa Maju, Section 5, 53300 Kuala Lumpur.	03-41422911
• 92B, Jalan Burhanuddin Helmi, Taman Tun Dr Ismail, 60000 Kuala Lumpur.	03-77276603
• Suite B-12-12, Plaza Mont Kiara, No 2, Jalan 1/70C Mont Kiara, 50480 Kuala Lumpur.	03-62035035
• Suite 3A-3 Wisma W.I.M., No 7, Jalan Abang Haji Openg, Taman Tun Dr Ismail, 60000 Kuala Lumpur.	03-77108916
• No 131A, 1st Floor, Jalan SS 17/1A, Subang Jaya, 47500 Selangor.	03-56210788
• Unit 113 & 213, Block C, Damansara Intan, 1, Jalan SS20/27, 47400 Petaling Jaya, Selangor.	03-71182234
• A-2-1, Block A, 8 Jalan PJU 1A/20A, Dataran Ara Damansara, 47301 Petaling Jaya, Selangor.	03-78430506
• Lot C-615 & Lot C-616, Level 6, Block C, Kelana Square, 17, Jalan SS7/26, Kelana Jaya, 47301 Petaling Jaya, Selangor.	03-78806893
• 11A-3A, 3rd Floor, Mayang Plaza, Jalan SS26/4, Taman Mayang Jaya, 47301 Petaling Jaya, Selangor.	03-78033718
• A-2-3, Block A, 8 Jalan PJU 1A/20A, Dataran Ara Damansara, 47301 Petaling Jaya, Selangor.	03-78430503
• C-3-2A Taman Kasturi, Cheras, 43000 Selangor.	03-90743870
• 43-2 Jalan Wangsa Setia 1, Wangsa Melawati, 53300 Kuala Lumpur.	03-41490355
• 2-6A Jalan PJU 8/3A, Bandar Damansara Perdana, 47820 Petaling Jaya, Selangor.	03-77256320
• Block E-03A 1st & 2nd Floor, Dataran Glomac, Kelana Jaya, 47301 Selangor.	03-78807082
• 12A-3 2nd Floor, Block C, Jalan PJU 5/17, Dataran Sunway Kota Damansara, 47810 Selangor.	03-61416369
• A-7 1st Floor, Lorong Tun Ismail 12, Sri Dagangan 2, 25000 Kuantan, Pahang.	09-5161430
• Room No 203, 2nd Floor Lai Piang Kee Building, Jalan Pryer, 90000 Sandakan, Sabah.	089-213851
• 1st Floor, Lot 52, Block F, Jati Commercial Centre, P.O.Box 81677, 87026 Labuan Federal Territory.	087-428303
15A, Jalan Ruby, 96000 Sibu, Sarawak.	084-325515