

MAYBANK DANA ARIF

**Interim report
For the financial period from 1 June 2019 to 30
November 2019**



CORPORATE INFORMATION

MANAGER

Maybank Asset Management Sdn Bhd (199701006283)
Level 12 Tower C
Dataran Maybank
No.1 Jalan Maarof
59000 Kuala Lumpur, Malaysia
Telephone +603 2297 7888
Facsimile +603 2715 0071
www.maybank-am.com

EXTERNAL INVESTMENT MANAGER

Maybank Islamic Asset Management Sdn Bhd (201301012623)
Level 12 Tower C
Dataran Maybank
No.1 Jalan Maarof
59000 Kuala Lumpur, Malaysia
Telephone +603 2297 7872
Facsimile +603 2297 7898

TRUSTEE

AmanahRaya Trustees Berhad (200701008892) (766894-T)
Tingkat 2, Wisma AmanahRaya II,
No. 21 Jalan Melaka
50100 Kuala Lumpur
Telephone +603 2036 5000/5129
Facsimile +603 2072 0321

SHARIAH ADVISER

Maybank Islamic Berhad (200701029411)
Level 10, Tower A, Dataran Maybank
No. 1 Jalan Maarof
59000 Kuala Lumpur
Telephone +603 2297 2001
Facsimile +603 2297 2002

MAYBANK DANA ARIF

CONTENTS	PAGE
Manager's report	1 - 13
Trustee's report	14
Statement by Manager	15
Report of the Shariah Adviser	16
Independent auditors' report	17 - 20
Statement of comprehensive income	21 - 22
Statement of financial position	23 - 24
Statement of changes in equity	25
Statement of cash flows	26
Notes to the financial statements	27 - 50

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019

A. Fund Information

1. Name of the Fund

Maybank Dana Arif ("Fund")

2. Type of Fund

Income

3. Category of Fund

Sukuk (Shariah)

4. Classes of units

Classes of units	Currency denomination	Categories of investors	Distribution policy	Country availability
A-MYR	MYR/RM (Ringgit Malaysia)	Retail	Distribution of income	Malaysia & Singapore
C-MYR	MYR/RM (Ringgit Malaysia)	Institutional	Distribution of income	Malaysia
C-USD	USD (United States Dollar)	Institutional	Distribution of income	Malaysia
A-SGD *	SGD (Singapore Dollar)	Retail	Distribution of income	Malaysia & Singapore

* Class A-SGD was terminated on 30 September 2019.

5. Duration of the Fund

The Fund is an open-ended Fund.

6. Launch date / Commencement date / Termination date

Share Class	Launch date	Commencement date	Termination date
Class A-MYR	27 April 2004	18 May 2004	N/A
Class C-MYR	21 August 2013	11 September 2013	N/A
Class C-USD	17 September 2014	8 October 2014	N/A
Class A-SGD	4 September 2013	25 September 2013	30 September 2019

7. Fund's investment objective

The Fund aims to provide a steady appreciation of the NAV of the Fund with a regular flow of income to the unitholders through investments in Sukuk.

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

A. Fund Information (cont'd)

8. Fund distribution policy

Income distribution, if any, is declared at the end of the financial period of the Fund or for any specified period at the Manager's discretion, subject to Trustee's approval.

9. Fund's performance benchmark

Maybank 12-months General Investment Account ("GIA") tier 1 rate

10. The Fund's asset allocation policy

The Fund will invest a minimum of 70% in Sukuk and Shariah-compliant money market instruments, and a minimum of 2% in Shariah-compliant liquid assets.

11. Net income distribution for the financial period from 1 June 2019 to 30 November 2019

The Fund distributed a total of RM 5,576,038 to unitholders for the financial period from 1 June 2019 to 30 November 2019. Only Class A-MYR and Class C-MYR declared distribution for the financial period.

Below are details of distributions made during the financial period:

Class of units	Distribution date	Gross/net distribution per unit (sen)
Class A-MYR	30 June 2019	2.40
Class C-MYR	30 June 2019	3.00

Below is the impact of the distributions to the Fund's NAV:

Class of units	Distribution date	Before distribution (RM)	After distribution (RM)	Changes %
Class A-MYR	30 June 2019	0.6377	0.6137	3.91
Class C-MYR	30 June 2019	0.5511	0.5211	5.76

12. Breakdown of unitholdings by size

Fund size

As at 30 November 2019, the size of the Fund was 155,932,190 units.

Units in circulation by Class of Units (units)	2019
Units in circulation - Class A-MYR	83,359,570
Units in circulation - Class C-MYR	72,552,120
Units in circulation - Class C-USD	20,500
Total	155,932,190

Class A-SGD was terminated on 30 September 2019.

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

12. Breakdown of unitholdings by size (cont'd)

Breakdown of unitholdings by Class of Units as at 30 November 2019

Class A-MYR

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	221	24.69	665	0.80
5,001 to 10,000 units	132	14.75	952	1.13
10,001 to 50,000 units	360	40.22	8,217	9.86
50,001 to 500,000 units	173	19.33	19,437	23.32
500,001 units and above	9	1.01	54,089	64.89
Total	895	100.00	* 83,360	100.00

* Included units held under Institutional Unit Trust Scheme Advisers

Class C-MYR

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	-	-	-	-
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	-	-	-	-
500,001 units and above	6	100.00	72,552	100.00
Total	6	100.00	72,552	100.00

Class C-USD

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	-	-	-	-
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	1	100.00	* 21	100.00
50,001 to 500,000 units	-	-	-	-
500,001 units and above	-	-	-	-
Total	1	100.00	21	100.00

* Included 20,500 units held by the Manager

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

B. Performance Review

1. Key performance data of the Fund

Category	FPE2019	FY2019	FY2018
Portfolio			
Unquoted sukuk (%)			
Automobile Manufacturing	1.36	1.04	5.64
Banks	3.40	5.18	4.32
Commercial Finance	1.81	1.35	-
Financial Services	9.70	11.69	16.06
Food & Beverage	-	-	2.11
Government Agency	-	-	2.46
Industrial Other	4.10	16.19	11.89
Power Generation	15.54	17.22	27.78
Real Estate	11.68	12.06	7.09
Sovereign	-	-	3.02
Transportation & Logistics	15.80	15.75	8.36
Utilities	11.11	9.85	-
Cash and other net assets (%)	26.86	9.67	11.27
Total (%)	100.00	100.00	100.00

Annual return (%) ⁽¹⁾

- Capital growth (%)

- Income distribution (%)

Total return (%)

Please refer to B(3) for the return of share classes.

Class A-MYR

NAV (RM)	52,519,108	51,411,876	36,474,770
Units in circulation (units)	83,359,568	81,201,357	61,616,200
NAV per unit (RM)	0.6300	0.6331	0.5920
Highest NAV per unit (RM)	0.6376	0.6331	0.6070
Lowest NAV per unit (RM)	0.6125	0.5922	0.5870
Net income distributed (RM)	1,940,809	-	924,243
Distribution date	30/6/2019	-	31/05/2018
Gross distribution per unit (sen)	2.40	-	1.50
Net distribution per unit (sen)	2.40	-	1.50

Class C-MYR

NAV (RM)	38,903,930	66,368,371	125,946,617
Units in circulation (units)	72,552,123	121,356,504	246,940,000
NAV per unit (RM)	0.5362	0.5469	0.5100
Highest NAV per unit (RM)	0.5509	0.5469	0.5066
Lowest NAV per unit (RM)	0.5200	0.5103	0.5265
Net income distributed (RM)	3,635,229	-	3,704,100
Distribution date	30/6/2019	-	31/05/2018

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

B. Performance Review (cont'd)

1. Key performance data of the Fund (cont'd)

Category	FPE2019	FY2019	FY2018
<u>Class C-MYR (cont'd)</u>			
Gross distribution per unit (sen)	3.00	-	1.50
Net distribution per unit (sen)	3.00	-	1.50
<u>Class C-USD</u>			
NAV (RM)	82,397	79,915	75,079
Units in circulation (units)	20,500	20,500	20,500
NAV per unit (USD)	0.9662	0.9324	0.9225
Highest NAV per unit (USD)	0.9764	0.9483	0.8283
Lowest NAV per unit (USD)	0.9336	0.8850	0.9463
<u>Class A-SGD</u>			
NAV (RM)	-	5,035	16,657
Units in circulation (units)	-	3,523	12,600
NAV per unit (SGD)	-	0.4739	0.4513
Highest NAV per unit (SGD)	0.4722	0.4739	0.4376
Lowest NAV per unit (SGD)	0.4526	0.4510	0.4883
Net income distributed (SGD)	-	-	441
Distribution date	-	-	31/05/2018
Gross distribution per unit (cents)	-	-	3.50
Net distribution per unit (cents)	-	-	3.50
Management Expense Ratio ("MER") (%) ⁽²⁾	0.80	0.98	0.66
Portfolio Turnover Ratio ("PTR") (times) ⁽³⁾	0.32	0.85	0.67

Investors are reminded that past performance of the Fund is not necessarily an indicative of its future performance and that unit prices and investment returns may fluctuate.

Note:

- (1) Actual return of the Fund for the financial year is computed based on daily average NAV per unit, net of Manager's fee and Trustee's fee.
- (2) The Fund's MER decreased to 0.80% due to decreased expenses incurred in the current financial period under review.
- (3) The Fund's PTR decreased to 0.32 times due to decreased trading activities in the current financial period under review.

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

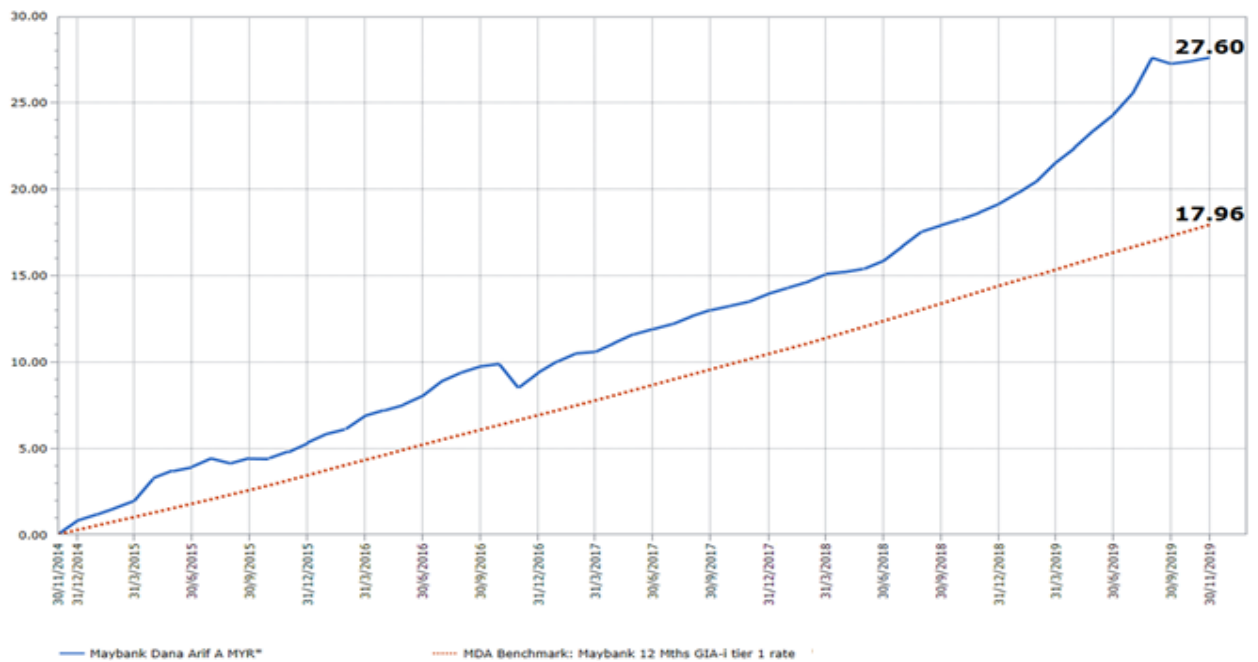
B. Performance Review (cont'd)

2. Performance of the Fund

Performance of Class A-MYR of the Fund for 5 years to 30 November 2019

Class A-MYR

Category	6 months to 30.11.2019 %	1 year to 30.11.2019 %	3 years to 30.11.2019 %	5 years to 30.11.2019 %
Capital growth	(0.49)	3.50	7.62	7.64
Income distribution	3.93	3.92	9.27	18.54
Total return of the Fund	3.41	7.55	17.60	27.60
Benchmark	1.66	3.45	10.65	17.96
Average total return	-	7.55	5.55	4.99



Source: Lipper

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

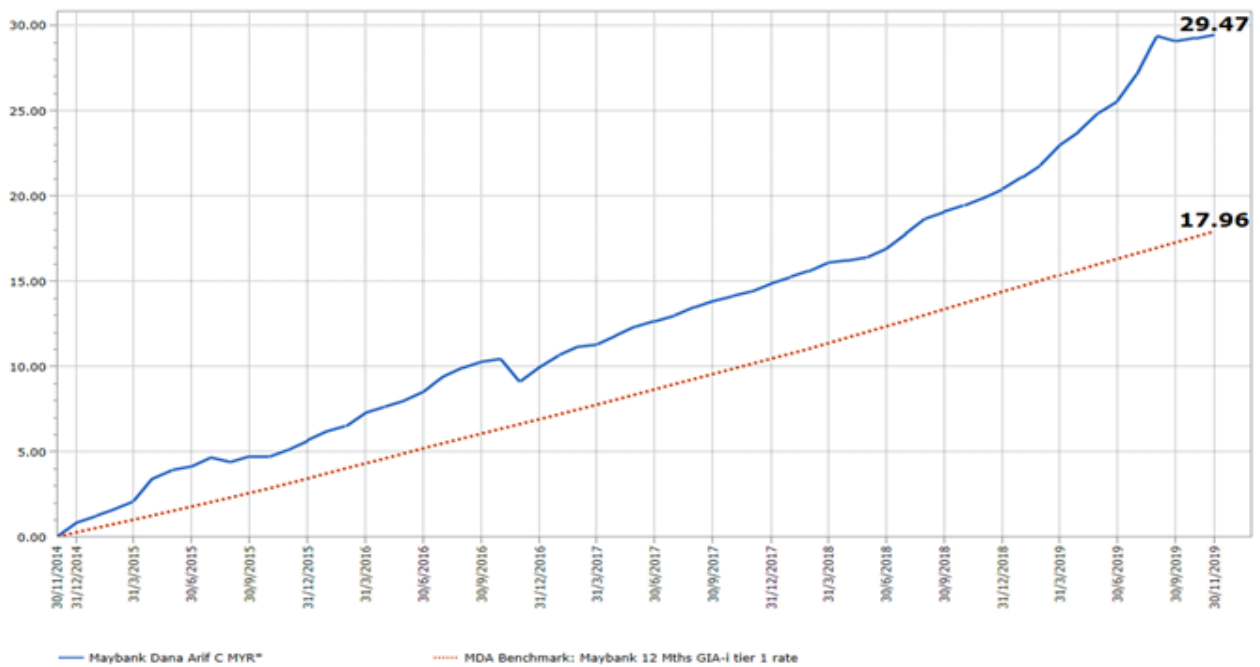
B. Performance Review (cont'd)

2. Performance of the Fund (cont'd)

Performance of Class C-MYR of the Fund for 5 years to 30 November 2019

Class C-MYR

Category	6 months to 30.11.2019 %	1 year to 30.11.2019 %	3 years to 30.11.2019 %	5 years to 30.11.2019 %
Capital growth	(1.96)	2.11	4.83	4.32
Income distribution	5.77	5.77	13.18	24.11
Total return of the Fund	3.70	8.01	18.64	29.47
Benchmark	1.66	3.45	10.65	17.96
Average total return	-	8.01	5.86	5.30



Source: Lipper

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

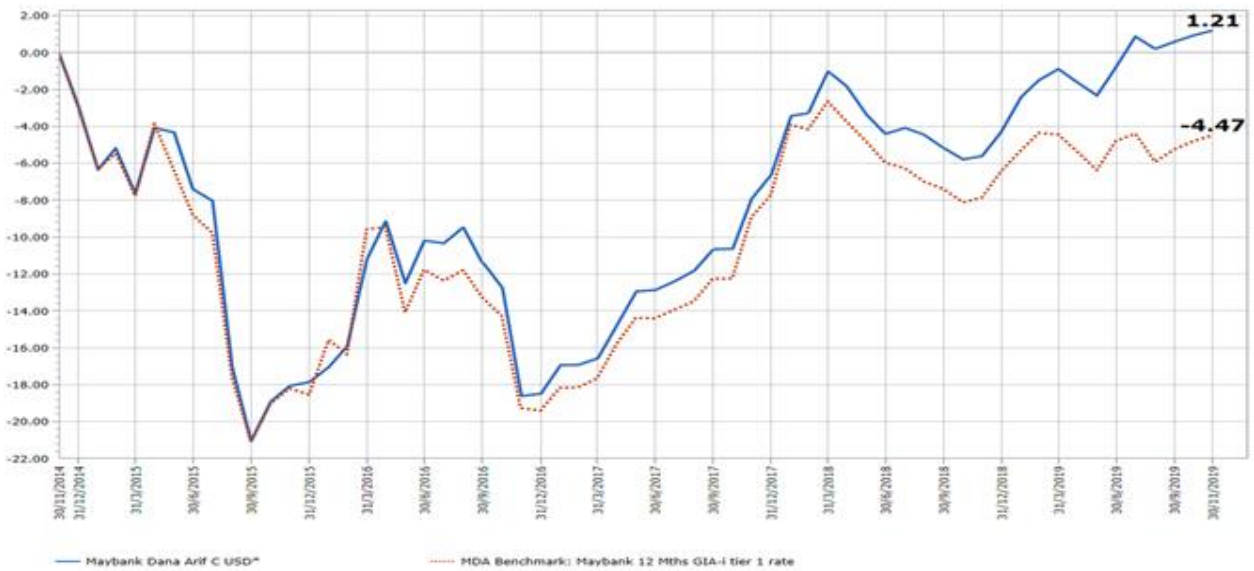
B. Performance Review (cont'd)

2. Performance of the Fund (cont'd)

Performance of Class C-USD of the Fund for 5 years to 30 November 2019

Class C-USD

Category	6 months to 30.11.2019 %	1 year to 30.11.2019 %	3 years to 30.11.2019 %	5 years to 30.11.2019 %
Capital growth	3.61	7.21	24.35	(0.86)
Income distribution	-	-	-	2.09
Total return of the Fund	3.61	7.21	24.35	1.21
Benchmark	2.00	3.65	18.31	(4.47)
Average total return	-	7.21	7.54	0.24



Source: Lipper

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

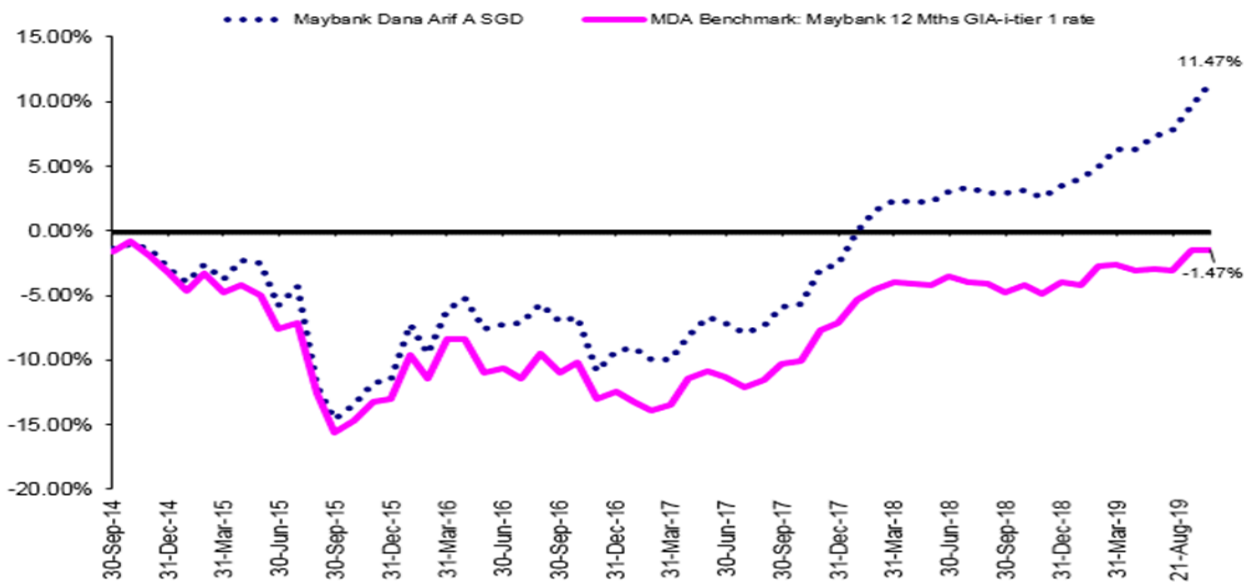
B. Performance Review (cont'd)

2. Performance of the Fund (cont'd)

Performance of Class A-SGD of the Fund for 5 years to 21 August 2019 (date of final NAV)

Class A-SGD

Category	01.06.2019 to 21.08.2019 %	1 year to 21.08.2019 %	3 years to 21.08.2019 %	5 years to 21.08.2019 %
Capital growth	-	-	-	-
Income distribution	-	-	-	-
Total return of the Fund	3.86	8.32	18.15	11.47
Benchmark	1.56	2.77	8.94	(1.47)
Average total return	-	8.08	5.77	2.21



Source: Lipper

Has the Fund achieved its objective?

The Fund outperformed the benchmark for all classes of units. The outperformance was due to a combination of stronger returns benefitting from tightening credit spreads and duration pick up as well as income derived from the sukuk held in the Fund during the period under review.

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

B. Performance Review (cont'd)

3. Annual total return of the Fund

Class A-MYR

For the financial period/year ended	30.11.2019 %	31.05.2019 %	31.05.2018 %	31.05.2017 %	31.05.2016 %
Capital growth	(0.49)	6.94	0.85	1.21	(0.34)
Income distribution	3.93	-	2.56	2.59	4.00
Total return of the Share Class	3.41	6.94	3.41	3.80	3.66
Benchmark	1.66	3.60	3.40	3.27	3.37

Class C-MYR

For the financial period/year ended	30.11.2019 %	31.05.2019 %	31.05.2018 %	31.05.2017 %	31.05.2016 %
Capital growth	(1.96)	7.24	0.69	0.06	(0.59)
Income distribution	5.77	-	2.97	3.95	4.50
Total return of the Share Class	3.70	7.24	3.65	4.01	3.91
Benchmark	1.66	3.60	3.40	3.27	3.37

Class C-USD

For the financial period/year ended	30.11.2019 %	31.05.2019 %	31.05.2018 %	31.05.2017 %	31.05.2016 %
Capital growth	3.61	1.07	5.78	(0.53)	(10.43)
Income distribution	-	-	-	-	1.88
Total return of the Share Class	3.61	1.07	5.78	(0.53)	(8.55)
Benchmark	2.00	(1.60)	0.39	(0.38)	(8.22)

Class A-SGD

For the financial period/year ended	30.09.2019 %	31.05.2019 %	31.05.2018 %	31.05.2017 %	31.05.2016 %
Capital growth	-	5.01	1.71	0.96	(8.78)
Income distribution	-	-	7.89	-	3.51
Total return of the Share Class	3.86	5.01	9.60	0.96	(5.27)
Benchmark	1.56	1.26	7.50	0.11	(6.33)

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

B. Performance Review (cont'd)

4. Basis of calculation made in calculating the returns:

The performance figures are a comparison of the growth/decline in NAV after taking into account all the distributions payable (if any) during the stipulated period.

An illustration of the above would be as follows:

Capital return (%)	=	(NAV per unit end / NAV per unit begin) - 1
Income return (%)	=	Gross income distribution per unit / NAV per unit begin
Total return (%)	=	Capital return (%) + Income return (%)

C. Market Review

Following the 25 basis points ("bps") cut in Overnight Policy Rate ("OPR") to 3.00% in May 2019, the Malaysian government bonds rallied in May 2019 and in June 2019, in line with global bond markets on the back of safe haven flows as concerns grew over the trade war as well as dovish global central banks. Expectation of rate cuts increased as the United States ("US") Federal Reserve ("Fed") indicated its openness to policy easing as US macro data softened while there were talks of possible stimulus by European Central Bank ("ECB"). Also supporting the rally was Bank Negara Malaysia ("BNM")'s initiative to enhance market liquidity and accessibility announced in May 2019, which includes expansion of dynamic hedging programme and MYR liquidity beyond local trading hours. The initiative is to address the risk of the exclusion of Malaysian Government Securities ("MGS") from the World Government Bond Index ("WGBI") by FTSE Russell.

Malaysian bond market mostly extended gains in July 2019. As widely expected, OPR was maintained in July 2019's Monetary Policy Committee ("MPC") meeting while the Fed announced a cut in the Fed Fund Rate at end-July 2019, lowering the target range by 25 bps to 2% to 2.25%. However, while Federal Open Market Committee ("FOMC") signalled willingness to ease rates further if necessary, US Fed Chairman Jerome Powell commented that the rate cut is "not the beginning of a long series of rate cuts". Malaysian govies corrected slightly but was short-lived as concerns on US-China trade tensions re-emerged on renewed tariff threats by the US on the remaining untaxed Chinese goods. Yields for Malaysian govies ended lower on the mid- to long-end of the curve by 13-29 bps in August 2019, with corporate bonds following suit, thus tightening credit spreads.

However in September 2019, Malaysian bond market bear steepened on the back of easing US-China trade tensions and concerns on FTSE Russell's decision on potential exclusion of Malaysia from its index. As per market expectation, BNM maintained OPR at 3.00% in its September 2019 meeting while the US FOMC decided to cut its Fed Fund Rate by 25 bps to 1.75% - 2.00% range, but indicated that further cuts may not follow. 10-yr MGS yields rose to September 2019 high of 3.50% from 3.32% at the beginning of the month, before easing back to close at 3.32% at month-end after a relief rally following FTSE Russell's decision to maintain Malaysia on watchlist until its next review in March 2020. Meanwhile, corporate bonds yields followed suit with credit spreads generally widened over the month.

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

C. Market Review (cont'd)

Malaysian bond curve steepened further in October 2019 tracking US Treasury curve, as risk appetite returned amidst positive developments in the US-China trade negotiations, as well as increased supply in corporate bonds given the low yield environment. Malaysian sovereign bond yields were up between 4-25 basis points month-on-month ("m-o-m") across the curve. Corporate bond yields followed suit but at a smaller range, thus narrowing credit spreads. Meanwhile, the Fed eased its monetary policy in October 2019 for the third time this year, bringing the Fed Fund Rate level to 1.5% - 1.75%. However, it signalled a potential pause in monetary easing going forward.

The Malaysian bond market was supported by the surprise 50 bps cut in Statutory Reserve Requirement ("SRR") in early November 2019, as the resultant increase in liquidity (approximately RM7.0 billion ("bn") injected into the market) provided some sustained demand for Malaysian bonds. Malaysian sovereign bond yields were down between 6-15 bps m-o-m across the curve, except for the 10-year MGS which was up by 1 bps. Corporate bonds also tracked the govies, but at a smaller range. However, demand was capped on the back of de-escalation of the US-China trade war, as the 10-year US Treasury yields increased 9 bps over the month.

Meanwhile, foreign holdings of MYR sovereign registered the largest inflow in November 2019 since September 2017, which rose RM8.0bn to RM196.6bn. Foreign share of MGS rose to 40.5% (October 2019: 37.9%) and MGS + Government Investment Issue ("GII") rose to 24.2% (October 2019: 23.0%). The inflow was likely concentrated in the front-end of the curve, and partially contributed by the inclusion of 5-year MGS 6/24 into GBI-EM Global Diversified index.

D. Market Outlook & Investment Strategy

We expect that bond yield curve would steepen as economy recovers and that rate cut cycle by central banks is coming to an end, with expectation that BNM may cut only one time in 2020. Meanwhile, expectations of any further reduction in US Fed Fund Rate has decreased for now following the de-escalation in US-China trade tension, unless the US economic numbers decline significantly. Nevertheless, we continue to believe that the local bond market will remain supported by demand from local institutional investors such as pension funds, banks and asset managers.

We expect the bond market to trade weaker given the year-end seasonality, hence providing a good buying opportunity with the cash available. We continue to overweight corporate bonds over sovereign bonds to anchor the Fund's income in corporate bonds' coupons as they are less volatile and provide higher yields to buffer against potential mark-to-market losses in the event of a turnaround in sovereign bond yields. We maintain our neutral to slightly underweight duration view on the back of expectations of a steepening yield curve. We will also look into new primary issuances that offer higher yields to deliver the required performance.

MAYBANK DANA ARIF

Manager's report

For the financial period from 1 June 2019 to 30 November 2019 (cont'd)

E. Significant financial risk of the Fund

The Manager did not enter into any hedging instruments (e.g. forward currency contracts) to hedge the foreign currency exposure of the Fund as disclosed in the Fund's Prospectus dated 1 November 2018.

If the currencies in which the unitholders capital are denominated appreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa.

The impact of the exchange rate movement between the MYR and the currency of Class A-SGD and Class C-USD may result in a depreciation of the unitholders' investment in the Fund as expressed in MYR.

F. Soft Commissions and Rebates

The Manager and its delegates will not retain any form of soft commissions and rebates from or otherwise share in any commission with any broker in consideration for directing dealings in the investments of the Fund unless the 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 Fund. All dealings with brokers are executed on best available terms.

During the financial period from 1 June 2019 to 30 November 2019, the Manager and its delegates did not receive any soft commissions and rebates from brokers or dealers.

Trustee's Report

For the Six Months Financial Period Ended 30 November 2019

To the Unit Holders of
MAYBANK DANA ARIF

We, AMANAHRAYA TRUSTEES BERHAD, have acted as Trustee of MAYBANK DANA ARIF for the six months financial period ended 30 November 2019. In our opinion, MAYBANK ASSET MANAGEMENT SDN BHD, the Manager, has operated and managed MAYBANK DANA ARIF in accordance with the limitations imposed on the investment powers of the management company under the Deed, securities laws and the applicable Guidelines on Unit Trust Funds for the six months financial period ended 30 November 2019.

We are also of the opinion that:

- (a) Valuation and pricing is carried out in accordance with the Deed and any regulatory requirement;
- (b) Creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement; and
- (c) The distribution of income made by MAYBANK DANA ARIF as declared by the Manager is appropriate and reflects the investment objective of MAYBANK DANA ARIF.

Yours faithfully
AMANAHRAYA TRUSTEES BERHAD

HABSAH BINTI BAKAR
Chief Executive Officer

Kuala Lumpur, Malaysia
9 January 2020

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAYBANK DANA ARIF
FOR THE FINANCIAL PERIOD FROM 1 JUNE 2019 TO 30 NOVEMBER 2019**

We, Dr Hasnita Binti Dato' Hashim and Ahmad Najib Bin Nazlan, being Director of Maybank Asset Management Sdn Bhd (the "Manager") do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134 Interim Financial Reporting and International Accounting Standards 34 Interim Financial Reporting so as to give a true and fair view of the financial position of Maybank Dana Arif as at 30 November 2019 and of its results, changes in equity and cash flows for the financial year then ended and comply with the requirements of the Deeds.

For and on behalf of the Manager

Dr Hasnita Binti Dato' Hashim
Director

Ahmad Najib Bin Nazlan
Director

Kuala Lumpur, Malaysia
15 January 2020

**REPORT OF THE SHARIAH ADVISER
TO THE UNITHOLDERS MAYBANK DANA ARIF**

**FOR THE SIX MONTHS FINANCIAL PERIOD
FROM 1 JUNE 2019 TO 30 NOVEMBER 2019**

We have acted as the Shariah Adviser of Maybank Dana Arif ("the Fund"). Our responsibility is to ensure that the procedures and the processes employed by Maybank Asset Management Sdn Bhd, (the "Manager") is in accordance with the principles of Shariah.

In our opinion, the Manager has managed and administered the Fund in accordance with the principles of Shariah and comply with applicable guidelines, ruling or decision issued by the Securities Commission ("SC") on Shariah matters for the financial period from 1 June 2019 to 30 November 2019.

In addition, we also confirm that the investment portfolio of the Fund comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission Malaysia ("SACSC") and the Shariah Advisory Council of Bank Negara Malaysia ("SACBNM"). Any unlisted securities which are not certified by the SACSC and SACBNM shall be determined in accordance with the ruling issued by the Shariah adviser.

For and on behalf of the Shariah Adviser of the Fund

Dr Aznan Bin Hasan

Chairman of the Shariah Committee of Maybank Islamic Berhad

Kuala Lumpur, Malaysia
15 January 2020

Independent auditors' report to the Unitholders of Maybank Dana Arif

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Dana Arif (the "Fund"), which comprise the statement of financial position as at 30 November 2019 of the Fund, and statement of comprehensive income, statement of changes in equity and statement of cash flows of the Fund for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 21 to 50.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 November 2019 and of its financial performance and cash flows for the period then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund ("the Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent auditors' report to the Unitholders of Maybank Dana Arif (cont'd)

Information other than the financial statements and auditors' report thereon (cont'd)

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and Trustee for the financial statements

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report to the Unitholders of Maybank Dana Arif (cont'd)

Auditors' responsibilities for the audit of the financial statements (cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent auditors' report to the Unitholders of
Maybank Dana Arif (cont'd)**

Other matters

This report is made solely to the unitholders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Funds issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Lee Pei Yin
No. 03189/05/2021 J
Chartered Accountant

Kuala Lumpur, Malaysia
15 January 2020

MAYBANK DANA ARIF

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 JUNE 2019 TO 30 NOVEMBER 2019**

		01.06.2019 to 30.11.2019 RM	01.06.2018 to 30.11.2018 Unaudited RM
INVESTMENT INCOME			
Profit income	3	2,412,005	3,048,756
Net gain on fair value changes of fair value through profit or loss ("FVTPL") investments:	7 (a)		
- Realised gain/(loss)		1,652,516	397,892
- Unrealised gain		518,463	1,442,145
Other income		12,750	-
		<u>4,595,734</u>	<u>4,888,793</u>
EXPENSES			
Manager's fee	4	746,483	410,709
Trustee's fee	5	35,662	52,310
Auditors' remuneration		14,949	7,331
Tax agent's fee		2,500	2,514
Shariah advisory fee		4,500	-
Administrative expenses		16,932	12,114
		<u>821,026</u>	<u>484,978</u>
Net income before tax		3,774,708	4,403,815
Taxation	6	-	-
Net income after tax, which is the total comprehensive income for the financial year		<u>3,774,708</u>	<u>4,403,815</u>
Net income after tax is made up of the following:			
Net realised income		3,256,245	2,961,670
Net unrealised income		518,463	1,442,145
		<u>3,774,708</u>	<u>4,403,815</u>

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

MAYBANK DANA ARIF

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 JUNE 2019 TO 30 NOVEMBER 2019 (CONT'D)**

		01.06.2019	01.06.2018
		to	to
	Note	30.11.2019	30.11.2018
		RM	Unaudited
			RM
Distributions for the financial period:	14		
CLASS A-MYR			
Net distribution for the year		1,940,809	-
Gross/net distribution per unit (sen)		2.40	-
Distribution date (ex-date)		30 June 2019	-
CLASS C-MYR			
Net distribution for the year		3,635,229	-
Gross/net distribution per unit (sen)		3.00	-
Distribution date (ex-date)		30 June 2019	-

There was no distribution declared for Class C-USD and Class A-USD in the current and previous financial period.

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

MAYBANK DANA ARIF

**STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2019**

	Note	30.11.2019 RM	31.05.2019 RM
ASSETS			
Financial assets at FVTPL	7	68,155,910	106,478,286
Shariah-compliant deposit with a licensed Islamic financial institution	8	18,386,255	11,480,387
Amount due from brokers	9	4,292,436	517,462
Profit income receivables		624,072	1,068,929
Cash at bank		179,179	377
TOTAL ASSETS		<u>91,637,852</u>	<u>119,545,441</u>
LIABILITIES			
Amount due to brokers	9	-	1,241,096
Amount due to Manager	10	36,953	342,761
Amount due to Trustee	11	5,237	6,996
Other payables and accruals	12	99,229	89,391
TOTAL LIABILITIES		<u>141,419</u>	<u>1,680,244</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>91,496,433</u>	<u>117,865,197</u>
EQUITY			
Unitholders' capital	13 (a)	79,797,815	102,286,601
Retained earnings	13 (b) & (c)	11,698,618	15,578,596
NET ASSET ATTRIBUTABLE TO UNITHOLDERS		<u>91,496,433</u>	<u>117,865,197</u>

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

MAYBANK DANA ARIF**STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2019 (CONT'D)**

	Note	30.11.2019	31.05.2019
NUMBER OF UNITS IN CIRCULATION (UNITS)			
	13 (a)		
- Class A-MYR		83,359,570	81,201,357
- Class C-MYR		72,552,120	121,356,504
- Class C-USD		20,500	20,500
- Class A-SGD *		-	3,523
		<u>155,932,190</u>	<u>202,581,884</u>
NAV PER UNIT			
- Class A-MYR (RM)		<u>RM 0.6300</u>	<u>RM 0.6331</u>
- Class C-MYR (RM)		<u>RM 0.5362</u>	<u>RM 0.5469</u>
- Class C-USD (USD)		<u>USD 0.9662</u>	<u>USD 0.9324</u>
- Class A-SGD (SGD) *		<u>-</u>	<u>SGD 0.4739</u>

* Class A-SGD was terminated on 30 September 2019.

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

MAYBANK DANA ARIF

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 1 JUNE 2019 TO 30 NOVEMBER 2019

	Unitholders' capital RM	Retained earnings RM	Total equity RM
At 1 June 2018	156,421,322	6,091,801	162,513,123
Total comprehensive income for the financial period	-	4,403,815	4,403,815
Creation of units	13,029	-	13,029
Reinvestment of units	4,629,635	-	4,629,635
Cancellation of units	(35,364,365)	-	(35,364,365)
At 30 November 2018	<u>125,699,621</u>	<u>10,495,616</u>	<u>136,195,237</u>
At 1 June 2019	102,286,601	15,578,596	117,865,197
Total comprehensive income for the financial period	-	3,774,708	3,774,708
Creation of units	2,396,197	-	2,396,197
Reinvestment of units	5,576,038	-	5,576,038
Cancellation of units	(32,539,669)	-	(32,539,669)
Distributions (Note 14)	2,074,033	(7,650,071)	(5,576,038)
Transferred from retained earnings to unitholders' capital upon termination of Class A-SGD	4,615	(4,615)	-
At 30 November 2019	<u>79,797,815</u>	<u>11,698,618</u>	<u>91,496,433</u>

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

MAYBANK DANA ARIF**STATEMENT OF CASH FLOWS****FOR THE FINANCIAL PERIOD FROM 1 JUNE 2019 TO 30 NOVEMBER 2019**

	01.06.2019	01.06.2018
	to	to
	30.11.2019	30.11.2018
	RM	Unaudited
		RM
CASH FLOW FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from sale and redemption of investments	52,008,521	46,884,156
Net purchase of investments	(16,343,848)	(32,395,675)
Profit from sukuk received	2,556,599	3,572,007
Profit from Islamic deposits received	112,878	165,805
Other income received	12,750	-
Manager's fee paid	(849,699)	(416,847)
Trustee's fee paid	(37,423)	(54,972)
Other expenses paid	(29,044)	(12,448)
Net cash generated from operating and investing activities	<u>37,430,734</u>	<u>17,742,026</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	2,396,197	12,538
Payments for cancellation of units	<u>(32,742,261)</u>	<u>(35,312,018)</u>
Net cash used in financing activities	<u>(30,346,064)</u>	<u>(35,299,480)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	7,084,670	(17,557,454)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	<u>11,480,764</u>	<u>21,244,642</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>18,565,434</u>	<u>3,687,188</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash at bank	179,179	218,188
Shariah-compliant deposits with licensed Islamic financial institutions	<u>18,386,255</u>	<u>3,469,000</u>
	<u>18,565,434</u>	<u>3,687,188</u>

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

MAYBANK DANA ARIF

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JUNE 2019 TO 30 NOVEMBER 2019

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank Dana Arif ("Fund") was constituted pursuant to the executed Deed dated 29 March 2004 between Amanah Mutual Berhad ("AMB") as the Manager and AmanahRaya Trustee Berhad as the Trustee and the Registered Holders of the Fund. The following Supplemental deeds have been issued between AMB and the Trustee:

- First supplemental deed dated 26 May 2005
- Second supplemental deed dated 13 August 2008
- Third supplemental deed dated 14 March 2013
- Fourth supplemental deed dated 27 January 2016
- Fifth supplemental deed dated 12 December 2017

Following the acquisition of AMB by Maybank Asset Management Sdn Bhd ("MAM"), the immediate and ultimate holding company of AMB has been changed to MAM and Malayan Banking Berhad ("MBB") respectively, effective 17 May 2018.

Subsequently, MAM and the Trustee has entered into the Sixth supplemental deed dated 4 September 2018 and Seventh supplemental deed dated 20 August 2019 respectively. The Deed and Supplemental Deeds are subsequently referred to as 'Deeds'.

Prior to 30 September 2019, the Fund had 4 Classes of Units namely A-MYR, C-MYR, A-SGD and C-USD. As disclosed in the First Supplementary Master Prospectus dated 18 October 2019, Class A-SGD was terminated on 30 September 2019 as the last redemption was performed on 21 August 2019.

The principal activity of the Fund is to invest in a portfolio of investments that are permissible under Shariah principles with the objective of providing a steady appreciation of the NAV of the Fund with a regular flow of income to investors. The investments include Sukuk and short term Islamic money market instruments.

MAM has appointed Maybank Islamic Asset Management Sdn Bhd ("MIAM") as the External Investment Manager for the Fund. MIAM is a wholly-owned subsidiary of Maybank Asset Management Group Berhad and is a holder of Capital Markets Services Licence ("CMSL") to carry out Islamic fund management business pursuant to Section 61 of the Capital Markets and Services Act 2007 ("CMSA").

The roles and responsibilities of MIAM include management of the investment portfolio in accordance with the investment objective, subject to the CMSA and the Guidelines on Unit Trust Funds issued by the Securities Commission of Malaysia ("SC") and any other relevant guidelines issued by the SC as well as the terms and conditions of the investment management agreement between MIAM and MAM.

The financial statements were authorised for issue by the Board of Directors of the Manager (the "Directors") in accordance with a resolution of the Directors on 15 January 2020.

MAYBANK DANA ARIF

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements from 1 June 2019 to 30 November 2019 have been prepared in accordance with Malaysian Financial Reporting Standard 134: Interim Financial Reporting ("MFRS 134") and International Accounting Standards 34 *Interim Financial Reporting*.

The interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Fund's annual financial statements as at 30 May 2019.

The Fund has adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") which have become effective during the financial period from 1 June 2019 to 30 November 2019. The adoption of the above did not result in material impact to the financial statements.

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies in Note 2.3 to Note 2.15 to the financial statements.

All amounts are stated in Ringgit Malaysia ("RM") except for the NAV per unit for non-MYR classes which are stated in Singapore Dollar ("SGD"), or US Dollar ("USD").

2.2 Standards and amendments to standards issued but not yet effective

The following are standards, amendments to standards and interpretations issued by the MASB, but not yet effective, up to the date of issuance of the Fund's financial statements. The Fund intends to adopt the relevant standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 2: <i>Share-based Payment</i>	1 January 2020
Amendments to MFRS 3: <i>Business Combinations</i>	1 January 2020
Amendments to MFRS 3: <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 6: <i>Exploration for and Evaluation of Mineral Resources</i>	1 January 2020
Amendments to MFRS 14: <i>Regulatory Deferral Accounts</i>	1 January 2020
Amendments to MFRS 101: <i>Presentation of Financial Statements</i>	1 January 2020
Amendments to MFRS 108: <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	1 January 2020
Amendments to MFRS 101 & 108: <i>Definition of Material</i>	1 January 2020
Amendments to MFRS 134: <i>Interim Financial Reporting</i>	1 January 2020
Amendment to MFRS 137: <i>Provisions, Contingent Liabilities and Contingent Assets</i>	1 January 2020
Amendment to MFRS 138: <i>Intangible Assets</i>	1 January 2020
Amendments to IC Interpretation 12: <i>Service Concession Arrangements</i>	1 January 2020
Amendments to IC Interpretation 19: <i>Extinguishing Financial Liabilities with Equity Instruments</i>	1 January 2020
Amendments to IC Interpretation 20: <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2020
Amendments to IC Interpretation 22: <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2020
Amendments to IC Interpretation 132: <i>Intangible Assets - Web Site Costs</i>	1 January 2020
MFRS 17: <i>Insurance Contracts</i>	1 January 2022

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

2.2 Standards and amendments to standards issued but not yet effective (cont'd)

Description	Effective for annual periods beginning on or after To be announced by MASB
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	

The Fund expects that the adoption of the above standards will not have any material impact on the financial statements in the period of initial application.

2.3 Financial instruments

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provision of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.4 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at amortised cost or fair value, depending on the classification of the assets.

(i) Classification

Unless designated as at FVTPL on initial recognition, debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- the assets are held within a business model whose objectives is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that do not meet the criteria above are classified as either fair value through other comprehensive income ("FVTOCI") or FVTPL.

The Fund classifies cash and cash equivalents, amount due from brokers and profit income receivables as financing and receivables, and are subsequently measured at amortised cost.

(ii) Financial assets at FVTPL

Investments in unquoted sukuk are classified as FVTPL, unless the Fund designates an investment that is not held for trading as FVTOCI on initial recognition.

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

2.4 Financial assets (cont'd)

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

A financial asset is recognised at FVTPL if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of the portfolio of identified financial instruments that the Fund manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instruments or a financial guarantee.

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

Debt instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Debt instruments are reclassified from amortised cost to FVTPL when the business model is changed such that the amortised cost criteria are no longer met. Reclassification of debt instruments that are designated as at FVTPL on initial recognition is not allowed.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Profit income on debt instruments as at FVTPL is disclosed separately in the profit or loss.

Credit losses are recognised based on the 'Expected Credit Loss' ("ECL") model. The Fund recognises loss allowances for ECL on financial instruments that are not measured at FVTPL (financial assets that are debt instruments). The impairment model does not apply to equity investments.

(iii) Impairment of financial assets

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit-impaired at the reporting date:
As the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive);
- Financial assets that are credit-impaired at the reporting date:
As the difference between the gross carrying amount and the present value of estimated future cash flows.

At each reporting date, the Fund assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

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

2.4 Financial assets (cont'd)

(iii) Impairment of financial assets

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the issuer or counterparty;
- Significant downgrade in credit rating of the instrument by a rating agency;
- A breach of contract such as a default or past due event; or
- The disappearance of an active market for a security because of financial difficulties.

For balances with short-term nature, full impairment will be recognised on uncollected balances after the grace period.

(iv) Derecognition of financial assets

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of equity instruments classified as FVTOCI, the cumulative gain or loss previously accumulated in unrealised reserve is not reclassified to profit or loss, but is reclassified to distributable realised reserve. However, on derecognition of debt instruments classified as FVTOCI, the cumulative gain or loss previously accumulated in unrealised reserve is reclassified to profit or loss.

On derecognition of financial asset classified as FVTPL, the cumulative unrealised gain or loss previously recognised is transferred to realised gain or loss on disposal in profit or loss.

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

2.5 Financial liabilities

(i) Classification

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. The Fund classifies amount due to brokers, amount due to Manager, amount due to Trustee and other payables and accruals as other financial liabilities.

(ii) Recognition and measurement

Financial liabilities 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. The Fund's financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective profit rate method.

(iii) Derecognition of financial liabilities

The Fund derecognises financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.6 Unitholders' capital

The unitholders' 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 unitholder 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 unitholders with the total number of outstanding units.

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

Any distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distributions is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' capital. A proposed distribution is recognised as a liability in the year in which it is approved.

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

2.7 Revenue / Income

Revenue is recognised when control of the goods or services are transferred at an amount that reflects the consideration to be entitled in exchange for the goods or services. Revenue is measured at the fair value of consideration received or receivable.

Profit income from Shariah-compliant deposits is recognised on the accruals basis using the effective profit rate method.

Profit income from unquoted fixed income securities includes amortisation of premium and accretion of discount, and is recognised using the effective profit rate method.

Realised gain or loss on disposal of unquoted fixed income securities is accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, determined on cost adjusted for accretion of discount or amortisation or premium.

Other income such as consent fee payment from sukuk issuer are recognised on an accrual basis when the right to receive has been established.

2.8 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, deposit at call and highly liquid instruments with maturities of 3 months or less , which have an insignificant risk of changes in value.

2.9 Income tax

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

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

No deferred tax is recognised as there are no material temporary differences.

2.10 Purification of income

The Fund is required to cleanse or purify any income or gains generated by Shariah non-compliant activities or sources, based on the method of purification which has been approved by the Shariah Adviser.

The purification exercise is done by channelling the purification amount to charitable bodies as advised by the Shariah Adviser and this exercise is performed by the Manager when relevant information has been obtained. The calculation of the purification amount must further be endorsed by the Shariah Adviser for verification before the purification is done.

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

2.11 Fair value measurement

The Fund measures its investments at FVTPL at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs, as disclosed in Note 19 to the financial statements.

All assets for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets that are recognised in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting date.

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

2.12 Distributions

Any distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' capital. A proposed distribution is recognised as a liability in the year in which it is approved. Distribution is either reinvested or paid in cash to the unitholders on the income payment date. Reinvestment of units is based on the NAV per unit on the income payment date, which is also the time of creation.

2.13 Functional and presentation currency

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

2.14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for the allocating resources and assessing performance of the operating segments.

2.15 Significant accounting estimates and judgments

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.

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

MAYBANK DANA ARIF

3. PROFIT INCOME

	01.06.2019 to 30.11.2019 RM	01.06.2018 to 30.11.2018 Unaudited RM
Profit from Sukuk	2,382,119	3,473,975
Profit from Shariah-compliant deposits placed with licensed Islamic financial institutions	114,957	159,745
Amortisation of premium, net accretion of discount	(85,071)	(584,964)
	<u>2,412,005</u>	<u>3,048,756</u>

4. MANAGER'S FEE

The Manager's fee is computed and accrued daily. The fee is based on a profit sharing scheme with the unitholders of the Fund, in the ratio of the respective Classes of Units, of net investment income of the Fund less Trustee fee and all permitted expenses under the Deeds.

However, where the daily NAV per unit is less than the minimum value of the respective Classes of Units, the Manager is not entitled to any Manager's fee for the day. The ratio and the minimum value for each Classes of Units is shown in the table below.

Classes of Units	Profit Sharing Ratio (%)	Minimum value
A-MYR	15:85	RM 0.4950
C-MYR	10:90	RM 0.4950
C-USD	20:80	USD 0.4950
A-SGD*	25:75	SGD 0.4950

* Class A-SGD was terminated on 30 September 2019.

5. TRUSTEE'S FEE

The Trustee fee is computed based on 0.07% (01.06.2018 to 30.11.2018: 0.07%) per annum ("p.a.") of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day, subject to a minimum of RM18,000 p.a., accrued daily in the Fund's base currency, RM. The fee is apportioned to each share class based on the multi class ratio ("MCR"), and paid monthly to the Trustee.

* Class A-SGD was terminated on 30 September 2019.

6. TAXATION

Income tax is calculated at the Malaysian statutory tax rate of 24% (01.06.2018 to 30.11.2018: 24%) of the estimated assessable income for the financial period.

The tax charge for the financial period is in relation to the taxable income earned by the Fund after deducting tax allowable expenses. In accordance with Schedule 6 of the Income Tax Act 1967, profit income earned by the Fund is exempted from tax.

MAYBANK DANA ARIF

6. TAXATION (CONT'D)

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

	01.06.2019 to 30.11.2019 RM	01.06.2018 to 30.11.2018 Unaudited RM
Net income before taxation	<u>3,774,708</u>	<u>4,403,815</u>
Taxation at Malaysian statutory rate of 24% (01.06.2018 to 30.11.2018: 24%)	905,930	1,056,916
Effect of income not subject to tax	(1,102,976)	(1,173,310)
Effect of expenses not deductible for tax purposes	<u>197,046</u>	<u>116,394</u>
Tax expense for the financial period	<u>-</u>	<u>-</u>

7. FINANCIAL ASSETS AT FVTPL

	30.11.2019 RM	31.05.2019 RM		
Sukuk	<u>68,155,910</u>	<u>106,478,286</u>		
	Nominal Value RM	Amortised Cost RM	Fair Value RM	Percentage of NAV %
30.11.2019				
Automobile Manufacturing				
UMW Holdings Bhd - 4.65% /13.09.2023	<u>1,200,000</u>	<u>1,225,492</u>	<u>1,240,200</u>	<u>1.36</u>
Banks				
Affin Islamic Bank Bhd - 5.05% /23.10.2028	<u>3,000,000</u>	<u>3,020,273</u>	<u>3,109,260</u>	<u>3.40</u>
Commercial Finance				
Danainfra Nasional Bhd - 4.84% /11.02.2039	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,654,200</u>	<u>1.81</u>
Financial Services				
Fortune Premiere Sdn Bhd - 5.05% /05.09.2025	1,000,000	1,015,007	1,058,910	1.16
- 5.05% /31.10.2025	2,600,000	2,609,916	2,755,454	3.01
Gulf Investment Corp - 5.10% /16.03.2021	<u>5,000,000</u>	<u>5,005,812</u>	<u>5,063,400</u>	<u>5.53</u>
	<u>8,600,000</u>	<u>8,630,735</u>	<u>8,877,764</u>	<u>9.70</u>

MAYBANK DANA ARIF

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

	Nominal Value RM	Amortised Cost RM	Fair Value RM	Percentage of NAV %
30.11.2019 (cont'd)				
Industrial-Other				
Cypark Ref Sdn Bhd - 5.18% /29.06.2029	2,100,000	2,139,313	2,131,563	2.33
Konsortium Lebuhraya Utara-Timur Sdn Bhd - 4.25% /01.12.2023	1,600,000	1,585,111	1,617,344	1.77
	<u>3,700,000</u>	<u>3,724,424</u>	<u>3,748,907</u>	<u>4.10</u>
Power Generation				
Sarawak Energy Bhd - 4.95% /25.11.2033	4,000,000	4,008,528	4,408,400	4.82
Abu Dhabi National Energy Company PJSC (TAQA) - 4.65% /03.03.2022	5,000,000	5,023,615	5,041,300	5.51
YTL Power International Bhd - 5.05% /03.05.2027	4,500,000	4,578,765	4,768,335	5.21
	<u>13,500,000</u>	<u>13,610,908</u>	<u>14,218,035</u>	<u>15.54</u>
Real Estate				
Country Garden Real Estate Sdn Bhd - 6.40% /06.05.2022	2,200,000	2,200,000	2,272,820	2.48
- 6.40% /18.03.2022	2,900,000	2,900,000	2,991,669	3.27
IJM Land Bhd - 5.65% /19.03.2026	2,400,000	2,400,000	2,541,888	2.78
- 4.73% /17.03.2119	1,700,000	1,703,291	1,708,160	1.87
Talam Transform Bhd - 0.00% /28.06.2020	1,278,995	-	1,174,527	1.28
	<u>10,478,995</u>	<u>9,203,291</u>	<u>10,689,064</u>	<u>11.68</u>
Transportation & Logistics				
Anih Bhd - 5.70% /27.11.2026	4,500,000	4,766,151	4,981,320	5.44
MMC Corp Bhd - 5.70% /24.03.2028	9,000,000	9,088,892	9,474,660	10.36
	<u>13,500,000</u>	<u>13,855,043</u>	<u>14,455,980</u>	<u>15.80</u>

MAYBANK DANA ARIF

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

	Nominal Value RM	Amortised Cost RM	Fair Value RM	Percentage of NAV %
30.11.2019 (cont'd)				
Utilities				
Edra Energy Sdn Bhd - 6.43% /05.07.2034	2,000,000	2,273,811	2,394,040	2.62
Tenaga Nasional Bhd - 4.98% /27.08.2038	7,000,000	7,000,000	7,768,460	8.49
	<u>9,000,000</u>	<u>9,273,811</u>	<u>10,162,500</u>	<u>11.11</u>
Total sukuk	<u>64,478,995</u>	<u>64,043,977</u>	<u>68,155,910</u>	<u>74.50</u>
Unrealised gain on unquoted fixed income securities			<u>4,111,933</u>	
31.05.2019				
Automobile Manufacturing				
UMW Holdings Bhd - 4.65% /13.09.2023	1,200,000	1,228,560	1,228,547	1.04
Banks				
Affin Islamic Bank Bhd - 5.05% /23.10.2028	3,000,000	3,022,478	3,056,160	2.59
Bank Islam Malaysia Bhd - 5.50% /15.12.2025	1,000,000	1,016,358	1,020,600	0.87
Mumtaz Rakyat Sukuk Bhd - 4.95% /19.06.2026	2,000,000	2,006,932	2,024,960	1.72
	<u>6,000,000</u>	<u>6,045,768</u>	<u>6,101,720</u>	<u>5.18</u>
Commercial Finance				
Danainfra Nasional Bhd - 4.84% /11.02.2039	1,500,000	1,500,000	1,592,370	1.35
Financial Services				
Fortune Premiere Sdn Bhd - 5.05% /05.09.2025	1,000,000	1,016,127	1,036,180	0.88
- 5.05% /31.10.2025	2,600,000	2,610,614	2,688,764	2.28

MAYBANK DANA ARIF

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

	Nominal Value RM	Amortised Cost RM	Fair Value RM	Percentage of NAV %
31.05.2019 (cont'd)				
Financial Services (cont'd)				
Gulf Investment Corp - 5.10% /16.03.2021	5,000,000	5,008,105	5,050,000	4.28
Golden Assets International Finance Ltd - 5.35% /05.08.2019	5,000,000	5,001,098	5,010,200	4.25
	<u>13,600,000</u>	<u>13,635,944</u>	<u>13,785,144</u>	<u>11.69</u>
Industrial-Other				
Konsortium Lebuhraya Utara-Timur Sdn Bhd - 4.25% /01.12.2023	1,600,000	1,583,425	1,588,240	1.35
Southern Power Generation Sdn Bhd - 5.41% /29.04.2033	5,000,000	5,483,179	5,490,200	4.66
WCT Holdings Bhd - 5.55% /03.01.2025	4,000,000	4,022,676	4,080,520	3.46
- 5.55% /21.02.2025	2,750,000	2,756,429	2,804,753	2.38
- 5.65% /20.04.2026	5,000,000	5,013,858	5,112,450	4.34
	<u>18,350,000</u>	<u>18,859,567</u>	<u>19,076,163</u>	<u>16.19</u>
Power Generation				
Sarawak Energy Bhd - 4.95% /25.11.2033	4,000,000	4,008,751	4,256,200	3.61
Tanjung Bin Energy Issuer Bhd - 5.90% /16.03.2029	3,300,000	3,676,326	3,722,037	3.16
Tanjung Bin Power Sdn Bhd - 6.00% /15.03.2030	2,300,000	2,590,234	2,631,982	2.23
Abu Dhabi National Energy Company PJSC (TAQA) - 4.65% /03.03.2022	5,000,000	5,023,615	5,014,750	4.25

MAYBANK DANA ARIF

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

	Nominal Value RM	Amortised Cost RM	Fair Value RM	Percentage of NAV %
31.05.2019 (cont'd)				
Power Generation (cont'd)				
YTL Power International Bhd - 5.05% /03.05.2027	4,500,000	4,583,136	4,676,760	3.97
	<u>19,100,000</u>	<u>19,882,062</u>	<u>20,301,729</u>	<u>17.22</u>
Real Estate				
Country Garden Real Estate Sdn Bhd - 6.40% /06.05.2022	2,200,000	2,200,000	2,221,274	1.88
- 6.40% /18.03.2022	2,900,000	2,900,000	2,927,434	2.48
IJM Land Bhd - 5.65% /19.03.2026	2,400,000	2,400,000	2,490,528	2.11
Talam Transform Bhd - 0.00% /28.06.2020	1,357,546	-	1,349,727	1.15
UEM Sunrise Bhd - 5.15% /31.10.2025	5,000,000	5,101,134	5,235,900	4.44
	<u>13,857,546</u>	<u>12,601,134</u>	<u>14,224,863</u>	<u>12.06</u>
Transportation & Logistics				
Anih Bhd - 5.70% /27.11.2026	4,500,000	4,782,093	4,886,460	4.15
MMC Corp Bhd - 5.70% /24.03.2028	8,000,000	8,046,558	8,217,040	6.97
Projek Lebuhraya Usahasama Bhd - 5.27% /12.01.2033	5,000,000	5,223,324	5,452,400	4.63
	<u>17,500,000</u>	<u>18,051,975</u>	<u>18,555,900</u>	<u>15.75</u>
Utilities				
Manjung Island Energy Bhd - 4.74% /23.11.2029	4,000,000	4,079,806	4,228,320	3.59
Tenaga Nasional Bhd - 4.98% /27.08.2038	7,000,000	7,000,000	7,383,530	6.26
	<u>11,000,000</u>	<u>11,079,806</u>	<u>11,611,850</u>	<u>9.85</u>

MAYBANK DANA ARIF

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

	Nominal Value RM	Amortised Cost RM	Fair Value RM	Percentage of NAV %
31.05.2019 (cont'd)				
Total sukuk	<u>102,107,546</u>	<u>102,884,816</u>	<u>106,478,286</u>	<u>90.33</u>
Unrealised gain on unquoted fixed income securities			<u>3,593,470</u>	

(a) Changes in fair value of FVTPL investments are recognised in 'unrealised gain/(loss) on FVTPL investments' in the profit and loss. Accumulated unrealised gains or losses are reclassified to 'realised gain/(loss) on FVTPL investments' in the profit and loss when the associated assets are sold. See accounting policy Note 2.4 for details.

8. SHARIAH-COMPLIANT DEPOSIT WITH A LICENSED ISLAMIC FINANCIAL INSTITUTION

	30.11.2019 RM	31.05.2019 RM
Shariah-compliant deposit with maturity of less than 3 months	<u>18,386,255</u>	<u>11,480,387</u>

The weighted average effective profit rates ("WAEPR") and average maturity of Shariah-compliant deposits with licensed financial institutions as at the reporting date was as follows:

	30.11.2019		31.05.2019	
	WAEPR % p.a.	Average maturity days	WAEPR % p.a.	Average maturity days
Shariah-compliant deposit with maturity of less than 3 months	<u>3.00</u>	<u>3</u>	<u>3.00</u>	<u>3</u>

9. AMOUNT DUE FROM/(TO) BROKER

Amount due from/(to) broker relates to the amount to be received from/(paid to) a broker arising from the sale/(purchase) of Shariah-compliant unquoted fixed income securities. The settlement period for these receivables/(payables) are within 3 working days from the deal date.

10. AMOUNT DUE TO MANAGER

		30.11.2019 RM	31.05.2019 RM
Amount due to Manager is in respect of:			
Management fee	(i)	36,953	140,169
Cancellation of units	(ii)	-	202,592
		<u>36,953</u>	<u>342,761</u>

MAYBANK DANA ARIF

10. AMOUNT DUE TO MANAGER (CONT'D)

- (i) The amount represents amount payable to the Manager arising from the accruals for Manager's fee at the end of the financial period. The normal credit term for Manager's fee is 15 days (31.05.2019: 15 days).
- (ii) The amount represents amount payable to the Manager for units cancelled.

11. AMOUNT DUE TO TRUSTEE

Amount due to Trustee relates to the amount payable to the Trustee arising from the accruals for Trustee's fee at the end of the financial period. The normal credit term for Trustee's fee is 15 days (31.05.2019: 15 days).

12. OTHER PAYABLES AND ACCRUALS

Other payables and accruals comprise the following:

	30.11.2019	31.05.2019
	RM	RM
Due to external auditors	23,549	20,500
Due to tax agent	15,600	17,850
Shariah advisory fee payable	13,500	9,000
Other payables	46,580	42,041
	<u>99,229</u>	<u>89,391</u>

13. TOTAL EQUITY

	Note	30.11.2019	31.05.2019
		RM	RM
Unitholders' capital	13 (a)	79,797,815	102,286,601
Accumulated realised income	13 (b)	7,586,685	11,985,126
Accumulated unrealised income	13 (c)	4,111,933	3,593,470
		<u>91,496,433</u>	<u>117,865,197</u>

MAYBANK DANA ARIF

13. TOTAL EQUITY (CONT'D)

(a) Unitholders' capital

The units are distributed based on the following classes:

	30.11.2019		31.05.2019	
	Units	RM	Units	RM
(i) Class A-MYR	83,359,570	46,603,755	81,201,357	44,903,950
(ii) Class C-MYR	72,552,120	33,127,376	121,356,504	57,315,367
(iii) Class C-USD	20,500	66,684	20,500	66,684
(iv) Class A-SGD	-	-	3,523	600
	<u>155,932,190</u>	<u>79,797,815</u>	<u>202,581,884</u>	<u>102,286,601</u>

(i) CLASS A-MYR

	30.11.2019		31.05.2019	
	Units	RM	Units	RM
As at beginning of the financial period/year	81,201,357	44,903,950	61,616,200	32,855,750
Creation of units	3,824,371	2,396,197	34,171,218	20,886,644
Reinvestment of units	3,168,668	1,940,809	1,560,694	924,243
Cancellation of units	(4,834,826)	(3,036,199)	(16,146,755)	(9,762,687)
Distribution equalisation (Note 14(a))	-	398,998	-	-
As at end of the financial period/year	<u>83,359,570</u>	<u>46,603,755</u>	<u>81,201,357</u>	<u>44,903,950</u>

(ii) CLASS C-MYR

	30.11.2019		31.05.2019	
	Units	RM	Units	RM
As at beginning of the financial period/year	121,356,504	57,315,367	246,940,000	123,485,782
Creation of units	-	-	1,329	678
Reinvestment of units	6,990,824	3,635,229	7,258,671	3,704,100
Cancellation of units	(55,795,208)	(29,498,255)	(132,843,496)	(69,875,193)
Distribution equalisation (Note 14(b))	-	1,675,035	-	-
As at end of the financial period/year	<u>72,552,120</u>	<u>33,127,376</u>	<u>121,356,504</u>	<u>57,315,367</u>

(iii) CLASS C-USD

	30.11.2019		31.05.2019	
	Units	RM	Units	RM
As at beginning/end of the financial period/year	<u>20,500</u>	<u>66,684</u>	<u>20,500</u>	<u>66,684</u>

MAYBANK DANA ARIF

13. TOTAL EQUITY (CONT'D)

(a) Unitholders' capital (cont'd)

(iv) CLASS A-SGD

	30.11.2019		31.05.2019	
	Units	RM	Units	RM
As at beginning of the financial period/year	3,523	600	12,600	13,106
Creation of units	-	-	2,138	5,321
Reinvestment of units	-	-	2,862	1,292
Cancellation of units	(3,523)	(5,215)	(14,077)	(19,119)
Transferred from accumulated realised income upon termination	-	4,615	-	-
As at end of the financial period/year	-	-	3,523	600

The final redemption payment of RM1,760 for Class A-SGD was performed on 21 August 2019. Class A-SGD was subsequently terminated on 30 September 2019.

As of end of the financial period/year, the total number and value of units held legally or beneficially by the Manager are as follows:

	30.11.2019		31.05.2019	
	No. of Units	Valued at NAV	No. of Units	Valued at NAV
Manager - Class C-USD (USD)	20,500	19,807	20,500	19,114

The units are held beneficially by the Manager for booking purposes, and are within the prescribed limit allowed by the SC's Guidelines on Unit Trust Funds. Other than the above, there were no units held by the directors or parties related to the Manager.

(b) Accumulated realised income

	30.11.2019 RM	31.05.2019 RM
At beginning of the financial period/year	11,985,126	5,873,882
Net realised income for the financial period/year	3,256,245	6,111,244
Distribution out of retained earnings (Note 14)	(7,650,071)	-
Transferred to unitholders capital upon termination	(4,615)	-
At end of the financial period/year	7,586,685	11,985,126

13. TOTAL EQUITY (CONT'D)**(c) Accumulated unrealised income**

	30.11.2019	31.05.2019
	RM	RM
At beginning of the financial period/year	3,593,470	217,919
Net unrealised income for the financial period/year	518,463	3,375,551
At end of the financial period/year	<u>4,111,933</u>	<u>3,593,470</u>

(d) Classes of shares**(i) Types of classes of units**

Prior 30 September 2019, the Fund issues cancellable units, in four classes of units as detailed below:

Classes of units	Currency	Categories of	Distribution Policy
A-MYR	RM	Retail	Distribution of income
C-MYR	RM	Institutional	Distribution of income
C-USD	USD	Institutional	Accumulation of units
A-SGD *	SGD	Retail	Distribution of income

* Class A-SGD was terminated on 30 September 2019.

There are different charges and features for each class as follows:

- (a) Management fees
- (b) Initial investments for each class
- (c) Additional minimum investment
- (d) Transfer, switching and conversion charges for each class

(ii) NAV computation

The computation of NAV of the Fund is based on the Fund's functional currency, RM, irrespective of the multiple classes of units (denominated in other currencies). Due to multiple classes in this Fund, the expenses of the Fund are apportioned based on the MCR, which is the size of the respective class relative to the whole Fund. 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.

(iii) Redemption/cancellation of units by unitholders

These units are cancellable at the unitholder's option. 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 unitholder exercises the right to put back the unit to the Fund.

There is no restriction on the putting of the units back to the Fund (i.e. redemption), subject to the minimum redemption amount of units of each class and the minimum unit holding for each class. If the unit holdings of a unitholder are, after a redemption request, falls below the minimum unit holdings for the Fund, a request for full redemption is deemed to have been made.

MAYBANK DANA ARIF

14. DISTRIBUTION

There was no distribution declared during the previous financial period.

The sources of distribution to the unitholder in the current financial period is as follow:

	01.06.2019 to 30.11.2019 RM
(a) CLASS A-MYR	
Profit income	7,676,238
Net realised gain on sale of investments	916,657
Less : Expenses	<u>(6,253,088)</u>
Distribution out of realised reserve (Note 13(b))	2,339,807
Distribution out of distribution equalisation (Note 13(a))	<u>(398,998)</u>
Distribution for the financial period	<u>1,940,809</u>
Gross/net distribution per unit (sen)	2.40
Distribution date (ex-date)	<u>30 June 2019</u>
(b) CLASS C-MYR	
Profit income	5,167,326
Net realised gain on sale of investments	617,055
Less : Expenses	<u>(474,117)</u>
Distribution out of realised reserve (Note 13(b))	5,310,264
Distribution out of distribution equalisation (Note 13(a))	<u>(1,675,035)</u>
Distribution for the financial period	<u>3,635,229</u>
Gross/net distribution per unit (sen)	3.00
Distribution date (ex-date)	<u>30 June 2019</u>

The distributions declared are settled in the form of units and presented as 'reinvestment of units' in Note 13 (a) on payment date.

MAYBANK DANA ARIF

15. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

For the purpose of these financial statements, parties are considered to be related to the Fund or the Manager if the Fund or the Manager has the ability directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Fund or the Manager and the party are subject to common control or common significant influence. Related parties maybe individuals or other entities.

In addition to the related party information disclosed elsewhere in the financial statements, there are no other significant related party transaction and balances of the Fund during the financial period/year.

	01.06.2019 to 30.11.2019 RM	01.06.2018 to 30.11.2018 Unaudited RM
(i) <u>Significant related party transaction</u>		
Maybank Islamic Bhd:		
Profit income from Shariah-compliant deposits	<u>10</u>	<u>15,532</u>

There were no other significant related party balances as at the reporting date.

16. TRANSACTIONS WITH BROKERS/DEALERS

The transactions with brokers/dealers for the current and previous financial period are as follows:

Stockbroker	01.06.2019 to 30.11.2019		01.06.2018 to 30.11.2018 (unaudited)	
	Value of trade RM	Percent of total trade %	Value of trade RM	Percent of total trade %
Affin Hwang Investment Bank Bhd	31,074,163	50.95	-	-
Alliance Bank Malaysia Bhd	1,046,000	1.71	-	-
CIMB Bank Bhd	3,982,800	6.53	8,607,791	11.55
CIMB Investment Bank Bhd	-	-	6,335,778	8.50
Hong Leong Investment Bank Bhd	-	-	5,028,127	6.74
Hong Leong Bank Bhd	14,328,450	23.49	5,048,099	6.77
Malayan Banking Bhd ("MBB") *	2,139,900	3.51	22,019,493	29.54
RHB Investment Bank Bhd	8,420,406	13.81	16,117,641	21.62
United Overseas Bank Bhd	-	-	11,391,000	15.28
	<u>60,991,719</u>	<u>100.00</u>	<u>74,547,929</u>	<u>100.00</u>

* MBB is the ultimate holding company of the Manager.

MAYBANK DANA ARIF

17. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund, and recovered expenses to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee and other administrative expenses. For the financial period from 1 June 2019 to 30 November 2019, the MER of the Fund stood at 0.80% (01.05.2018 to 30.11.2018: 0.33%).

18. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial year to the average NAV of the Fund calculated on a daily basis. For the financial period from 1 June 2019 to 30 November 2019, the PTR of the Fund stood at 0.32 times (01.05.2018 to 30.11.2018: 0.25 times).

19. FAIR VALUE HIERARCHY

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

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

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

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

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities measured at fair value:

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
30.11.2019				
Financial assets at FVTPL	-	68,155,910	-	68,155,910
31.05.2019				
Financial assets at FVTPL	-	106,478,286	-	106,478,286

20. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund.

The Fund's objectives for managing capital are:

- (a) To invest in investments meeting the description, risk exposure and generate higher returns than the prescribed benchmark as indicated in its prospectus;
- (b) To achieve consistent returns while safeguarding capital by using various investment strategies;
- (c) To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise; and
- (d) To maintain sufficient fund size to ensure that the operations of the Fund are cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current financial period.