

MAMG ASIA RISING STARS FUND

**Annual report
For the financial period from 18 October 2018
(date of launch) to 31 December 2019**

CORPORATE INFORMATION

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MAMG ASIA RISING STARS FUND

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MAMG ASIA RISING STARS FUND

Manager's report

For the financial period from 18 October 2018 (date of launch) to 31 December 2019

A. Fund Information

1. Name of the Fund

MAMG Asia Rising Stars Fund ("the Fund")

2. Type of Fund

Growth Fund

3. Category of Fund

Feeder Fund

4. Duration of the Fund

The Fund is an open-ended Fund.

5. Fund launch date

Class	Currency denomination	Launch date
MYR Class	Malaysian Ringgit ("MYR")	18 October 2018
USD Class	United States Dollar ("USD")	18 October 2018
AUD Class	Australian Dollar ("AUD")	18 October 2018
SGD Class	Singapore Dollar ("SGD")	18 October 2018
EUR Class	European Union Euro ("EUR")	18 October 2018

6. Fund's investment objective

The Fund aims to maximise investment returns by investing in the Target Fund, the BNY Mellon Asia Rising Stars Fund.

7. Fund distribution policy

Distribution, if any, is incidental and will be made from the realised income of the Fund.

8. Fund's performance benchmark

MSCI AC Asia Small Cap Index ("MXASSC Index")

9. The Fund's investment policy and principal investment strategy

Prior 1 June 2019, the principal activity of the Fund is to invest at least 95% of the Fund's NAV in the Target Fund.

The Manager will also invest a minimum of 2% - 5% of the Fund's NAV in liquid assets.

Effective 1 June 2019, the principal activity of the Fund is to invest at least 90% of the Fund's NAV in the Target Fund. The remaining 2% - 10% of the Fund's NAV in liquid assets.

10. Net income distribution for the financial period ended 31 December 2019

There was no distribution declared by the Fund for the financial period from 18 October 2018 (date of launch) to 31 December 2019.

MAMG ASIA RISING STARS FUND

Manager's report

For the financial period from 18 October 2018 (date of launch) to 31 December 2019 (cont'd)

A. Fund Information (cont'd)

11. Breakdown of unitholdings by size

Fund size

As at 31 December 2019, the size of the Fund was 503,862 units.

Share class	31.12.2019 Units
MYR Class	272,894
USD Class	227,968
AUD Class	1,000
SGD Class	1,000
EUR Class	1,000
Total	503,862

Breakdown of unitholdings by class of units as at 31 December 2019

MYR Class

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	25.00	* 1	0.37
5,001 to 10,000 units	2	50.00	4	1.47
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	1	25.00	268	98.16
500,001 units and above	-	-	-	-
Total	4	100.00	** 273	100.00

* Represents 1,000 units held by the Manager

** Includes units held under Institutional Unit Trust Scheme Advisers ("IUTA")

USD Class

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	50.00	* 1	0.44
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	1	50.00	227	99.56
500,001 units and above	-	-	-	-
Total	2	100.00	** 228	100.00

* Represents 1,000 units held by the Manager

** Includes units held under Institutional Unit Trust Scheme Advisers ("IUTA")

Maybank Asset Management Sdn Bhd, the Manager, is the sole investor in the AUD, SGD and EUR classes as at 31 December 2019.

MAMG ASIA RISING STARS FUND

Manager's report

For the financial period from 18 October 2018 (date of launch) to 31 December 2019 (cont'd)

B. Performance Review

1. Key performance data of the Fund

Category	18.10.2018 (date of launch) to 31.12.2019
Portfolio composition	
Investment in Target Fund (%)	95.18
Cash and other net assets (%)	4.82
Total (%)	100.00
NAV (RM'000)	275
MYR Class	
Units in circulation (units '000)	273
NAV per unit	RM 0.8969
Highest NAV per unit	RM 1.0000
Lowest NAV per unit	RM 0.8312
Annual return (%) ⁽¹⁾	
- Capital growth (%)	(10.31)
- Income distribution (%)	-
Total return (%)	(10.31)
USD Class	
Units in circulation (units '000)	228
NAV per unit	USD 0.9337
Highest NAV per unit	USD 1.0000
Lowest NAV per unit	USD 0.8370
Annual return (%) ⁽¹⁾	
- Capital growth (%)	(6.63)
- Income distribution (%)	-
Total return (%)	(6.63)
AUD Class	
Units in circulation (units'000)	1
NAV per unit	AUD 0.9531
Highest NAV per unit	AUD 1.0000
Lowest NAV per unit	AUD 0.8720
Annual return (%) ⁽¹⁾	
- Capital growth (%)	(4.69)
- Income distribution (%)	-
Total return (%)	(4.69)

MAMG ASIA RISING STARS FUND

Manager's report

For the financial period from 18 October 2018 (date of launch) to 31 December 2019 (cont'd)

B. Performance Review (cont'd)

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

Category	18.10.2018 (date of launch) to 31.12.2019
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SGD Class

Units in circulation (units '000)	1
NAV per unit	SGD 0.9168
Highest NAV per unit	SGD 1.0000
Lowest NAV per unit	SGD 0.8481
Annual return (%) ⁽¹⁾	
- Capital growth (%)	(8.32)
- Income distribution (%)	-
Total return (%)	(8.32)

EUR Class

Units in circulation (units '000)	1
NAV per unit	EUR 0.9603
Highest NAV per unit	EUR 1.0000
Lowest NAV per unit	EUR 0.8720
Annual return (%) ⁽¹⁾	
- Capital growth (%)	(3.97)
- Income distribution (%)	-
Total return (%)	(3.97)
Management Expense Ratio ("MER") (%)	2.17
Portfolio Turnover Ratio ("PTR") (times)	1.05

Notes:

(1) Actual return of the Fund for the financial period is computed based on the daily average NAV per unit, net of Manager's and Trustee's fees.

MAMG ASIA RISING STARS FUND

Manager's report

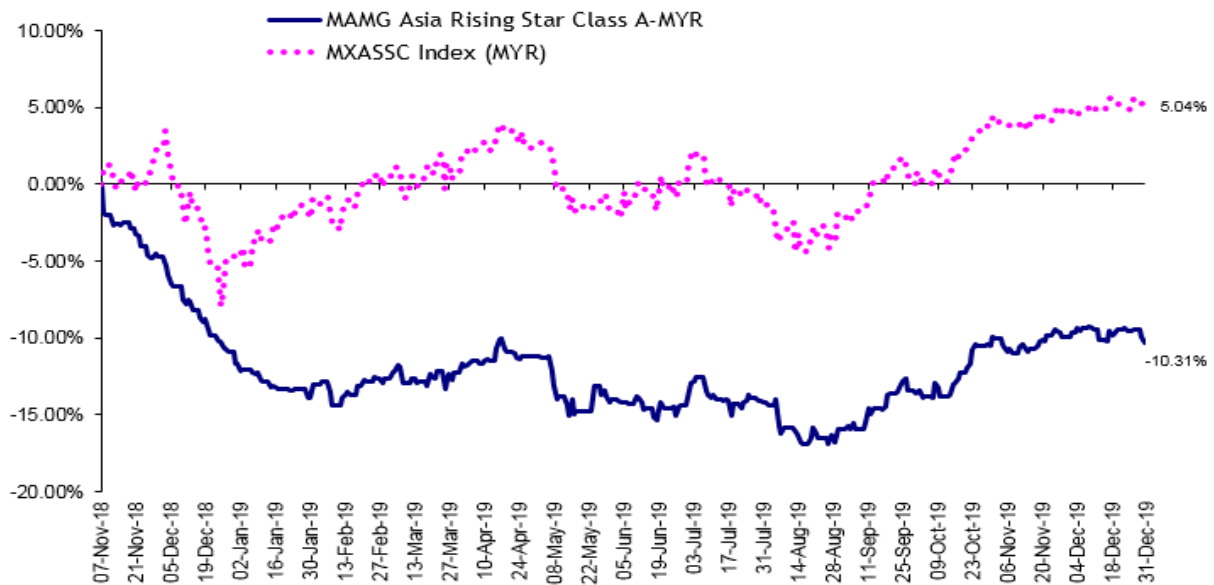
For the financial period from 18 October 2018 (date of launch) to 31 December 2019 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund since inception to 31 December 2019

MYR Class

Category	Since inception to 31.12.2019 %
Capital growth	(10.31)
Income distribution	-
Total return of the Fund	(10.31)
Benchmark	5.04
Average total return	-



Source: Lipper

USD Class

Category	Since inception to 31.12.2019 %
Capital growth	(6.63)
Income distribution	-
Total return of the Fund	(6.63)
Benchmark	6.61
Average total return	-

MAMG ASIA RISING STARS FUND

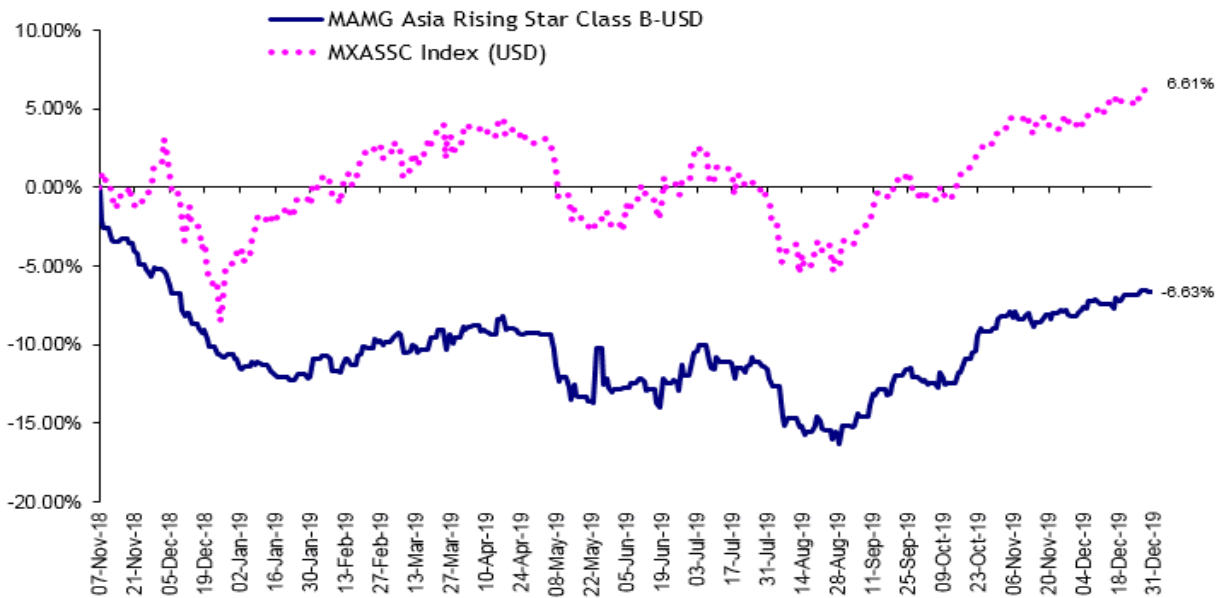
Manager's report

For the financial period from 18 October 2018 (date of launch) to 31 December 2019 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund since inception to 31 December 2019 (cont'd)

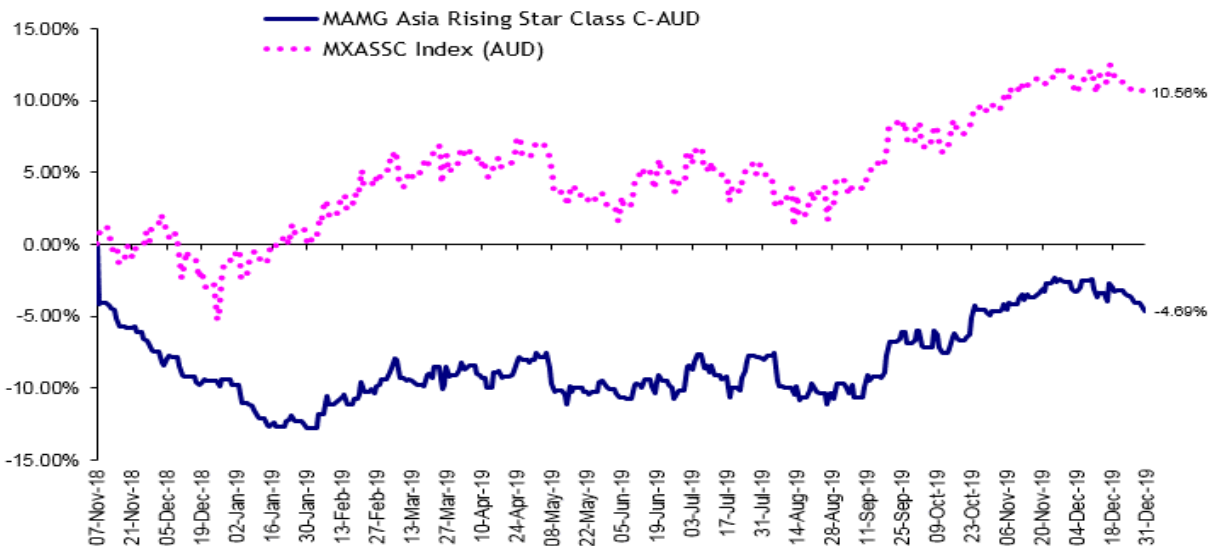
USD Class (cont'd)



Source: Lipper

AUD Class

Category	Since inception to 31.12.2019 %
Capital growth	(4.69)
Income distribution	-
Total return of the Fund	(4.69)
Benchmark	10.56
Average total return	-



Source: Lipper

MAMG ASIA RISING STARS FUND

Manager's report

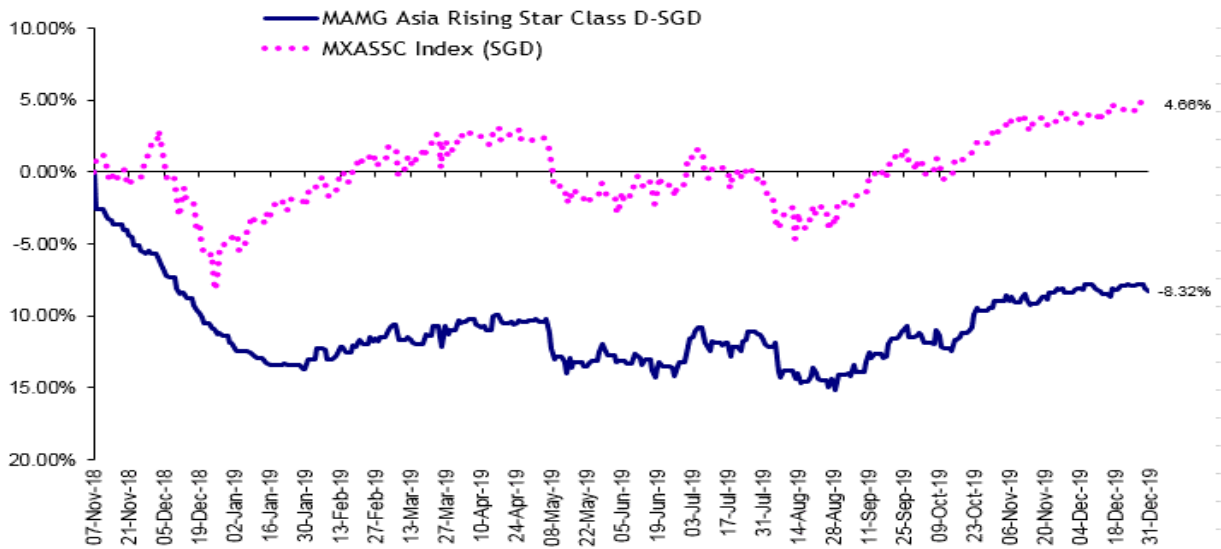
For the financial period from 18 October 2018 (date of launch) to 31 December 2019 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund since inception to 31 December 2019 (cont'd)

SGD Class

Category	Since inception to 31.12.2019 %
Capital growth	(8.32)
Income distribution	-
Total return of the Fund	(8.32)
Benchmark	4.66
Average total return	-



Source: Lipper

EUR Class

Category	Since inception to 31.12.2019 %
Capital growth	(3.97)
Income distribution	-
Total return of the Fund	(3.97)
Benchmark	8.84
Average total return	-

MAMG ASIA RISING STARS FUND

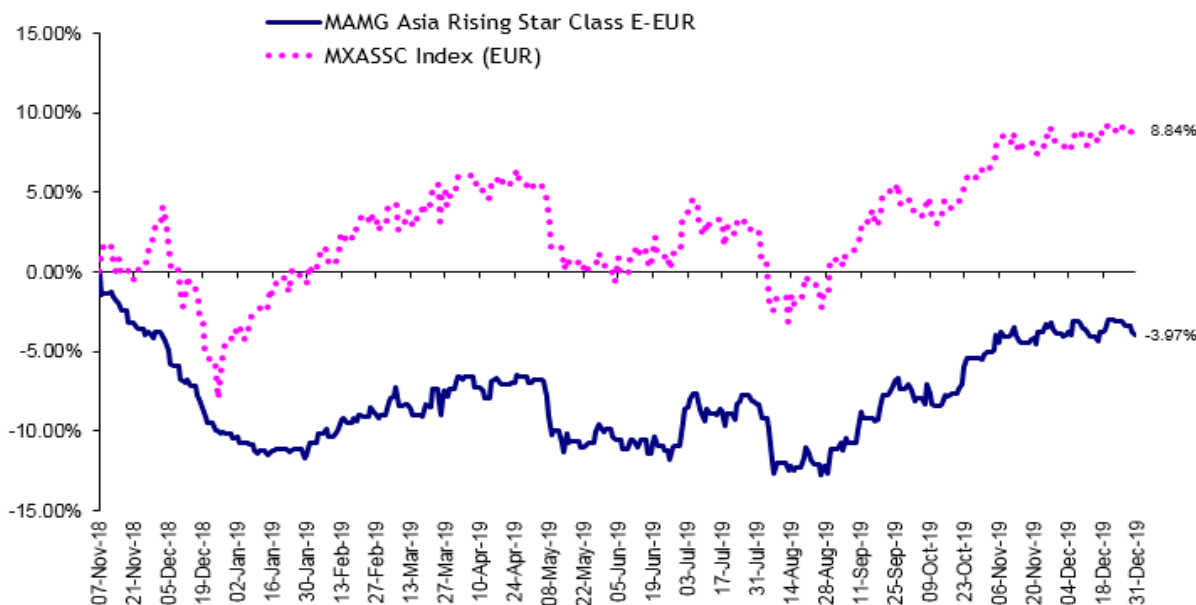
Manager's report

For the financial period from 18 October 2018 (date of launch) to 31 December 2019 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund since inception to 31 December 2019 (cont'd)

EUR Class (cont'd)



Source: Lipper

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

Has the Fund achieved its investment objective?

For the period under review, MAMG Asia Rising Star MYR Class registered -10.31% versus 5.04% benchmark. The MAMG Asia Rising Star USD Class registered -6.63% versus benchmark of 6.61% while MAMG Asia Rising Star AUD Class registered -4.69% compared to benchmark 10.56%. MAMG Asia Rising Star SGD Class registered -8.32% versus benchmark of 4.66% and MAMG Asia Rising Star EUR Class registered -3.97% compared to benchmark of 8.84%. All the feeder fund classes underperformed the benchmark return during the period under review. The underperformance of the Fund was largely due to weak demand in the backdrop of a volatile equities market, as such the Fund did not achieve its optimal size to contribute to a meaningful performance.

MAMG ASIA RISING STARS FUND

Manager's report

For the financial period from 18 October 2018 (date of launch) to 31 December 2019 (cont'd)

B. Performance Review (cont'd)

3. Total return of the Fund

For the financial period ended	Since inception to 31.12.2019 %
MYR Class	(10.31)
USD Class	(6.63)
AUD Class	(4.69)
SGD Class	(8.32)
EUR Class	(3.97)

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	=	Income distribution per unit / NAV per unit ex-date
Total return	=	(1+Capital return) x (1+Income return) - 1

C. Market Review

For the financial period under review, we have seen extreme volatility in the markets mainly due to the United States ("US")-China trade war uncertainties. There was a sharp sell down in second half of 2018 especially towards December 2018. However, regional markets bounced in first quarter 2019 as macro concerns on US Federal Reserve ("Fed") tightening monetary policy, the US-China trade war and a slowdown in China receded.

In May 2019, the regional markets turned volatile again when US announced its plan of increasing tariff on United States Dollar ("USD") 200 billion ("bn") worth of Chinese import from 10% to 25% from 10 May 2019 onwards and China retaliated by increasing the tariff range from 5-10% to 5-25% on USD60bn worth of US import. In June 2019, US and China agreed to restart the trade negotiations whilst further tariff increases were put on hold temporarily. However, in August 2019, Donald Trump announced that he may potentially impose 10% tariff on the remaining USD300bn worth of Chinese import starting 1 September 2019 but backpedalled in Mid-August 2019, by delaying 10% tariff on some holiday related Chinese imports to 15 December 2019. In October 2019, trade war between US and China showed some positive developments as both parties seek to reach a deal. The "Phase 1 agreement" would take several weeks to write and both sides could officially sign by November 2019. The persistent on-off tit-for-tat tariff translates to volatility and poor visibility on the trade progress. Elsewhere, political and trade tensions also sparked in other nations, with Saudi Arabia oil plant being attacked by drones, Japan announcing that it has removed South Korea from the white list of trusted trade partners and anti-government protests happening in Hong Kong.

MAMG ASIA RISING STARS FUND

Manager's report

For the financial period from 18 October 2018 (date of launch) to 31 December 2019 (cont'd)

D. Market Outlook

The last couple of months have seen positive geopolitical developments but macro concerns do remain and that means lack of visibility and likely continued market volatility. Our largest country exposures in Asia ex-Japan ("AxJ") are India and Indonesia and we expect both markets to be relatively less affected by the global uncertainty especially given the results of the recent national elections. In addition our stock picks in the funds both in Japan and AxJ are largely domestic in nature and so should not be affected directly by the trade war or other macro concerns.

E. Investment Strategy

In terms of investment strategy in the near terms, we continue to believe that a number of the stocks we hold are extremely undervalued and with market stability should see bounces. In the meantime, we continue with our approach of managing the short term volatility via running a more diversified portfolio and trade the portfolio more actively (i.e. booking profits where stocks have gained and reinvesting into our higher conviction names which have come off).

On a longer term basis, we continue to remain positive on the outlook for small and mid cap stocks in Asia.

In terms of our strategy for Coronavirus ("Covid-19"), we are monitoring the outbreak closely with a view to buying once the epidemic shows signs of stabilization. During previous viral outbreaks, markets tended to trough several months after the disease started spreading and coincident with the pace of new infections. Given the pro-active steps taken by China as well as other countries worldwide, the correction could prove to be short-lived followed by a rapid recovery. Alternatively, should the situation blow out of control, the economic impact may be more severe thus prolonging the correction. However, accommodative policy and ample liquidity should help bolster a recovery later.

F. Significant financial risk of the Fund

As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

The Fund is a multi-class fund. The Fund's currency risk at portfolio level means the impact of the exchange rate movement between the base currency of the Fund and the currency of the underlying investments may result in a depreciation of the value of the investments as expressed in the base currency of the Fund. Meanwhile at Class level, the impact of the exchange rate movement between the base currency of the Fund and the currency of the respective Classes may result in a depreciation of the investor's holdings as expressed in the base currency of the Fund.

MAMG ASIA RISING STARS FUND

Manager's report

For the financial period from 18 October 2018 (date of launch) to 31 December 2019 (cont'd)

G. 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 good and services such as financial wire services and stock quotations system incidental to investment management of the Fund. All dealings with broker and executed on best available basis.

During the financial period from 18 October 2018 (date of launch) to 31 December 2019, the Manager and its delegates did not receive any rebates and soft commissions from brokers or dealers.

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF MAMG ASIA RISING STARS FUND FOR THE FINANCIAL PERIOD FROM 18 OCTOBER 2018 (DATE OF LAUNCH) TO 31 DECEMBER 2019

We have acted as Trustee for MAMG Asia Rising Stars Fund ("the Fund"), for the financial period from 18 October 2018 (date of launch) to 31 December 2019. In our opinion and to the best of our knowledge, Maybank Asset Management Sdn Bhd, (the "Manager"), has operated and managed the Fund in accordance with the following:

- (a) Limitations imposed on the investment powers of the Manager and the Trustee under the Deeds, the Securities Commission Malaysia's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 ("CMSA") and other applicable laws;
- (b) Valuation and pricing for the Fund has been carried out in accordance with the Deed and relevant regulatory requirements; and
- (c) Creation and cancellation of units have been carried out in accordance with the Deed and relevant regulatory requirements.

For and on behalf of the Trustee
SCBMB Trustee Berhad

Prasad A/L S Vijayasundram
Chief Executive Officer

Kuala Lumpur, Malaysia
17 February 2020

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF MAMG ASIA RISING STARS FUND
FOR THE FINANCIAL PERIOD FROM 18 OCTOBER 2018 (DATE OF LAUNCH) TO 31 DECEMBER
2019**

We, Dr Hasnita Binti Dato' Hashim and Ahmad Najib Bin Nazlan, being two of the Directors 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 and International Financial Reporting Standards so as to give a true and fair view of the financial position of MAMG Asia Rising Stars Fund as at 31 December 2019 and of its results, changes in equity and cash flows for the financial period then ended and comply with the requirements of the Deed.

For and on behalf of the Manager

Dr Hasnita Binti Dato' Hashim
Director

Ahmad Najib Bin Nazlan
Director

Kuala Lumpur, Malaysia
17 February 2020

Independent auditors' report to the Unitholders of MAMG Asia Rising Stars Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of MAMG Asia Rising Stars Fund ("the Fund"), which comprise the statement of financial position for the financial period from 18 October 2018 to 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial period from 18 October 2018 to 31 December 2019, and notes to the financial statements, including a summary of accounting policies, as set out on pages 18 to 45.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2019, and of its financial performance and cash flows for the financial period from 18 October 2019 to 31 December 2019 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 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 is responsible for the other information. The other information comprises the information included in the Annual Report of the Trust, 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.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information identified above 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.

Independent auditors' report to the Unitholders of MAMG Asia Rising Stars Fund (cont'd)

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

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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Manager and Trustee of the Fund and take appropriate action. We have nothing to report in this regard.

Responsibility of the Manager and Trustee for the financial statements

The Manager of the Fund 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 intend 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' responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Trust 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 MAMG Asia Rising Stars Fund (cont'd)

Auditors' responsibility 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 scepticism 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 Trust, 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
MAMG Asia Rising Stars Fund (cont'd)**

Other matters

This report is made solely to the unit holders 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 PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

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

Kuala Lumpur, Malaysia
17 February 2020

MAMG ASIA RISING STARS FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 18 OCTOBER 2018 (DATE OF LAUNCH) TO 31 DECEMBER 2019

		18.10.2018 (date of launch) to 31.12.2019 USD
INCOME		
Net gain from investments on financial assets at fair value through profit or loss ("FVTPL"):		
- Unrealised gain	6(b)	13,105
- Realised loss		(965)
Net loss on foreign currency exchange		
- Unrealised loss		(2,528)
- Realised gain		225
		<u>9,837</u>
EXPENSES		
Manager's fee	3	1,709
Trustee's fee	4	42
Auditors' remuneration		1,409
Tax agent's fee		548
Administrative expenses		128
		<u>3,836</u>
NET INCOME BEFORE TAXATION		6,001
TAXATION	5	<u>-</u>
NET INCOME AFTER TAXATION, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>6,001</u>
Total comprehensive income for the period is made up of the following:		
Net realised loss		(4,576)
Net unrealised gain		10,577
		<u>6,001</u>

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

MAMG ASIA RISING STARS FUND**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	Note	31.12.2019 USD
ASSETS		
Financial assets at FVTPL	6	261,840
Amount due from Manager	8	318
Cash at bank	7	15,581
TOTAL ASSETS		<u>277,739</u>
LIABILITIES		
Amount due to Manager	8	689
Amount due to Trustee	9	-
Other payables and accruals	10	1,957
TOTAL LIABILITIES		<u>2,646</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>275,093</u>
EQUITY		
Unitholders' capital	11(a)	269,092
Retained earnings	11 (b) & (c)	6,001
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>275,093</u>
NUMBER OF UNITS IN CIRCULATION	11(a)	No. of units
- MYR Class		272,894
- USD Class		227,968
- AUD Class		1,000
- SGD Class		1,000
- EUR Class		1,000
		<u>503,862</u>
NAV PER UNIT		
- MYR Class		<u>MYR 0.8969</u>
- USD Class		<u>USD 0.9337</u>
- AUD Class		<u>AUD 0.9531</u>
- SGD Class		<u>SGD 0.9168</u>
- EUR Class		<u>EUR 0.9603</u>

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

MAMG ASIA RISING STARS FUND

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 18 OCTOBER 2018 (DATE OF LAUNCH) TO 31 DECEMBER 2019

	Unitholders' capital Note 11 (a) USD	Retained earning Note 11 (b) & (c) USD	Total equity USD
At 18 October 2018 (date of launch)	-	-	-
Total comprehensive income for the period	-	6,001	6,001
Creation of units	333,457	-	333,457
Cancellation of units	(64,365)	-	(64,365)
At 31 December 2019	269,092	6,001	275,093

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

MAMG ASIA RISING STARS FUND

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 18 OCTOBER 2018 (DATE OF LAUNCH) TO 31 DECEMBER 2019

	18.10.2018 (date of launch) to 31.12.2019 USD
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES	
Net proceeds from sale of investments	61,592
Net payment for purchase of investments	(311,292)
Manager's fee paid	(1,709)
Trustee's fee paid	(37)
Advance received from Manager	121
Payment of other fees and expenses	(572)
Net cash used in operating and investing activities	<u>(251,897)</u>
CASH FLOWS GENERATED FROM FINANCING ACTIVITIES	
Proceeds from creation of units	333,234
Payments for cancellations of units	<u>(63,636)</u>
Net cash generated from financing activities	<u>269,598</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL PERIOD	17,701
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	-
Effects of foreign exchange	<u>(2,120)</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>15,581</u>

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

MAMG ASIA RISING STARS FUND

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 18 OCTOBER 2018 (DATE OF LAUNCH) TO 31 DECEMBER 2019

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

MAMG Asia Rising Stars Fund (the "Fund") was constituted pursuant to the execution of a Principal Deed dated 21 May 2018 between the Manager, Maybank Asset Management Sdn Bhd ("Maybank AM"), the Trustee, SCBMB Trustees Berhad and the registered holders of the Fund.

The Fund launched 5 classes of units i.e. MYR Class, USD Class, AUD Class, SGD Class and EUR Class.

The Fund aims to maximise investment return by investing at least 95% of the Fund's NAV in USD Class X (Acc.) shares of BNY Mellon Asia Rising Stars Fund ("Target Fund"), which is domiciled in Dublin, Ireland. The Target Fund is managed by BNY Mellon Global Management Limited ("Target Fund Manager"), which has appointed BNY Mellon Asset Management Japan Limited to manage the investment and reinvestment of the assets of the Target Fund.

The functional currency of the Target Fund is in US Dollar ("USD"), and the Shares of the Target Fund in which the Fund invests in are denominated in USD.

The Target Fund is a sub fund of the BNY Mellon Global Funds, plc, an open-ended umbrella type investment company established as a UCITS and domiciled in Ireland, which was launched on 10 January 2017. The Target Fund is regulated by the Central Bank of Ireland, relating to undertakings for collective investment.

The Manager of the Fund is Maybank AM, a company incorporated in Malaysia. It is a holder of the Capital Markets Services Licence with fund management as its regulated activity under the Capital Markets and Services Act 2007 ("CMSA"). The principal place of business of Maybank AM is at Level 12, Tower C Dataran Maybank, No. 1 Jalan Maarof, 59000 Kuala Lumpur, Malaysia. Maybank AM is a subsidiary of Maybank Asset Management Group Berhad ("MAMG"), which in turn is a subsidiary of Malayan Banking Berhad ("MBB").

The financial statements were authorised for issue by the Board of Directors of the Manager on 17 February 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance to Malaysian Financial Reporting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), the Deeds and any regulatory requirements.

MAMG ASIA RISING STARS FUND

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

2.1 Basis of preparation (cont'd)

The Fund had adopted the MFRS, Amendments to Standards and IC Interpretations which have become effective during the financial period from 18 October 2018 (date of launch) to 31 December 2019. The adoption of the new pronouncements did not result in any 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.

The financial statements are presented in United States Dollar ("USD").

2.2 Standards, amendments and interpretations 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 for annual periods beginning on or after
Revised Conceptual Framework for Financial Reporting	1 January 2020
Amendments to MFRS 3: <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 101 and MFRS 108: <i>Definition of Material</i>	1 January 2020
Amendments to MFRS 7, MFRS 9 and MFRS 139: <i>Interest Rate Benchmark Reform</i>	1 January 2020
MFRS 17: <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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.

MAMG ASIA RISING STARS FUND

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

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 of financial assets

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, and amount due from Manager as loans and receivable, and are subsequently measured at amortised cost. Investments in collective investment scheme are classified as FVTPL.

(ii) Financial assets at FVTPL

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

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.

MAMG ASIA RISING STARS FUND

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

2.4 Financial assets (cont'd)

(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 year, with any gains or losses arising on remeasurement recognised in profit or loss.

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

Dividend income on equity investments classified as FVTPL is disclosed separately in the profit or loss.

(iii) Impairment of financial assets

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

MAMG ASIA RISING STARS FUND

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

2.4 Financial assets (cont'd)

(iii) Impairment of financial assets (cont'd)

ECL is 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.

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.

MAMG ASIA RISING STARS FUND

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

2.5 Derecognition on financial assets

A financial asset is derecognised when:

- (1) The rights to receive cash flows from the asset have expired; or
- (2) The Fund has transferred its rights to receive cash flows from the financial asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement; and either:
 - the Fund has transferred substantially all the risks and rewards of the asset; or
 - the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the financial asset.

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.

2.6 Financial liabilities

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 Manager, amount due to Trustee, and other payables and accruals as other financial liabilities.

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 instruments.

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 interest rate method.

Derecognition

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

MAMG ASIA RISING STARS FUND

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

2.7 Fair value measurement

The Fund measures its financial instruments at fair value, at each reporting date of the Fund. 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 the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) 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 by the Fund.

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

All assets and liabilities 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.

- (i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- (ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- (iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities 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.

For the purpose of fair value disclosures, the Fund has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.8 Functional and foreign 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 United States Dollar ("USD"), which is also the Fund's functional currency.

MAMG ASIA RISING STARS FUND

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

2.9 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 year 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.

2.10 Distributions

Any distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where dividend is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' capital. A proposed dividend 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.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and deposits with a licensed financial institution with original maturity of three months or less which have an insignificant risk of changes in value.

2.12 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.

No deferred tax is recognised as no temporary differences have been identified.

MAMG ASIA RISING STARS FUND

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

2.13 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.

Dividend income is recognised when the right to receive is established.

Realised gain or loss on disposal of investments is accounted for as the difference between net disposal proceeds and the carrying amounts of the investments.

2.14 Segment information

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 allocating resources and assessing performance of the operating segments.

2.15 Critical accounting estimates and judgements

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 judgements 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 within the next financial year.

3. MANAGER'S FEE

Manager's fee is computed daily based on 1.80% per annum ("p.a.") of the NAV of each class of the Fund before deducting the Manager's fee and Trustee's fees for that particular day.

The Manager agreed to waive the Manager's fee from 1 August 2019.

MAMG ASIA RISING STARS FUND

4. TRUSTEE'S FEE

Trustee's fee is computed daily based on 0.02% p.a. of the NAV of the Fund before deducting the Manager's fee and Trustee's fee for that particular day, accrued daily in the Fund's base currency, USD, subject to a minimum fee of RM6,000 p.a.

The Trustee's fee will be borne by the Manager from 1 August 2019.

5. TAXATION

18.10.2018
(date of launch)
to
31.12.2019
USD

Current tax expense

-

Income derived from sources outside Malaysia are exempted from Malaysian income tax. However such income may be subject to tax in the country from which it is derived. Tax on dividend income from foreign quoted equities is based on the tax regime of the respective countries that the Fund invests in.

The tax charge for the financial period is in relation to the taxable income earned by the Fund after deducting the permitted expenses. 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 is as follows:

18.10.2018
(date of launch)
to
31.12.2019
USD

Net income before taxation

6,001

Tax at Malaysian statutory rate of 24%

1,440

Effects of income not subject to tax

(2,361)

Effect of expenses not deductible for tax purposes

921

Income tax expense for the period

-

MAMG ASIA RISING STARS FUND

6. FINANCIAL ASSETS AT FVTPL

(a) The details of the investment in collective investment scheme classified as FVTPL as at 31 December 2019 are as follows:

31.12.2019	Quantity	Total cost USD	Market value USD	% of NAV
BNY Mellon Asia Rising Stars Fund - USD Class X	239,058	248,735	261,840	95.18
Unrealised gain on FVTPL investment			13,105	

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

7. CASH AT BANK

The Fund has cash at bank denominated in the currencies as follows:

	31.12.2019 USD
Ringgit Malaysia ("MYR")	9,624
United States Dollars ("USD")	3,388
Australian Dollars ("AUD")	703
Singapore Dollars ("SGD")	744
Euros ("EUR")	1,122
	<u>15,581</u>

MAMG ASIA RISING STARS FUND

8. AMOUNT DUE FROM/TO MANAGER

	Note	31.12.2019 USD
Amount due from Manager is in respect of:		
- Advance from Manager	(i)	<u>318</u>
Amount due to Manager is in respect of:		
- Cancellation of units	(ii)	<u>689</u>

(i) The amount represents the net amount receivable from the Manager for reimbursement of certain operating expenses incurred by the Fund in the current financial period.

(ii) The amount represents the amount payable to the Manager for units cancelled by the unitholders.

The Manager agreed to waive the Manager's fee from 1 August 2019.

9. AMOUNT DUE TO TRUSTEE

Amount due to Trustee relates to the amount payable 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.

The Trustee's fee will be borne by the Manager from 1 August 2019.

10. OTHER PAYABLES AND ACCRUALS

Other payables and accruals comprise the following:

	31.12.2019 USD
Due to external auditors	1,409
Due to tax agent	548
	<u>1,957</u>

MAMG ASIA RISING STARS FUND

11. TOTAL EQUITY

	Note	31.12.2019 USD
Unitholders' capital	11(a)	269,092
Accumulated realised loss	11(b)	(4,576)
Accumulated unrealised gain	11(c)	10,577
		<u>275,093</u>

(a) Unitholders' capital

The units are distributed based on the following share classes:

	31.12.2019	
	No. of units	USD
(i) MYR Class	272,894	59,623
(ii) USD Class	227,968	206,882
(iii) AUD Class	1,000	713
(iv) SGD Class	1,000	725
(v) EUR Class	1,000	1,149
	<u>503,862</u>	<u>269,092</u>

(i) MYR Class

	18.10.2018 (date of launch) to 31.12.2019	
	Units	RM
As at beginning of the financial period	-	-
Creation of units	583,539	123,988
Cancellation of units	(310,645)	(64,365)
As at end of the financial period	<u>272,894</u>	<u>59,623</u>

(ii) USD Class

As at beginning of the financial period	-	-
Creation of units	227,968	206,882
As at end of the financial period	<u>227,968</u>	<u>206,882</u>

(iii) AUD Class

As at beginning of the financial period	-	-
Creation of units	1,000	713
As at end of the financial period	<u>1,000</u>	<u>713</u>

MAMG ASIA RISING STARS FUND

11. TOTAL EQUITY (CONT'D)

(a) Unitholders' capital (cont'd)

(iv) SGD Class

	18.10.2018 (date of launch) to 31.12.2019	
	Units	RM
As at beginning of the financial period	-	-
Creation of units	1,000	725
As at end of the financial period	<u>1,000</u>	<u>725</u>

(v) EUR Class

As at beginning of the financial period	-	-
Creation of units	1,000	1,149
As at end of the financial period	<u>1,000</u>	<u>1,149</u>

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

	31.12.2019	
	No. of units	Value at NAV
The Manager (MYR Class)	<u>1,000</u>	<u>RM 897</u>
The Manager (USD Class)	<u>1,000</u>	<u>USD 934</u>
The Manager (AUD Class)	<u>1,000</u>	<u>AUD 953</u>
The Manager (SGD Class)	<u>1,000</u>	<u>SGD 917</u>
The Manager (EUR Class)	<u>1,000</u>	<u>EUR 960</u>

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 other units held by the Manager or parties related to the Manager.

MAMG ASIA RISING STARS FUND

11. TOTAL EQUITY (CONT'D)

(b) Accumulated realised loss

	18.10.2018 (date of launch) to 31.12.2019 USD
At the beginning of the financial period	-
Net realised loss for the financial period	<u>(4,576)</u>
At the end of the financial period	<u>(4,576)</u>

(c) Accumulated unrealised gain

	18.10.2018 (date of launch) to 31.12.2019 USD
At the beginning of the financial period	-
Net unrealised gain for the financial period	<u>10,577</u>
At the end of the financial period	<u>10,577</u>

(d) Classes of shares

(i) Types of classes of units

The Fund issues cancellable units, in five classes of units as detailed below:

Classes of units	Currency denomination
MYR	RM
USD	USD
AUD	AUD
SGD	SGD
EUR	EUR

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

MAMG ASIA RISING STARS FUND

11. TOTAL EQUITY (CONT'D)

(d) Classes of shares

(ii) NAV computation

The computation of NAV of the Fund is based on the Fund's functional currency, USD, 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 of units by unitholders

These units are redeemable at the unitholder's option. Redeemable 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.

12. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

For the purpose of the 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 may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the financial statements, the following is the significant related party transaction and balances of the Fund during the period.

Effective 1 August 2019, all expenses chargeable to the Fund will be borne by the Manager.

The Manager is of the opinion that the transactions with the related parties have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

In addition to the related party information disclosed elsewhere in the financial statements, there are no other related party transactions and balances of the Fund.

MAMG ASIA RISING STARS FUND

13. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of the sum of total expenses incurred by the Fund to the daily average NAV of the Fund. For the financial period from 18 October 2018 (date of launch) to 31 December 2019, the MER of the Fund stood at 2.17%.

14. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial period to the daily average NAV of the Fund from 18 October 2018 (date of launch) to 31 December 2019, the PTR of the Fund stood at 1.05 times.

15. SEGMENT INFORMATION

The Portfolio Management Committee (the "PMC") of the Manager, being the chief operating decision-maker, makes the strategic decisions on the resources allocation of the Fund. The decisions are based on an integrated investment strategy to ensure the Fund achieve its targeted return with an acceptable level of risk within the portfolio.

The PMC of the Manager is responsible for the Fund's performance by investing at least 95% of the Fund's NAV in the shares of the Target Fund and the remaining 2% to 5% of the Fund's NAV in liquid assets.

As the Fund is a feeder fund, the Target Fund Manager is the ultimate decision-maker on the investment strategy to ensure the Target Fund achieves its targeted return with an acceptable level of risk within the portfolio.

The internal reporting for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS.

There were no changes in the reportable operating segments during the financial period.

MAMG ASIA RISING STARS FUND

16. TRANSACTION WITH BROKERS

The Manager enters into contract directly with the Target Fund Manager to subscribe or redeem its investments in the Target Fund.

17. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

(a) Classification of financial instruments

The Fund's financial assets and financial liabilities were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The significant accounting policies in Note 2.3 to Note 2.15 to the financial statements describe how the classes of financial instruments are measured and how income and expenses are recognised.

The following table analyses the financial assets and liabilities (excluding tax-related matters) of the Fund in the statement of financial position as at the reporting date by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
31.12.2019				
Assets				
Financial assets at FVTPL	261,840	-	-	261,840
Amount due from Manager	-	318	-	318
Cash at bank	-	15,581	-	15,581
Total financial assets	<u>261,840</u>	<u>15,899</u>	<u>-</u>	<u>277,739</u>
Liabilities				
Amount due to Manager	-	-	689	689
Amount due to Trustee	-	-	-	-
Other payables and accruals	-	-	1,957	1,957
Total financial liabilities	<u>-</u>	<u>-</u>	<u>2,646</u>	<u>2,646</u>

MAMG ASIA RISING STARS FUND

17. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (CONT'D)

(b) Financial instruments that are carried at fair value

The Fund's investment in the collective investment scheme is carried at fair value. The fair value of the collective investment scheme is determined by reference to its last published NAV per unit at the reporting date.

(c) 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).

31.12.2019	Level 1 RM	Level 2 RM	Level 3 RM
Financial assets at FVTPL	261,840	-	-

(d) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximations of fair value

Other than its investments at FVTPL, the Fund's financial instruments were not carried at fair value but their carrying amounts were reasonable approximations of fair value due to their short-term maturity.

18. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Introduction

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks. Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Deed, the SC'S Guidelines on Unit Trust Funds and CMSA.

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

(b) Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables such as equity prices. The maximum risk resulting from financial instruments equals their fair value. The market risk is managed through consistent monitoring and swift response to various factors that may adversely affect the Fund.

(i) Interest rate risk

Cash at bank is sensitive to movements in interest rates. When interest rates rise, the return on cash will rise while the value of investments will fall and vice versa, thus affecting the NAV of the Fund. The sensitivity to interest rate changes are normally greater for longer tenured securities when compared to shorter tenured securities.

(ii) Price risk

Price risk is the risk of unfavourable changes in the fair values of investments as the result of changes in market prices (other than those arising from interest rate risk and currency risk). The price risk exposure arises primary from the Fund's investments in shares of the Target Fund.

Price risk sensitivity

Management's best estimate of the effect on the Fund's NAV due to a reasonably possible change in price, with all other variables held constant is indicated in the table below:

	31.12.2019	
	Changes in price %	Effects on NAV Increase/ (Decrease) USD
Investment in collective investment scheme	+5 -5	13,092 (13,092)

The impact to profit after taxation and NAV is expected to be the same.

(iii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Manager did not enter into any hedging instruments (e.g. forward currency contracts) to hedge the foreign currency exposure of the Fund.

MAMG ASIA RISING STARS FUND

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

(b) Market risk (cont'd)

(iii) Currency risk (cont'd)

The base currency of the Fund is USD. As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between USD and the currencies in which the Fund's assets are denominated in may have an impact on the fair value of the Fund's assets. If the currencies in which the assets are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment and of the Fund.

The Fund is a multi-class Fund. The impact of the exchange rate movement between USD and the foreign currency of MYR, AUD, SGD and EUR Class, may result in a depreciation of the unitholders' investment in the Fund as expressed in USD.

The table below analyses the net positions of the Fund's financial assets and financial liabilities, which are exposed to foreign exchange risk as at 31 December 2019:

31.12.2019

Financial assets	EUR USD	MYR USD	TOTAL USD
Cash at bank	1,122	9,624	10,746

As the Fund's exposure to AUD and SGD are insignificant, the Fund did not disclose the sensitivity analysis arising from its exposure to both these currencies.

The following table summarises the sensitivity of the Fund's net on-balance sheet open position to movements in the exchange rates. The analysis calculated the effect of a reasonably possible movement of the currency rate against USD on the Fund's NAV with all other variables held constant.

	31.12.2019	
	Change in exchange rates %	Effects on NAV Increase/ (decrease) USD
EUR/USD	+5%	56
	-5%	(56)
MYR/USD	+5%	481
	-5%	(481)

The impact to profit after taxation and NAV is expected to be the same.

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

(c) Credit risk

Credit risk is the risk that the issuer/counterparty to a financial instrument will default on its contractual obligation resulting in a financial loss to the Fund. The Fund is exposed to the risk of credit-related losses that can occur as a result of an issuer/counterparty's inability or unwillingness to honour its contractual obligations to make timely repayments of interest, principal and proceeds from realisation of investments. These credit exposures exist within financing relationships and other transactions.

The Manager manages the Fund's credit risk by undertaking credit evaluation and close monitoring of any changes to the issuer/counterparty's credit profile to minimise such risk. It is the Fund's policy to enter into financial instruments with reputable counterparties. The Manager also closely monitors the creditworthiness of the Fund's other counterparties (e.g. brokers, custodian, banks, etc.) by reviewing their credit ratings and credit profile on a regular basis.

(i) Credit risk exposure

At the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the statement of financial position. None of the Fund's financial assets were past due or impaired as at the reporting date.

(ii) Credit quality of financial assets

The Fund maintains its cash at bank with a financial institution with 'AAA' rating. The rating is obtained from RAM Holdings Bhd's official website.

(d) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected.

The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unitholders by the Manager are redeemable at the unitholders' option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Deed. It is the Fund's policy that the Manager monitors the Fund's liquidity position on a daily basis. The Fund also manages its obligation to redeem units when required to do so.

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

(d) Liquidity risk (cont'd)

The Manager's policy is to always maintain a prudent and sufficient level of liquid assets so as to meet normal operating requirements and expected redemption requests by unitholders. Liquid assets comprise of cash and other instruments which are capable of being converted into cash within 7 days.

The following table summarises the maturity profile of the Fund's financial assets, liabilities and unitholders' capital to provide a complete view of the Fund's contractual commitments and liquidity. The Fund's financial assets and financial liabilities have been included in the "less than 1 month" category and the impact of discounting is insignificant.

31.12.2019	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial assets at FVTPL	261,840	-	261,840
Amount due from Manager	318	-	318
Cash at bank	15,581	-	15,581
Total undiscounted financial assets	277,739	-	277,739
Financial liabilities and unitholders' equity			
Amount due to Manager	689	-	689
Amount due to Trustee	-	-	-
Other payables and accruals	1,957	-	1,957
Unitholders' equity	275,093	-	275,093
Total undiscounted financial liabilities and unitholders' equity	277,739	-	277,739
Liquidity surplus/(gap)	-	-	-

Notes:

(i) Financial assets

Financial assets at FVTPL is categorised as "less than 1 month", as the Fund could partly or fully redeem its investment in the shares of the Target Fund with the proceeds of the redemption to be paid within ten (10) business days from the date of request. The investments have no contractual maturity as the Target Fund is an open-ended collective investment scheme.

For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting date to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

MAMG ASIA RISING STARS FUND

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

(d) Liquidity risk (cont'd)

Notes: (cont'd)

(ii) Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

(iii) Unitholders' capital

As unitholders could request for redemption of their units within ten calendar days from transaction date, unitholders' equity has been categorised as having a maturity of "less than 1 month".

As a result, it appears that the Fund has a liquidity gap within "less than 1 month". However, the Fund believes that it would be able to liquidate its investments should the need arise to satisfy all the redemption requirements.

As at 31 December 2019, the Fund has no liquidity gap or surplus.

19. 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 returns better 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.

20. COMPARATIVE

There are no comparative figures presented as this is the Fund's first reporting period since the Fund was launched on 18 October 2018.