



Maybank
Asset Management

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MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

Annual report
For the financial year ended 31 January 2020

CORPORATE INFORMATION

MANAGER

Maybank Asset Management Sdn Bhd (199701006283 (421779-M))

BUSINESS OFFICE

Level 12 Tower C

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No. 1 Jalan Maarof

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EXTERNAL INVESTMENT MANAGER

Maybank Islamic Asset Management Sdn Bhd (201301012623 (1042461-K))

Level 12, Tower C, Dataran Maybank

No. 1 Jalan Maarof

59000 Kuala Lumpur

TRUSTEE

TMF Trustees Malaysia Berhad (610812-W)

10th Floor, Menara Hap Seng

No. 1 & 3, Jalan P. Ramlee

50250 Kuala Lumpur

SHARIAH ADVISER

Amanie Advisors Sdn Bhd (684050-H)

Level 13A-2, Menara Tokio Marine Life

189 Jalan Tun Razak

50400 Kuala Lumpur

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

Manager's report

For the financial year ended 31 January 2020

A. Fund Information

1. Name of the Fund

Maybank AsiaPac ex-Japan Equity-I Fund (the "Fund")

2. Type of Fund

Growth

3. Category of Fund

Equity (Shariah)

4. Duration of the Fund

The Fund is a open-ended fund.

5. Fund launch date / Commencement date

8 January 2014 / 23 February 2014

6. Fund's investment objective

The Fund aims to achieve capital growth over the long term by investing in Shariah-compliant equities.

7. Fund distribution policy

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

8. Fund's performance benchmark

MSCI AC Asia Pacific Islamic ex-Japan Index

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

The Fund invests between 70% to 98% of the Fund's NAV in Shariah-compliant equities listed or traded in the Asia Pacific ex-Japan markets. The Fund will also invest between 2% to 30% of the Fund's NAV in Shariah-compliant liquid assets including Shariah-compliant money market instruments and placement in Shariah-compliant deposits.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

Manager's report

For the financial year ended 31 January 2020 (cont'd)

A. Fund Information (cont'd)

10. Net income distribution for the financial year ended 31 January 2020

The Fund distributed a total net income of RM9,576,047 to unitholders for the financial year ended 31 January 2020.

Below are details of distributions made during the financial year:

Distribution date	Gross distribution per unit (sen)	Net distribution per unit (sen)
30 January 2020	10.00	10.00

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

Distribution date	Before distribution RM	After distribution RM	Changes %
30 January 2020	1.1827	1.0827	(8.46)

11. Breakdown of unitholdings by size

Fund size

As at 31 January 2020, the size of the Fund was 95,248,006 units.

Breakdown of unitholdings as at 31 January 2020

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	11.12	-	-
5,001 to 10,000 units	2	22.22	5	0.01
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	3	33.33	1,313	1.05
500,001 units and above	3	33.33	* 93,930	98.94
Total	9	100.00	95,248	100.00

* Represent units held under Institutional Unit Trust Scheme Advisers ("IUTAs").

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

Manager's report

For the financial year ended 31 January 2020 (cont'd)

B. Performance Review

1. Key performance data of the Fund

Category	FY2020	FY2019	FY2018
Portfolio Composition (%)			
Quoted equities - Local	5.98	4.99	4.46
- Consumer Products & Services	1.29	-	-
- Construction	0.83	-	-
- Energy	3.03	3.12	2.82
- Finance	0.83	-	-
- Healthcare	-	0.82	-
- Industrial Products & Services	-	1.05	0.66
- Utilities	-	-	0.98
Quoted equities - Foreign	89.12	91.72	68.79
- Australia	13.01	10.70	8.39
- China	-	-	1.52
- Hong Kong	19.02	23.75	14.19
- India	7.09	5.17	4.87
- Indonesia	6.71	9.33	3.10
- South Korea	18.17	19.51	17.38
- Philippines	-	2.12	1.32
- Singapore	1.77	3.50	3.12
- Thailand	1.25	2.83	0.96
- Taiwan	8.19	3.76	2.78
- United States of America	13.91	11.05	11.16
Shariah non-compliant quoted equities	0.71	-	-
Cash and other net assets (%)	4.19	3.29	26.75
Total (%)	100.00	100.00	100.00
NAV (RM'000)	103,121	124,093	115,648
Units in circulation (units'000)	95,248	105,817	85,652
NAV per unit (RM)	1.0827	1.1727	1.3502
Highest NAV per unit (RM)	1.2675	1.3946	1.4190
Lowest NAV per unit (RM)	1.0827	1.0483	1.2388
Annual return (%) ⁽¹⁾			
- Capital growth (%)	(7.66)	(13.11)	8.93
- Income distribution (%)	9.24	8.91	7.59
Total return (%)	0.87	(5.37)	17.20
Benchmark (%)	3.88	9.73	21.92

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

Manager's report

For the financial year ended 31 January 2020 (cont'd)

B. Performance Review (cont'd)

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

Category	FY2020	FY2019	FY2018
Distribution (RM)	9,576,047	9,651,983	1,176,022
Distribution date	30.01.2020	31.07.2018	30.08.2017
Gross distribution per unit (sen)	10.00	11.08	10.81
Net distribution per unit (sen)	10.00	11.00	10.00
Management Expense Ratio ("MER") (%)	1.66	1.73	2.19
Portfolio Turnover Ratio ("PTR") (times)	0.59	0.70	1.49

Note:

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

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.

2. Performance of the Fund up to 31 January 2020

Category	1 year to 31.01.2020 %	3 years to 31.01.2020 %	5 years to 31.01.2020 %
Capital growth	(7.66)	(12.60)	3.55
Income distribution	9.24	28.81	28.81
Total return of the Fund	0.87	12.58	33.38
Benchmark	3.88	14.32	34.01
Average total return	0.87	4.03	5.93

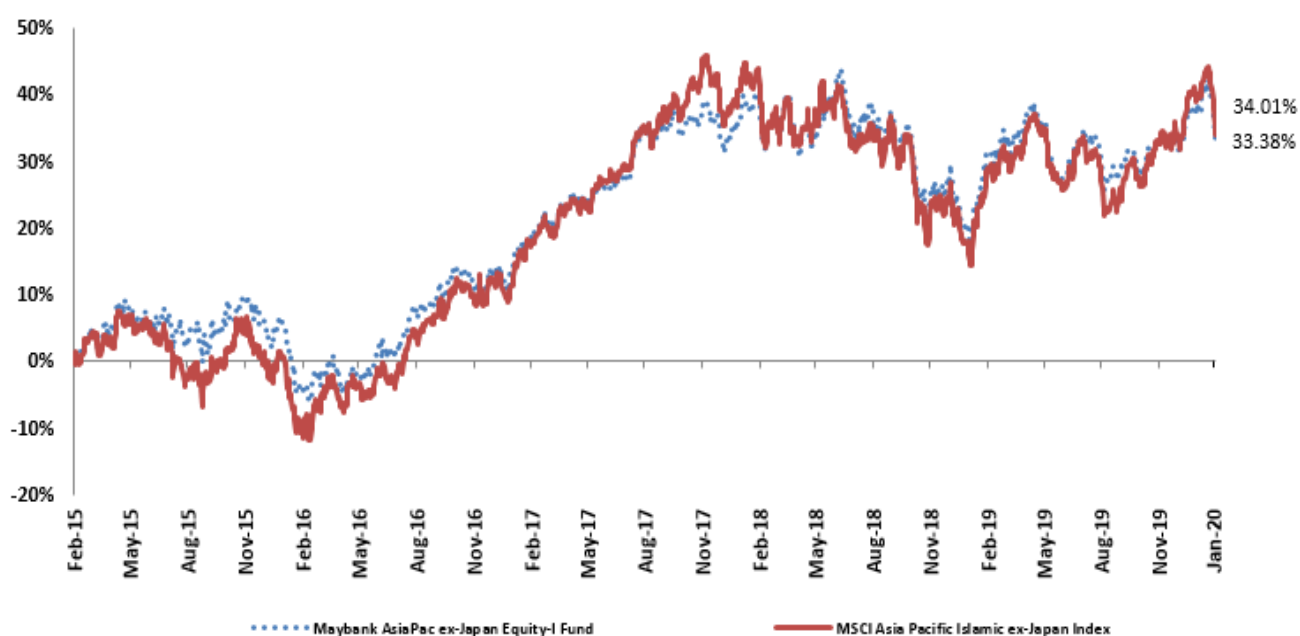
MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

Manager's report

For the financial year ended 31 January 2020 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund up to 31 January 2020 (cont'd)



Source: Lipper, as at 31 January 2020

Has the Fund met its objective?

For the one year period under review, the Fund declared distribution of 10 sen and registered a total return for the Fund of 0.87%. Meanwhile, the benchmark was up by 3.88%. The Fund did not meet its objective of capital growth for the financial year, however, for longer term period of 5-year, the Fund has met its objective.

Positions in Malaysia and Singapore contributed positively towards the Fund's position against the benchmark. Meanwhile, investments in Indonesia, Australia, India and South Korea impacted our performance versus the benchmark as the benchmark constituents in these countries performed well. In addition, due to single stock limit of 10%, the Fund was unable to match the benchmark weight of ~15% in Alibaba which resulted in underperformance against the benchmark since Alibaba rose 22.6% during the financial year.

3. Annual total return of the Fund

Category	2020 %	2019 %	2018 %	2017 %	2016 %
Annual total return	0.87	(5.37)	17.20	23.67	(4.20)
Benchmark	3.88	9.73	21.92	29.33	(9.37)

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

Manager's report

For the financial year ended 31 January 2020 (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	=	Income distribution per unit / NAV per unit ex-date
Total return	=	(1+Capital return) x (1+Income return) - 1

C. Market Review

During the period under review, equity markets registered mixed performance. Most developed markets registered stellar returns for the period, with Dow Jones and S&P500 registered returns of 13.03% and 19.28% respectively for the period despite the sharp fall in May 2019. Meanwhile, Euro Stoxx 50 and German Daxx registered returns of 15.24% and 16.19% respectively. Japan's Nikkei was also up by 11.71%. For emerging Asia, North Asia registered better returns than Asean with Taiwan, Shanghai, India registering positive returns of 15.73%, 15.17% and 10.44% (all in local currency terms). Meanwhile, the rest of Asia equities market registered negative returns in local currency terms, with the Philippines (-10.07%) registering the worst return, followed by Indonesia (-9.08%), Malaysia (-9.06%), Thailand (-7.77%), Hong Kong (-5.82%), South Korea (-3.89%), and Singapore (-1.14%).

Although the equity markets were broadly up in the first few months of 2019, markets were volatile as the trade deal between the United States ("US") and China remains an impasse as any discussion on trade negotiations are subsequently followed by trade threats. In May 2019, US announced its plan of increasing tariff on USD200 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 US Dollar ("USD") 60bn 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, President 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 whitelist of trusted trade partners and anti-government protests happening in Hong Kong.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

Manager's report

For the financial year ended 31 January 2020 (cont'd)

C. Market Review

Meanwhile the year 2020 initially started off with a bang with momentum from 2019 propelling equity markets up. Better macroeconomic data helped with many manufacturing indicators showing signs of bottoming. Generally good results from technology companies like Apple, Texas Instruments and Taiwan Semiconductor also provided a boost. Markets rose to as much as 5% up at one point. However, towards the end of the month there was a sharp reversal as a new coronavirus originating from the city of Wuhan in China started spreading. This virus is similar to SARS (Severe Acute Respiratory Syndrome in 2003) and was first detected in December 2019. There are fears that the Wuhan Coronavirus will continue spreading and become a pandemic, hurting businesses and consumer sentiment.

Domestically, the large cap FTSE Bursa Malaysia ("FBM") Kuala Lumpur Composite Index ("KLCI") Index closed -9.06% for the period, while the broader market FBM Emas Index also posted a loss of 6.61%. The local market failed to see strong rally in early 2019 as compared to its peers due to the lack of catalyst and overhang on the political uncertainties as well as government policies. However, the FBM Emas Shariah Index managed to register a marginal gain of 0.001% for the period, mainly contributed by the small cap components of the index. For the period, foreign funds have taken out RM10.7bn net worth of equities with a strong outflow in the month of March 2019 to May 2019 and August 2019. Fund flow reversed in June 2019 at +RM0.1bn but in the subsequent months, foreigners continue to sell off their positions, ending with a net outflow for the financial year.

Recently, Budget 2020 was announced in October 2019 and was deemed mildly positive to the market as there were lesser negative surprises, contrary to market's expectation. Key winners in the budget were the technology (tax incentives to promote Electrical and Electronics ("E&E") industry), property (measures to clear unsold units) and auto (fuel targeted subsidy programme and toll reduction) sectors. Key losers were the Number Forecast Operators ("NFO") players (on fewer draw days) and manufacturing & services sectors which are exposed to higher minimum wages imposed in major cities.

Earnings continue to see absolute downward revisions following the release of third quarter 2019 corporate results in November 2019, however investors were generally less discontent due to the already low expectations and higher number of companies that managed to beat expectations. Positive surprises mainly came from small and mid cap companies, while large caps continue to disappoint, with the exception of Sime Darby Berhad, Genting Group and Malaysia Airports Holdings Berhad. In terms of sectors, as compared to second quarter earnings season, disappointments came from Oil & Gas, Telecommunication, Gaming and Transportation sectors.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

Manager's report

For the financial year ended 31 January 2020 (cont'd)

D. Market Outlook & Strategy

Going forward, we anticipate that markets are likely to move upwards going forward, however the path to achieving this return throughout the year may be a bumpy one. Entering into 2020, we started off positive on Asian equities with the prospect of a partial US-China trade deal and supported by still-ample liquidity. Low yields further support the attractiveness of equity relative to fixed income. However, the novel coronavirus outbreak has introduced fresh uncertainty in markets. 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. From second quarter onwards however, uncertainty regarding upcoming US Presidential elections could begin to impact markets. Although President Donald Trump has recently announced that the US will be finalizing a trade deal with China soon, the situation continues to be fluid and unpredictable. We expect markets to remain volatile in 2020 thereby necessitating nimble trading.

For the period under review, in terms of strategy we were quite defensive in terms of our equity holdings and held more cash from time to time. The Fund was overweight Asean especially Indonesia, and underweight North Asia. In the short term, we are de-risking the portfolio by raising cash and reducing exposure to cyclical sectors. We are monitoring the novel coronavirus outbreak closely with a view to buying once the epidemic shows signs of stabilization. Within ASEAN, we continue to overweight Singapore given still-decent dividend yields and expectations of a generous budget in the run-up to general elections. Likewise, we overweight the Philippines given the spill-over into 2020 from unspent 2019 government budget and relatively inexpensive valuations. We remain underweight Thailand given its weak economic prospects. We are neutral on Malaysia and Indonesia.

Newly formed Malaysian government since Pilihan Raya Umum 14 ("PRU14"), Pakatan Harapan ("PH") lost their governing power after one of the main party, Parti Pribumi Bersatu Malaysia ("PPBM") has pulled out from the coalition and the Prime Minister resigned. This has heightened the uncertainty and volatility for both equities and fixed income markets. Investors are concerns on the stability of the future government and how it will be formed i.e. another coalition or snap election. Our Fund positioning of having slightly higher cash recently should benefit from these uncertainties as it cushion the downside risk and provide opportunistic trade in the market. Beyond the short term volatility, we should expect market to come to senses and back to normal growth trajectory.

E. 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 systems incidental to investment management of the Fund. All dealings with broker are executed on best available terms.

During the financial year ended 31 January 2020, one of the Manager's delegate, Maybank Islamic Asset Management Sdn Bhd ("MIAM") received soft commission in the form of research and advisory services that assist in the decision making process. The Manager and other delegates did not receive any soft commissions and debates from brokers and/or dealers.

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2020

We have acted as Trustee of Maybank AsiaPac ex-Japan Equity-I Fund (the "Fund") for the financial year ended 31 January 2020. 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 Deed, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) Valuation and pricing has been carried out in accordance with the Deeds and relevant regulatory requirements;
- (c) Creation and cancellation of units have been carried out in accordance with the Deeds and relevant regulatory requirements; and
- (d) The distribution of returns for the year are tied to and reflect the objectives of the Fund.

For and on behalf of
TMF Trustees Malaysia Berhad
(Company No: 200301008392/ 610812-W)

Norhayati Binti Azit
Director - Fund Services

Kuala Lumpur, Malaysia
12 March 2020

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2020**

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 Maybank AsiaPac ex-Japan Equity-I Fund as at 31 January 2020 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
12 March 2020

REPORT OF THE SHARIAH ADVISER

TO THE UNITHOLDERS OF MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2020

We have acted as the Shariah Adviser of the Maybank AsiaPac ex-Japan Equity-I Fund (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 on Shariah matters for the financial year ended 31 January 2020.

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"), the Shariah Advisory Council of Bank Negara Malaysia ("SACBNM"), Majelis Ulama Indonesia ("MUI") or any Shariah indices recognized internationally including but not limited to the MSCI Islamic Index Series ("MIIS"), as the case may be. Any unlisted securities which are not certified by the SACSC, SACBNM, MUI or MIIS shall be determined in accordance with the ruling issued by the Shariah Adviser.

There is an exception where Trip.com International Ltd (formerly known as Ctrip.com International Ltd) was reclassified to Shariah non-compliant by the Shariah Adviser effective 1 June 2019. This investment was purchased when it was under the list of Shariah-compliant securities and hence, the Manager is allowed to hold both these securities until the cost is recovered.

This report is made solely to the unitholders of the Fund, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report and we shall not be liable for any errors or non-disclosure on the part of the Manager.

For and on behalf of the Shariah Adviser of the Fund

Datuk Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur, Malaysia
12 March 2020

Independent auditors' report to the Unitholders of Maybank AsiaPac ex-Japan Equity-I Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank AsiaPac ex-Japan Equity-I Fund (the "Fund"), which comprise the statement of financial position as at 31 January 2020 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 16 to 56.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the as at 31 January 2020, 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 AsiaPac ex-Japan Equity-I Fund (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 AsiaPac ex-Japan Equity-I Fund (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 AsiaPac ex-Japan Equity-I Fund (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 PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Yeo Beng Yean
03013/10/2020 J
Chartered Accountant

Kuala Lumpur, Malaysia
12 March 2020

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2020**

	Note	2020 RM	2019 RM
INVESTMENT INCOME			
Dividend income	4	2,989,505	3,282,574
Profit income	16	403,504	309,681
Net gain/(loss) on financial assets at fair value through profit or loss ("FVTPL")	8(d)		
- Realised loss		(2,758,895)	(270,046)
- Unrealised gain/(loss)		7,128,435	(5,802,829)
Net (loss)/gain on foreign exchange	3	(3,437,101)	275,806
Rebate and other income		746	2,923
		<u>4,326,194</u>	<u>(2,201,891)</u>
EXPENSES			
Manager's fee	5	2,020,860	1,849,607
Trustee's fee	6	80,835	73,984
Auditors' remuneration		10,000	10,000
Tax agent's fee		14,687	45,047
Shariah advisory fee		18,000	15,500
Brokerage and other transaction costs		411,677	260,735
Administrative expenses		85,309	134,074
		<u>2,641,368</u>	<u>2,388,947</u>
Net income/(loss) before tax		1,684,826	(4,590,838)
Taxation	7	(317,679)	(341,456)
Net income/(loss) after tax		<u>1,367,147</u>	<u>(4,932,294)</u>
Net income/(loss) after tax is made up of the following:			
Net realised loss		(1,773,885)	(1,575,656)
Net unrealised gain/(loss)		3,141,032	(3,356,638)
		<u>1,367,147</u>	<u>(4,932,294)</u>
Distributions for the financial year			
Net distributions	18	9,576,047	9,651,983
Gross distribution per unit (sen)	18	10.00	11.08
Net distribution per unit (sen)	18	10.00	11.00
Distribution date (ex-date)	18	30 January 2020	31 July 2018

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

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2020**

	Note	2020 RM	2019 RM
ASSETS			
Financial assets at FVTPL	8	98,800,926	119,995,767
Shariah compliant deposits with a licensed Islamic financial institution	9	2,275,690	1,157,029
Amount due from brokers	10	-	2,051,922
Other receivables	11	173,253	301,633
Amount due from Manager	12	2,602,683	23,075
Cash at bank	13	12,193,506	3,726,577
TOTAL ASSETS		<u>116,046,058</u>	<u>127,256,003</u>
LIABILITIES			
Amount due to Manager	12	3,275,732	3,017,111
Amount due to Trustee	14	6,294	6,188
Distribution payable		9,576,047	-
Other payables and accruals	15	67,209	139,496
TOTAL LIABILITIES		<u>12,925,282</u>	<u>3,162,795</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>103,120,776</u>	<u>124,093,208</u>
EQUITY			
Unitholders' capital	17(a)	99,485,729	121,825,308
Retained earnings	17(b) & (c)	3,635,047	2,267,900
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>103,120,776</u>	<u>124,093,208</u>
NUMBER OF UNITS IN CIRCULATION	17(a)	<u>95,248,006</u>	<u>105,817,145</u>
NAV PER UNIT		<u>1.0827</u>	<u>1.1727</u>

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

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2020**

	Unitholders' capital Note 17(a) RM	Retained earnings Note 17(b) and (c) RM	Total equity RM
At 1 February 2018	108,063,533	7,584,027	115,647,560
Total comprehensive loss for the financial year	-	(4,932,294)	(4,932,294)
Creation of units	60,439,023	-	60,439,023
Reinvestment of units	9,651,983	-	9,651,983
Cancellation of units	(47,061,081)	-	(47,061,081)
Distribution (Note 18)	(9,268,150)	(383,833)	(9,651,983)
At 31 January 2019	<u>121,825,308</u>	<u>2,267,900</u>	<u>124,093,208</u>
At 1 February 2019	121,825,308	2,267,900	124,093,208
Total comprehensive income for the financial year	-	1,367,147	1,367,147
Creation of units	61,420,418	-	61,420,418
Cancellation of units	(74,183,950)	-	(74,183,950)
Distribution (Note 18)	(9,576,047)	-	(9,576,047)
At 31 January 2020	<u>99,485,729</u>	<u>3,635,047</u>	<u>103,120,776</u>

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

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2020**

	2020	2019
	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from disposal of FVTPL financial assets	92,904,999	69,872,764
Net payment for purchase of FVTPL financial assets	(68,179,072)	(112,156,799)
Profit income received	406,647	313,286
Net dividend received	2,846,862	2,827,204
Manager's fees paid	(2,018,213)	(1,859,608)
Trustee's fees paid	(80,729)	(74,384)
Net tax paid on dividend received from foreign countries	(38,024)	(14,007)
Other income received	3,643	-
Payment to charitable bodies for purification of income	(108,244)	-
Payment of other fees and expenses	(121,539)	(277,869)
Net cash generated from/(used in) from operating and investing activities	<u>25,616,330</u>	<u>(41,369,413)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	58,840,810	66,111,722
Cash paid on units cancelled	(73,927,976)	(49,222,668)
Net cash (used in)/generated from financing activities	<u>(15,087,166)</u>	<u>16,889,054</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR		
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	10,529,164	(24,480,359)
Effect of foreign exchange	(943,574)	(413,427)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>14,469,196</u>	<u>4,883,606</u>
Cash and cash equivalents comprise of:		
Cash at bank (Note 13)	12,193,506	3,726,577
Shariah-compliant deposit with financial institution with maturity of less than 3 months (Note 9)	2,275,690	1,157,029
	<u>14,469,196</u>	<u>4,883,606</u>

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

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2020

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank AsiaPac Ex-Japan Equity-I Fund (the "Fund") was constituted pursuant to the execution of a Trust Deed dated 14 December 2012, a First Supplemental Deed dated 20 March 2015 and a Second Supplemental Deed dated 10 December 2015 between the Manager, Maybank Asset Management Sdn Bhd ("Maybank AM"), the Trustee, TMF Trustees Malaysia Berhad and the registered unitholders of the Fund. The Deed and Supplemental Deeds are collectively referred to as 'Deeds'.

The principal activity of the Fund is to invest between 70% to 98% of the Fund's NAV in Shariah-compliant equities listed or traded in the Asia Pacific ex-Japan markets. The Manager will also invest between 2% to 30% of the Fund's NAV in Shariah-compliant liquid assets including Shariah-compliant money market instruments and placement in Shariah-compliant deposits.

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

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

The role 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 Maybank AM.

The financial statements were authorised for issue by the Board of Directors ("Directors") of the Manager in accordance with a resolution of the Directors on 12 March 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with 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.

The Fund has adopted the MFRS, Amendments to Standards and Interpretation Committee ("IC") Interpretations which have become effective during the financial year ended 31 January 2020. The adoption of the above did not result in material impact to the financial statements.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation (cont'd)

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

2.2 Standards issued but not yet effective

The following are Standards and Amendments to Standards 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
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 and amendments to 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.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I 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) Financial assets at amortised cost

Classification

The Fund classifies cash and cash equivalents, amount due from brokers, amount due from Manager and other receivables as financial assets at amortised cost, and are subsequently measured at amortised cost.

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 profit 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.

(ii) Financial assets at FVTPL

Investments in quoted equities 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.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I 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 period, with any gains or losses arising on remeasurement recognised in profit or loss.

Dividend income on quoted equities as at 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. The impairment model does not apply to equity investments.

ECL is a probability-weighted estimate of credit losses. It is 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.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

2.4 Financial assets (cont'd)

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

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 profit 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 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.

On derecognition of financial asset at amortised cost, gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

2.5 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, distribution payable and other payables and accruals as other financial liabilities.

Recognition and measurement

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

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.

2.6 Fair value measurement

The Manager measures the Fund's 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

2.6 Fair value measurement (cont'd)

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.

2.7 Functional and foreign currency

(a) 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, which is also the Fund's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions or valuations where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period/year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

2.8 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:

- (i) the units entitle the holder to a proportionate share of the Fund's NAV;
- (ii) the units are the most subordinated class and class features are identical;
- (iii) there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- (iv) 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 reporting date if unit holder exercises the right to put the unit back to the Fund.

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

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

2.9 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 period 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.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and Shariah-compliant deposit with licensed Islamic financial institutions with original maturity of three months or less which have an insignificant risk of changes in value.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

2.11 Revenue/ Income

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

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

Profit income is recognised using the effective profit method.

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

Other income (e.g. Rebate income) is recognised on an accrual basis when the right to receive has been established.

Any purification of income resulting from investments in Shariah non-compliant investments are derecognised from the corresponding gain or dividend income in the statement or profit or loss.

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.

2.13 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.

2.14 Cleansing/Purification of income

The Fund is required to cleanse or purify any income or gains generated by Shariah non-compliant activity or sources. Such Shariah non-compliant gain or income may arise as follows.

(i) Shariah non-compliant investment

Shariah non-compliant investment made by the Manager will be disposed of or withdrawn as soon as possible. In the event the investment results in gain (through capital gain and/or dividend), the gain is to be channelled to Baitulmal or any other charitable bodies as advised by the Shariah Adviser. If the disposal of the investment results in losses to the Fund, the losses are to be borne by the Manager.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

2.14 Cleansing/Purification of income (cont'd)

(ii) Reclassification of Shariah Status of the fund's investment

If a security is reclassified as Shariah non-compliant by the SACSC and/or the Shariah board of the MSCI Islamic Index Series, as per the Shariah Adviser's advice, the said security shall be disposed of soonest practical, once the total amount of dividends received and the market value held equal the original investment costs.

Any capital gains arising from the disposal of the Shariah non-compliant security made at the time of the announcement can be kept by the Fund. However, any excess capital gains derived from the disposal after the announcement day at a market price that is higher than the closing price on the announcement day is to be channelled to Baitulmal or any charitable bodies.

(iii) Purification of cash dividend received

The cleansing process is the means by which all remaining elements of non permissible income are removed or purged from a portfolio through dividend cleansing. The process applies mainly to non-permissible income as per MSCI screening methodology and should be disposed according to the same methodology of MSCI. The cleansed income shall be channelled to charities as approved by the Shariah Adviser.

The purification exercise is done by channelling the purification amount to charitable purposes as advised by the Shariah Adviser and this exercise will be performed by the Investment 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.

Any purification on gains resulting from investments in Shariah non-compliant investments is disclosed as a reduction of the corresponding capital gain and/or dividend in the statement of profit or loss.

Any unpaid purification will be disclosed under purification of income payables (Note 16).

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

2.15 Critical 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.

3. NET (LOSS)/GAIN ON FOREIGN EXCHANGE

	2020 RM	2019 RM
Net realised foreign exchange gain/(loss)	550,302	(2,170,385)
Net unrealised foreign exchange (loss)/gain	(3,987,403)	2,446,191
	<u>(3,437,101)</u>	<u>275,806</u>

4. DIVIDEND INCOME

	2020 RM	2019 RM
Gross dividend income	3,014,377	3,282,574
Less: Purification of income (Note 16)	(24,872)	-
Net dividend income	<u>2,989,505</u>	<u>3,282,574</u>

5. MANAGER'S FEE

The Manager's fee is computed daily based on 1.50% (2019: 1.50%) per annum ("p.a.") of the NAV of the Fund before deducting the Manager's fee and Trustee's fees.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

6. TRUSTEE'S FEE

The Trustee's fee is computed daily based on 0.06% (2019: 0.06%) p.a. of the NAV of the Fund before deducting the Manager's fee and Trustee's fees.

7. TAXATION

Income tax is calculated at the Malaysian statutory tax rate of 24% (2019: 24%) of the estimated assessable income for the financial year.

The tax charge for the financial year 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, dividend income and profit income earned by the Fund is exempted from tax.

Income derived from sources outside Malaysia 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.

A reconciliation of income tax expense applicable to net income/(loss) before tax at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	2020	2019
	RM	RM
Net income/(loss) before tax	1,684,826	(4,590,838)
Tax at Malaysian statutory rate of 24% (2019: 24%)	404,358	(1,101,801)
Effects of income not subject to tax	(1,038,287)	(1,449,929)
Effect of income tax at source	317,679	341,456
Effect of expenses not deductible for tax purposes	633,929	2,551,730
Tax expense for the financial year	317,679	341,456

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

8. FINANCIAL ASSETS AT FVTPL

Financial assets at FVTPL relates to quoted equities in Asia Pacific, excluding Japan. Details of quoted equities are as follows:

		2020 RM	2019 RM
Shariah-compliant quoted equities - local	(a)	6,166,285	6,186,868
Shariah-compliant quoted equities - foreign	(b)	91,897,566	113,808,899
Shariah non-compliant quoted equities - foreign	(c)	737,075	-
		<u>98,800,926</u>	<u>119,995,767</u>

	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2020				
(a) Shariah-compliant equities				
- Local				
Consumer Products & Services				
MBM Resources Bhd	350,000	1,421,840	1,330,000	1.29
Construction				
Gabungan AQRS Bhd	807,500	1,148,689	855,950	0.83
Finance				
Syarikat Takaful Malaysia Keluarga Bhd	187,000	1,130,303	850,850	0.83
Energy				
Serba Dinamik Holdings Bhd				
- ordinary shares	1,334,130	1,961,306	3,001,792	2.91
- warrants	381,180	-	127,693	0.12
	<u>1,715,310</u>	<u>1,961,306</u>	<u>3,129,485</u>	<u>3.03</u>
Total Shariah-compliant equities - Local	<u>3,059,810</u>	<u>5,662,138</u>	<u>6,166,285</u>	<u>5.98</u>

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Shariah-compliant equities				
- Foreign				
Australia				
Beach Energy Ltd	182,750	1,095,134	1,337,841	1.30
BHP Billiton Ltd	35,152	3,491,065	3,797,362	3.68
Fortescue Metals Group Ltd	44,000	1,378,466	1,374,080	1.33
Goodman Group Ltd	41,882	1,109,416	1,709,850	1.66
Mirvac Group Ltd	130,394	908,353	1,215,548	1.18
Newcrest Mining Ltd	13,000	1,343,926	1,052,550	1.02
Rio Tinto Ltd	5,686	1,294,964	1,539,812	1.49
Woodside Petroleum Ltd	103,000	1,432,678	1,389,435	1.35
	<u>555,864</u>	<u>12,054,002</u>	<u>13,416,478</u>	<u>13.01</u>
Hong Kong				
CSPC Pharmaceutical Group Ltd	126,000	1,086,061	1,149,975	1.12
China Resources Land Ltd	71,000	1,039,553	1,224,836	1.19
China Resources Gas Group Ltd	68,000	1,278,419	1,474,425	1.43
Shenzhou International Group Holdings Ltd	20,000	835,236	1,095,215	1.06
China Mengniu Dairy Co Ltd	77,000	1,099,258	1,169,917	1.13
ENN Energy Holdings Ltd	30,000	1,417,862	1,441,821	1.40
China Aoyuan Group Ltd	220,000	1,375,889	1,220,985	1.18
China Traditional Chinese Medicine Holdings Co Ltd	1,076,000	2,793,498	2,054,910	1.99
MTR Corp	67,000	1,706,427	1,551,712	1.50
Shimao Property Holdings Ltd	86,000	820,982	1,150,134	1.12
Link REIT	28,500	1,034,004	1,187,801	1.15
China Medical System Holdings Ltd	310,000	1,470,445	1,707,395	1.66
CNOOC Ltd	293,000	1,817,391	1,833,260	1.78
China Mobile Ltd	40,000	1,667,707	1,354,774	1.31
	<u>2,512,500</u>	<u>19,442,732</u>	<u>19,617,160</u>	<u>19.02</u>
India				
HCL Technologies Ltd	70,936	2,175,258	2,400,510	2.33
Jubilant FoodWorks Ltd	15,500	1,442,699	1,676,511	1.63
Reliance Industries Ltd	40,099	2,231,115	3,239,037	3.13
	<u>126,535</u>	<u>5,849,072</u>	<u>7,316,058</u>	<u>7.09</u>

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Shariah-compliant equities				
- Foreign (cont'd)				
Indonesia				
PT Media Nusantara Citra Tbk	5,400,000	2,133,564	2,574,856	2.50
PT Indofood Sukses Makmur Tbk	420,000	1,384,575	1,432,724	1.39
PT Wijaya Karya Beton Tbk	8,200,000	1,506,184	944,294	0.92
PT Telekomunikasi Indonesia (Persero) Tbk	1,720,000	2,064,066	1,960,081	1.90
	15,740,000	7,088,389	6,911,955	6.71
Singapore				
CapitaLand Mall Trust	241,100	1,727,120	1,823,384	1.77
Taiwan				
Chicony Electronics Co Ltd	113,000	1,132,542	1,306,892	1.27
Farmosa Plastics Corp	67,000	897,582	842,538	0.82
Formosa Chemicals & Fibre Corp	87,000	1,189,497	994,477	0.96
Powertech Technology Inc	111,000	1,447,475	1,614,042	1.57
Taiwan Cement Corp	225,792	1,012,686	1,278,329	1.24
Taiwan Semiconductor Manufacturing Co. Ltd	56,000	2,559,568	2,412,714	2.33
	659,792	8,239,350	8,448,992	8.19
Thailand				
Chularat Hospital PCL	3,644,000	1,360,091	1,290,162	1.25
Republic of South Korea				
Hyundai Mobis Co Ltd	2,300	1,960,642	1,804,667	1.75
LG Household & Health Care Ltd	277	982,323	1,191,370	1.16
Samsung Electronics Co Ltd				
- Ordinary shares	49,152	9,056,911	9,477,782	9.19
- Preference shares	10,500	1,603,641	1,705,176	1.65
SK Hynix Inc	9,924	2,738,465	3,172,377	3.08
Woongjin Coway Co Ltd	4,600	1,488,447	1,380,825	1.34
	76,753	17,830,429	18,732,197	18.17

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Shariah-compliant equities				
- Foreign (cont'd)				
United States of America				
Alibaba Group Holding Ltd	12,000	8,363,268	10,155,551	9.85
JD.com Inc	16,200	2,410,451	2,501,233	2.43
Vipshop Holdings Ltd	32,300	1,151,686	1,684,396	1.63
	<u>60,500</u>	<u>11,925,405</u>	<u>14,341,180</u>	<u>13.91</u>
Total Shariah-compliant equities				
- Foreign	<u>23,617,044</u>	<u>85,516,590</u>	<u>91,897,566</u>	<u>89.12</u>
(c) Shariah non-compliant equities				
- Foreign (cont'd)				
United States of America				
Trip.com International Ltd (formerly known as Ctrip.com International Ltd) ⁽¹⁾	5,600	1,007,164	737,075	0.71
	<u>5,600</u>	<u>1,007,164</u>	<u>737,075</u>	<u>0.71</u>
Total Shariah non-compliant equities - foreign				
	<u>5,600</u>	<u>1,007,164</u>	<u>737,075</u>	<u>0.71</u>
Total equities	<u>26,682,454</u>	<u>92,185,892</u>	<u>98,800,926</u>	<u>95.81</u>
Unrealised gain on investments *			<u>6,615,034</u>	

* The unrealised gain on FVTPL investments comprise the amounts arising from changes in fair values and effects from foreign exchange.

(1) Trip.com International Ltd (formerly known as Ctrip.com International Ltd) was reclassified to Shariah non-compliant securities based on the Shariah Adviser's approved list effective 1 June 2019. The Manager will immediately dispose the shares upon recovery of the investment cost less the dividend income that is received from these securities.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

2019	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(a) Shariah-compliant equities				
- Local				
Industrial Products & Services				
ATA IMS Bhd (formerly known as Denko Industrial Corp Bhd)	763,800	1,265,142	1,298,460	1.05
Energy				
Serba Dinamik Holdings Bhd	629,800	1,788,778	2,336,558	1.88
Yinson Holdings Bhd	376,700	1,518,156	1,544,470	1.24
	<u>1,006,500</u>	<u>3,306,934</u>	<u>3,881,028</u>	<u>3.12</u>
Healthcare				
Top Glove Corp Bhd	209,000	1,174,016	1,007,380	0.82
Total Shariah-compliant equities				
- Local	<u>1,979,300</u>	<u>5,746,092</u>	<u>6,186,868</u>	<u>4.99</u>
(b) Shariah-compliant equities				
- Foreign				
Singapore				
AEM Holdings Ltd	452,000	1,726,787	1,341,711	1.08
CapitaLand Mall Trust	170,700	1,062,720	1,247,271	1.01
Venture Corp Ltd	35,300	2,140,420	1,747,476	1.41
	<u>658,000</u>	<u>4,929,927</u>	<u>4,336,458</u>	<u>3.50</u>
Hong Kong				
Anhui Conch Cement Co Ltd	61,500	1,122,407	1,360,388	1.10
China Mengniu Dairy Co Ltd	64,000	777,870	809,680	0.65
China Mobile Ltd	116,000	4,836,351	4,980,575	4.01
China Petroleum & Chemical Corp	612,000	1,901,930	2,097,676	1.69
China Resources Gas Group Ltd	80,000	1,504,023	1,281,298	1.03
China Resources Land Ltd	87,000	1,143,636	1,384,334	1.12
China Traditional Chinese Medicine Holdings Co Ltd	490,000	1,686,912	1,303,731	1.05
CK Infrastructure Holdings Ltd	39,000	1,264,217	1,288,941	1.04

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

2019 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Shariah-compliant equities				
- Foreign (cont'd)				
Hong Kong (cont'd)				
CNOOC Ltd	180,000	1,010,973	1,232,049	0.99
CSPC Pharmaceutical Group Ltd	148,000	1,275,690	1,039,270	0.84
Kunlun Energy Co Ltd	270,000	1,255,497	1,177,584	0.95
Link REIT	58,000	2,104,288	2,602,245	2.10
Luk Fook Holdings (International) Ltd	68,000	1,112,927	807,071	0.65
Shenzhou International Group Holdings Ltd	33,000	1,190,468	1,589,910	1.28
Shimao Property Holdings Ltd	101,000	964,177	1,169,757	0.94
Techtronic Industries Co Ltd	102,500	2,378,063	2,430,409	1.96
Weichai Power Co Ltd	280,000	1,322,353	1,533,800	1.24
Yangtze Optical Fibre and Cable Joint Stock Ltd Co	110,000	1,713,821	1,380,160	1.11
	2,900,000	28,565,603	29,468,878	23.75
Thailand				
Central Pattana PCL	116,000	1,257,390	1,211,955	0.98
PTT Global Chemical PCL	120,000	1,262,533	1,069,025	0.86
PTT PCL NVDR	194,000	1,295,198	1,232,654	0.99
	430,000	3,815,121	3,513,634	2.83
Indonesia				
Ace Hardware Indonesia Tbk PT	3,800,000	1,316,672	1,892,457	1.53
Erajaya Swasembada Tbk PT	4,006,200	1,630,327	2,687,581	2.17
Astra International Tbk PT	613,000	1,200,332	1,517,437	1.22
PT JAPFA Comfeed Indonesia Tbk	3,100,000	1,991,912	2,660,865	2.14
PT Semen Indonesia (Persero) Tbk	451,000	1,271,701	1,674,627	1.35
PT Telekomunikasi Indonesia (Persero) Tbk	1,000,000	1,134,118	1,142,505	0.92
	12,970,200	8,545,062	11,575,472	9.33

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

2019 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Shariah-compliant equities				
- Foreign (cont'd)				
Philippines				
Jollibee Foods Corp	54,000	1,226,516	1,340,940	1.08
Megaworld Corp	3,180,000	1,164,496	1,289,453	1.04
	<u>3,234,000</u>	<u>2,391,012</u>	<u>2,630,393</u>	<u>2.12</u>
Australia				
BHP Billiton Ltd	36,943	3,402,211	3,839,200	3.09
CSR Ltd	100,000	1,281,999	871,240	0.70
Goodman Group Ltd	49,273	1,305,197	1,714,205	1.38
Mirvac Group Ltd	205,170	1,429,260	1,469,198	1.18
Rio Tinto Ltd	11,395	2,595,165	2,959,636	2.39
Stockland Corporation Ltd	100,000	1,246,041	1,127,839	0.91
Woodside Petroleum Ltd	12,618	1,241,114	1,292,091	1.05
	<u>515,399</u>	<u>12,500,987</u>	<u>13,273,409</u>	<u>10.70</u>
Taiwan				
Formosa Plastics Corp	79,000	1,058,343	1,075,065	0.87
Formosa Chemicals & Fibre Corp	102,000	1,394,583	1,449,297	1.17
Pou Chen Corp	184,000	858,774	903,386	0.73
Taiwan Cement Corp	248,000	1,190,267	1,235,805	0.99
	<u>613,000</u>	<u>4,501,967</u>	<u>4,663,553</u>	<u>3.76</u>
India				
HCL Technologies Ltd	27,610	1,604,214	1,600,881	1.29
Maruti Suzuki India Ltd	2,508	1,196,709	960,752	0.77
Reliance Industries Ltd	54,469	3,030,664	3,855,559	3.11
	<u>84,587</u>	<u>5,831,587</u>	<u>6,417,192</u>	<u>5.17</u>

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

2019 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Shariah-compliant equities				
- Foreign (cont'd)				
Republic of South Korea				
Coway Co Ltd	4,000	1,289,646	1,226,814	0.99
LG Chem Ltd	1,733	2,454,973	2,345,304	1.89
LG Household & Health Care Ltd	326	1,156,092	1,516,564	1.22
POSCO	995	1,237,855	1,002,597	0.81
Samsung Electro-Mechanics Co Ltd	2,500	1,197,355	992,925	0.80
Samsung Electronics Co Ltd				
- Ordinary shares	66,650	12,281,151	11,311,613	9.12
- Preference shares	14,000	2,138,189	1,930,688	1.56
SK Hynix Inc	11,675	3,221,642	3,172,883	2.56
SK Innovation Co Ltd	1,018	694,006	705,685	0.56
	<u>102,897</u>	<u>25,670,909</u>	<u>24,205,073</u>	<u>19.51</u>
United States of America				
Alibaba Group Holding Ltd	15,300	10,796,639	10,553,910	8.50
Ctrip.com International Ltd	13,200	2,374,031	1,799,559	1.45
JD.com Inc	7,600	1,346,904	773,193	0.62
Vipshop Holdings Ltd	19,000	1,338,336	598,175	0.48
	<u>55,100</u>	<u>15,855,910</u>	<u>13,724,837</u>	<u>11.05</u>
(b) Total Shariah-compliant equities- Foreign	<u>21,563,183</u>	<u>112,608,085</u>	<u>113,808,899</u>	<u>91.72</u>
Total Shariah-compliant equities	<u>23,542,483</u>	<u>118,354,177</u>	<u>119,995,767</u>	<u>96.71</u>
Unrealised gain on investments *			<u>1,641,590</u>	

* The unrealised gain on quoted equities comprise the amounts arising from changes in fair values and effects from foreign exchange.

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

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

	2020 RM	2019 RM
Shariah-compliant deposit with licensed Islamic Islamic financial institution of less than 3 months	2,275,690	1,157,029

The weighted average effective profit rates ("WAEPR") per annum and average maturity of deposits with financial institution as at the reporting date were as follows:

	2020		2019	
	WAEPR % p.a.	Average Maturity Days	WAEPR % p.a.	Average Maturity Days
Shariah-compliant deposit with maturity of less than 3 months	2.75	2	3.25	4

10. AMOUNT DUE FROM BROKERS

Amount due from brokers relates to the amount to be received from the brokers arising from the sale of investments. The settlement period for these receivables/payables are within 3 working days from the deal date.

11. OTHER RECEIVABLES

	2020 RM	2019 RM
Dividend income receivable	173,082	298,633
Profit income receivable	171	103
Other receivables	-	2,897
	<u>173,253</u>	<u>301,633</u>

12. AMOUNT DUE FROM/TO MANAGER

	Note	2020 RM	2019 RM
(a) Amount due from Manager			
Subscription of units	(i)	2,602,683	23,075
(b) Amount due to Manager			
Manager's fee	(ii)	157,346	154,699
Redemption of units	(iii)	3,118,386	2,862,412
		<u>3,275,732</u>	<u>3,017,111</u>

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

12. AMOUNT DUE FROM/TO MANAGER (CONT'D)

- (i) The amount represents amount receivable from the Manager for units created.
- (ii) The amount relates to the amount payable to the Manager arising from the accruals for Manager's fee at the end of the financial year. The normal credit term for Manager's fee is 15 days (2019: 15 days).
- (iii) The amount represents amount payable to the Manager for units redeemed/ cancelled.

13. CASH AT BANK

The table below indicates the currencies that the Fund have in cash at bank as at the reporting date:

	2020	2019
	RM	RM
Malaysian Ringgit ("RM")	7,629,953	2,207,612
Indian Rupee ("INR")	11,247	1,518,961
Taiwan Dollar ("TWD")	1,928,887	4
United States Dollar ("USD")	2,623,419	-
	<u>12,193,506</u>	<u>3,726,577</u>

14. 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 year. The normal credit term for Trustee's fee is 15 days (2019: 15 days).

15. OTHER PAYABLES AND ACCRUALS

Other payables and accruals comprise:

	2020	2019
	RM	RM
Audit fee payable	11,554	11,554
Tax agent fee payable	4,505	4,452
Shariah advisory fee payable	11,130	6,410
Purification of income payable (Note 16)	36,135	116,297
Other accruals	3,885	783
	<u>67,209</u>	<u>139,496</u>

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

16. PURIFICATION OF INCOME PAYABLE

During the current financial year, the Fund purified a total dividend income of RM24,872 and profit income of RM3,211 arising from long outstanding purification income payable as advised by the Shariah Adviser. These amounts will be channelled to Baitulmal or any other charitable bodies as advised by the Shariah Adviser.

The Shariah non-compliant equities disposed in the previous financial year were Wisdom Education International Holdings Co Ltd and Yanlord Land Group Ltd. The resulting net gain of RM105,033 will be channelled to Baitulmal or any other charitable bodies as advised by the Shariah Adviser at a later date.

17. TOTAL EQUITY

(a) Unitholders' capital

	Note	2020 RM	2019 RM
Unitholders' capital	(a)	99,485,729	121,825,308
Accumulated realised (loss)/income	(b)	(488,097)	1,285,788
Accumulated unrealised income	(c)	4,123,144	982,112
		<u>103,120,776</u>	<u>124,093,208</u>

	2020		2019	
	No. of units	RM	No. of units	RM
At beginning of the financial year	105,817,145	121,825,308	85,652,320	108,063,533
Creation of units	51,470,496	61,420,418	48,200,157	60,439,023
Reinvestment of units	-	-	7,957,117	9,651,983
Cancellation of units	(62,039,635)	(74,183,950)	(35,992,449)	(47,061,081)
Distribution equalisation (Note 18)	-	(9,576,047)	-	(9,268,150)
At end of the financial year	<u>95,248,006</u>	<u>99,485,729</u>	<u>105,817,145</u>	<u>121,825,308</u>

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

	2020		2019	
	No of units	RM	No of units	RM
The Manager	<u>1,174</u>	<u>1,271</u>	<u>1,174</u>	<u>1,377</u>

In the opinion of the Manager, the above units were transacted at the prevailing market price. Other than the above, there were no units held by the Manager or parties related to the Manager.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

17. TOTAL EQUITY (CONT'D)

(b) Accumulated realised (loss)/income

	2020 RM	2019 RM
At beginning of the financial year	1,285,788	3,245,277
Net realised loss for the financial year	(1,773,885)	(1,575,656)
Distributions out of realised reserve (Note 18)	-	(383,833)
At end of the financial year	<u>(488,097)</u>	<u>1,285,788</u>

(c) Accumulated unrealised income

	2020 RM	2019 RM
At beginning of the financial year	982,112	4,338,750
Net unrealised income/(loss) for the financial year	3,141,032	(3,356,638)
At end of the financial year	<u>4,123,144</u>	<u>982,112</u>

18. DISTRIBUTIONS

Details of distribution declared is shown below:

	2020 RM	2019 RM
Previous period's net realised income *	-	383,833
Less: Expenses	-	-
Tax expense	-	-
Distributions out of realised reserve	-	383,833
Distribution out of distribution equalisation (Note 17(a))	9,576,047	9,268,150
Distributions for the financial year	<u>9,576,047</u>	<u>9,651,983</u>

* Part of the distributions in the financial year were made from prior period's net realised income.

The gross and net distributions per unit and the distribution dates is as follows:

Distribution date	Gross distribution per unit (sen)	Net distribution per unit (sen)
2020		
30 January 2020	<u>10.00</u>	<u>10.00</u>
2019		
31 July 2018	<u>11.08</u>	<u>11.00</u>

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

19. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS

Details of transactions with broker/dealer for the current and previous financial year are as follows:

2020	Value of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of brokerage fees %
Affin Hwang Investment Bank Bhd	9,341,129	5.87	18,712	6.78
CIMB Investment Bank Bhd	2,645,363	1.67	5,291	1.91
CLSA Asia-Pacific Markets	15,546,724	9.77	12,966	4.70
CLSA Ltd	11,784,413	7.40	23,569	8.54
CLSA Securities (M) Sdn Bhd	14,217,018	8.93	27,200	9.85
Kim Eng Securities India Pte Ltd*	6,943,761	4.36	13,885	5.03
Maybank Investment Bank Bhd*	43,089,857	27.07	63,176	22.89
RHB Investment Bank Bhd	24,868,702	15.62	49,739	18.02
UBS Securities Australia Ltd	17,523,394	11.01	35,047	12.70
UBS Securities Pte Ltd	6,939,561	4.36	13,896	5.03
United Overseas Bank (Malaysia) Bhd	6,276,706	3.94	12,554	4.55
	159,176,628	100.00	276,035	100.00
2019				
Affin Hwang Investment Bank Bhd	1,064,484	0.62	2,129	0.77
CIMB Investment Bank Bhd	1,842,834	1.06	3,686	1.33
CLSA Asia-Pacific Markets	15,505,135	8.96	7,766	2.80
CLSA Ltd	3,163,627	1.83	6,327	2.28
CLSA Securities (M) Sdn Bhd	42,722,875	24.68	74,833	26.94
Kim Eng Securities India Pte Ltd*	6,988,263	4.04	13,976	5.03
Maybank Investment Bank Bhd*	63,183,179	36.51	89,422	32.19
RHB Investment Bank Bhd	8,069,855	4.66	16,140	5.81
UBS Securities Australia Ltd	12,342,980	7.13	26,518	9.55
UBS Securities (M) Sdn Bhd	1,174,016	0.68	2,348	0.85
UBS Securities Pte Ltd	13,866,526	8.01	27,733	9.98
UOB Kay Hian Securities Sdn Bhd	3,149,829	1.82	6,876	2.48
	173,073,603	100.00	277,754	100.00

* Kim Eng Securities India Pte Ltd and Maybank Investment Bank Bhd are related parties of MBB, the ultimate holding company of the Manager.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

19. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS (CONT'D)

Details of transactions, primarily Shariah-compliant deposits with licensed Islamic financial institutions for the current and previous financial year are as follows:

Financial institutions	2020		2019	
	Value of placements RM	Percentage of total placements %	Value of placements RM	Percentage of total placements %
Maybank Islamic Bhd **	406,483,136	12.42	640,419,041	26.89
Hong Leong Islamic Bank Bhd	2,865,873,986	87.58	-	-
CIMB Islamic Bank Bhd	-	-	987,850,315	41.47
RHB Islamic Bank Bhd	-	-	753,727,000	31.64
	<u>3,272,357,122</u>	<u>100.00</u>	<u>2,381,996,356</u>	<u>100.00</u>

** Maybank Islamic Bhd is a subsidiary of MBB, the ultimate holding company of the Manager.

20. 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 may be individuals or other entities.

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

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.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

21. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee, auditors' remuneration, tax agent's fee and other administrative expenses. For the financial year ended 31 January 2020, the MER of the Fund stood at 1.66% (2019: 1.73%).

22. 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 average NAV of the Fund calculated on a daily basis. For the financial year ended 31 January 2020, the PTR of the Fund stood at 0.59 times (2019: 0.70 times).

23. SEGMENT INFORMATION

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

The PMC is responsible for the performance of the Fund by investing between 70% to 98% of the Fund's NAV in quoted equities listed or traded in the Asia Pacific ex-Japan markets. The Manager will also invest between 2% to 30% of the Fund's NAV in Shariah-compliant liquid assets including Shariah-compliant money market instruments and placement in Shariah-compliant deposits.

On this basis, the PMC considers the business of the Fund to have a single operating segment located in Malaysia. Asset allocation decisions are based on a single, integrated investments strategy and the Fund's performance is evaluated on an overall basis.

The internal reporting of 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 year.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

24. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The significant accounting policies in Notes 2.3 to 2.15 describe how the classes of financial instruments are measured, and how income and expenses are recognised. The following table analyses the financial assets and financial liabilities (exclude 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.

2020	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Financial assets				
Financial assets at FVTPL	98,800,926	-	-	98,800,926
Shariah compliant deposits with a licensed Islamic financial institution	-	2,275,690	-	2,275,690
Other receivables	-	173,253	-	173,253
Amount due from Manager	-	2,602,683	-	2,602,683
Cash at bank	-	12,193,506	-	12,193,506
Total financial assets	98,800,926	17,245,132	-	116,046,058
Financial liabilities				
Amount due to Manager	-	-	3,275,732	3,275,732
Amount due to Trustee	-	-	6,294	6,294
Distribution payable	-	-	9,576,047	9,576,047
Other payables and accruals	-	-	67,209	67,209
Total financial liabilities	-	-	12,925,282	12,925,282

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

24. FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (cont'd)

2019	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Financial assets				
Financial assets at FVTPL	119,995,767	-	-	119,995,767
Shariah compliant deposits with a licensed Islamic financial institution	-	1,157,029	-	1,157,029
Other receivables	-	301,633	-	301,633
Amount due from brokers	-	2,051,922	-	2,051,922
Amount due from Manager	-	23,075	-	23,075
Cash at bank	-	3,726,577	-	3,726,577
	119,995,767	7,260,236	-	127,256,003
Financial liabilities				
Amount due to Manager	-	-	3,017,111	3,017,111
Amount due to Trustee	-	-	6,188	6,188
Other payables and accruals	-	-	139,496	139,496
Total financial liabilities	-	-	3,162,795	3,162,795

(b) Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL are carried at fair value.

Quoted equities

Fair value is determined by reference to their published price at the reporting date. For equities quoted on Bursa Malaysia, the market prices are determined by reference to the closing market price as published by Bursa Malaysia.

For equities quoted other than Bursa Malaysia, the market prices are determined by reference to the theoretical closing market price as quoted by the respective foreign stock exchanges of the respective countries.

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

Other than its securities, the Fund's financial instruments are not carried at fair value but their carrying amounts are reasonable approximations of fair value due to their short term nature. There were no financial instruments which are not carried at fair value and whose carrying amounts are not reasonable approximations of their respective fair values.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

24. FINANCIAL INSTRUMENTS (CONT'D)

(d) 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).

	Level 1 RM	Level 2 RM	Level 3 RM
2020			
Financial assets at FVTPL	98,800,926	-	-
2019			
Financial assets at FVTPL	119,995,767	-	-

25. 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 Securities Commission's Guidelines on Unit Trust Funds and the CMSA.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices. The Fund is exposed to foreign currency risk arising from the Fund's investments in quoted equities denominated in foreign currencies, and other financial assets and liabilities denominated in foreign currencies. The Fund is also exposed to profit rate risk arising from its deposits placed with a licensed Islamic financial institution.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

(b) Market risk (cont'd)

(i) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at 31 January 2020, besides RM, the Fund also invests in equities denominated in Australian Dollar ("AUD"), Hong Kong Dollar ("HKD"), Indian Rupee ("INR"), Indonesian Rupiah ("IDR"), Philippine Peso ("PHP"), Korean Won ("KRW"), Singapore Dollar ("SGD"), New Taiwan Dollar ("TWD"), Thailand Baht ("THB") and United States Dollar ("USD").

The table below analyses the net position of the Fund's financial assets and financial liability which are exposed to foreign exchange risks as at the reporting date. As the Fund's functional currency is RM, the financial assets and financial liability denominated in other currencies are exposed to the movement of foreign exchange rates. The exposure might lead to the appreciation or depreciation of the financial assets and financial liability of the Fund that may affect the value of the NAV attributable to unitholders.

2020	AUD RM	HKD RM	INR RM	IDR RM	PHP RM	KRW RM	SGD RM	TWD RM	THB RM	USD RM	TOTAL RM
Financial assets											
Financial assets at FVTPL	13,416,478	19,617,160	7,316,058	6,911,955	-	18,732,197	1,823,384	8,448,992	1,290,162	15,078,254	92,634,640
Other receivables	71,839	-	8,118	-	-	72,872	20,253	-	-	-	173,082
Cash at bank	-	-	11,247	-	-	-	-	1,928,887	-	2,623,419	4,563,553
Net on-balance sheet open position	<u>13,488,317</u>	<u>19,617,160</u>	<u>7,335,423</u>	<u>6,911,955</u>	<u>-</u>	<u>18,805,069</u>	<u>1,843,637</u>	<u>10,377,879</u>	<u>1,290,162</u>	<u>17,701,673</u>	<u>97,371,275</u>
2019											
Financial assets											
Financial assets at FVTPL	13,273,409	29,468,878	6,417,192	11,575,472	2,630,393	24,205,073	4,336,458	4,663,553	3,513,635	13,724,836	113,808,899
Amount due from brokers	-	-	1,450,135	601,787	-	-	-	-	-	-	2,051,922
Other receivables	80,561	-	-	-	-	210,775	7,297	-	-	-	298,633
Cash at bank	-	-	1,518,961	-	-	-	-	4	-	-	1,518,965
Net on-balance sheet open position	<u>13,353,970</u>	<u>29,468,878</u>	<u>9,386,288</u>	<u>12,177,259</u>	<u>2,630,393</u>	<u>24,415,848</u>	<u>4,343,755</u>	<u>4,663,557</u>	<u>3,513,635</u>	<u>13,724,836</u>	<u>117,678,419</u>

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

(b) Market risk (cont'd)

(i) Foreign exchange risk (cont'd)

The table below summarises the sensitivity of the Fund's NAV to movements in exchange rates. The analysis is based on the assumptions that the exchange rate will increase or decrease by 5% with all other variables held constant.

	2020		2019	
	Changes in exchange rate %	Impact to NAV Increase/ (decrease) RM	Changes in exchange rate %	Impact to NAV Increase/ (decrease) RM
Currencies				
AUD	+5%	674,416	+5%	667,698
	-5%	(674,416)	-5%	(667,698)
HKD	+5%	980,858	+5%	1,473,444
	-5%	(980,858)	-5%	(1,473,444)
IDR	+5%	345,598	+5%	608,863
	-5%	(345,598)	-5%	(608,863)
INR	+5%	366,771	+5%	469,314
	-5%	(366,771)	-5%	(469,314)
PHP	+5%	-	+5%	131,520
	-5%	-	-5%	(131,520)
KRW	+5%	940,253	+5%	1,220,792
	-5%	(940,253)	-5%	(1,220,792)
SGD	+5%	92,182	+5%	217,188
	-5%	(92,182)	-5%	(217,188)
TWD	+5%	518,894	+5%	233,178
	-5%	(518,894)	-5%	(233,178)
THB	+5%	64,508	+5%	175,682
	-5%	(64,508)	-5%	(175,682)
USD	+5%	885,084	+5%	686,242
	-5%	(885,084)	-5%	(686,242)

The impact to net income/(loss) after tax is expected to be the same as the effects on NAV.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

(b) Market risk (cont'd)

(ii) Profit rate risk

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

The Fund's deposits with licensed financial institution carry a fixed rate and therefore is not affected by movements in market profit rates.

(iii) Price risk

Price risk is the risk of unfavourable changes in the fair values of investments as the result of changes in the levels of equity indices and the value of individual shares. The price risk exposure arises from the Fund's investments in quoted equities.

Price risk sensitivity

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

	2020		2019	
	Changes in price %	Impact to NAV Increase/ (decrease) RM	Changes in price %	Impact to NAV Increase/ (decrease) RM
Financial assets at FVTPL	+5%	4,940,046	+5%	5,999,788
	-5%	(4,940,046)	-5%	(5,999,788)

The impact to net income/(loss) after tax is expected to be the same as the effects on NAV.

Equity price risk concentration

The Fund's exposure to price risk based on its portfolio of investments as at the reporting date is disclosed in Note 8 to the financial statements.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

25. 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 cause a financial loss for the Fund by failing to discharge an obligation. 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 profit, 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 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 assets 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

Besides investing in Shariah-compliant equity securities within Asia Pacific ex-Japan, the Manager also eligible to invest in Shariah-compliant liquid assets including Shariah-compliant money market instruments issued by Malaysian issuers and Malaysian financial institutions and placement in Shariah-compliant deposits with Malaysian financial institutions. There will be no minimum rating stipulated for the licensed financial institutions of the placement in Islamic deposits.

(iii) Credit risk concentration

The following table analyses the Fund's Shariah-compliant deposits with licensed Islamic financial institutions, cash at bank and profit receivables from the Shariah-compliant deposits with licensed Islamic financial institutions by rating categories. The rating is based on that published by RAM Holdings Berhad.

Financial assets	2020		2019	
	RM	Percentage of NAV	RM	Percentage of NAV
AAA	-	-	4,883,709	3.94
AA3	14,469,367	14.03	-	-
	<u>14,469,367</u>	<u>14.03</u>	<u>4,883,709</u>	<u>3.94</u>

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

(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 another financial asset. 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 Trust 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.

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 cash, deposits with financial institutions 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.

2020	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial assets at FVTPL	98,800,926	-	98,800,926
Shariah compliant deposits with a licensed Islamic financial institution	2,275,690	-	2,275,690
Other receivables	173,253	-	173,253
Amount due from Manager	2,602,683	-	2,602,683
Cash at bank	12,193,506	-	12,193,506
Total undiscounted financial assets	<u>116,046,058</u>	<u>-</u>	<u>116,046,058</u>
Financial liabilities and Unitholders' capital			
Amount due to Manager	3,275,732	-	3,275,732
Amount due to Trustee	6,294	-	6,294
Distribution payable	9,576,047	-	9,576,047
Other payables and accruals	67,209	-	67,209
Unitholders' capital	<u>103,120,776</u>	<u>-</u>	<u>103,120,776</u>
Total undiscounted financial liabilities and unitholders' capital	<u>116,046,058</u>	<u>-</u>	<u>116,046,058</u>
Liquidity gap	<u>-</u>	<u>-</u>	<u>-</u>

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

(d) Liquidity risk (cont'd)

2019	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial assets at FVTPL	119,995,767	-	119,995,767
Shariah compliant deposits with a licensed Islamic financial institution	1,157,029	-	1,157,029
Amount due from brokers	2,051,922	-	2,051,922
Other receivables	301,633	-	301,633
Amount due from Manager	23,075	-	23,075
Cash at bank	3,726,577	-	3,726,577
Total undiscounted financial assets	<u>127,256,003</u>	<u>-</u>	<u>127,256,003</u>
Financial liabilities and Unitholders' capital			
Amount due to Manager	3,017,111	-	3,017,111
Amount due to Trustee	6,188	-	6,188
Other payables and accruals	139,496	-	139,496
Unitholders' capital	124,093,208	-	124,093,208
Total undiscounted financial liabilities and unitholders' capital	<u>127,256,003</u>	<u>-</u>	<u>127,256,003</u>
Liquidity gap	<u>-</u>	<u>-</u>	<u>-</u>

(i) Financial assets

Analysis of FVTPL financial assets and deposits into maturity groupings is based on the expected date on which these assets will be realised. The Fund's equity investments have been included in the "less than 1 month" category on the assumption that these are highly liquid investments which can be realised should all of the Fund's unitholders' capital be required to be redeemed. The other assets shall not comprise of tax recoverable in view that it is not a financial asset. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

Financial assets exclude tax-related matters such as tax recoverable.

(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.

Financial liabilities exclude tax-related matters such as tax payable.

MAYBANK ASIAPAC EX-JAPAN EQUITY-I FUND

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

(d) Liquidity risk (cont'd)

(iii) Unitholders' capital

The unitholders can request for redemption on their units by giving the Manager a 10 calendar day notice period, the unitholders' capital have been categorised as having a maturity of "less than 1 month".

26. 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 expected returns 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 and to ensure that the operations of the Fund are cost-efficient.

No changes were made to the capital management objectives, policies or processes since the commencement date.