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MAMG GLOBAL INCOME TRUST FUND

**Unaudited interim report
For financial period from 1 August 2019 to 31 January 2020**

CORPORATE INFORMATION

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

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Level 29, Integra Tower

The Intermark

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MAMG GLOBAL INCOME TRUST FUND

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MAMG GLOBAL INCOME TRUST FUND

Manager's report for the financial period from 1 August 2019 to 31 January 2020

A. Fund Information

1. Name of the Fund

MAMG Global Income Trust Fund ("the Fund")

2. Type of Fund

Income

3. Category of Fund

Fixed income (closed-ended)

4. Duration of the Fund

The Fund is a closed-ended fund which will mature on the third (3rd) anniversary of the commencement date. If that date is not a business day, the maturity date shall be the first business day following that day.

5. Fund launch date

17 July 2017

6. Fund commencement date / maturity date

13 September 2017 / 13 September 2020

7. Fund's investment objective

The Fund aims to provide unitholders with income by investing in a portfolio of fixed income securities.

8. Fund distribution policy

Income distribution is declared at the end of the financial year of the Fund or for any specified period at the Manager's discretion.

9. Fund's performance benchmark

12-months Malayan Banking Berhad ("Maybank") fixed deposit rate

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

The Fund will invest between 70% and 99.50% of the Fund's NAV in fixed income instruments, and between 0.5% and 30% of the Fund's NAV in liquid assets.

As the Fund approaches its maturity date, the Manager may choose to invest in liquid assets to facilitate the payout of proceeds to unitholders after the maturity date.

MAMG GLOBAL INCOME TRUST FUND

Manager's report for the financial period from 1 August 2019 to 31 January 2020 (cont'd)

A. Fund Information (cont'd)

11. Net income distribution for the financial period from 1 August 2019 to 31 January 2020

The Fund declared a distribution of RM 2,175,329 for the financial period from 1 August 2019 to 31 January 2020.

Below are details of distribution declared during the financial period:

Distribution date	Gross/net distribution per unit (sen)
13 September 2019	2.10

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

Distribution date	Before distribution (RM)	After distribution (RM)	Changes %
13 September 2019	1.0317	1.0060	(0.03)

12. Breakdown of unitholdings by size

Fund size

As at 31 January 2020, the size of the Fund was 102,068,624 units.

Breakdown of unitholdings as at 31 January 2020

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	-	-	-	-
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	1	16.67	160	0.16
500,001 units and above	5	83.33	101,909	99.84
Total	6	100.00	* 102,069	100.00

* Included units held by Institutional Unit Trust Scheme Advisers ("IUTA"s).

MAMG GLOBAL INCOME TRUST FUND

Manager's report for the financial period from 1 August 2019 to 31 January 2020 (cont'd)

B. Performance Review

1. Key performance data of the Fund

Category	01.08.2019 to 31.01.2020	01.08.2018 to 31.07.2019	17.07.2017 (date of launch) to 31.07.2018
Portfolio			
Fixed income securities - local (%)			
- Telecommunications & Media	1.18	1.18	1.16
- Government Issue	33.12	-	-
Fixed income securities - foreign (%)			
- Australia	3.72	4.84	4.64
- British Virgin Island	19.95	27.21	27.01
- Cayman Island	3.53	7.07	6.89
- China	6.69	4.65	4.42
- Hong Kong	10.67	17.14	16.28
- India	-	2.35	2.22
- Indonesia	2.44	2.42	2.33
- Isle of Man	3.54	3.53	3.47
- Oman	3.54	4.23	6.63
- Singapore	1.96	1.94	1.86
- South Korea	4.32	4.25	4.76
- Turkey	-	6.92	6.55
- United Kingdom	1.22	5.91	5.83
- United States of America	1.57	1.54	3.53
Cash and other net assets (%)	2.53	4.82	2.42
Total (%)	100.00	100.00	100.00
NAV (RM'000)	104,480	106,717	108,230
Units in circulation (units'000)	102,069	103,689	107,810
NAV per unit (RM)	1.0236	1.0287	1.0039
Highest NAV per unit (RM)	1.0340	1.0287	1.0054
Lowest NAV per unit (RM)	1.0132	0.9821	0.9979
Annual return (%) ⁽¹⁾			
- Capital growth (%)	(0.45)	2.48	0.33
- Income distribution (%)	2.07	2.04	-
Total return (%)	1.62	4.57	0.33
Net income distributed (RM)	2,175,329	2,155,400	-
Gross/net distribution per unit (sen)	2.10	2.00	-
Distribution date	13/09/2019	7/09/2018	-
Management Expense Ratio ("MER") (%)	0.44	0.88	0.95
Portfolio Turnover Ratio ("PTR") (times)	0.36	0.12	0.63

MAMG GLOBAL INCOME TRUST FUND

Manager's report for the financial period from 1 August 2019 to 31 January 2020 (cont'd)

B. Performance Review (cont'd)

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

Note:

- (1) Actual return of the Fund for the financial period 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.

Category	01.08.2019 to 31.01.2020	01.08.2018 to 31.01.2019	17.07.2017 (date of launch) to 31.07.2018
Annual total return (%)	1.62	2.31	0.33
Benchmark (%)	1.55	1.69	3.22

2. Performance of the Fund since inception to 31 January 2020

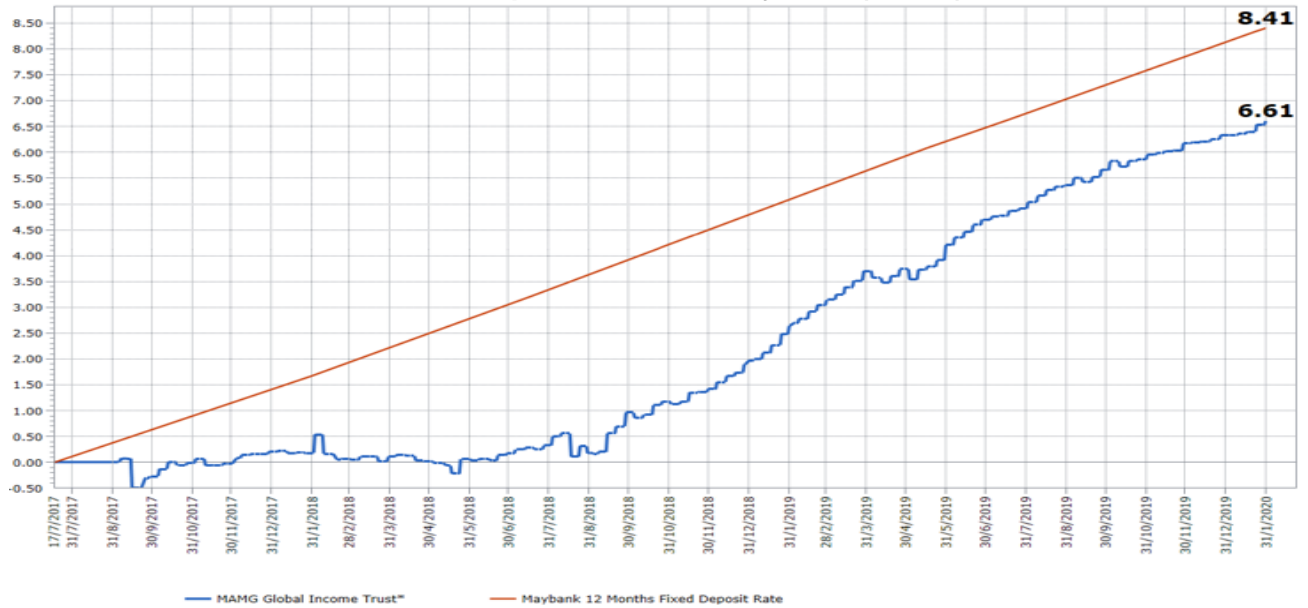
Category	6 months to 31.01.2020 %	1 year to 31.01.2020 %	Since inception to 31.01.2020 %
Capital growth	(0.45)	1.75	2.36
Income distribution	2.07	2.07	4.15
Total return of the Fund	1.62	3.86	6.61
Benchmark	1.55	3.17	8.41
Average total return	-	3.86	2.55

MAMG GLOBAL INCOME TRUST FUND

Manager's report for the financial period from 1 August 2019 to 31 January 2020 (cont'd)

B. Performance Review (cont'd)

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



Source: Lipper

The Fund generated a return of 1.62%, outperforming the benchmark of 1.55% during the 6 months under review.

3. 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:

$$\begin{aligned}\text{Capital return} &= (\text{NAV per unit end} / \text{NAV per unit begin}) - 1 \\ \text{Income return} &= \text{Income distribution per unit} / \text{NAV per unit ex-date} \\ \text{Total return} &= (1 + \text{Capital return}) \times (1 + \text{Income return}) - 1\end{aligned}$$

MAMG GLOBAL INCOME TRUST FUND

Manager's report for the financial period from 1 August 2019 to 31 January 2020 (cont'd)

C. Market Review

With the global economy under threat from fears over the spread of the COVID-19 virus globally (not just China) and, more importantly, the economic impact of defensive measures, global risk assets, including corporate bonds, took a hit. United States Dollar ("USD") Asian bond spreads vs United States Treasury ("UST") widened as a result. Although the strong performance of the underlying UST helped, it was not enough to offset the negative contribution due to a widening of corporate bond spreads. Still, USD Asian bonds remained attractive because of yield consideration and supportive monetary policies in the United States ("US") and other Developed Markets ("DM") countries. Yields of underlying UST at the short end are also expected to remain stable with a bias to trend lower as growth uncertainty remains and recent declines in the oil price keeps inflation expectations anchored.

D. Market Outlook

COVID-19 is adding risk to an existing weak trend on global trade growth with fear that of some stagflationary forces might result from this crisis (more de-globalisation / weaker growth). In this environment, our central scenario has been darkened, with lower Gross Domestic Product ("GDP") growth expectations in first half of 2020. Possibly, the shock can prove stronger in the short term, but we stick to the view that the situation will stabilize at some point in the coming months, leading to a catch up after, with no long lasting shock to potential growth. Additional support from Central Banks and Governments to fight any further deterioration of the economic outlook is a key assumption to this view. US appears more insulated and supported by resilient internal demand, while Emerging Markets ("EM") and Europe will be the most affected over the short term.

E. Investment Strategy

There is no major change in the fund's strategy. In line with our expectations on more aggressive (vs last month's view) interest rate cuts and structural requirements of the fund, we continue to manage the Fund with a conservative view on duration. We will continue to re-invest available cash from coupons and maturing bonds into bonds or money market instruments maturing before and close to the maturity date of the Fund to maximize yield within our credit risk preference. We aim to diversify across countries where possible. The Fund continued to manage and maintain a gradual reduction in the duration. In terms of risk buckets, the Fund remained invested in liquid sectors in Global and Asian Investment Grade bonds, while keeping a low exposure to EM Investment Grade bonds. The portfolio stayed well diversified, with the largest portfolio holdings spread across countries and sectors.

We still believe corporate credit remains stable and will present further investment opportunities. We take comfort in the current modest growth environment where inflation could continue to remain low. In such a situation of slowing growth and benign inflation dynamics, global and regional central banks will continue to be dovish in their policy guidance and comments, which could therefore support bond markets. Fiscal policies should also be supportive. The demand for credit remains high and new issues have been generally well absorbed by the market. Although a phase-one trade deal is signed, uncertainty over the likelihood of a long-term comprehensive solution remains. As such, we still prefer to keep a cautious attitude on credit risk.

MAMG GLOBAL INCOME TRUST FUND

Manager's report for the financial period from 1 August 2019 to 31 January 2020 (cont'd)

E. Investment Strategy (cont'd)

We remain selective and prefer companies with solid credit fundamentals, more so with on-going uncertainty due to the global and Asian economic outlook. We like companies with a recurring cash flow profile, resilient profit margins, flexible balance sheets and bondholder-friendly management teams. We favour higher quality China's State Owned Enterprises ("SOE") and Southeast Asia credits. Within the Corporates space, we still prefer defensive industrials and utilities due to cyclicals such as consumers. In Financials, leasing companies and selected non-banking financial institutions are attractive though outright bank seniors could also be viewed as a more defensive play.

F. Soft Commissions and Rebates

The Manager and its delegates will not retain any for of soft commission or otherwise share in any commission with any broker in consideration for directing dealings in the investments of the Fund unless the soft commissions received are retained in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Fund. All dealings with brokers are executed on best available terms.

During the financial period from 1 August 2019 to 31 January 2020, the Manager and its delegates did not receive any soft commissions and rebates from brokers or dealers.

**TRUSTEE'S REPORT
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2019 TO 31 JANUARY 2020**

TO THE UNITHOLDERS OF MAMG GLOBAL INCOME TRUST FUND

We have acted as Trustee of MAMG Global Income Trust Fund for the financial period 1 August 2019 to 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 Deeds, the Securities Commission Malaysia Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 ("CMSA") and other applicable laws;
- (b) Valuation/pricing of units of the Fund has been carried out in accordance with the Deeds and any regulatory requirements;
- (c) Creation and cancellation of units are carried out in accordance with the Deeds and relevant regulatory requirements; and
- (d) The distribution of returns for the period were tied to and reflect the objectives of the Fund.

For and on behalf of
SCBMB Trustee Berhad

Prasad A/L S Vijayasundram
Chief Executive Officer

Kuala Lumpur, Malaysia
12 March 2020

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAMG GLOBAL INCOME TRUST FUND
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2019 TO 31 JANUARY 2020**

I, Ahmad Najib Bin Nazlan, being the Director of Maybank Asset Management Sdn Bhd (the "Manager") do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134 Interim Financial Reporting and International Accounting Standards 34 Interim Financial Reporting so as to give a true and fair view of the financial position of the Fund as at 31 January 2020 and of its results, changes in equity and cash flows for the financial period then ended and comply with the requirements of the Deeds.

For and on behalf of the Manager

Ahmad Najib Bin Nazlan
Director

Kuala Lumpur, Malaysia
12 March 2020

MAMG GLOBAL INCOME TRUST FUND

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2019 TO 31 JANUARY 2020**

	Note	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.01.2019 RM
INVESTMENT INCOME			
Interest income	3	1,481,746	1,623,010
Net gain on financial assets at fair value through profit or loss ("FVTPL")	10(c)		
- Realised gain/(loss)		41,206	(95,302)
- Unrealised gain		305,327	860,008
Net gain on foreign exchange and forward currency contracts	4	228,802	289,757
Other income	5	50,774	123,566
		<u>2,107,855</u>	<u>2,801,039</u>
EXPENSES			
Manager's fee	6	423,242	426,675
Trustee's fee	7	21,162	21,334
Auditors' remuneration		4,777	5,024
Tax agent's fee		3,763	2,269
Administrative expenses		8,899	8,488
		<u>461,843</u>	<u>463,790</u>
Net income before taxation		1,646,012	2,337,249
Taxation	8	(1,905)	-
Net income after taxation, and total comprehensive income for the financial period		<u>1,644,107</u>	<u>2,337,249</u>
Net income after taxation is made up of the following:			
Net realised loss		(926,328)	(2,095,308)
Net unrealised income		2,570,435	4,432,557
		<u>1,644,107</u>	<u>2,337,249</u>
Distributions for the financial period:			
Net distributions		<u>2,175,329</u>	<u>2,155,400</u>
Gross/net distribution per unit (sen)		<u>2.10</u>	<u>2.00</u>
Distribution date (ex-date)		<u>13/09/2019</u>	<u>7/09/2018</u>

MAMG GLOBAL INCOME TRUST FUND

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

	Note	31.01.2020 RM	31.07.2019 RM
ASSETS			
Financial assets at FVTPL	10	101,837,853	101,554,635
Derivative asset	13	855,612	557,673
Interest receivable		844,190	896,125
Other receivables		5,247	-
Tax recoverable		10,736	3,791
Cash at bank	9	1,636,885	3,777,987
TOTAL ASSETS		<u>105,190,523</u>	<u>106,790,211</u>
LIABILITIES			
Amount due to Manager	11	679,655	72,459
Amount due to Trustee	12	3,554	3,623
Other payables and accruals	14	27,646	24,971
TOTAL LIABILITIES		<u>710,855</u>	<u>101,053</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>104,479,668</u>	<u>106,689,158</u>
EQUITY			
Unitholders' capital	15(a)	102,038,801	103,717,069
Retained earnings	15(b) & (c)	2,440,867	2,972,089
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>104,479,668</u>	<u>106,689,158</u>
NUMBER OF UNITS IN CIRCULATION (UNIT)	15(a)	<u>102,068,624</u>	<u>103,715,071</u>
NAV PER UNIT (RM)		<u>1.0236</u>	<u>1.0287</u>

MAMG GLOBAL INCOME TRUST FUND

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2019 TO 31 JANUARY 2020**

	Unitholders' capital RM	Retained earnings RM	Total equity RM
At 1 August 2019	103,717,069	2,972,089	106,689,158
Total comprehensive income for the financial period	-	1,644,107	1,644,107
Cancellation of units	(1,678,268)	-	(1,678,268)
Distributions (Note 16)	-	(2,175,329)	(2,175,329)
At 31 January 2020	<u>102,038,801</u>	<u>2,440,867</u>	<u>104,479,668</u>
At 1 August 2018	107,808,226	421,871	108,230,097
Total comprehensive income for the financial period	-	2,337,249	2,337,249
Cancellation of units	(2,959,100)	-	(2,959,100)
Distributions (Note 16)	-	(2,155,400)	(2,155,400)
At 31 January 2019	<u>104,849,126</u>	<u>603,720</u>	<u>105,452,846</u>

MAMG GLOBAL INCOME TRUST FUND

UNAUDITED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2019 TO 31 JANUARY 2020

	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.01.2019 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of financial assets at FVTPL	37,010,707	9,824,836
Payments for purchase of financial assets at FVTPL	(38,087,509)	-
Net realised gain/(loss) on forward foreign exchange contracts	807,289	(3,653,037)
Interest and redemption fee received	2,311,254	2,265,926
Other income received	38,168	112,833
Manager's fee paid	(424,624)	(440,596)
Trustee's fee paid	(21,231)	(21,438)
Taxation paid	(8,850)	-
Payment of other fees and expenses	(20,014)	(12,984)
Net cash generated from operating and investing activities	<u>1,605,190</u>	<u>8,075,540</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid on units cancelled	(1,069,690)	(2,959,100)
Distributions to unitholders	(2,175,329)	(2,155,400)
Net cash used in financing activities	<u>(3,245,019)</u>	<u>(5,114,500)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL PERIOD		
	(1,639,829)	2,961,040
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		
	3,777,987	2,943,195
Effects of foreign exchange	(501,273)	(334,221)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>1,636,885</u>	<u>5,570,014</u>

Cash and cash equivalents comprise solely of cash at bank.

MAMG GLOBAL INCOME TRUST FUND

NOTES TO THE FINANCIAL STATEMENTS FROM 1 AUGUST 2019 TO 31 JANUARY 2020

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

MAMG Global Income Trust Fund ("the Fund") was constituted pursuant to the execution of a Deed dated 23 May 2017 between the Manager, Amanah Mutual Berhad ("AMB") and the Trustee, SCBMB Trustee Berhad. The Fund is a three (3)-year close-ended Fund launched on 17 July 2017. The Fund commenced operations on 13 September 2017 and will mature on the third (3rd) anniversary of the commencement date; if the date does not fall on a business day, it shall be the following business day.

To achieve its investment objective, the Fund will invest between 70% and 99.50% of the Fund's NAV in fixed income instruments, and between 0.5% and 30% of the Fund's NAV in liquid assets.

The Fund will invest in bonds which carry a minimum rating of 'BBB-' by Standard & Poor's Financial Services LLC ("S&P") or equivalent by Moody's Investors Service ("Moody's"), Fitch Ratings Inc. ("Fitch") or any other rating agencies. Local bonds rated by RAM Rating Services Berhad ("RAM") will carry a minimum rating of 'BBB' or equivalent by Malaysian Rating Corporation Berhad ("MARC") or any other rating agencies.

The Manager, a company incorporated in Malaysia, is principally engaged in the management of unit trust funds. Amanah Saham Nasional Berhad ("ASNB") and Permodalan Nasional Berhad, companies incorporated in Malaysia, were the holding and ultimate holding company of the Manager until 16 May 2018.

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

MAM and SCBMB Trustee Berhad as the Trustee had entered into a First Supplemental Deed dated 4 September 2018 to change the name of the Fund and to appoint MAM as the replacement Manager of the Fund effective 1 November 2018.

Amundi Malaysia Sdn Bhd has been appointed by the Manager as the external investment manager ("EIM") for the Fund.

MAMG GLOBAL INCOME TRUST FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements for the six-month period ended 31 January 2020 have been prepared in accordance with Malaysian Financial Reporting Standard 134: Interim Financial Reporting ("MFRS 134"), International Accounting Standards 34 Interim Financial Reporting, the Deeds and any regulatory requirement.

The Fund had adopted the MFRS, Amendments to Standards and IC Interpretations which have become effective during the financial period from 1 August 2019 to 31 January 2020. The adoption of the new pronouncements did not result in any material impact to the financial statements.

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies in Note 2 to the financial statements.

The financial statements are presented in Ringgit Malaysia ("RM").

2.2 Standards and amendments to standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
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.

MAMG GLOBAL INCOME TRUST FUND

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

2.4 Financial assets

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

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

(i) Classification

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

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

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

The Fund classifies cash and cash equivalents, interest receivables and other receivables as financial assets at amortised cost, and are subsequently measured at amortised cost. Unquoted fixed income securities and derivatives are classified as FVTPL.

(ii) Financial assets at FVTPL

Investments in unquoted fixed income securities and derivatives 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.

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.

MAMG GLOBAL INCOME TRUST FUND

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

2.4 Financial assets (cont'd)

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

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.

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

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

(iii) Impairment of financial assets

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

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

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

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

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

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

MAMG GLOBAL INCOME TRUST FUND

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

2.4 Financial assets (cont'd)

(iv) Derecognition of financial assets

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

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

2.5 Financial liabilities

(i) Classification

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

(ii) Recognition and measurement

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. The Fund's financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

(iii) Derecognition of financial liabilities

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

MAMG GLOBAL INCOME TRUST FUND

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

2.6 Unitholders' capital

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

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

The outstanding units are carried at the redemption amount that is payable at each financial period if unitholder exercises the right to put the unit back to the Fund. Units are created and cancelled at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

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

2.7 Revenue / Income

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

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

Realised gain on disposal of investments is measured as the difference between the net proceeds and its carrying amount of the investments, determined on cost adjusted for accretion of discount or amortisation of premium.

Other income such as redemption fee and consent fee are recognised on an accrual basis when the right to receive has been established.

2.8 Cash and cash equivalents

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

MAMG GLOBAL INCOME TRUST FUND

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

2.9 Taxation

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

Current taxes are recognised in profit or loss, except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Current tax expense is determined according to Malaysian tax laws at the current tax rate based upon the taxable profit earned during the financial period.

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

2.10 Fair value measurement

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

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

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

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

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

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.

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

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

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

MAMG GLOBAL INCOME TRUST FUND

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

2.10 Fair value measurement (cont'd)

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.

2.11 Distributions

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

2.12 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.

2.13 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) Transaction and balances

Foreign currency transactions are translated into 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.

2.14 Significant accounting estimates and judgments

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

MAMG GLOBAL INCOME TRUST FUND

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

2.14 Significant accounting estimates and judgments (cont'd)

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. INTEREST INCOME

	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.01.2019 RM
Interest income from unquoted fixed income securities	1,973,480	2,279,245
Amortisation of premium, net of accretion of discount	(491,734)	(656,235)
	<u>1,481,746</u>	<u>1,623,010</u>

4. NET GAIN ON FOREIGN EXCHANGE AND FORWARD CURRENCY CONTRACTS

	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.01.2019 RM
Realised loss on foreign exchange	(3,918,244)	(299,700)
Unrealised gain on foreign exchange	1,967,170	285,273
Realised gain/(loss) on forward contracts	1,881,938	(2,983,092)
Unrealised gain on forward contracts	297,938	3,287,276
	<u>228,802</u>	<u>289,757</u>

5. OTHER INCOME

	Note	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.01.2019 RM
Redemption fee income	(a)	50,774	10,733
Early tender payment	(b)	-	112,833
		<u>50,774</u>	<u>123,566</u>

(a) The Fund is entitled to redemption fee income at 1.50% (01.08.2018 to 31.01.2019: 1.50%) of the redemption amount for cancellation of units by unitholders before the maturity date, and is recognised upon cancellation of units.

(b) Payment received from a bond issuer for the repurchase of security issued, which is recognised when the right to receive has been established.

MAMG GLOBAL INCOME TRUST FUND

6. MANAGER'S FEE

The Manager is entitled to an annual management fee of 0.80% (01.08.2018 to 31.01.2019: 0.80%) per annum ("p.a.") of the NAV. The annual management fee is calculated and accrued on a daily basis.

7. TRUSTEE'S FEE

The Trustee's fee is up to 0.04% p.a. of the NAV (01.08.2018 to 31.01.2019: 0.04%), subject to a minimum of RM12,000 per annum (excluding foreign custodian fees and charges). That annual trustee fee is calculated and accrued on a daily basis.

8. TAXATION

01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.01.2019 RM
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Tax expense for the financial period:

Current income tax expense	1,905	-
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Income tax is calculated at the Malaysian statutory tax rate of 24% (01.08.2018 to 31.01.2019: 24%) of the estimated assessable income for the financial period.

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

Income derived from sources outside Malaysia may be subjected to tax in the country from which it is derived. Tax on income from foreign investments 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 before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.01.2019 RM
Net income before taxation	1,646,012	2,337,249
Taxation at Malaysian statutory rate of 24% (01.08.2019 to 31.01.2019: 24%)	395,043	560,940
Income not subject to tax	(493,699)	(672,249)
Expenses not deductible for tax purposes	7,969	111,309
Restriction on tax deductible expenses for unit trust funds	92,592	-
Tax expense for the financial period	1,905	-

MAMG GLOBAL INCOME TRUST FUND

9. CASH AT BANK

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

	31.01.2020 RM	31.07.2019 RM
US Dollar ("USD")	222,560	1,912,733
RM	1,414,325	1,865,254
	<u>1,636,885</u>	<u>3,777,987</u>

10. FINANCIAL ASSETS AT FVTPL

	31.01.2020 RM	31.07.2019 RM
Investments in financial assets at FVTPL:		
Unquoted fixed income securities - local	35,837,962	1,260,876
Unquoted fixed income securities - foreign	65,999,891	100,293,758
	<u>101,837,853</u>	<u>101,554,635</u>

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020				
(a) Unquoted fixed income securities - local				
Telecommunications & Media				
Axiata SPV1 Labuan Ltd - 5.38% / 28.04.2020	300,000	1,266,250	1,236,717	1.18
Government Issue				
GII Murabahah				
- 3.80% / 27.08.2020	4,500,000	4,518,418	4,524,795	4.33
- 3.27% / 15.04.2020	10,000,000	10,008,187	10,007,900	9.58
- 3.58% / 15.05.2020	5,000,000	5,009,869	5,010,400	4.80
	<u>19,500,000</u>	<u>19,536,474</u>	<u>19,543,095</u>	<u>18.71</u>
MGS				
- 3.89% / 31.07.2020	10,000,000	10,049,947	10,052,500	9.62
- 3.49% / 31.03.2020	5,000,000	5,004,256	5,005,650	4.79
	<u>15,000,000</u>	<u>15,054,203</u>	<u>15,058,150</u>	<u>14.41</u>

MAMG GLOBAL INCOME TRUST FUND

10. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020				
(a) Unquoted fixed income securities - local				
Total unquoted fixed income securities - foreign	34,800,000	35,856,927	35,837,962	34.30
(b) Unquoted fixed income securities - foreign				
Australia				
Origin Energy Finance Ltd - 5.45% / 14.10.2021	900,000	3,934,646	3,890,829	3.72
British Virgin Island				
Bluestar Finance Holdings Ltd - 4.38% / 11.06.2020	750,000	3,159,859	3,091,670	2.96
China Cinda Finance (2015) I Ltd - 3.13% / 23.04.2020	900,000	3,773,701	3,691,532	3.53
China Great Wall International Holdings III Ltd - 2.63% / 27.10.2021	600,000	2,505,133	2,461,734	2.36
Franshion Development Ltd - 6.75% / 15.04.2021	600,000	2,631,773	2,575,707	2.47
Haitong International Finance 2015 Ltd - 4.20% / 29.07.2020	900,000	3,795,406	3,715,091	3.56
Rail Transit International Investment Co Ltd - 2.88% / 13.05.2021	300,000	1,258,479	1,220,003	1.17
Skyland Mining Ltd - 3.25% / 06.07.2020	500,000	2,096,918	2,050,913	1.96
Zhaohai Investment (BVI) Ltd - 4.00% / 23.07.2020	500,000	2,104,149	2,036,473	1.95
Total British Virgin Island	5,050,000	21,325,418	20,843,123	19.95

MAMG GLOBAL INCOME TRUST FUND

10. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020				
(b) Unquoted fixed income securities - foreign				
Cayman Island				
BoS Funding Ltd - 3.37% / 08.06.2020	900,000	3,787,530	3,687,661	3.53
China				
China Construction Bank Corp - 3.88% / 13.05.2025	600,000	2,522,769	2,467,117	2.36
JD.com Inc - 3.13% / 29.04.2121	600,000	2,518,528	2,476,465	2.37
MCC Holding Corp Ltd - 2.95% / 31.05.2020	500,000	2,095,377	2,049,254	1.96
Total China	1,700,000	7,136,674	6,992,836	6.69
Great Britain				
Bank of India - 6.25% / 16.02.2021	300,000	1,297,005	1,273,721	1.22
Hong Kong				
Chong Hing Bank Ltd - 6.00% / 04.11.2020	300,000	1,292,001	1,255,766	1.20
China National Chemical Corporation - 6.00% / 04.11.2020	600,000	2,494,999	2,464,118	2.36
Fubon Bank Ltd - 6.13% / 30.11.2020	300,000	1,297,030	1,258,150	1.20
ICBCIL Finance Company Ltd - 3.00% / 05.04.2020	900,000	3,771,220	3,691,532	3.53

MAMG GLOBAL INCOME TRUST FUND

10. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020				
(b) Unquoted fixed income securities - foreign				
Hong Kong (cont'd)				
Weichai International Energy Group Ltd - 4.13% / 30.09.2020	600,000	2,543,377	2,482,553	2.38
Total Hong Kong	<u>2,700,000</u>	<u>11,398,627</u>	<u>11,152,119</u>	<u>11</u>
Indonesia				
PT Pertamina Persero - 5.25% / 23.05.2021	600,000	2,608,566	2,550,637	2.44
Isle of Man				
Anglogold Ashanti Holdings Plc - 5.38% / 15.04.2020	900,000	3,807,529	3,701,103	3.54
Oman				
Government of the Sultanate of Oman - 3.63% / 15.01.2021	900,000	3,785,435	3,701,561	3.54
Singapore				
BOC Aviation Ltd - 3.00% / 30.03.2020	500,000	2,094,900	2,050,810	1.96
South Korea				
Hyundai Capital Services Inc - 2.63 % / 29.09.2020	300,000	1,255,957	1,233,190	1.18
Korea East West Power Co Ltd - 2.50% / 02.06.2020	400,000	1,552,294	1,641,697	1.57
Korea Resources Corp - 2.25% / 29.04.2020	400,000	1,579,255	1,638,666	1.57
Total South Korea	<u>1,100,000</u>	<u>4,387,506</u>	<u>4,513,553</u>	<u>4.32</u>

MAMG GLOBAL INCOME TRUST FUND

10. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.01.2020				
(b) Unquoted fixed income securities - foreign				
United States of America				
Australia & New Zealand Banking Group Ltd (New York branch) - 2.13% / 30.03.2020	400,000	1,632,731	1,641,938	1.57
Total unquoted fixed income securities - foreign	15,950,000	67,196,567	65,999,891	63.17
Total unquoted fixed income securities	50,750,000	103,053,494	101,837,853	97.47
Unrealised loss on unquoted fixed income securities*			(1,215,641)	
31.07.2019				
(a) Unquoted fixed income securities - local				
Telecommunications & Media				
Axiata SPV1 Labuan Ltd - 5.38% / 28.04.2020	300,000	1,283,755	1,260,876	1.18
Total unquoted fixed income securities - local	300,000	1,283,755	1,260,876	1.18

MAMG GLOBAL INCOME TRUST FUND

10. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2019 (cont'd)				
(b) Unquoted fixed income securities - foreign				
Australia				
Baosteel Financing 2015 Pty Ltd - 3.85% / 28.01.2020	300,000	1,268,522	1,242,066	1.16
Origin Energy Finance Ltd - 5.45% / 14.10.2021	900,000	3,979,064	3,917,081	3.67
Total Australia	1,200,000	5,247,586	5,159,147	4.84
British Virgin Island				
China Cinda Finance (2015) I Ltd - 3.13% / 23.04.2020	900,000	3,778,698	3,717,401	3.48
China Great Wall International Holdings III Ltd - 2.63% / 27.10.2021	600,000	2,500,226	2,453,517	2.30
Double Rosy Ltd. - 3.63% / 18.11.2019	900,000	3,780,289	3,721,670	3.49
Franshion Development Ltd - 6.75% / 15.04.2021	600,000	2,673,072	2,624,069	2.46
Haitong International Finance 2015 Ltd - 4.20% / 29.07.2020	900,000	3,817,188	3,749,588	3.51
Huarong Finance Co Ltd - 3.38% / 24.01.2020	600,000	2,518,712	2,478,193	2.32
Rail Transit International Investment Co Ltd - 2.88% / 13.05.2021	300,000	1,257,317	1,215,881	1.14
Sino-Ocean Land Treasure Finance II Ltd - 4.45% / 04.02.2020	600,000	2,536,128	2,487,375	2.33

MAMG GLOBAL INCOME TRUST FUND

10. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2019 (cont'd)				
(b) Unquoted fixed income securities - foreign (cont'd)				
British Virgin Island (cont'd)				
Skyland Mining Ltd - 3.25% / 06.07.2020	500,000	2,098,448	2,054,910	1.93
Huarong Finance II Ltd - 4.50% / 16.01.2020	600,000	2,451,135	2,490,518	2.33
Zhaohai Investment (BVI) Ltd - 4.00% / 23.07.2020	500,000	2,112,126	2,035,461	1.91
Total British Virgin island	<u>7,000,000</u>	<u>29,523,339</u>	<u>29,028,583</u>	<u>27.21</u>
Cayman Island				
BoS Funding Ltd - 3.37% / 08.06.2020	900,000	3,791,578	3,721,596	3.49
Braskem Finance Ltd - 7.00% / 07.05.2020	900,000	3,882,309	3,823,912	3.58
Total Cayman Island	<u>1,800,000</u>	<u>7,673,887</u>	<u>7,545,508</u>	<u>7.07</u>
China				
China Construction Bank Corp - 3.88% / 13.05.2025	600,000	2,535,265	2,487,375	2.33
JD.com Inc - 3.13% / 29.04.2021	600,000	2,519,860	2,473,339	2.32
Total China	<u>1,200,000</u>	<u>5,055,125</u>	<u>4,960,714</u>	<u>4.65</u>
Hong Kong				
Bank of East Asia Ltd - 4.25% / 20.11.2024	600,000	2,524,322	2,484,306	2.33
Central Plaza Development Ltd - 3.88% / 25.01.2020	600,000	2,526,475	2,479,900	2.32

MAMG GLOBAL INCOME TRUST FUND

10. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2019 (cont'd)				
(b) Unquoted fixed income securities - foreign (cont'd)				
Hong Kong (cont'd)				
ICBCIL Finance Co - 3.00% / 05.04.2020	900,000	3,773,168	3,717,363	3.48
Chong Hing Bank Ltd - 6.00% / 04.11.2020	300,000	1,310,220	1,279,798	1.20
CNAC (HK) Finbridge Co Ltd - 3.00% / 19.07.2020	600,000	2,496,107	2,475,074	2.32
Fubon Bank (Hong Kong) Ltd - 6.13% / 30.11.2020	300,000	1,316,475	1,284,352	1.20
MCC Holding (Hong Kong) Corp Ltd - 2.95% / 31.05.2020	500,000	2,095,550	2,062,603	1.93
Weichai International Hong Kong Energy Group Co Ltd - 4.13% / 30.09.2020	600,000	2,557,216	2,505,937	2.35
Total Hong Kong	4,400,000	18,599,533	18,289,333	17.14
India				
Adani Ports & Special Economic Zone Ltd - 3.50% / 29.07.2020	600,000	2,540,595	2,504,131	2.35
Indonesia				
PT Pertamina (Persero) - 5.25% / 23.05.2021	600,000	2,638,604	2,586,523	2.42
Isle of Man				
AngloGold Ashanti Holdings PLC - 5.38% / 15.04.2020	900,000	3,851,538	3,766,784	3.53

MAMG GLOBAL INCOME TRUST FUND

10. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2019 (cont'd)				
(b) Unquoted fixed income securities - foreign (cont'd)				
Oman				
Government of the Sultanate of Oman - 3.63% / 15.01.2021	900,000	3,789,770	3,694,457	3.46
National Bank of Oman S.A.O.G. - 3.13% / 07.10.2019	200,000	838,759	823,334	0.77
Total Oman	<u>1,100,000</u>	<u>4,628,529</u>	<u>4,517,791</u>	<u>4.23</u>
Singapore				
BOC Aviation Ltd - 3.00% / 30.03.2020	<u>500,000</u>	<u>2,098,554</u>	<u>2,065,161</u>	<u>1.94</u>
South Korea				
Hyundai Capital Services Inc - 2.63% / 29.09.2020	300,000	1,255,939	1,236,547	1.16
Korea East-West Power Co Ltd - 2.50% / 02.06.2020	400,000	1,548,083	1,650,132	1.55
Korea Resources Corp Ltd - 2.25% / 29.04.2020	400,000	1,571,594	1,645,925	1.54
Total South Korea	<u>1,100,000</u>	<u>4,375,616</u>	<u>4,532,604</u>	<u>4.25</u>
Turkey				
Türkiye Garanti Bankasi AS - 4.75% / 17.10.2019	900,000	3,784,823	3,693,938	3.46
Yapi Ve Kredi Bankasi AS - 4.00% / 22.01.2020	900,000	3,773,857	3,689,297	3.46
Total Turkey	<u>1,800,000</u>	<u>7,558,680</u>	<u>7,383,235</u>	<u>6.92</u>

MAMG GLOBAL INCOME TRUST FUND

10. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.07.2019 (cont'd)				
(b) Unquoted fixed income securities - foreign (cont'd)				
United Kingdom				
Bank of India (London Branch) - 6.25% / 16.02.2021	300,000	1,314,614	1,293,373	1.21
ICBC Standard Bank PLC - 8.13% / 02.12.2019	900,000	3,842,918	3,772,977	3.54
Syndicate Bank (London Branch) - 3.88% / 04.12.2019	300,000	1,261,137	1,240,123	1.16
Total United Kingdom	<u>1,500,000</u>	<u>6,418,669</u>	<u>6,306,473</u>	<u>5.91</u>
United States of America				
Australia & New Zealand Banking Group Ltd (New York branch) - 2.13% / 19.08.2020	400,000	1,627,781	1,647,771	1.54
Total unquoted fixed income securities - foreign	<u>24,100,000</u>	<u>101,838,036</u>	<u>100,293,758</u>	<u>94.01</u>
Total unquoted fixed income securities	<u>24,400,000</u>	<u>103,121,791</u>	<u>101,554,634</u>	<u>95.19</u>
Unrealised loss on unquoted fixed income securities*			<u>(1,567,157)</u>	

* The unrealised loss on unquoted fixed income securities comprise the amounts arising from changes in fair values and effects from foreign exchange.

(c) Changes in the fair value of FVTPL investments are recognised in 'unrealised gain on FVTPL investments' in the profit and loss. Accumulated unrealised gains or losses are reclassified to 'realised loss on FVTPL investments' in the profit or loss when the associated assets are sold. See accounting policy Note 2.3(i) for details.

MAMG GLOBAL INCOME TRUST FUND

11. AMOUNT DUE TO MANAGER

	Note	31.01.2020 RM	31.07.2019 RM
Amount due to Manager is in respect of :			
Manager's fee	(i)	71,077	72,459
Cancellation of units	(ii)	608,578	-
		<u>679,655</u>	<u>72,459</u>

(i) Amount due to Manager relates to the amount payable to the Fund Manager arising from the accruals for Manager's fee at the end of the financial period/year. The normal credit term for Manager's fee is 15 days (01.08.2018 to 31.01.2019: 15 days).

(ii) The amount represents amount payable to the Manager for units redeemed.

12. AMOUNT DUE TO TRUSTEE

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

13. DERIVATIVE ASSETS

	Principal amount RM	<-----Fair value----->	
		Assets RM	Liabilities RM
31.01.2020			
<u>Foreign exchange related contracts</u>			
Less than 1 year	<u>91,848,860</u>	<u>855,612</u>	<u>-</u>
31.07.2019			
<u>Foreign exchange related contracts</u>			
Less than 1 year	<u>112,615,450</u>	<u>557,673</u>	<u>-</u>

As at the reporting date, there were two forward exchange contract (31.07.2019: one forward contract) outstanding.

The forward currency contracts entered into during the financial period were for hedging against the currencies exposure arising mainly from investments in the foreign unquoted fixed income securities denominated in USD. As the Fund has not adopted hedge accounting during the financial period, the change in the fair value of the forward currency contract is recognised immediately in the statement of comprehensive income.

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14. OTHER PAYABLES AND ACCRUALS

Other payables and accruals comprise the following:

	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.07.2019 RM
Due to external auditors	20,883	10,971
Due to tax agent	6,763	9,000
Other payables	-	5,000
	<u>27,646</u>	<u>24,971</u>

15. TOTAL EQUITY

	Note	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.07.2019 RM
Unitholders' capital	15(a)	102,038,801	103,717,069
Accumulated realised gain	15(b)	2,460,740	5,562,397
Accumulated unrealised loss	15(c)	(19,873)	(2,590,308)
		<u>104,479,668</u>	<u>106,689,158</u>

(a) Unitholders' capital

	01.08.2019 to 31.01.2020		01.08.2018 to 31.07.2019	
	Units	RM	Units	RM
At the beginning of the financial period/year	103,715,071	103,717,069	107,810,000	107,808,226
Cancellation of units	<u>(1,646,447)</u>	<u>(1,678,268)</u>	<u>(4,094,929)</u>	<u>(4,091,157)</u>
At the end of the financial period/year	<u>102,068,624</u>	<u>102,038,801</u>	<u>103,715,071</u>	<u>103,717,069</u>

As of the end of the financial period, there were no units held by the Manager and related party (31.07.2019: Nil).

(b) Accumulated realised gain

	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.07.2019 RM
As at beginning of the financial period	5,562,397	8,375,295
Net realised loss for the financial period	(926,328)	(657,498)
Distribution out of retained earnings	(2,175,329)	(2,155,400)
As at end of the financial period	<u>2,460,740</u>	<u>5,562,397</u>

MAMG GLOBAL INCOME TRUST FUND

15. TOTAL EQUITY (CONT'D)

(c) Accumulated unrealised loss

	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.07.2019 RM
As at beginning of the financial period	(2,590,308)	(7,953,424)
Net unrealised gain for the financial period	2,570,435	5,363,116
As at end of the financial period	<u>(19,873)</u>	<u>(2,590,308)</u>

16. DISTRIBUTIONS

The distributions declared to unitholders in the current and previous financial periods are from the following source:

	01.08.2019 to 31.01.2020 RM	01.08.2018 to 31.01.2019 RM
Previous period's net realised income *	2,175,329	2,155,400
Less: Expenses	-	-
Distributions out of realised reserve (Note 15(b))	<u>2,175,329</u>	<u>2,155,400</u>

* Part of the distributions declared were made from previous financial period's net realised income.

The Fund has unrealised losses brought forward arising from the changes in fair value of the FVTPL investments. See Note 15(c).

The gross and net distributions per unit and the distribution dates in the current and previous financial period are as follows:

Distribution date	Gross/net distribution per unit (sen)
01.08.2019 to 31.01.2020	
13 September 2019	<u>2.10</u>
01.08.2018 to 31.01.2019	
7 September 2018	<u>2.00</u>

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17. TRANSACTIONS WITH BROKERS

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

Brokers	01.08.2019 to 31.01.2020		01.08.2018 to 31.01.2019	
	Value of trade RM	Percent of total trade %	Value of trade RM	Percent of total trade %
Bank of America Merrill Lynch	5,000,000	13.31	-	-
Barclays Plc	-	-	3,180,456	24.20
BNP Paribas London	3,072,375	8.18	-	-
Crédit Agricole Corporate & Investment Bank	-	-	3,792,406	28.86
Commonwealth Bank of Australia	-	-	1,629,437	12.40
HSBC Bank Malaysia Bhd	14,500,000	38.59	-	-
JP Morgan, London	-	-	1,250,992	9.52
ING Amsterdam	-	-	815,633	6.21
Nomura Singapore	-	-	2,473,068	18.81
Standard Chartered Bank, Malaysia	15,000,000	39.92	-	-
	<u>37,572,375</u>	<u>100.00</u>	<u>13,141,992</u>	<u>100.00</u>

MAMG GLOBAL INCOME TRUST FUND

18. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

Other than the related party information disclosed elsewhere in the financial statements, there were no other significant related party transactions or balances during the financial year.

The Manager is of the opinion that the transactions and balances 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.

19. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the total expenses expressed as an annual percentage of the Fund's daily average NAV. For the financial period from 1 August 2019 to 31 January 2020, the MER of the Fund stood at 0.44% (01.08.2018 to 31.01.2019: 0.44%).

20. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average of the total acquisitions and disposals of the investment in the Fund for the financial period to the daily average NAV of the Fund. For the financial period from 1 August 2019 to 31 January 2020, the PTR of the Fund stood at 0.36 times (01.08.2018 to 31.01.2019: 0.09 times).

21. SEGMENTAL INFORMATION

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

The PMC is responsible for the performance of the Fund by investing between 70% and 99.50% of the Fund's NAV in fixed income instruments, and between 0.5% and 30% of the Fund's NAV in liquid assets.

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

MAMG GLOBAL INCOME TRUST FUND

22. 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: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

	Level 1	Level 2	Level 3
	RM	RM	RM
31.01.2020			
Financial assets at FVTPL	-	101,837,853	-
Derivative assets	-	855,612	-
	<hr/>	<hr/>	<hr/>
31.07.2019			
Financial assets at FVTPL	-	101,554,635	-
Derivative asset	-	557,673	-
	<hr/>	<hr/>	<hr/>

23. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund's objectives for managing capital are:

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

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