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MAYBANK CONSTANT INCOME FUND 6

Annual report

For the financial year ended 30 April 2020

CORPORATE INFORMATION

MANAGER

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

Level 12 Tower C

Dataran Maybank

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TRUSTEE

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MAYBANK CONSTANT INCOME FUND 6

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MAYBANK CONSTANT INCOME FUND 6

Manager's report

For the financial year ended 30 April 2020

A. Fund Information

1. Name of the Fund

Maybank Constant Income Fund 6 (the "Fund")

2. Type of Fund

Income

3. Category of Fund

Fixed income (closed-ended)

4. Fund launch date

17 March 2017

5. Fund commencement date / maturity date

18 April 2017 / 20 October 2020 *

* The Manager has sought extension from the unitholders and Securities Commission Malaysia to defer the maturity date to 20 October 2020 due to recent unexpected and unprecedented market developments that affected the Fund's returns. The Manager has the sole discretion to terminate the Fund at any time during the Extended Maturity Period, with the concurrence of the Trustee. The unitholders will be notified within 14 days from the Termination Date in the event of an early termination.

6. Duration of the Fund

The Fund is a three (3) year closed-ended fund with an early maturity feature whereby the Fund may be unwound on a Business Day which falls on or after the first (1st) anniversary of the commencement date up to thirty (30) days before the third (3rd) anniversary of the commencement date, subject to the Fund fulfilling the requirements set out in the Fund's prospectus dated 17 March 2017.

7. Fund's investment objective

The Fund aims to provide unitholders with annual income through investments in a portfolio of fixed income securities.

8. Fund distribution policy

The Fund will declare income distribution annually, subject to the availability of income, throughout the tenure of the Fund.

9. Fund's performance benchmark

The prevailing 3-year Malayan Banking Berhad ("Maybank") fixed deposit rate at the commencement date.

MAYBANK CONSTANT INCOME FUND 6

Manager's report

For the financial year ended 30 April 2020 (cont'd)

A. Fund Information (cont'd)

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

The Fund invests at least 80% of the Fund's net asset value ("NAV") in Ringgit Malaysia ("RM")-denominated and/or foreign currency fixed income securities and the remaining balance of its NAV will be invested in liquid assets.

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

11. Net income distribution for the financial year ended 30 April 2020

The Fund did not declare any income distribution for the financial year ended 30 April 2020.

12. Breakdown of unitholdings by size

Fund size

As at 30 April 2020, the size of the Fund was 196,007,586 units.

Breakdown of unitholdings as at 30 April 2020

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	50.00	* 1	0.00
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	-	-	-	-
500,001 units and above	1	50.00	** 196,007	100.00
Total	2	100.00	196,008	100.00

* Represent 1,000 units held by the Manager

** Represent units held under an Institutional Unit Trust Scheme Adviser ("IUTA")

MAYBANK CONSTANT INCOME FUND 6

Manager's report

For the financial year ended 30 April 2020 (cont'd)

B. Performance Review

1. Key performance data of the Fund

Category	01.05.2019 to 30.04.2020 RM	01.05.2018 to 30.04.2019 RM	17.03.2017 (date of launch) to 30.04.2018 RM
Portfolio			
Fixed income securities - local (%)	2.22	-	2.84
Fixed income securities - foreign (%)			
- Australia	-	3.79	4.10
- Bermuda	4.11	1.63	1.55
- British Virgin Island	6.83	17.01	16.30
- Cayman Islands	4.88	6.72	6.82
- China	4.31	8.42	7.00
- France	-	-	6.73
- Guernsey	2.04	3.31	3.14
- Hong Kong	1.53	12.18	9.09
- India	3.82	2.49	-
- Indonesia	-	7.84	4.96
- Japan	4.29	3.47	3.33
- Mauritius	-	1.70	1.62
- Netherlands	-	0.50	-
- Philippines	1.28	-	-
- Singapore	-	16.86	11.74
- South Korea	-	2.48	4.93
- Thailand	2.11	1.69	-
- United Kingdom	-	2.60	2.51
- United States	-	3.22	-
Cash and other net assets (%)	* 62.58	4.09	13.34
Total (%)	100.00	100.00	100.00
NAV (RM'000)	203,354	249,284	248,612
Units in circulation (units'000)	196,008	244,144	248,420
NAV per unit (RM)	1.0375	1.0211	1.0008
Highest NAV per unit (RM)	1.1029	1.0636	1.0438
Lowest NAV per unit (RM)	1.0144	0.9823	1.0002

* Following the extension of the Fund's maturity date, the Manager chose to increase its investment in liquid assets to facilitate the payout of proceeds to unitholders.

MAYBANK CONSTANT INCOME FUND 6

Manager's report

For the financial year ended 30 April 2020 (cont'd)

B. Performance Review (cont'd)

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

Category	01.05.2019 to 30.04.2020 RM	01.05.2018 to 30.04.2019 RM	17.03.2017 (date of launch) to 30.04.2018 RM
Annual return (%) ⁽¹⁾			
- Capital growth (%)	1.65	2.03	0.08
- Income distribution (%)	-	4.56	2.48
Total return (%)	1.65	6.68	2.57
Benchmark (%)	3.07	3.40	3.44
Distribution date	-	18 April 2019	18 April 2018
Gross distribution per unit (sen)	-	4.65	2.50
Net distribution per unit (sen)	-	4.64	2.50
Management Expense Ratio ("MER") (%)	0.08	0.07	0.07
Portfolio Turnover Ratio ("PTR") (times) ⁽²⁾	0.81	0.59	0.89

Note:

- (1) Actual return of the Fund for the financial year is computed based on the daily average NAV per unit, net of Trustee's fees.
- (2) The Fund's PTR increased to 0.81 times due to higher investing activities during the current financial year.

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 30 April 2020

Category	1 year to 30.04.2020 %	3 years to 30.04.2020 %	Since inception to 30.04.2020 %
Capital growth	1.65	3.56	3.79
Income distribution	-	7.16	7.16
Total return of the Fund	1.65	10.98	11.22
Benchmark	3.07	10.04	10.25
Average total return	1.65	3.53	3.46

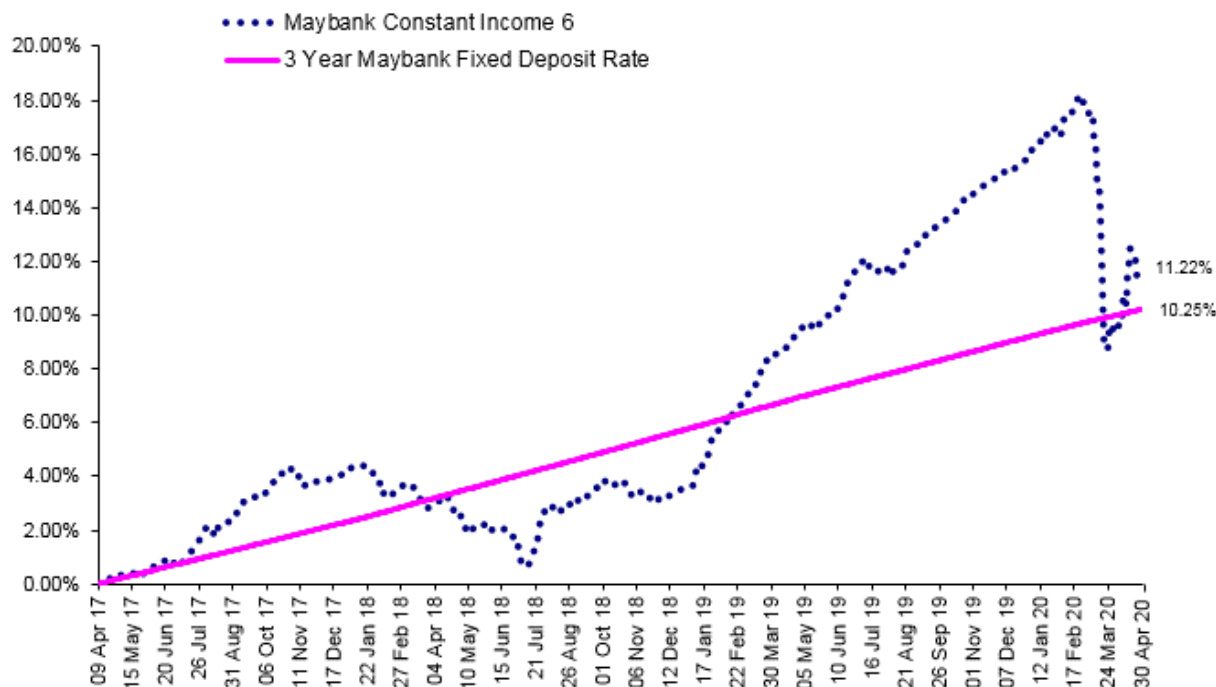
MAYBANK CONSTANT INCOME FUND 6

Manager's report

For the financial year ended 30 April 2020 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund up to 30 April 2020 (cont'd)



Source: Novagni Analytics and Advisory Sdn Bhd, as at 30 April 2020

Has the Fund achieved its investment objective?

For the period under review, the Fund has generated a total return of 1.65%, as compared to the benchmark which registered a return of 3.07% over the same period. The Fund underperformed the benchmark by 142 basis points ("bps") largely due to sell off in USD ("United States Dollar") credit bond as global economy reacted negatively to the coronavirus ("COVID-19") pandemic. Overall performance since inception of the Fund saw total return at 11.22% versus the benchmark at 10.25% with an outperformance by 97 bps against the benchmark. The Fund's maturity had been extended to 20 October 2020, thus meeting its objective of providing income through annual distribution to the unitholders can only be determined at the extended maturity.

3. Annual total return of the Fund

Category	01.05.2019	01.05.2018	17.03.2017
	to	to	(date of launch)
	30.04.2020	30.04.2019	to
	RM	RM	30.04.2018
			%
Annual total return	1.65	6.68	2.57
Benchmark	3.07	3.40	3.44

MAYBANK CONSTANT INCOME FUND 6

Manager's report

For the financial year ended 30 April 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

Market sentiment turned increasingly cautious towards the Asian credit market in May 2019 on souring trade negotiations between the Chinese and United States ("US") authorities. The failure to reach a trade deal resulted in the US administration raising the tariff on existing Chinese manufacturing goods with effect from 1 June 2019, which led to a tit-for-tat reaction from the Chinese authorities. Investor confidence was further rattled by the US administration's unexpected decision to prohibit certain interactions between US companies and China's Huawei.

Nevertheless, risk appetite picked up again in June 2019 after a soft May 2019, due to dovish sentiment by the US Federal Reserve ("Fed") and European Central Bank ("ECB") as hopes of a near-term rate cut overrode concerns about geopolitical tensions and signs of economic weakness. The resumption of trade talk between the US and China and the pause in additional tariffs also helped ease earlier concerns. Despite this, uncertainty originating from the anticipation of the Trump-Xi meeting in G20 along with Fed Chair Jerome Powell's Congress testimony gave July 2019 a weak kick-off, which was then made up for after comments signalling a rate cut came out later during the month. Later on, US representatives were sent to Shanghai to negotiate trade terms, which brought the Asia credit market onto another roller-coaster ride. 10-year US Treasury touched a low of 1.95% at the beginning of July before closing the month at 2.01%. Uncertainties in the ongoing trade negotiation remain a concern among global bond participants and by the end of August 2019 saw the 10-year US treasury yield dropped to a low 1.50% level as trade wars escalate further while adding new concern that the global economy could go into a recession. Into the month of September 2019 saw the 10-year US Treasury yield recover back higher at the back of a stronger than expected US economic data and some of the central banks official seen to re-evaluate the effectiveness of easing efforts while top ECB officials questioned Presidents Mario Draghi's quantitative-easing move. However, global bond market start to back to rally again in anticipation that Fed may cut the interest. They eventually did cut the rate twice in September 2019 and October 2019 Federal Open Market Committee ("FOMC") meeting to a low 1.50% level and indicated that it would take a material assessment of the outlook for policy makers to adjust rates sending strong signal to bond market players that easing may be over for now.

MAYBANK CONSTANT INCOME FUND 6

Manager's report

For the financial year ended 30 April 2020 (cont'd)

C. Market Review (cont'd)

The trade war negotiation made a positive progress with pause in the tariff escalation but not an end to them. The initial phase one negotiation were signed with emphasis on China commitment to strengthen its intellectual property law and both countries commitment not to manipulate its currency for economic advantage. China will also resumed its purchases of US soya beans and pork and will look into other commitments to buy more American aircraft and gas. In turn, US will agree to forego its intention to increase October 2019 tariff from 25% to 30% and will also back down from implementing another USD160 billion ("bn") in tariff in December 2019. The Trump administration is eager to push the idea that the initial phase will be followed by others. The reality remains that most tariff implemented initially before phase one signing still remain in place leading to higher costs for businesses and consumers while extending uncertainty and dampening the global economy all year round.

The global economic outlook took for another round of downturn in January 2020 following the outbreak of novel COVID-19 that began in Wuhan China. The outbreak will have larger impact on China Gross Domestic Product ("GDP") no with expectation to reduce Q1 GDP from 5.9% to 5.5%. With the Chinese economy today accounting for about 17% of Global GDP, there is a rising concern over what impact that could have on the global economy as government and companies around the world implement a large of coronavirus-related work stoppages and travel restriction. The outbreak was forecasted to reduce the global economic growth by 0.2% to 0.3% and market saw 10-year US treasury yield dropped to a low 1.60% level as the event triggers risk off mode for most market players.

In early March 2020, the COVID-19 outbreak went from bad to worse, causing increased volatility in global financial markets. Further exacerbating this, the Saudi-Russia oil price war caused a collapse in oil prices and added to the volatility. All markets turned bearish, and all asset classes (equities, bonds, Asian currencies and commodities) experienced a sharp correction from 3 March 2020 and these bearish conditions have prevailed since. On 11 March 2020, the World Health Organization ("WHO") declared that the COVID-19 outbreak had escalated to a pandemic. In this sharp sell-off, bond prices have fallen 20% to 30% lower as compared to the levels at the end of February 2020. The 10-year US treasury was seen dropped to a low of 0.54% during this uncertainty period.

In the first two weeks of April 2020, bond markets initially started with a strong recovery as the primary and secondary corporate bond purchase facilities announced by the US Fed boosted investor confidence. Bond yields were also fairly attractive for investors to come back in again especially when US Fed has cut interest rates all the way to zero late March 2020. However the recovery was partly derailed in the third week of April 2020 when oil suffered an unprecedented sell-off and the West Texas Intermediate ("WTI") contract for May 2020 delivery crashed from USD 18 per barrel to negative USD 37 per barrel. Bonds continued to suffer weakness in the fourth week of April 2020 when Franklin Templeton announced that they will be closing down six of their credit bond funds in India due to large redemptions in an illiquid environment, freezing over USD 3bn in Indian Rupee ("INR") bond funds. While bonds prices sold off in the last two weeks of April 2020, overall for the April 2020 bond funds was still positive.

MAYBANK CONSTANT INCOME FUND 6

Manager's report

For the financial year ended 30 April 2020 (cont'd)

D. Market Outlook & Strategy

The novel COVID-19 outbreak becomes the latest market focus pushing bond yield across the globe to remain low. Expectation of slowing global economic outlook had resulted central banks to take drastic action in implementing monetary or fiscal measures as we have seen the ECB issuing the Pandemic Emergency Purchase Program while the US Fed has announced a new Corporate Credit Facility Programs. The objective of both programs is to purchase corporate bonds. We think that markets will also start to recover as the COVID-19 outbreak is brought under control, as we have seen in China. However, this may take 6 months or more. The current bond prices are not a true reflection of the value of the bonds, but merely a reflection of the stressed liquidity situation that the financial markets are currently facing as investors are still overwhelmed with the effects of COVID-19 and the market turmoil.

The Fund has obtained extension on its maturity to 20 October 2020 given that the liquidation of the Fund was difficult ahead of its original maturity date in 20 April 2020 due to COVID-19 pandemic. We are in the view that the market should recover, given some time; and it would be beneficial to investors to dispose of the bonds upon such recovery. We have been monitoring our bond holdings diligently to ensure the credit risk remain safe and have liquidated securities holding strategically align with market recovery progress. Our focus remain intact to protect the capital and a substantial part of the returns that was eroded due to sell off and to close out the fund earlier than the extended maturity date.

E. Significant Changes in the State of Affairs of the Fund

The Manager has sought extension from the unitholders and Securities Commission Malaysia to defer the maturity date to 20 October 2020 due to recent unexpected and unprecedented market developments that affected the Fund's returns. The Manager has the sole discretion to terminate the Fund at any time during the Extended Maturity Period, with the concurrence of the Trustee. The unitholders will be notified within 14 days from the Termination Date in the event of an early termination.

F. Soft Commissions and Rebates

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

During the financial year ended 30 April 2020, the Manager and its delegates did not receive any soft commissions and rebates from brokers or dealers.

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF MAYBANK CONSTANT INCOME FUND 6 FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

We have acted as Trustee of Maybank Constant Income Fund 6 for the financial year ended 30 April 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; and
- (c) Creation and cancellation of units are carried out in accordance with the Deeds and relevant regulatory requirements.

For and on behalf of

TMF Trustees Malaysia Berhad

(Company No.: 200301008392/610812-W)

Norhayati Binti Azit

Director - Fund Services

Kuala Lumpur, Malaysia

17 June 2020

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAYBANK CONSTANT INCOME FUND 6
FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 set 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 Constant Income Fund 6 as at 30 April 2020 and of its results, changes in equity and cash flows for the financial year ended 30 April 2020 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
17 June 2020

Independent auditors' report to the Unitholders of Maybank Constant Income Fund 6

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Constant Income Fund 6 (the "Fund"), which comprise the statement of financial position as at 30 April 2020 of the Fund, and statement of comprehensive income, statement of changes in equity and statement of cash flows of the Fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 15 to 57.

In our opinion, the accompanying financial statements which have been prepared on a basis other than of a going concern, as described in Note 2.1 to the financial statements, give a true and fair view of the financial position of the Fund as at 30 April 2020, and of its financial performance and cash flows for the year 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 Constant Income Fund 6 (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. As disclosed in Note 2.1 to the financial statements, the financial statements have been prepared on a basis other than that of a going concern.

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 Constant Income Fund 6 (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. As described in Note 2.1 to the financial statements, the financial statements have been prepared on a basis other than 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 Constant Income Fund 6 (cont'd)**

Other matters

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

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

Yeo Beng Yean
03013/10/2020 J
Chartered Accountant

Kuala Lumpur, Malaysia
17 June 2020

MAYBANK CONSTANT INCOME FUND 6

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

	Note	2020 RM	2019 RM
INVESTMENT INCOME			
Interest income	3	11,887,846	11,952,177
Other income	4	31,154	126,825
Net (loss)/gain on financial assets at fair value through profit or loss ("FVTPL")	8(c)		
- Realised loss		(5,612,966)	(1,489,426)
- Unrealised (loss)/gain		(3,229,259)	3,807,515
Net gain on foreign exchange and derivatives	5	1,340,493	2,112,908
		<u>4,417,268</u>	<u>16,509,999</u>
EXPENSES			
Trustee's fee	6	76,943	74,749
Auditors' remuneration		9,000	9,000
Tax agent's fee		3,900	4,950
Administrative expenses		121,002	82,772
		<u>210,845</u>	<u>171,471</u>
Net income before taxation		4,206,423	16,338,528
Taxation	7	(6,069)	(29,754)
Net income after taxation, and total comprehensive income for the financial year		<u>4,200,354</u>	<u>16,308,774</u>
Net income after taxation is made up of the following:			
Realised (loss)/gain		(3,337,702)	2,740,750
Unrealised gain		7,538,056	13,568,024
		<u>4,200,354</u>	<u>16,308,774</u>
Distributions for the financial year:			
Net distributions	18	-	11,336,916
Gross distribution per unit (sen)	18	-	4.65
Net distribution per unit (sen)	18	-	4.64
Distribution date (ex-date)	18	-	18 April 2019

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

MAYBANK CONSTANT INCOME FUND 6

**STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2020**

	Note	2020 RM	2019 RM
ASSETS			
Financial assets at FVTPL	8	76,122,111	239,097,070
Tax recoverable		6,062	-
Derivative assets	9	1,203,135	35,000
Interest receivable		1,110,176	2,698,527
Amount due from brokers	10	5,127,403	-
Other receivables	11	-	55,776
Deposits with licensed financial institutions	12	42,521,862	1,505,558
Cash at bank	13	77,317,621	8,280,930
TOTAL ASSETS		<u>203,408,370</u>	<u>251,672,861</u>
LIABILITIES			
Derivative liabilities	9	-	2,320,583
Amount due to Manager	14	-	41,865
Amount due to Trustee	15	5,896	6,278
Provision for taxation		-	4,788
Other payables and accruals	16	48,266	14,895
TOTAL LIABILITIES		<u>54,162</u>	<u>2,388,409</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>203,354,208</u>	<u>249,284,452</u>
EQUITY			
Unitholders' capital	17(a)	194,087,179	244,217,777
Retained earnings	17(b)&(c)	9,267,029	5,066,675
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>203,354,208</u>	<u>249,284,452</u>
NUMBER OF UNITS IN CIRCULATION (UNIT)	17(a)	<u>196,007,586</u>	<u>244,143,719</u>
NAV PER UNIT (RM)		<u>1.0375</u>	<u>1.0211</u>

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

MAYBANK CONSTANT INCOME FUND 6

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020**

	Unitholders' capital Note 17(a) RM	Retained earnings Notes 17(b) & 17(c) RM	Total equity RM
At 1 March 2019	244,217,777	5,066,675	249,284,452
Total comprehensive income for the financial year	-	4,200,354	4,200,354
Cancellation of units	(50,130,598)	-	(50,130,598)
At 30 April 2020	<u>194,087,179</u>	<u>9,267,029</u>	<u>203,354,208</u>
At 1 May 2018	248,400,824	211,320	248,612,144
Total comprehensive income for the financial year	-	16,308,774	16,308,774
Cancellation of units	(4,299,550)	-	(4,299,550)
Distributions (Note 18)	116,503	(11,453,419)	(11,336,916)
At 30 April 2019	<u>244,217,777</u>	<u>5,066,675</u>	<u>249,284,452</u>

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

MAYBANK CONSTANT INCOME FUND 6**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020**

	2020	2019
	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from sale and redemption of financial assets at FVTPL	293,342,494	142,976,172
Net payments for purchase of financial assets at FVTPL	(130,333,684)	(152,371,756)
Net realised loss on derivatives	(12,057,389)	(8,226,031)
Interest received	9,765,079	12,036,410
Redemption fee income received	31,154	123,197
Trustee's fee paid	(77,325)	(75,480)
Taxation paid	(16,918)	(31,488)
Payment of other fees and expenses	(100,528)	(89,669)
Other income	-	20,650
Increase in deposits with licensed financial institutions with maturity of more than 3 months maturity of less than 3 months (Note 12)	<u>(42,000,000)</u>	<u>-</u>
Net cash generated from/(used in) operating and investing activities	<u>118,552,883</u>	<u>(5,637,995)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid on units cancelled	(50,172,467)	(5,015,948)
Distributions to unitholders	-	(11,336,916)
Net cash used in financing activities	<u>(50,172,467)</u>	<u>(16,352,864)</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR	68,380,416	(21,990,859)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	9,786,488	31,090,534
Effects of foreign exchange	(327,421)	686,813
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>77,839,483</u>	<u>9,786,488</u>
Cash and cash equivalents comprise:		
Cash at bank (Note 13)	77,317,621	8,280,930
Deposits with licensed financial institutions with original maturity of less than 3 months (Note 12)	521,862	1,505,558
	<u>77,839,483</u>	<u>9,786,488</u>

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

MAYBANK CONSTANT INCOME FUND 6

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2020

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank Constant Income Fund 6 (the "Fund") was constituted pursuant to the execution of a Deed dated 23 February 2017 between the Manager, Maybank Asset Management Sdn Bhd ("Maybank AM") and the Trustee, TMF Trustees Malaysia Berhad. The Fund is a three (3)-year closed-ended fund with a maturity date set on the third (3rd) anniversary of the commencement date, which is on 18 April 2020. On 10 April 2020, MAM and the Trustee has entered into the First Supplemental Deed to extend the Fund's maturity date to 20 October 2020. The Deed and Supplemental Deed are subsequently referred to as "Deeds".

The Fund seeks to achieve its investment objective by investing a minimum of 80% of the Fund's NAV in Ringgit Malaysia ("RM")-denominated fixed income securities and/or foreign currency fixed income securities. For the RM-denominated fixed income securities, the Fund will invest in RM-denominated fixed income securities with a minimum rating of 'A-' by Malaysian Rating Corporation Berhad ("MARC") or its equivalent rating by RAM Holdings Berhad ("RAM"). If any of the RM-denominated fixed income securities have been downgraded to a rating lower than 'BBB' by MARC or its equivalent rating by RAM, the Manager shall dispose the downgraded fixed income securities as soon as practicable. However, if such prompt action may be detrimental to the Fund, the Manager may continue to hold onto the downgraded fixed income securities for up to ninety (90) days. This treatment will be the same for issuer rating when there is no fixed income securities rating. The Fund's investment in RM-denominated fixed income securities which are issued by government and/or government linked agencies need not be rated.

For the foreign currency fixed income securities, the Fund will invest in foreign currency fixed income securities with a minimum rating of 'BB-' by Standard & Poor's ("S&P") or its equivalent rating by Moody's and/or Fitch. Should the ratings be different among S&P, Moody's and Fitch, the second highest rating shall be applicable. When there are only two (2) ratings available, the lower rating shall be applicable. If any of the foreign currency fixed income securities have been downgraded to a rating lower than 'BB-' by S&P or its equivalent as determined using the second highest/lower rating methodology, the Manager shall dispose the downgraded fixed income securities as soon as practicable. However, if such prompt action may be detrimental to the Fund, or if the Manager remains comfortable with the default risk after conducting credit assessment by taking into consideration of both quantitative and qualitative factors and concluded that the probability of default is low, the Manager may continue to hold the downgraded fixed income securities up to the maturity date of the fixed income securities, or up to the maturity date of the Fund, whichever is earlier.

MAYBANK CONSTANT INCOME FUND 6

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES (CONT'D)

Fixed income securities are deemed unrated if there are no issue or issuer rating from any rating agencies. The Fund may invest in unrated fixed income securities but limited to no more than 15% of the Fund NAV. In such instances, the Manager will conduct its own internal credit assessment to assess the eligibility of the fixed income securities. The remaining balance of the NAV are invested 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.

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 ("CMSA"). The principal place of business of Maybank AM is at Level 12, Tower C, Dataran Maybank, No. 1 Jalan Maarof, 59000 Kuala Lumpur, Malaysia. Maybank AM is a subsidiary of Maybank Asset Management Group Berhad ("MAMG"), which in turn is a subsidiary of Malayan Banking Berhad ("MBB").

The Fund's maturity date has been extended to 20 October 2020. As such, the going concern assumptions can no longer be used for the preparation of the financial statements.

The financial statements were authorised for issue by the Board of Directors of the Manager in accordance with a resolution of the Directors on 17 June 2020.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Fund have been prepared on a basis other than going concern, whereby the carrying values of assets were stated at estimated realisable values and liabilities, including estimated expenses, were recorded to reflect remaining obligations, upon maturity of the Fund.

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") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), the Deeds and any regulatory requirements.

The Fund had adopted the MFRS, Amendments to Standards and Interpretation Committee ("IC") Interpretations which have become effective during the financial year ended 30 April 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 2.3 to Note 2.14 to the financial statements.

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

MAYBANK CONSTANT INCOME FUND 6

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 liabilities are recognised when the Fund becomes a party to the contractual provision of the instrument.

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

2.4 Financial assets

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

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

MAYBANK CONSTANT INCOME FUND 6

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.4 Financial assets (cont'd)

(i) Financial assets 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.

The Fund classifies cash and cash equivalents, amount due from brokers, interest receivables and other receivables as financial assets at amortised cost. These assets are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. The EIR is a method of calculating the amortised cost of the financial asset and of allocating and recognising the interest income in profit or loss over the relevant period.

(ii) Financial assets at fair value through profit or loss ("FVTPL")

Investments in unquoted fixed income securities, derivatives assets and derivatives liabilities 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 instrument 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.

MAYBANK CONSTANT INCOME FUND 6

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.4 Financial assets (cont'd)

(ii) Financial assets at fair value through profit or loss ("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.

(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 are 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.

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.

MAYBANK CONSTANT INCOME FUND 6

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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 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, the cumulative unrealised gain or loss previously recognised is transferred to realised gain or loss on disposal in profit or loss.

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 and other payables and accruals as financial liabilities.

Recognition and measurement

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

MAYBANK CONSTANT INCOME FUND 6

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

2.5 Financial liabilities (cont'd)

Derecognition of financial liabilities

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

2.6 Fair value measurement

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 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 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.

MAYBANK CONSTANT INCOME FUND 6

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

2.6 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.

2.7 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 ("RM"), 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-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.

2.8 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 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. This amount is either refunded to unitholders by way of distribution and/or adjusted accordingly when units are cancelled.

MAYBANK CONSTANT INCOME FUND 6

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

2.9 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 an adjustment to unitholders' capital. A proposed distribution is recognised as a liability in the financial 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.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and deposit with a financial institution with original maturity of three (3) months or less which have an insignificant risk of changes in value.

2.11 Revenue / Income

Revenue is measured at the fair value of consideration received or receivable:

- Dividends are recognised as revenue when the right to receive payment is established.
- Interest income from unquoted fixed income securities and deposits with licensed financial institutions are recognised on the accruals basis using the effective interest rate method.
- Realised gain or loss on disposal of unquoted fixed income securities is accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, determined on cost adjusted for accretion of discount or amortisation of premium.
- Redemption fee income is charged to unitholders on cancellation of units before the maturity date and is recognised upon cancellation of units.
- Other income is generally recognised when the Fund satisfies a performance obligation by transferring a promised good or service or an Asset to a customer. an Asset is transferred when (or as) the customer obtains control of that asset.

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.

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 year.

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

MAYBANK CONSTANT INCOME FUND 6

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

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

3. INTEREST INCOME

	2020 RM	2019 RM
Interest income from short-term deposits	225,629	113,894
Interest income from unquoted fixed income securities	12,210,491	12,586,412
Amortisation of premium, net of accretion of discount	(548,274)	(748,129)
	<u>11,887,846</u>	<u>11,952,177</u>

4. OTHER INCOME

	Note	2020 RM	2019 RM
Redemption fee income	(a)	31,154	106,175
Consent fee income	(b)	-	20,650
		<u>31,154</u>	<u>126,825</u>

(a) The Fund is entitled to payment of redemption charges between 1.50% to 3.50% of the redemption amount for cancellation of units by unitholders before the maturity date, and is recognised upon cancellation of units.

(b) Consent fee payment received from a bond issuer in which it is recognised when the right to receive has been established.

MAYBANK CONSTANT INCOME FUND 6

5. NET GAIN ON FOREIGN EXCHANGE AND DERIVATIVES

	2020	2019
	RM	RM
Net realised gain on foreign exchange	2,627,688	495,349
Net unrealised gain on foreign exchange	7,278,596	12,303,019
Net realised loss on derivatives	(12,054,510)	(8,142,950)
Net unrealised gain/(loss) on derivatives	3,488,719	(2,542,510)
	<u>1,340,493</u>	<u>2,112,908</u>

6. TRUSTEE'S FEE

The Trustee's fee is computed daily based on 0.03% per annum of the NAV of the Fund, excluding foreign custodian fees and charges.

7. TAXATION

	2020	2019
	RM	RM
Tax expense for the financial year:		
Current income tax expense	<u>6,069</u>	<u>29,754</u>

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

Interest income derived from sources outside Malaysia are exempted from Malaysian income tax. However, such income maybe subject to tax in the country from which it is derived.

In accordance with Schedule 6 of the Income Tax Act 1967, interest income earned by the Fund is exempted from Malaysian tax.

The tax charge for the financial year is in relation to the taxable income earned by the Fund after deducting the permitted expenses. A reconciliation of income tax expense applicable to net income before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	2020	2019
	RM	RM
Net income before taxation	<u>4,206,423</u>	<u>16,338,528</u>
Tax at Malaysian statutory rate of 24% (2019: 24%)	1,009,542	3,921,247
Effect of income not subject to tax	(1,052,667)	(3,931,962)
Effect of expenses not deductible for tax purposes	36,900	33,851
Restriction on tax deductible expenses for unit trust funds	12,294	6,618
Tax expense for the financial year	<u>6,069</u>	<u>29,754</u>

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL

Financial assets at FVTPL comprise investments in unquoted USD and RM-denominated fixed income securities.

	Note	2020 RM	2019 RM
Investments in financial assets at FVTPL:			
Unquoted fixed income securities - foreign	(a)	71,598,305	239,097,070
Unquoted fixed income securities - local	(b)	4,523,806	-
		<u>76,122,111</u>	<u>239,097,070</u>

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
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2020

(a) Unquoted fixed income securities - foreign

Bermuda

China Oil and Gas Group - 5.50% / 25.01.2023	1,000,000	4,097,295	4,042,376	1.99
Haitong International Securities Group Ltd - 3.125% / 18.05.2025	1,000,000	4,112,551	4,307,711	2.12
	<u>2,000,000</u>	<u>8,209,846</u>	<u>8,350,087</u>	<u>4.11</u>

British Virgin Islands

Chinalco Capital Holdings Ltd - 4.10% / 11.09.2024	500,000	2,102,000	2,057,956	1.01
ENN Clean Energy International - 7.50% / 27.02.2021	1,300,000	5,362,484	5,535,174	2.72

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2020 (cont'd)				
(a) Unquoted fixed income securities - foreign (cont'd)				
British Virgin Islands (cont'd)				
RKPF Overseas Ltd - 6.70% / 30.09.2024	1,000,000	4,197,755	4,106,882	2.02
State Power Investment Corporation - 5.80% / 21.05.2022	500,000	2,097,250	2,203,955	1.08
	<u>3,300,000</u>	<u>13,759,489</u>	<u>13,903,967</u>	<u>6.83</u>
Cayman Islands				
China State Construction International Holdings - 4.00% / 03.12.2024	500,000	2,084,412	2,085,694	1.03
CK Hutchison Capital Securities Ltd - 4.00% / 12.05.2022	1,300,000	5,629,412	5,275,215	2.59
Health & Happiness H&H International Holdings Ltd - 5.625% / 24.10.2024	200,000	835,600	842,878	0.41
TMB Bank Public Company Ltd - 4.90% / 02.12.2024	500,000	2,088,500	1,738,437	0.85
	<u>2,500,000</u>	<u>10,637,924</u>	<u>9,942,224</u>	<u>4.88</u>
China				
CCB Life Insurance Co Ltd - 4.50% / 21.04.2077	2,200,000	9,490,272	8,756,044	4.31

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2020 (cont'd)				
(a) Unquoted fixed income securities - foreign (cont'd)				
Guernsey				
EFG International (Guernsey) Ltd - 5.00% / 05.04.2027	1,000,000	4,366,606	4,149,886	2.04
Hong Kong				
Bank of East Asia Ltd - 5.63% / 18.05.2022	300,000	1,253,754	1,214,390	0.60
Li & Fung Ltd - 4.375% / 04.10.2024	500,000	2,100,200	1,883,145	0.93
	<u>800,000</u>	<u>3,353,954</u>	<u>3,097,535</u>	<u>1.53</u>
India				
Renew Power Ltd - 6.67% / 12.03.2024	500,000	2,080,867	1,859,923	0.91
- 6.45% / 27.09.2022	700,000	2,933,836	2,626,770	1.29
Shriram Transport Finance Co Ltd - 5.95% / 24.10.2022	1,000,000	4,108,000	3,294,106	1.62
	<u>2,200,000</u>	<u>9,122,703</u>	<u>7,780,799</u>	<u>3.82</u>
Japan				
Asahi Mutual Life Insurance Co - 7.25% / 24.01.2022	1,500,000	6,658,852	6,544,134	3.22
- 6.50% / 05.09.2023	500,000	2,052,500	2,180,948	1.07
	<u>2,000,000</u>	<u>8,711,352</u>	<u>8,725,082</u>	<u>4.29</u>

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2020 (cont'd)				
(a) Unquoted fixed income securities - foreign (cont'd)				
Philippines				
SMC Global Power Holdings Corp - 5.95% / 05.05.2025	700,000	2,926,700	2,594,861	1.28
Thailand				
Minor International Public Company Limited - 4.661% / 04.12.2021	1,000,000	4,188,000	4,297,820	2.11
Total unquoted fixed income securities - foreign	17,700,000	74,766,846	71,598,305	35.20
(b) Unquoted fixed income securities - local				
SD International Sukuk Ltd - 6.997% / 12.03.2025 - 6.30% / 09.05.2022	500,000 1,000,000	2,080,595 4,142,901	1,512,666 3,011,140	0.74 1.48
Total unquoted fixed income securities - local	1,500,000	6,223,496	4,523,806	2.22
Total unquoted fixed income securities	19,200,000	80,990,342	76,122,111	37.42
Unrealised loss on unquoted fixed income securities*			<u>(4,868,231)</u>	

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2019				
(a) Unquoted fixed income securities - foreign				
Australia				
AusNet Services Holdings Pty Ltd - 5.75% / 17.03.2076	2,200,000	9,904,034	9,458,561	3.79
Bermuda				
Qatar Reinsurance Company LLC - 4.95% / PERP	1,000,000	4,378,811	4,070,846	1.63
British Virgin Island				
Chalco Hong Kong Investment Co Ltd - 4.88% / 07.09.2021	500,000	2,044,728	2,112,278	0.85
ENN Clean Energy International Investment Ltd - 7.50% / 27.02.2021	2,000,000	8,071,868	8,321,022	3.34
Franshion Brilliant Ltd - 4.00% / 03.01.2023	2,000,000	8,571,000	7,912,780	3.17
Huarong Finance II Co Ltd - 2.88% / 14.09.2021	2,600,000	10,625,590	10,299,506	4.13
New Metro Global - 6.75% / 26.01.2020	1,000,000	4,106,193	4,153,486	1.67
Radiant Access Ltd - 4.60% / 18.05.2020	2,000,000	8,703,381	7,436,774	2.98

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2019 (cont'd)				
(a) Unquoted fixed income securities - foreign (cont'd)				
British Virgin Islands (cont'd)				
State Power Investment Corporation - 5.80% / 21.05.2022	500,000	2,097,250	2,158,970	0.87
	<u>10,600,000</u>	<u>44,220,010</u>	<u>42,394,816</u>	<u>17.01</u>
Cayman Islands				
CK Hutchison Capital Securities Ltd - 4.00% / 12.05.2022	2,000,000	8,665,908	8,098,720	3.25
FWD Ltd - 6.25% / 24.01.2022	250,000	996,893	1,048,082	0.42
Yestar International Holdings Co Ltd - 6.90% / 15.09.2021	2,200,000	9,579,790	7,603,211	3.05
	<u>4,450,000</u>	<u>19,242,591</u>	<u>16,750,013</u>	<u>6.72</u>
China				
CCB Life Insurance Co Ltd - 4.5% / 21.04.2077	2,200,000	9,541,324	8,512,251	3.41
China Life Insurance - 4.00% / 03.07.2075	500,000	2,201,332	2,051,538	0.82

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2019 (cont'd)				
(a) Unquoted fixed income securities - foreign (cont'd)				
China (cont'd)				
Chongqing Energy Group Co Ltd - 5.63% / 18.03.2022	500,000	2,035,180	2,103,395	0.84
Health and Happiness International Holdings Ltd - 7.25% / 21.07.2021	1,978,000	8,485,561	8,316,125	3.34
	<u>5,178,000</u>	<u>22,263,397</u>	<u>20,983,309</u>	<u>8.42</u>
Guernsey				
EFG International (Guernsey) Ltd - 5.00% / 05.04.2027	2,000,000	8,783,589	8,260,694	3.31
Hong Kong				
Agile Group Holdings Ltd - 8.50% / 18.07.2021	1,100,000	4,613,907	4,812,003	1.93
Bank of East Asia Ltd - 5.63% / 18.05.2022	1,600,000	6,963,315	6,644,256	2.67
Nanyang Commercial Bank - 5.00% / 02.06.2022	900,000	3,835,876	3,600,170	1.44
Shanghai (HK) International Investment Ltd - 3.88% / 20.04.2020	2,800,000	11,153,132	11,318,540	4.54

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2019 (cont'd)				
(a) Unquoted fixed income securities - foreign (cont'd)				
Hong Kong (cont'd)				
Weichai International HK Energy Group Co Ltd - 3.75% / PERP	1,000,000	4,208,000	3,982,008	1.60
	<u>7,400,000</u>	<u>30,774,230</u>	<u>30,356,977</u>	<u>12.18</u>
India				
Renew Clean Energy PVT Ltd - 6.67% / 12.03.2024	500,000	2,048,291	2,071,165	0.83
Shriram Transport Finance Co Ltd - 5.95% / 24.10.2022	1,000,000	4,108,000	4,132,000	1.66
	<u>1,500,000</u>	<u>6,156,291</u>	<u>6,203,165</u>	<u>2.49</u>
Indonesia				
Bukit Makmur Mandiri - 7.75% / 13.02.2022	2,000,000	8,668,021	8,616,873	3.46
Delta Merlin Dunia Textile - 8.63% / 12.03.2024	1,000,000	4,140,297	4,245,217	1.70
Indonesia Asahan Aluminium Ltd - 5.23% / 15.11.2021	500,000	2,068,334	2,145,954	0.86
Japfa Comfeed TBK - 5.50% / 31.03.2022	1,100,000	4,706,097	4,541,564	1.82
	<u>4,600,000</u>	<u>19,582,749</u>	<u>19,549,608</u>	<u>7.84</u>

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2019 (cont'd)				
(a) Unquoted fixed income securities - foreign				
Japan				
Asahi Mutual Life Insurance				
- 7.25% / 24.01.2022	1,500,000	6,761,487	6,545,708	2.63
- 6.50% / 05.09.2023	500,000	2,052,500	2,096,990	0.84
	<u>2,000,000</u>	<u>8,813,987</u>	<u>8,642,698</u>	<u>3.47</u>
Mauritius				
HT Global IT Solution				
- 7.00% / 14.07.2021	1,000,000	4,117,977	4,250,175	1.70
	<u>1,000,000</u>	<u>4,117,977</u>	<u>4,250,175</u>	<u>1.70</u>
Netherlands				
Indo Energy Finance II				
- 6.38% / 24.02.2023	300,000	1,241,379	1,235,013	0.50
	<u>300,000</u>	<u>1,241,379</u>	<u>1,235,013</u>	<u>0.50</u>
Singapore				
DBS Group Holdings Ltd				
- 3.60% / 07.09.2021	1,500,000	6,445,728	6,104,410	2.45
Global Prime Capital Pte Ltd				
- 5.50% / 18.10.2023	1,600,000	6,986,843	6,418,814	2.57
- 7.25% / 26.04.2021	1,900,000	7,764,273	8,036,864	3.22
Jubilant Pharma Ltd				
- 6.00% / 05.03.2024	1,500,000	6,180,898	6,228,990	2.50
Marble II Pte Ltd				
- 5.30% / 20.06.2022	1,750,000	7,456,750	7,138,443	2.86

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Name of issuer	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2019 (cont'd)				
(a) Unquoted fixed income securities - foreign				
Singapore (cont'd)				
Pakuwon Prima Pte Ltd - 5.00% / 20.04.2024	1,002,000	4,328,336	4,091,409	1.64
United Overseas Bank Ltd - 3.88% / PERP	1,000,000	4,127,550	4,004,321	1.61
	<u>10,252,000</u>	<u>43,290,378</u>	<u>42,023,251</u>	<u>16.86</u>
South Korea				
Korea Reinsurance - 4.50% / 21.10.2044	1,500,000	6,388,364	6,191,182	2.48
Thailand				
Minor International Public Company Limited - 4.66% / 04.12.2021	1,000,000	4,188,000	4,212,161	1.69
United Kingdom				
HSBC Holdings Ltd - 6.88% / 01.06.2021	1,500,000	6,769,225	6,492,405	2.60
United States				
Country Garden Holdings Co Ltd - 8.00% / 27.01.2024	1,800,000	7,779,180	8,022,196	3.22
Total unquoted fixed income securities - foreign	<u>58,280,000</u>	<u>247,894,192</u>	<u>239,097,070</u>	<u>95.91</u>
Unrealised loss on unquoted fixed income securities*			<u>(8,797,122)</u>	

MAYBANK CONSTANT INCOME FUND 6

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

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

9. DERIVATIVE ASSETS/LIABILITIES

	Notional principal amount RM	Fair Value	
		Assets RM	Liabilities RM

Foreign exchange related contracts

Currency forwards:

Less than 1 year	148,642,850	1,203,135	-
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2019

Foreign exchange related contracts

Currency forwards:

Less than 1 year	239,635,470	35,000	(2,320,583)
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As at the reporting date, there were 5 (2019: 9) forward exchange contracts outstanding.

The forward currency contracts entered into during the financial year 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 year, the change in the fair value of the forward currency contract is recognised immediately in the statement of comprehensive income.

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

The amount represents redemption fee income receivable for units redeemed/cancelled.

MAYBANK CONSTANT INCOME FUND 6

12. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	2020 RM	2019 RM
Deposits with licensed financial institutions with maturity of:		
- less than 3 months	521,862	-
- more than 3 months	42,000,000	1,505,558
	<u>42,521,862</u>	<u>1,505,558</u>

The weighted average effective interest rates ("WAEIR") p.a. and average maturity of deposits with licensed financial institutions with maturity of less than 3 months as at the reporting date were as follows:

	2020		2019	
	WAEIR % p.a.	Average maturity Days	WAEIR % p.a.	Average maturity Days
Deposits with maturity of:				
- less than 3 months	2.50	3	-	-
- more than 3 months	3.03	84	3.25	2

13. CASH AT BANK

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

	2020 RM	2019 RM
US Dollar ("USD")	77,313,493	8,271,517
RM	4,128	9,413
	<u>77,317,621</u>	<u>8,280,930</u>

14. AMOUNT DUE TO MANAGER

The amount represents amount payable to the Manager for units redeemed/cancelled.

No management fee was charged to the Fund in accordance with the Prospectus dated 17 March 2017.

15. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable 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.

MAYBANK CONSTANT INCOME FUND 6

16. OTHER PAYABLES AND ACCRUALS

Other payables and accruals comprise the following:

	2020	2019
	RM	RM
Amount due to external auditors	10,494	9,000
Amount due to tax agent	8,957	4,950
Other payables	28,815	945
	<u>48,266</u>	<u>14,895</u>

17. TOTAL EQUITY

	Note	2020	2019
		RM	RM
Unitholders' capital	17(a)	194,087,179	244,217,777
Accumulated realised income	17(b)	14,318,809	17,656,511
Accumulated unrealised loss	17(c)	(5,051,780)	(12,589,836)
		<u>203,354,208</u>	<u>249,284,452</u>

(a) Unitholders' capital

	2020		2019	
	No. of units	RM	No. of units	RM
At the beginning of the financial year	244,143,719	244,217,777	248,419,952	248,400,824
Cancellation of units	(48,136,133)	(50,130,598)	(4,276,233)	(4,299,550)
Distribution equalisation (Note 18)	-	-	-	116,503
At the end of the financial year	<u>196,007,586</u>	<u>194,087,179</u>	<u>244,143,719</u>	<u>244,217,777</u>

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

	2020		2019	
	No. of units	RM	No. of units	RM
The Manager	<u>1,000</u>	<u>1,037</u>	<u>1,000</u>	<u>1,021</u>

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

MAYBANK CONSTANT INCOME FUND 6

17. TOTAL EQUITY (CONT'D)

(b) Accumulated realised income

	2020	2019
	RM	RM
At the beginning of the financial year	17,656,511	26,369,180
Net realised (loss)/income for the financial year	(3,337,702)	2,740,750
Distributions out of retained earnings (Note 18)	-	(11,453,419)
At the end of the financial year	<u>14,318,809</u>	<u>17,656,511</u>

(c) Accumulated unrealised loss

	2020	2019
	RM	RM
At the beginning of the financial year	(12,589,836)	(26,157,860)
Net unrealised income for the financial year	7,538,056	13,568,024
At the end of the financial year	<u>(5,051,780)</u>	<u>(12,589,836)</u>

18. DISTRIBUTIONS

There were no distributions declared during the current financial year.

Details of distributions declared in the previous financial year to unitholders are as follows:

	2019
	RM
Interest income	3,875,904
Other income	7,709,529
Less:	
Expenses	(115,170)
Tax expense	(16,844)
Distributions out of retained earnings (Note 17(b)) *	<u>11,453,419</u>
Effects of distribution equalisation (Note 17(a))	(116,503)
Distributions for the financial year	<u>11,336,916</u>

* Part of the distribution declared out of retained earnings declared in the current financial year was from prior year's realised income.

MAYBANK CONSTANT INCOME FUND 6

18. DISTRIBUTIONS (CONT'D)

The gross and net distribution per unit declared in the previous financial year are as follows:

Distribution date (ex-date)	Gross distribution per unit (sen)	Net distribution per unit (sen)
2019		
18 April 2019	4.65	4.64

The distribution declared is paid in cash.

The Fund has unrealised losses brought forward and recognised unrealised loss for the previous financial year as disclosed in Note 17(c) above.

19. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS

Details of transactions with brokers and dealers for the current financial year are as follows:

Brokers/dealers	Value of trades RM	Percentage of total trades %
2020		
Australia and New Zealand Banking Group Ltd	2,150,200	0.52
Bank of America Merrill Lynch London	20,220,481	4.85
BNP Paribas Malaysia Berhad	8,600,800	2.06
Citibank Bhd	56,335,240	13.50
Citic Securities Co Ltd	20,211,880	4.84
Credit Suisse Securities (USA) LLC	16,771,560	4.02
DBS Bank Ltd	14,094,640	3.38
Guotai Junan Securities (Hong Kong) Limited	23,652,200	5.67
Haitong International Securities Co Ltd	19,351,800	4.64
HSBC Bank Malaysia Berhad	46,444,320	11.13
J.P. Morgan Chase Bank Bhd	30,962,880	7.42
Kotak Mahindra (UK) Ltd	12,471,160	2.99
Mitsubishi UFJ Trust International Ltd	4,300,400	1.03
Mizuho Securities Asia Limited	8,600,800	2.06
Morgan Stanley	7,310,680	1.75
Nomura Ltd	43,864,080	10.51
SC Lowy Primary Investments Ltd	26,232,440	6.29
Standard Chartered Bank United Kingdom	23,340,500	5.59
Standard Chartered Bank Singapore	2,150,200	0.52
UBS Ltd	30,279,116	7.23
	<u>417,345,377</u>	<u>100.00</u>

MAYBANK CONSTANT INCOME FUND 6

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

Details of transactions with brokers and dealers for the previous financial year are as follows:

2019	Value of trades	Percentage of total trades
Brokers/dealers	RM	%
Alliance Bank Malaysia Bhd	5,095,068	1.99
Australia and New Zealand Banking Group Ltd	10,186,710	3.98
Bank of America Merrill Lynch London	22,230,194	8.70
BNP Paribas Malaysia Berhad	35,604,787	13.93
Citic Securities Co Ltd	13,315,602	5.21
Citibank Bhd	19,162,083	7.50
DBS Bank Ltd	1,983,936	0.78
Guotai Junan Securities	15,498,147	6.06
Haitong International Securities Co Ltd	6,149,040	2.41
HSBC Bank Malaysia Berhad	33,408,497	13.07
J.P. Morgan Chase Bank Bhd	17,294,585	6.77
Kotak Mahindra (UK) Ltd	4,144,936	1.62
Mitsubishi UFJ Securities Singapore	10,233,954	4.00
Morgan Stanley	1,209,017	0.47
Nomura Ltd	11,440,420	4.48
RHB Investment Bank Bhd	12,468,298	4.88
SC Lowy Primary Investments Ltd	1,246,078	0.49
Standard Chartered Bank (M) Bhd	2,025,890	0.79
Standard Chartered Bank United Kingdom	9,084,077	3.55
UBS Ltd	23,850,642	9.33
	<u>255,631,961</u>	<u>100.00</u>

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

Financial institution	2020		2019	
	Value of placements	Percentage of total placements	Value of placements	Percentage of total placements
	RM	%	RM	%
Hong Leong Islamic Bank Bhd	352,318,096	57.82	-	-
Malayan Banking Berhad (MBB) *	131,180,657	21.53	12,000,000	1.61
Public Bank Bhd	125,800,000	20.65	732,622,815	98.39
	<u>609,298,753</u>	<u>100.00</u>	<u>744,622,815</u>	<u>100.00</u>

* MBB is the ultimate holding company of the Manager.

MAYBANK CONSTANT INCOME FUND 6

20. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

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

In addition to the related party information disclosed elsewhere in the financial statements, the following are the significant related party transactions of the Fund during the financial year:

(a) Significant related party transactions

	2020 RM	2019 RM
MBB:		
Interest income from deposit placement	11,660	95,276

(b) Significant related party balances

MBB:		
Deposits with financial institution	521,862	1,505,558

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.

21. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of total expenses expressed as an annual percentage of the Fund's daily average NAV. For the financial year ended 30 April 2020, the MER of the Fund stood at 0.08% (2019 : 0.07%).

22. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial year to the daily average NAV of the Fund. For the financial year ended 30 April 2020, the PTR of the Fund stood at 0.81 times (2019: 0.59 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 a minimum of 80% of the Fund's NAV in RM-denominated fixed income securities and/or foreign currency fixed income securities.

MAYBANK CONSTANT INCOME FUND 6

23. SEGMENT INFORMATION (CONT'D)

The remaining balance of the Fund's NAV will be invested 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 of the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS.

24. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The Fund's financial assets and financial liabilities were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The significant accounting policies in Note 2.3 to Note 2.14 to the financial statements describe how the classes of financial instruments are measured and how income and expenses are recognised.

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

2020	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Assets				
Financial assets at FVTPL	76,122,111	-	-	76,122,111
Derivative assets	1,203,135	-	-	1,203,135
Interest receivable	-	1,110,176	-	1,110,176
Amount due from brokers	-	5,127,403	-	5,127,403
Deposits with licensed financial institutions	-	42,521,862	-	42,521,862
Cash at bank	-	77,317,621	-	77,317,621
Total financial assets	77,325,246	126,077,062	-	203,402,308
Liabilities				
Amount due to Trustee	-	-	5,896	5,896
Other payables and accruals	-	-	48,266	48,266
Total financial liabilities	-	-	54,162	54,162

MAYBANK CONSTANT INCOME FUND 6

24. FINANCIAL INSTRUMENTS (CONT'D)

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

2019	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Assets				
Financial assets at FVTPL	239,097,070	-	-	239,097,070
Derivative assets	35,000	-	-	35,000
Interest receivable	-	2,698,527	-	2,698,527
Other receivables	-	55,776	-	55,776
Deposits with licensed financial institutions	-	1,505,558	-	1,505,558
Cash at bank	-	8,280,930	-	8,280,930
Total financial assets	239,132,070	12,540,791	-	251,672,861
Liabilities				
Derivative liabilities	2,320,583	-	-	2,320,583
Amount due to Manager	-	-	41,865	41,865
Amount due to Trustee	-	-	6,278	6,278
Other payables and accruals	-	-	14,895	14,895
Total financial liabilities	2,320,583	-	63,038	2,383,621

(b) Financial instruments that are carried at fair value

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

Unquoted fixed income securities

Local unquoted fixed income securities denominated in RM are revalued on a daily basis based on fair value prices quoted by BPA as per SC's Guidelines on Unit Trust Funds.

Foreign unquoted fixed income securities denominated in foreign currencies are revalued on a daily basis by reference to the average price quoted by at least three (3) independent and reputable financial institutions.

MAYBANK CONSTANT INCOME FUND 6

24. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial instruments that are carried at fair value (cont'd)

Derivative assets and liabilities

The fair value of over-the-counter forward foreign exchange contracts are obtained by using valuation models which incorporate various observable market inputs such as changes in spot rate, and changes in the forward points. For these financial instruments, significant inputs into models are market observable and are included within Level 2.

(c) Fair value hierarchy

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

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

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

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

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

	Level 1 RM	Level 2 RM	Level 3 RM
2020			
Financial assets at FVTPL	-	76,122,111	-
Derivative assets	-	1,203,135	-
	Level 1 RM	Level 2 RM	Level 3 RM
2019			
Financial assets at FVTPL	-	239,097,070	-
Derivative assets	-	35,000	-
Derivative liabilities	-	2,320,583	-

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

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

There were no financial instruments which were not carried at fair value and whose carrying amounts were not reasonable approximations of their respective fair values.

MAYBANK CONSTANT INCOME FUND 6

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 Deeds, SC's Guidelines on Unit Trust Funds and 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 interest rates, foreign exchange rates and equity prices. The Fund is exposed to foreign currency risk arising from the Fund's investments in unquoted fixed income securities denominated in foreign currencies, and other financial assets and liabilities denominated in foreign currencies. The Fund is also exposed to interest rate risk arising from its financial assets at FVTPL and deposit placed with a licensed financial institution. The Fund is not exposed to equity price risk as it does not hold any equity investments as at the reporting date.

(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.

The table below analyses the net position of the Fund's financial assets and financial liability (excluding derivative assets and derivative liabilities) which are exposed to foreign exchange risks as at 30 April 2020. As the Fund's functional currency is RM, the financial assets and financial liability (excluding derivative assets and derivative liabilities) 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.

MAYBANK CONSTANT INCOME FUND 6

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

(b) Market risk (cont'd)

(i) Foreign exchange risk (cont'd)

2020	USD RM	Total RM
Assets		
Financial assets at FVTPL	76,122,111	76,122,111
Interest receivable	1,061,006	1,061,006
Cash at bank	77,313,493	77,313,493
Total assets	<u>154,496,610</u>	<u>154,496,610</u>
Net on-balance sheet open position	<u>154,496,610</u>	<u>154,496,610</u>
Forward exchange contracts - notional principal amount (Note 9) *	<u>148,642,850</u>	<u>148,642,850</u>
	USD RM	Total RM
2019		
Assets		
Financial assets at FVTPL	239,097,070	239,097,070
Interest receivable	12,586,412	12,586,412
Cash at bank	8,271,517	8,271,517
Total assets	<u>259,954,999</u>	<u>259,954,999</u>
Net on-balance sheet open position	<u>259,954,999</u>	<u>259,954,999</u>
Forward exchange contracts - notional principal amount (Note 9) *	<u>239,635,470</u>	<u>239,635,470</u>

* The Fund has entered into forward currency contracts to hedge against its USD exposure arising mainly from the Fund's investments in USD-denominated unquoted fixed income securities.

MAYBANK CONSTANT INCOME FUND 6

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 net on-balance sheet open position (excluding derivative assets and derivative liabilities) to movements in exchange rates. The analysis is based on the assumptions that the exchange rates will increase or decrease by 5% with all other variables held constant.

Currencies	2020		2019	
	Changes in exchange rate %	Effects on NAV Increase/ (Decrease) RM	Changes in exchange rate %	Effects on NAV Increase/ (Decrease) RM
USD	+5	7,724,831	+5	12,997,750
	-5	(7,724,831)	-5	(12,997,750)

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

(ii) Interest rate risk

Fixed income securities are particularly sensitive to movements in market interest rates. When interest rates rise, the value of fixed income securities will fall and vice versa, thus affecting the NAV of the Fund. The sensitivity to market interest rate changes are normally greater for longer tenured securities when compared to shorter tenured securities.

The table below summarises the sensitivity of the Fund's NAV to movements in prices of fixed income securities held by the Fund as a result of movements in market interest rates. The analysis is based on the assumptions that the interest rates increased and decreased by 1% (100 basis points) with all other variables held constant.

Financial assets at FVTPL	2020		2019	
	Changes in interest rates %	Effects on NAV (Decrease)/ Increase RM	Changes in interest rates %	Effects on NAV (Decrease)/ Increase RM
	+1	(1,634,703)	+1	(4,688,417)
	-1	1,689,930	-1	4,834,500

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

MAYBANK CONSTANT INCOME FUND 6

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

(b) Market risk (cont'd)

(ii) Interest rate risk (cont'd)

The Fund's deposit with a licensed financial institution carries fixed rate and is short-term in nature, and therefore is not affected by movements in market interest rate.

(c) Credit risk

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

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

(i) Credit risk exposure

At the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial 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.

MAYBANK CONSTANT INCOME FUND 6

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

(c) Credit risk (cont'd)

(ii) Credit risk concentration

The following table analyses the Fund's investments in unquoted fixed income securities, cash at bank, deposit with a licensed financial institution, interest receivable on unquoted fixed income securities and interest receivable on deposit with a licensed financial institution by rating categories. The ratings for the Fund's investments in unquoted fixed income securities and interest receivable on unquoted fixed income securities were obtained from Moody's, Fitch, S&P and MARC while the ratings for cash at bank, deposit with a licensed financial institution and interest receivable on deposit with a licensed financial institution were obtained from RAM's official website.

Financial assets	2020		2019	
	RM	As a percentage of NAV %	RM	As a percentage of NAV %
AAA	119,888,653	58.96	9,786,488	3.93
A	2,259,382	1.11	9,821,121	3.94
A-	-	-	2,078,626	0.83
BBB+	18,116,528	8.91	47,630,889	19.11
BBB	4,368,559	2.15	24,204,295	9.71
BBB-	12,440,114	6.12	42,861,868	17.19
BB+	3,299,081	1.62	29,528,418	11.85
BB	25,211,706	12.40	28,570,136	11.46
BB-	8,805,320	4.33	38,082,810	15.28
Not rated	2,682,427	1.32	19,017,300	7.63
	<u>197,071,770</u>	<u>96.92</u>	<u>251,581,951</u>	<u>100.93</u>

(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.

MAYBANK CONSTANT INCOME FUND 6

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

(d) Liquidity risk

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 Deeds. 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 at bank, deposit with a licensed financial institution 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:

2020	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial assets at FVTPL	-	76,122,111	76,122,111
Derivative assets	-	1,203,135	1,203,135
Interest receivable	631,967	478,209	1,110,176
Amount due from brokers	5,127,403	-	5,127,403
Deposits with licensed financial institutions	521,862	42,000,000	42,521,862
Cash at bank	77,317,621	-	77,317,621
Total undiscounted financial assets	<u>83,598,853</u>	<u>119,803,455</u>	<u>203,402,308</u>
Financial liabilities and unitholders' equity			
Amount due to Trustee	5,896		5,896
Other payables and accruals	48,266		48,266
Unitholders' equity	203,354,208		203,354,208
Total undiscounted financial liabilities and unitholders' equity	<u>203,408,370</u>	<u>-</u>	<u>203,408,370</u>
Liquidity (gap)/surplus	<u>(119,809,517)</u>	<u>119,803,455</u>	<u>(6,062)</u>

MAYBANK CONSTANT INCOME FUND 6

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	-	239,097,070	239,097,070
Derivative assets	-	35,000	35,000
Interest receivable	598,894	2,099,633	2,698,527
Other receivables	55,776	-	55,776
Deposits with licensed financial institutions	1,505,558	-	1,505,558
Cash at bank	8,280,930	-	8,280,930
Total undiscounted financial assets	<u>10,441,158</u>	<u>241,231,703</u>	<u>251,672,861</u>
Financial liabilities and unitholders' equity			
Derivative liabilities	942,086	1,378,497	2,320,583
Amount due to Trustee	41,865	-	41,865
Amount due to Manager	6,278	-	6,278
Other payables and accruals	14,895	-	14,895
Unitholders' equity	249,284,452	-	249,284,452
Total undiscounted financial liabilities and unitholders' equity	<u>250,289,576</u>	<u>1,378,497</u>	<u>251,668,073</u>
Liquidity (gap)/surplus	<u>(239,848,418)</u>	<u>239,853,206</u>	<u>4,788</u>

Notes:

(i) Financial 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 provision for taxation.

MAYBANK CONSTANT INCOME FUND 6

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

(d) Liquidity risk (cont'd)

(iii) Unitholders' total equity

As unitholders can request for redemption on their units by giving the Manager a 10-day notice period, the unitholders' total equity has been categorised as having a maturity of "less than 1 month".

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

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 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 since the commencement date.