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MAMG GLOBAL INCOME-I FUND (Formerly known as MAMG GLOBAL SHARIAH INCOME FUND)

Audited report
For the financial year ended 31 December 2020

CORPORATE INFORMATION

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

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SHARIAH ADVISOR
Amanie Advisors Sdn Bhd (200501007003) (684050-H)
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Menara Tokio Marine Life
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MAMG GLOBAL INCOME-I FUND
(Formerly known as MAMG Global Shariah Income Fund)

CONTENT	PAGE

A. Fund Information

1. Name of the Fund
MAMG Global Income-I Fund ("the Fund")

2. Type of Fund
Income & growth

3. Category of Fund
Feeder Fund (Sukuk)

4. Duration of the Fund
The Fund is an open-ended fund.

5. Launch date

Class	Currency denomination	Launch Date
MYR Class	Malaysian Ringgit ("MYR")	13 March 2018
USD Class	United States Dollar ("USD")	8 July 2020

6. Fund's investment objective
The investment objective of the Fund is to maximise investment returns by investing in the Target Fund, the AZ Islamic - MAMG Global Sukuk.

7. Fund distribution policy
Distribution, if any, will be made from the realised income and/or realised gains of the Fund. Distribution will be on a semi-annual basis (subject to availability of income).

8. Fund's performance benchmark
Total return performance of US Dollars ("USD") 5 years Treasury + 1.5%.

9. The Fund's investment policy and principal investment strategy
The Fund aims to maximise investment returns by investing in the Target Fund, the AZ Islamic - MAMG Global Sukuk. The Fund seeks to achieve its investment objective by investing a minimum of 95% of the Fund's NAV in the MASTER (USD DIS) class of the Target Fund, a subfund of the AZ Multi Asset managed by Azimut Investment S.A.

10. Net income distribution for the financial period from 1 January 2020 to 31 December 2020
The Fund distributed a net income of RM347,944 from MYR Class to unitholders for the financial year ended 31 December 2020. Below is the impact of the distributions to the Fund's NAV:

Entitlement date	Payment date	NAV per unit (before distribution)	NAV per unit (after distribution)	Gross/Net distribution per unit	Changes %
MYR Class					
07.07.2020	15.07.2020	1.1406	1.1391	0.0015	(0.13)
28.09.2020	30.09.2020	1.1423	1.1398	0.0025	(0.22)
28.12.2020	31.12.2020	1.1388	1.1363	0.0025	(0.22)

A. Fund Information (cont'd)

11. Breakdown of unitholdings by size

Fund size
As at 31 December 2020, the size of the Fund was 9,007,724 units.

Breakdown of unitholdings by Class of Units as at 31 December 2020

MYR Class

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	25.00	* 1	0.01
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	2	50.00	185	2.05
500,001 units and above	1	25.00	8,821	97.93
Total	**4**	**100.00**	****9,007**	**99.99**

* Comprise 1,075 units held by the Manager
** Comprise 9,005,649 units held by a Institutional Unit Trust Scheme Adviser ("IUTA")

USD Class

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

* Comprise 1,000 units held by the Manager

B. Performance Review

1. Key performance data of the Fund

Category	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019	13.03.2018 (date of launch) to 31.12.2018
Portfolio composition			
Investment in Target Fund (%)	91.91	96.33	96.33
Cash and other net assets (%)	8.09	3.67	3.67
Total (%)	**100.00**	**100.00**	**100.00**

MAMG GLOBAL INCOME-I FUND
(Formerly known as MAMG Global Shariah Income Fund)

Manager's report
For the financial year ended 31 December 2020 (cont'd)

B. Performance Review (cont'd)

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

Category	01.01.2020 to 31.12.2020	01.01.2019 to 31.12.2019	13.03.2018 (date of launch) to 31.12.2018
MYR Class			
NAV (RM'000)	10,235	8,721	8,721
Units in circulation (units'000)	9,007	7,762	7,762
NAV per unit (RM)	1.1428	1.1236	1.1236
Highest NAV per unit (RM)	1.1695	1.1548	1.0766
Lowest NAV per unit (RM)	1.1272	1.0556	1.0000
Annual return (%) (1)			
- Capital growth (%)	1.08	4.91	6.86
- Income distribution (%)	5.81	1.62	0.28
Total return (%)	6.95	6.61	7.16
Benchmark	5.89	5.18	10.28
Gross/net distribution per unit (sen)	0.65	0.15	0.30
Distribution date	7/7/2020, 28/09/2020 and 28/12/2020	30/12/2019	31/12/2018
USD Class			
NAV (USD)	1,103		
Units in circulation (units)	1,000	-	-
NAV per unit (USD)	1.1031	-	-
Highest NAV per unit (USD)	1.1031	-	-
Lowest NAV per unit (USD)	1.0000	-	-
Annual return (%) (1)			
- Capital growth (%)	10.31	-	-
- Income distribution (%)	-	-	-
Total return (%)	10.31	-	-
Benchmark	0.55	-	-
Gross/net distribution per unit (sen)	-	-	-
Distribution date	-	-	-
Management Expense Ratio ("MER") (%) (2)	1.58	1.38	1.09
Portfolio Turnover Ratio ("PTR") (times) (3)	2.30	0.20	0.64

B. Performance Review (cont'd)

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

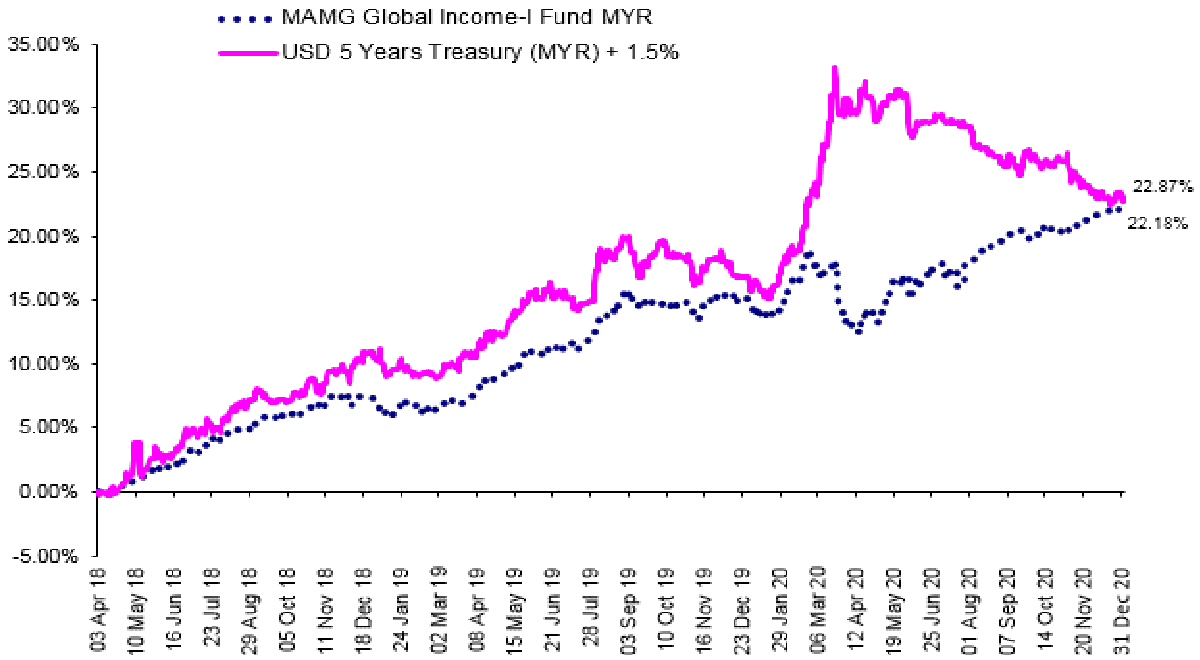
Note:

(1) Actual return of the Fund for the financial period is computed based on the daily average NAV per unit, net of all fees.
(2) The Fund's MER increased from 1.38% to 1.58% due to higher administrative expenses in the current financial year under review.
(3) The Fund's PTR increased from 0.20 times to 2.30 times due to higher trading activities in the current financial year under review

2. Performance of the Fund for the financial year ended 31 December 2020

<u>MYR Class</u>

Category	1 year to 31.12.2020 %	Since launch to 31.12.2020 %
Capital growth	1.08	13.63
Income distribution	5.81	7.52
Total return of the Fund	6.95	22.18
Benchmark	5.89	22.87
Average total return	6.95	7.40



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2020

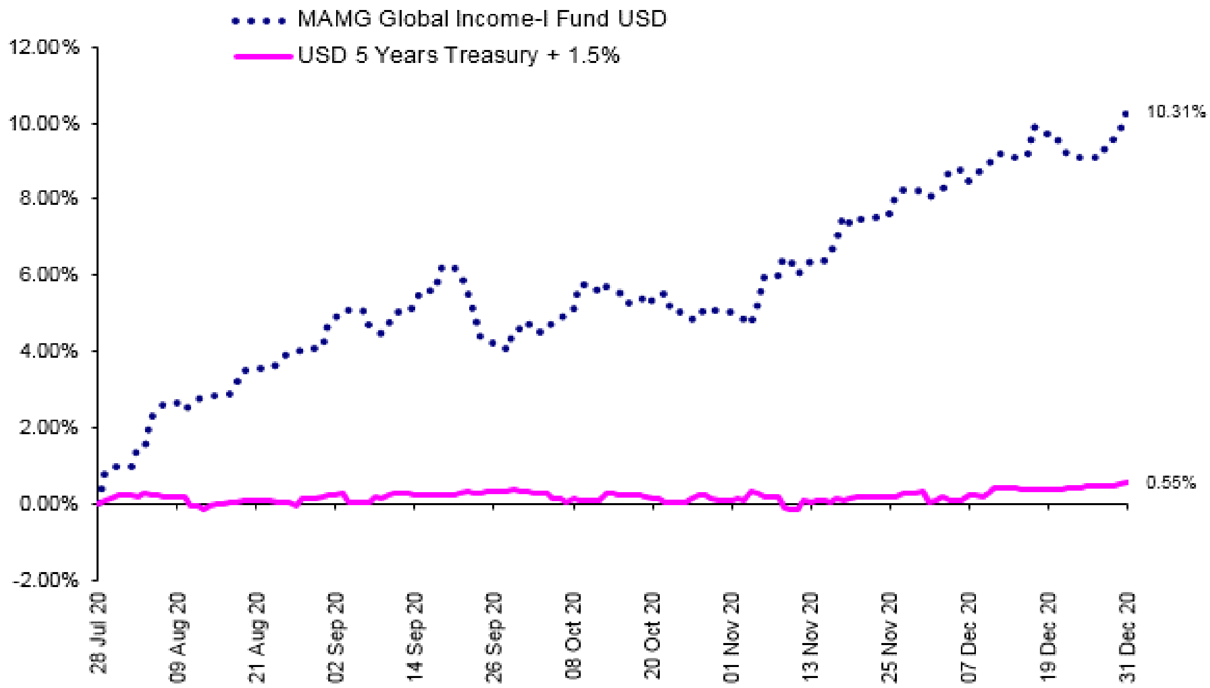
Investors are reminded that past performance of the Fund is not necessarily indicative of its future performance and that unit prices and investment returns may fluctuate.

B. Performance Review (cont'd)

2. Performance of the Fund for the financial year ended 31 December 2020 (cont'd)

<u>USD Class</u>

Category	**Since inception to 31.12.2020 %**
Capital growth	10.31
Income distribution	-
Total return of the Fund	10.31
Benchmark	0.55
Average total return	-



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2020

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

Has the Fund met its objective?

All share Classes generated net returns exceeding the targeted net returns of US Dollars ("USD") 5 years Treasury + 1.5% during the period under review.

B. Performance Review (cont'd)

3. Annual total return of the Fund

MYR Class

For the financial year/period	01.01.2020 to 31.12.2020 %	01.01.2019 to 31.12.2019 %	13.03.2018 (date of launch) to 31.12.2018 %
Capital growth	1.08	4.91	6.86
Income distribution	5.81	1.62	0.28
Total return	6.95	6.61	7.16
Benchmark	5.89	5.18	10.28

USD Class

For the financial period	08.07.2020 (date of launch) to 31.12.2020 %
Capital growth	10.31
Income distribution	-
Total return	10.31
Benchmark	0.55

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

Markets reacted with a negative tone in January 2020 as it grappled with uncertainties brought by the new coronavirus from China. Rates rallied across the bond markets, while equities were in the red, with the selloff intensifying during late January. Over in commodities, despite new Organisation of Petroleum Exporting Countries ("OPEC+") production cuts announced in December 2019, Brent crude declined by 12% given concerns of slowing Chinese consumption due to the outbreak of the virus. United States Dollar ("USD") broadly turned stronger against Developed Markets ("DM") currencies due to risk aversion.

C. Market Review (cont'd)

The negative impact from the COVID-19 intensified in the month of February 2020 given the global spread of the virus, although the situation in China was starting to stabilise, both in lower rate of new cases and in the resumption of the economy. DM rates continued to rally with a steepening bias due to the expectations of central bank easing. Equities and commodities were all in the red for the month, while Gold continued to march higher. USD remained strong against most currencies from risk aversion throughout February 2020, albeit softening slightly towards month end due to rate cut expectations. Despite risk aversion, Asian credit outperformed vs regions in Middle East and North Africa ("MENA") and Latin America ("LATAM").

The markets entered March 2020 with a decidedly risk off tone given the increasing impact to the global economy due to COVID-19 spread and the ensuing lockdown. The sell-off intensified in the aftermath of the failed OPEC+ meeting to cut production on 6 March 2020 and Saudi's plan to maximize crude production. Not only did crude crashed by 50% to USD 20/barrel ("bbl"), the impact also extended to the US High-Yield market and other asset classes. At the height of the panic, the entire United States Treasury ("UST") curve traded at 1% or below. Equities markets went down in the range of 20-30% before recouping some losses in the last week of March on grand stimulus package of USD 2 trillion by the USA and various measures taken by global central banks, among which the Federal Reserve ("Fed") to supply USD liquidity to foreign central banks via currency swaps. USD remained strong against most currencies, as there was capital flight from all regions into the safe haven investments, but gave back some ground as risk sentiment slightly recovered.

Risk sentiment recovered from late March 2020 and into April 2020, given aggressive easing by central banks and stimulus measures by the governments across the globe. However, commodities like oil continued to trade weak, as surging crude supplies found it hard to secure storage. Over in rates, UST generally traded in a range bound fashion despite prospects of increased issuance thanks to Fed's unlimited Quantitative Easing ("QE"). USD weakened slightly in April 2020 along with improved risk sentiment. Risk sentiment in May 2020 continued to be firm as markets benefitted from both massive monetary and fiscal stimulus across the globe and sign of peaking in COVID-19 cases. Crude recovered sharply, with Brent moving from USD 20/bbl area to nearing USD 40/bbl on hopes of economic revival and pickup in demand. UST generally traded in a range bound fashion but moved into a slight bear steepening bias towards the month end as risk sentiment remained firm with 10 year and 30 year yields approaching 0.70% and 1.50% respectively. USD weakened broadly in tandem with stronger markets around the Globe.

After two months of sustained risk-on sentiments, markets took a breather with the pace of economic recovery in question while valuations had largely looked past the damage brought by COVID-19. As such, markets were more sensitive to COVID-19 infection headlines, especially in countries that reported a resurgence in infections after exiting lock-down. Despite the increased volatility, markets remained range bound given support from massive monetary stimulus. The UST curve experienced some bull-flattening pressure over the month, with the 10 and 30-year yields lower by about 20 basis points ("bps"). USD traded in a somewhat stronger tone in June 2020 as volatility resurfaced due to Geopolitical risks.

Risk sentiment remained firm during July 2020, prompted by the passing of the EURO ("EUR") 750 billion Eurozone pandemic recovery fund and Fed's dovish stance. The UST curve bull flattened, with the 10 year and 30 year yields tightened by 10-20 bps to 0.60% and 1.20%. USD took another leg lower broadly against G10 currencies as real yields dip further into negative territory, with the USD Index ("DXY") dropping 3.1% over the period while Gold nearly touched USD 2000/ounce. Credit continued to be strong, supported by net bond fund inflow and better risk sentiments.

C. Market Review (cont'd)

The highlight of the month was the Fed symposium in Jackson Hole, where Jerome Powell announced average inflation targeting of 2% overtime and the employment mandate by allowing employment to run at or above its maximum level before raising rate. While the UST curve bear steepened leading up to Jackson Hole on repricing of inflation expectations, both 10 year and 30 year yields further sold off to 0.75% and 1.50% before retracing slightly into the month end. Commodities like Crude oil and gold held steady while equities continued to inch higher. USD was broadly weaker given the dovish outlook by Fed, with the DXY dropping 0.6% over the month. Among Asian currencies, Australian Dollar ("AUD") and Indian Rupee ("INR") outperformed. In Credit, while inflows remained supportive, returns were affected by rates selling off.

September was a moderately risk off month given focus on the US Presidential elections. USD was broadly stronger except versus the North Asian currencies (Chinese Yuan ("CNY"), Taiwan Dollar ("TWD"), Korean Won ("KRW")) given strong trade data from China benefiting the region. UST yields stayed range bound across the curve. Equities underperformed given profit taking from sectors with sky high valuations but the spill over impact was measured. In commodities, gold and Brent crude also declined by about 4-5% given stronger USD. The highlight in September 2020 in Asia credit was real estate developer China Evergrande. While the concerns on its financials are not new, rumours on the feasibility of its planned listings in onshore equity markets caused a stir even though the company managed to calm nerves down.

October 2020 saw risk consolidating as US election approached, with major US equity indices retreating about 5- 6% mid-month and with crude going below USD 40/bbl as resurgent COVID-19 cases in Europe and lack of conclusions on new US fiscal stimulus provided backdrop to trim risk. USD was range bound vs developed market currencies but generally underperformed Asian currencies. UST yields progressively went wider over October 2020 with a curve steepening bias with yields on the 10 year and 30 year increasing by 20bps to reach 0.85% and 1.65% .

November 2020 was a strong risk-on month as Joe Biden won the US Presidential election while US Congress remains split (pending Georgia's senate run-off race on 5 January 2021). News of various pharmaceutical firms announcing positive results on COVID-19 vaccines further boosted the rally, despite still high level of COVID19 infection cases in the US and Europe. S&P 500 returned close to 11% while Brent crude traded near USD 50/bbl. Gold retraced 5.5% as investors turned less risk averse. UST yields initially traded higher with a steeper curve in first half of November 2020, with 10 year yield reaching 95 bps. Long end yields found some retracement towards month end pending January 2021 Georgia Senate results (if it results in a tie). USD was broadly weaker with Latin American currencies being the outperformer.

December 2020 risk sentiment remained well supported despite severe COVID-19 situation, as markets remained optimistic on the reflation theme amidst vaccine availability prospects. In the US, Congress finally agreed on a new USD 900 billion. pandemic bill, keeping an eye on Georgia senate re-election on 5 Jan 2021. The European Central Bank ("ECB") in its December 2020 meeting announced more monetary stimulus via increase in bond purchases and subsidized loans to encourage lending. For commodities, Brent and Gold managed to recover about 6-7% in the month as USD broadly weakened and as OPEC+ announced a slight increase in oil production from next year. UST yields largely remained range bound, with the 10 year yield ranging 0.83-0.91%. Emerging Markets ("EM") currencies appreciated vs USD, with Turkish Lira and South African Rand being outperformers. Over in Asia, AUDUSD appreciated 4.5% despite trade tensions with China being an overhang. Other Asian currencies appreciated 1-2% vs USD, building on November 2020 gains.

D. Market Outlook and Investment Strategy

As we are going into 2021, with the vaccines to be made available to support the economic activities, economic recoveries are looking better and sentiments will improve accordingly. Hence, in absolute term, we may see risk assets like equities to perform better than the bond in 2021. Hence, we are neutral with defensive positioning for bond funds.

Nevertheless, we expect the uneven economic recoveries globally will provide support to the bond market where low interest rates will be maintained for longer by central bankers to ensure accommodative environment to their economies. Hence, the risk of higher interest rate in 2021 may not be significant for the bond market and with abundant liquidity, both from the local and foreign investors, the bond market will still be a good alternative for yield pickup from the low yielding fixed deposits and money market funds.

Ongoing quantitative easing by central banks has resulted yields in the developed markets like the US and Europe to be very low or even negative. Even yields for nations that were almost bankrupt nearly a decade ago are fast reaching 0%. As an example, Portugal's 10-year yield fell below 0% for the first time in December 2020, while Italy's 10-year yield is less than 0.6%. Considering higher economic growth in the emerging markets, investors may switch to emerging markets' bonds as local currency bonds are still providing good spread against the UST.

Coupled this with expectation of weakening USD, local currency bonds will provide a good home for some of these liquidity.

As the fund is a feeder fund, it will continue investing between 95% to 98% into target fund to achieve closer performance with its target fund. The target fund has stronger weightage in United Arab Emirates, Malaysia, Turkey, Saudi Arabia and Indonesia. On sectors, most of the target fund's major holdings are in financial, sovereign and real estate bonds. As at December 2020, the portfolio duration remains low at 3.40 years with an average rating of BBB- by international rating agencies.

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

The Fund issued a new Prospectus dated 8 July 2020 during the financial year, which replaces and supersedes the previous Prospectus and its Supplementary Prospectus dated 13 March 2018 and 26 June 2018 respectively.

(i) The name of the Fund was changed to MAMG Global Income-I Fund

(ii) Addresses of the Trustee and Shariah Adviser

(iii) Board of Directors of the Manager

(iv) The changes in Target Fund with effect from 19 June 2020
- Change of name from AZ Multi Asset MAMG Global Sukuk to AZ Islamic-MAMG Global Sukuk
- Investment objective of the Target Fund has been changed from to enhance the value of its assets in the medium or long term with a portfolio comprising of USD denominated sukuk issued by sovereign and corporates to medium term capital growth
- Base currency of the Target Fund has been changed from Euro to USD
- Investment policy of the Target Fund has been changed

(v) The name of the management company of the Target Fund has been changed from AZ Fund Management S.A. to Azimut Investments S.A. with effect from 22 May 2020

(vi) Investment management of the Target Fund has been delegated to Azimut (DIFC) Ltd

(vii) Azimut (ME) Ltd has been appointed as the additional investment advisor of the Target Fund

(viii) Specific risks of the Target Fund

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 31 December 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
MAMG GLOBAL INCOME-I FUND
(FORMERLY KNOWN AS MAMG GLOBAL SHARIAH INCOME FUND)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

We have acted as Trustee of MAMG Global Income-I Fund (formerly known as MAMG Global Shariah Income Fund (the "Fund") for the financial year ended 31 December 2020. In our opinion and to the best of our knowledge, Maybank Asset Management Sdn Bhd, (the "Manager"), has operated and managed the Fund in accordance with the following:

(a) Limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the Securities Commission Malaysia’s Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 ("CMSA") and other applicable laws;

(b) Valuation/pricing has been carried out in accordance with the Deeds and any regulatory requirements; and

(c) Creation and cancellation of units have been carried out in accordance with the Deeds and relevant regulatory requirements.

(d) The distributions to the unitholders during the financial year ended 31 December 2020 are consistent with the objectives of the Fund.

For and on behalf of
SCBMB Trustee Berhad

Prasad A/L S Vijayasundram
Chief Executive Officer

Kuala Lumpur, Malaysia
22 February 2021

STATEMENT BY MANAGER

TO THE UNITHOLDERS OF
MAMG GLOBAL INCOME-I FUND
(FORMERLY KNOWN AS MAMG GLOBAL SHARIAH INCOME FUND)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

We, Dato' Idris Bin Kechot and Ahmad Najib Bin Nazlan, being two of the directors of Maybank Asset Management Sdn Bhd (the "Manager"), do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of MAMG Global Income-I Fund (formerly known as MAMG Global Shariah Income Fund) as at 31 December 2020 and of its results, changes in net assets attributable to unitholders and cash flows for the financial year then ended and comply with the requirements of the Deeds.

For and on behalf of the Manager

Dato' Idris Bin Kechot
Chairman

Ahmad Najib Bin Nazlan
Director

Kuala Lumpur, Malaysia
22 February 2021

REPORT OF THE SHARIAH ADVISER

TO THE UNITHOLDERS OF
MAMG GLOBAL INCOME-I FUND
(FORMERLY KNOWN AS MAMG GLOBAL SHARIAH INCOME FUND)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

We hereby confirm the following: .

1. To the best of our knowledge, after having made all reasonable enquiries, Maybank Asset Management Sdn Bhd (the "Manager") has operated and managed MAMG Global Income-I Fund (formerly known as MAMG Global Shariah Income Fund) ("the Fund") during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and

2. The asset of the Fund comprises instruments that have been classified as Shariah compliant.

For and on behalf of Amanie Advisors Sdn Bhd.

DATUK DR MOHD DAUD BAKAR
Executive Chairman

Kuala Lumpur, Malaysia
22 February 2021

Independent auditors' report to the Unitholders of
MAMG Global Income-I Fund
(Formerly known as MAMG Global Shariah Income Fund)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of MAMG Global Income-I Fund (formerly known as MAMG Global Shariah Income Fund) (the "Fund"), which comprise the statement of financial position as at 31 December 2020 of the Fund, and statement of comprehensive income, statement of changes in net assets attributable to unitholders 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 18 to 46.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the as at 31 December 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

Maybank Asset Management Sdn Bhd ("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
MAMG Global Income-I Fund
(Formerly known as MAMG Global Shariah Income Fund)

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

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

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

Responsibilities of the Manager and Trustee for the financial statements

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

Independent auditors' report to the Unitholders of
MAMG Global Income-I Fund
(Formerly known as MAMG Global Shariah Income Fund)

Other matters

This report is made solely to the unitholders of the Fund, as a body, in accordance with the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework 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
03013/10/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
22 February 2021

MAMG GLOBAL INCOME-I FUND
(FORMERLY KNOWN AS MAMG GLOBAL SHARIAH INCOME FUND)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Note	2020 RM	2019 RM
INVESTMENT INCOME			
Profit income		2,090	8,846
Dividend income		35,783	-
Net gain on financial assets at fair value through profit or loss ("FVTPL")			
- Realised gain		1,312,000	203,958
- Unrealised (loss)/gain		(853,242)	402,966
Realised forex		4,981	-
Unrealised forex		(270,455)	-
Realised forwards		10,327	-
Unrealised forwards		248,626	-
Net loss on foreign exchange and forward currency contracts	3	(6,521)	-
		490,110	615,770
EXPENSES			
Manager's fee	4	51,376	80,584
Trustee's fee	5	6,000	6,000
Auditor's remuneration		7,000	8,000
Tax agent's fee		3,900	4,600
Administrative expenses		13,095	12,122
		81,371	111,306
Net income before distribution and taxation		408,739	504,464
Distribution to unitholders			
MYR Class		(575,211)	-
Net (loss)/income before taxation		(166,472)	504,464
Taxation	6	-	-
Net (loss)/income after distribution and taxation, representing total comprehensive (loss)/income for the financial year		(166,472)	504,464
Net income after tax is made up of the following:			
Net realised income		708,599	101,498
Net unrealised (loss)/income		(875,071)	402,966
		(166,472)	504,464
Distributions for the financial year:			
MYR Class			
Net distributions	14	347,944	116,424
Gross/net distributions per unit (sen)	14	0.65	0.15
Distribution date	14	Refer to Note 14	

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

MAMG GLOBAL INCOME-I FUND
(FORMERLY KNOWN AS MAMG GLOBAL SHARIAH INCOME FUND)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 RM	2019 RM
ASSETS			
Financial asset at FVTPL	7	9,407,032	8,400,736
Deposit with a licensed Islamic financial institution	8	229,603	487,209
Profit income receivable		11	41
Derivative assets	9	248,626	-
Amount due from Manager	10	4,990	-
Cash at bank		372,924	10,969
TOTAL ASSETS		10,263,186	8,898,955
LIABILITIES			
Amount due to Manager	10	7,407	33,374
Amount due to Trustee	11	5,106	9,138
Distribution payable		-	116,424
Other payables and accruals	12	16,164	18,934
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		28,677	177,870
NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS OF THE FUND		10,234,509	8,721,085
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:			
Unitholders' contribution	13(a)	9,389,191	7,709,295
Retained earnings	13(b) & (c)	845,318	1,011,790
		10,234,509	8,721,085

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

MAMG GLOBAL INCOME-I FUND
(FORMERLY KNOWN AS MAMG GLOBAL SHARIAH INCOME FUND)

STATEMENT OF FINANCIAL POSITION (CONT'D)
AS AT 31 DECEMBER 2020

	Note	2020 RM	2019 RM
NET ASSET VALUE			
MYR Class		10,230,077	8,721,085
USD Class		4,432	-
		10,234,509	8,721,085
NUMBER OF UNITS IN CIRCULATION (UNITS)			
MYR Class		9,006,724	7,761,589
USD Class		1,000	-
		9,007,724	7,761,589
NAV PER UNIT			
MYR Class		RM 1.1428	RM 1.1236
USD Class		USD 1.1031	-

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

MAMG GLOBAL INCOME-I FUND
(FORMERLY KNOWN AS MAMG GLOBAL SHARIAH INCOME FUND)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	Unitholders' contribution Note 13(a) RM	Retained earnings Note 13(b) and 13(c) RM	Net assets attributable to unitholders RM
At 1 January 2019	7,548,599	611,353	8,159,952
Total comprehensive income for the financial year	-	504,464	504,464
Creation of units	2,183,283	-	2,183,283
Reinvestment of units	22,921	-	22,921
Cancellation of units	(2,033,111)	-	(2,033,111)
Distributions	(12,397)	(104,027)	(116,424)
At 31 December 2019	7,709,295	1,011,790	8,721,085
At 1 January 2020	7,709,295	1,011,790	8,721,085
Total comprehensive income for the financial year	-	(166,472)	(166,472)
Creation of units	12,779,852	-	12,779,852
Reinvestment of units	464,368	-	464,368
Cancellation of units	(11,791,591)	-	(11,791,591)
Distributions	227,267	-	227,267
At 31 December 2020	9,389,191	845,318	10,234,509

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

MAMG GLOBAL INCOME-I FUND
(FORMERLY KNOWN AS MAMG GLOBAL SHARIAH INCOME FUND)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

	2020 RM	2019 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from sale of financial assets at FVTPL	11,409,685	1,670,000
Net payment for purchase of financial assets at FVTPL	(12,185,584)	(1,500,000)
Profit income received	2,120	8,829
Dividend income received	35,706	-
Realised gain on forward foreign exchange contracts	10,327	-
Manager's fee paid	(51,508)	(80,031)
Trustee's fee paid	(10,032)	(1,601)
Payment of other fees and expenses	(26,764)	(23,032)
Net cash (used in)/generated from operating and investing activities	(816,050)	74,165
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	12,774,862	2,183,283
Cash paid on units cancelled	(11,817,426)	(2,039,592)
Net cash generated from financing activities	957,436	143,691
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR	141,386	217,856
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	498,178	280,322
Effect on foreign exchange	(37,037)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	602,527	498,178
Cash and cash equivalents comprise:		
Cash at bank	372,924	10,969
Deposit with a licensed Islamic financial institution with maturity of less than 3 months	229,603	487,209
	602,527	498,178

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

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

MAMG Global Shariah Income Fund (the "Fund") was constituted pursuant to the execution of a deed dated 4 December 2017 between Maybank Asset Management Sdn Bhd ("MAM") as the Manager and SCBMB Trustee Berhad as the Trustee. The First Supplemental Deed has been issued between MAM and the Trustee dated 13 April 2020. The Deed and Supplemental Deed are hereinafter referred to as "Deeds".

As at the date of this report, the Fund has 2 classes of units - MYR Class and USD Class. The Fund aims to maximise investment return by investing at least 95% of the Fund's NAV in the AZ Islamic MAMG Global Sukuk (previously was AZ Multi Asset MAMG Global Sukuk) ("Target Fund"), a fund managed by Azimut Investments S.A. (previously was AZ Fund Management S.A.) ("Target Fund Manager") and the investment management of the Target Fund has been delegated to Azimut (DIFC) Ltd. The base currency of the Target Fund is in United States Dollar ("USD") (2019: Euro), and the shares of the Target Fund in which the Fund invests in are denominated in USD.

The Target Fund is a sub fund of the AZ Multi Asset UCITS V compliant umbrella mutual investment fund established and domiciled in Luxembourg and was launched on 16 September 2013.

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

The financial statements were authorised for issue by the Board of Directors of the Manager (the "Directors") in accordance with a resolution of the Directors on 22 February 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation (cont'd)

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

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

2.2 Standards and amendments to standards issued but not yet effective

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

Description	**Effective for annual periods beginning on or after**
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: *Interest Rate Benchmark Reform Phase 2*	1 January 2021
Amendments to MFRS 3: *Reference to the Conceptual Framework*	1 January 2022
Amendments to MFRS 116: *Proceeds before Intended Use*	1 January 2022
Amendments to MFRS 137: *Onerous Contracts - Cost of Fulfilling a Contract*	1 January 2022
Annual Improvements to MFRS Standards 2018-2020 Cycle	1 January 2022
MFRS 17: *Insurance Contracts*	1 January 2023
Amendments to MFRS 101: *Classification of Liabilities as Current or Non-current*	1 January 2023
Amendments to MFRS 10 and MFRS 128: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	Deferred

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

2.3 Financial instruments

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

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

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.

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

2.4 Financial assets (cont'd)

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

(i) Financial assets at amortised cost

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

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

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

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

(ii) Financial assets at FVTPL

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

A financial asset is recognised at FVTPL if:

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

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

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

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

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

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

2.4 Financial assets (cont'd)

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

Dividend income on equity instruments as at FVTPL (i.e. investment in collective investment scheme) is disclosed separately in the profit or loss.

Changes in the fair value of FVTPL investments are recognised in 'unrealised gain on FVTPL investments' in the profit or loss. Accumulated unrealised gains is reclassified to 'realised gain on FVTPL investments' in the profit or loss when the associated assets are sold.

(iii) Impairment

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

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

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

- 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 (e.g. amount due from Manager), full impairment will be recognised on uncollected balances after the grace period.

(iv) Derecognition

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.

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

2.4 Financial assets (cont'd)

(iv) Derecognition of financial assets (cont'd)

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

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

2.5 Financial liabilities

(i) Classification

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

(ii) Recognition and measurement

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

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

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

2.6 Fair value measurement

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

(i) In the principal market for the asset or liability, or
(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

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

2.6 Fair value measurement (cont'd)

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.

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 presentation currency

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

2.8 Unitholders' contribution

For the previous financial year ended 31 December 2019, unitholder' contributions to the Fund met certain criteria under MFRS 132 Financial Instruments: Presentation and, accordingly have been classified as equity instruments.

In the current financial year ended 31 December 2020, these criteria were no longer met with the launch of USD Class units in the Fund. Effective from the launch date of USD Class units, unitholders' contribution to the Fund are classified as liabilities under the requirement of MFRS 132 Financial Instruments: Presentation, as they are puttable instruments whereby the unitholders have the right to redeem their units in the Fund at their option.

The classification of the unitholders' contribution (and their retained earnings) from equity to liability did not give rise to impact on the net income nor on the NAV of the Fund.

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

2.8 Unitholders' contribution (cont'd)

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

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

2.9 Distributions

Distribution is declared at the discretion of the Fund Manager based on the availability of distributable income.

Distribution is either reinvested or paid in cash to the unitholders on the income payment date. Reinvestment of units us based on the NAV per unit on the income payment date, which is also the time of creation.

A proposed distribution is recognised as a liability in the period in which it is approved. In the previous financial year ended 31 December 2019, distribution from realised reserves were recognised in the Statement of Changes in Equity. For the current financial year ended 31 December 2020, with the reclassification of unitholders' contribution from Equity to Liability, distribution from realised reserves are accounted for as a deduction in the Statement of Comprehensive Income. Where distribution is sourced out of distribution equalisation, this continues to be accounted for as an adjustment to the unitholders’ contribution in the Statement of Changes in Net Asset Value / Statement of Changes in Equity.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and Shariah-compliant deposits with a licensed Islamic financial institution with original maturity of three 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.

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

Dividend income is recognised when the right to receive payment is established. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income

Realised gain on disposal of investments is measured as the difference between the net proceeds and its carrying amount.

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

2.11 Revenue / Income (cont'd)

Other revenue/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 period.

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

2.13 Cleansing/Purification of profit

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

(i) Shariah non-compliant investment

The Manager will immediately dispose-off any Shariah non-compliant investment inadvertently made in the Fund. If the disposal of the Shariah non-compliant investment results in losses to the Fund, the losses are to be borne by the Manager. The said investment will be disposed/withdrawn with immediate effect or within a month of knowing the status of the securities. Any capital gains or dividend received during or after disposal of the investment will be channelled to Baitulmal or any other charitable bodies as advised by the Shariah Adviser.

2.14 Segment information

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

2.15 Critical accounting estimates and judgements

The preparation of the Fund's financial statements requires the Manager to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in the future.

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

2.15 Critical accounting estimates and judgements (cont'd)

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

3. NET LOSS ON FOREIGN EXCHANGE AND FORWARD CONTRACTS

	2020 RM	2019 RM
Net realised foreign exchange gain	4,981	-
Unrealised foreign exchange loss	(270,455)	-
Realised gain on forward contracts	10,327	-
Unrealised gain on forward contracts	248,626	-
	(6,521)	-

4. MANAGER'S FEE

Manager's fee is computed daily based on 1.00% (2019: 1.00%) per annum ("p.a.") of the NAV of the each Class before deducting the Manager's fee and Trustee's fees for that particular day.

5. TRUSTEE'S FEE

Trustee's fee is computed daily based on 0.02% (2019: 0.02%) p.a. of the NAV of the Fund before deducting the Manager's fee and Trustee's fee for that particular day, subject to a minimum fee of RM6,000 p.a.

6. TAXATION

	2020 RM	2019 RM
Tax expense for the financial year:		
Current income tax expense	-	-

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

The tax expense for the financial period is in relation to the taxable income earned by the Fund after deducting tax allowable expenses. In accordance with Schedule 6 of the Income Tax Act 1967, profit income earned by the Fund and dividend income derived from sources outside Malaysia are exempted from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

6. TAXATION (CONT'D)

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

	2020 **RM**	**2019** **RM**
Net (loss)/income before tax	(166,472)	504,464
Tax at Malaysian statutory rate of 24% (2019: 24%)	(39,953)	121,071
Income not subject to tax	(117,626)	(147,785)
Expenses not deductible for tax purposes	157,579	26,714
Income tax expense for the financial year	-	-

7. FINANCIAL ASSET AT FVTPL

Financial asset at FVTPL comprise investment in a collective investment scheme.

	Quantity unit	**Aggregate cost RM**	**Market value RM**	**Percentage of NAV %**
2020				
AZ Islamic - MAMG Global Sukuk MASTER (USD DIS) class	459,446	9,467,912	9,407,032	91.91%
Unrealised loss on investment at FVTPL*			(60,880)	
2019				
AZ Multi Asset MAMG Global Sukuk - MYR DIS class	7,173,984	7,398,576	8,400,736	96.33%
Unrealised gain on investment at FVTPL*			1,002,160	

* The unrealised gain on collective investment scheme comprise the amounts arising from changes in fair values and effects from foreign exchange.

8. DEPOSIT WITH A LICENSED ISLAMIC FINANCIAL INSTITUTION

Details of the outstanding Shariah-compliant deposit as at 31 December 2020 is as follows:

	2020 RM	2019 RM
Short-term placements with a licensed Islamic financial institution with maturity of:		
- less than 3 months	229,603	487,209

The weighted average effective profit rates ("WAEPR") per annum and average maturity of deposits with a licensed Islamic financial institution as at 31 December 2020 is as follows:

	31.12.2020		31.12.2019	
	WAEPR % p.a.	Average maturity days	WAEPR % p.a.	Average maturity days
Short-term placement				
Licensed Islamic financial institution	1.75	3	3.05	2

9. DERIVATIVE ASSETS

2020	Notional principal amount RM	Fair value Asset RM	Fair value Liabilities RM
Currency forwards:			
- Less than 1 year	9,819,829	248,626	-

As at the reporting date, there were 12 forward exchange contracts outstanding.

The Fund entered into forward currency contracts during the financial year to hedge currency exposure in the Target Fund which is 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/(TO) MANAGER

	Note	2020 RM	2019 RM
Amount due from Manager is in respect of:			
Subscription of units	(i)	4,990	-
Amount due to Manager is in respect of :			
Manager's fee	(ii)	7,407	7,539
Cancellation of units	(iii)	-	25,835
		7,407	33,374

(i) The amount represents amount receivable from the Manager for units subscribed.

(ii) Amount due to Manager relates to the amount payable to the Fund Manager arising from the accruals for Manager's fee at the end of the financial period. The normal credit term for Manager's fee is 15 days (2019: 15 days).

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

11. AMOUNT DUE TO TRUSTEE

Amount due to Trustee relates to the amount payable to the Trustee arising from the accruals for Trustee's fee at the end of the financial period. The normal credit term for Trustee's fee is 15 days. (2019: 15 days).

12. OTHER PAYABLES AND ACCRUALS

	2020 RM	2019 RM
Due to external auditor	8,321	8,162
Due to tax agent	4,505	4,505
Other payables and accruals	3,338	6,267
	16,164	18,934

13. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND/ EQUITY

	Note	2020 RM	2019 RM
Unitholders' contribution	13 (a)	9,389,191	7,709,295
Accumulated realised income	13 (b)	718,229	9,630
Accumulated unrealised income	13 (c)	127,089	1,002,160
		10,234,509	8,721,085

13. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND/ EQUITY (CONT'D)

(a) Unitholders' contribution

MYR Class

	2020		2019	
	No. of units	**RM**	**No. of units**	**RM**
At the beginning of the financial year	7,761,589	7,709,295	7,640,465	7,548,599
Creation of units	11,564,438	12,775,581	1,927,834	2,183,283
Reinvestment of units	409,563	464,368	21,571	22,921
Cancellation of units	(10,728,865)	(11,791,591)	(1,828,281)	(2,033,111)
Distributions (Note 14)	-	227,267	-	(12,397)
At the end of the financial year	9,006,725	9,384,920	7,761,589	7,709,295

	2020	
USD Class	**No. of units**	**RM**
At the beginning of the financial year	-	-
Creation of units	1,000	4,271
At the end of the financial year	1,000	4,271

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

	2020		2019	
	No. of units	**NAV**	**No. of units**	**NAV**
The Manager (MYR Class)	1,052	RM1,202	1,003	1,127
The Manager (USD Class)	1,000	USD 1,103	-	-

(b) Accumulated realised income

	2020	2019
	RM	**RM**
At beginning of the financial year	9,630	12,159
Net realised income for the financial year	708,599	101,498
Distributions out of realised reserve (Note 14)	-	(104,027)
At end of the financial year	718,229	9,630

(c) Accumulated unrealised income

	2020	2019
	RM	**RM**
At beginning of the financial year	1,002,160	599,194
Net unrealised (loss)/income for the financial year	(875,071)	402,966
At end of the financial year	127,089	1,002,160

14. DISTRIBUTIONS

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

	2020 **RM**	**2019** **RM**
Profit income	932	8,129
Dividend income	15,954	-
Realised gain on investment at FVTPL	584,975	187,424
Less: Expenses	(36,280)	(103,685)
Previous year realised income *	9,630	12,159
Distributions out of retained earnings (Note 13(b))	575,211	104,027
Effects of distribution equalisation (Note 13(a))	(227,267)	12,397
Distributions for the financial year	347,944	116,424

* The distribution were made from prior year's net realised income.

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

The gross and net distributions declared in the previous financial year are as follows:

Distribution date	**Gross/net distribution per unit (sen)**
2020	
7 July 2020	0.15
28 September 2020	0.25
28 December 2020	0.25
	0.65
2019	
30 December 2019	0.15

15. TRANSACTIONS WITH BROKERS AND FINANCIAL INSTITUTIONS

As the Fund bought and sold the units directly from the Manager of the Target Fund, there were no broker involved in the transactions made during the financial year.

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

	2020		2019	
	Value of placements RM	Percentage of total placements %	Value of placements RM	Percentage of total placements %
Public Islamic Bank Berhad	22,638,533	100.00	8,848,642	24.77
Maybank Islamic Berhad *	-	-	26,878,780	75.23
	22,638,533	100.00	35,727,422	100.00

* Maybank Islamic Berhad is a subsidiary of Malayan Banking Berhad, the ultimate holding company of the Manager.

16. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

	2020 RM	2019 RM
(i) Significant related party transaction		
Maybank Islamic Berhad		
Profit income from deposits	-	3,451

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.

17. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. For the financial year ended 31 December 2020 the MER of the Fund stood at 1.58% (2019: 1.38%).

18. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial period to the average NAV of the Fund calculated on a daily basis. For the financial year ended 31 December 2020, the PTR of the Fund stood at 2.30 times (2019: 0.20 times).

19. SEGMENT INFORMATION

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

The PMC of the Manager is responsible for the Fund's performance by investing at least 95% of the Fund's NAV in the ringgit denominated class of the Target Fund, and the remaining 2% - 5% of the Fund's NAV will be invested in Shariah-compliant liquid assets.

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

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

20. 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 2.15 to the financial statements describe how the classes of financial instruments are measured and how income and expenses are recognised.

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

20. FINANCIAL INSTRUMENTS (CONT'D)

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

2020	Financial assets at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Financial assets				
Financial asset at FVTPL	9,407,032	-	-	9,407,032
Deposit with a licensed Islamic financial institution	-	229,603	-	229,603
Profit income receivable	-	11	-	11
Derivative assets	248,626	-	-	248,626
Amount due from Manager	-	4,990	-	4,990
Cash at bank	-	372,924	-	372,924
Total financial assets	9,655,658	607,528	-	10,263,186
Financial liabilities				
Amount due to Manager	-	-	7,407	7,407
Amount due to Trustee	-	-	5,106	5,106
Other payables and accruals	-	-	16,164	16,164
Total financial liabilities	-	-	28,677	28,677
2019				
Financial assets				
Financial asset at FVTPL	8,400,736	-	-	8,400,736
Deposit with a licensed Islamic financial institution	-	487,209	-	487,209
Profit income receivable	-	41	-	41
Cash at bank	-	10,969	-	10,969
Total financial assets	8,400,736	498,219	-	8,898,955
Financial liabilities				
Amount due to Manager	-	-	33,374	33,374
Amount due to Trustee	-	-	9,138	9,138
Distribution payable	-	-	116,424	116,424
Other payables and accruals	-	-	18,934	18,934
Total financial liabilities	-	-	177,870	177,870

20. FINANCIAL INSTRUMENTS (CONT'D)

(b) Financial instruments that are carried at fair value

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

Collective investment scheme

The fair value of the collective investment scheme is determined by reference to its NAV at the reporting date.

(c) Fair value hierarchy

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

Level 1:	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2:	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
Level 3:	Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2020	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**
Financial assets at FVTPL	9,407,032	-	-
Derivative assets	-	248,626	-
2019			
Financial assets at FVTPL	8,400,736	-	-

(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, 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.

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Introduction

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

(i) Profit rate risk

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

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

(ii) Price risk

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

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

	2020		2019	
	Changes in price %	**Effects on NAV increase/ (decrease) RM**	**Changes in price %**	**Effects on NAV increase/ (decrease) RM**
Financial asset at	+5	470,352	+5	420,037
FVTPL	-5	(470,352)	-5	(420,037)

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

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(b) Market risk (cont'd)

(iii) 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 positions of the Fund's financial assets and financial liabilities (excluding derivative assets and liabilities) which are exposed to foreign exchange risk as at 31 December 2020. As the Fund's functional currency is RM, the financial assets and financial liabilities (excluding derivative assets and liabilities) 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 liabilities of the Fund that may affect the value of the NAV attributable to unitholders.

	2020 USD RM	2019 USD RM
Assets		
Financial assets at FVTPL	9,407,032	-
Cash at bank	321,820	-
Total assets	9,728,852	-
Net on-balance sheet open position	9,728,852	-
Principal amount of forward exchange contracts (Note 9) *	9,819,829	-

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.

	2020		2019	
	Changes in price %	Effects on NAV increase/ (decrease) RM	Changes in price %	Effects on NAV increase/ (decrease) RM
USD	+5	486,443	+5	-
	-5	(486,443)	-5	-

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

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(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 profit, principal and proceeds from realisation of investments. These credit exposures exist within financing relationships and other transactions.

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

(i) Credit risk exposure

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

(ii) Credit quality of financial assets

The following table analyses the Fund's Shariah-compliant deposits with financial institutions, cash at bank and profit receivables from financial institutions by rating categories. The rating is obtained from RAM Holdings Bhd's official website.

	2020		2019	
		As a percentage of NAV		As a percentage of NAV
Financial assets	**RM**	**%**	**RM**	**%**
AAA	602,538	5.89	498,219	5.71

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

(d) Liquidity risk

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

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

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

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

2020	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial asset at FVTPL	9,407,032	-	9,407,032
Deposit with a licensed Islamic financial institution	229,603	-	229,603
Profit income receivable	11	-	11
Derivative assets	-	248,626	248,626
Amount due from Manager	4,990		4,990
Cash at bank	372,924	-	372,924
Total undiscounted financial assets	10,014,560	248,626	10,263,186
Financial liabilities and net assets attributable to unitholders of the Fund			
Amount due to Manager	7,407	-	7,407
Amount due to Trustee	5,106	-	5,106
Other payables and accruals	16,164	-	16,164
NAV attributable to unitholders	10,234,509	-	10,234,509
Total undiscounted financial liabilities and net assets attributable to unitholders	10,263,186	-	10,263,186
Liquidity (gap)/surplus	(248,626)	248,626	-

21. 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 asset at FVTPL	8,400,736	-	8,400,736
Deposit with a licensed Islamic financial institution	487,209	-	487,209
Profit income receivable	41	-	41
Cash at bank	10,969	-	10,969
Total undiscounted financial assets	8,898,955	-	8,898,955
Financial liabilities and unitholders' equity			
Amount due to Manager	33,374	-	33,374
Amount due to Trustee	9,138	-	9,138
Distribution payable	116,424	-	116,424
Other payables and accruals	18,934	-	18,934
Unitholders' total equity	8,721,085	-	8,721,085
Total undiscounted financial liabilities and unitholders' equity	8,898,955	-	8,898,955
Liquidity (gap)/surplus	-	-	-

(i) Financial assets

The Fund's financial assets at FVTPL have been included in the "less than 1 month" category on the assumption that these are highly liquid investments which can be realised should all of the Fund's unitholders' equity be required to be redeemed. 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, if any.

(ii) Financial liabilities

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

Financial liabilities exclude tax-related matters such as tax payables, if any.

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

(d) Liquidity risk (cont'd)

(iii) Net assets attributable to unitholders of the Fund

As unitholders can request for cancellation 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".

22. UNITHOLDERS' CONTRIBUTION MANAGEMENT

The unitholders' contribution of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund.

The Fund’s objectives for managing capital are:

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

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