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MAYBANK MALAYSIA SUKUK FUND

Annual report
For the financial year ended 31 January 2021

CORPORATE INFORMATION

MANAGER

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EXTERNAL INVESTMENT MANAGER

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TRUSTEE

TMF Trustees Malaysia Bhd (200301008392 (610812-W))
10th Floor, Menara Hap Seng
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SHARIAH ADVISER

Maybank Islamic Bhd (200701029411 (787435-M))
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MAYBANK MALAYSIA SUKUK FUND

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MAYBANK MALAYSIA SUKUK FUND

Manager's report

For the financial year ended 31 January 2021

A. Fund Information

1. Name of Fund

Maybank Malaysia Sukuk Fund (the "Fund")

2. Type of Fund

Income

3. Category of Fund

Sukuk

4. Duration of Fund

The Fund is an open-ended fund.

5. Fund launch date / commencement date

8 January 2014 / 24 February 2014

6. Fund's investment objective

The Fund aims to provide investors with annual income through investing in a portfolio of Sukuk.

7. Fund distribution policy

Distribution, if any, shall be on an annual basis and will be made from the realised income of the Fund.

8. Fund's performance benchmark

12-months Islamic Fixed Deposit-i rate

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

The Fund invests between 70% - 98% of the Fund's NAV in a portfolio of Ringgit Malaysia ("RM")-denominated sukuk issued and/or offered in Malaysia with a minimum sukuk rating of 'AA-' by RAM Holdings Berhad ("RAM") or equivalent rating by Malaysian Rating Corporation Berhad ("MARC"). The Fund will also invest between 2% - 30% of the Fund's NAV in Shariah-compliant liquid assets including Shariah-compliant money market instruments and placement in Shariah-compliant deposits.

10. Net income distribution for the financial year ended 31 January 2021

The Fund distributed a total net income of RM63,247,400 to unitholders for the financial year ended 31 January 2021.

Below are details of distributions made during the financial year:

Distribution dates	Gross/net distribution per unit (sen)
28 July 2020	1.93
26 January 2021	2.00

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

Distribution dates	Before distribution (RM)	After distribution (RM)	Changes %
28 July 2020	1.1114	1.0921	(1.74)
26 January 2021	1.1033	1.0833	(1.81)

MAYBANK MALAYSIA SUKUK FUND

Manager's report

For the financial year ended 31 January 2021 (cont'd)

A. Fund Information (cont'd)

11. Breakdown of unitholdings by size

Fund size

As at 31 January 2021, the size of the Fund was 1,973,105,122 units.

Breakdown of unitholdings as at 31 January 2021

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	2	5.71	* 3	-
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	1	2.86	104	0.01
50,001 to 500,000 units	3	8.57	1,953	0.10
500,001 units and above	29	82.86	** 1,971,045	99.89
Total	35	100.00	1,973,105	100.00

* Includes 1,287 units held by Maybank Asset Management Sdn Bhd (the "Manager")

** Includes units held under an Institutional Unit Trust Scheme Advisers ("IUTA") and 69,915,316 units held by Malayan Banking Berhad, the ultimate holding company of the Manager

B. Performance Review

1. Key performance data of the Fund

Category	2021	2020	2019
Sukuk (%)	90.46	88.06	85.62
Cash and other net assets (%)	9.54	11.94	14.38
Total (%)	100.00	100.00	100.00
NAV (RM'000)	2,137,530	1,156,157	286,298
Units in circulation (units'000)	1,973,105	1,079,376	282,093
NAV per unit (RM)	1.0833	1.0711	1.0149
Highest NAV per unit (RM)	1.1107	1.1142	1.0718
Lowest NAV per unit (RM)	1.0393	1.0149	1.0148
Annual return (%) ⁽¹⁾			
- Capital growth (%)	1.12	5.54	(0.23)
- Income distribution (%)	3.65	4.16	5.62
Total return (%)	4.81	9.93	5.37
Benchmark (%)	2.13	3.16	3.35
	28.07.2020 and		
Distribution dates	26.01.2021	31.01.2020	31.01.2019
Gross/net distribution per unit (sen)	3.93	4.45	5.70

MAYBANK MALAYSIA SUKUK FUND

Manager's report

For the financial year ended 31 January 2021 (cont'd)

B. Performance Review

1. Key performance data of the Fund

Category	2021	2020	2019
Management Expense Ratio ("MER") (%) ⁽²⁾	0.41	0.41	0.44
Portfolio Turnover Ratio ("PTR") (times) ⁽³⁾	0.45	0.58	1.20

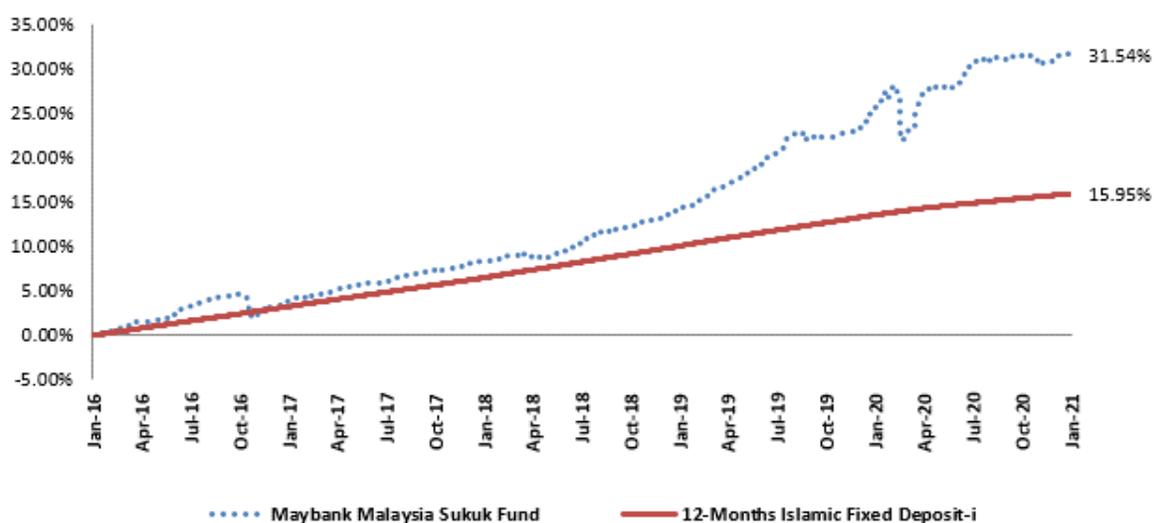
Note:

- (1) Actual return of the Fund for the financial year is computed based on the daily average NAV per unit, net of Manager and Trustee's fees.
- (2) The Fund's MER remained the same at 0.41% in the current financial year compared to the previous financial year.
- (3) The Fund's PTR decreased from 0.58 times to 0.45 times in the current financial year due to decrease in investing activities during the current financial year under review.

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

2. Performance of the Fund up to 31 January 2021

Category	1 year to 31.01.2021 %	3 years to 31.01.2021 %	5 years to 31.01.2021 %
Capital growth	1.12	1.49	1.36
Income distribution	3.65	19.62	29.78
Total return of the Fund	4.81	21.40	31.54
Benchmark	2.13	8.89	15.95
Average total return	4.81	6.67	5.63



Source: Lipper, as at 31 January 2021

MAYBANK MALAYSIA SUKUK FUND

Manager's report

For the financial year ended 31 January 2021 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund up to 31 January 2021 (cont'd)

The Fund generated a total return of 4.71% for the full-year review, outperforming the benchmark of 2.12% over the corresponding period. The outperformance was due to a combination of stronger returns benefitting from the bond market rally amidst lower Overnight Policy Rate ("OPR") and income derived from the bonds held in the Fund during the period under review.

Has the Fund achieved its objective?

As the Fund continues to pay distribution on a consistent basis, the Fund has achieved its investment objective during the period under review.

3. Annual total return of the Fund

Category	2021 %	2020 %	2019 %	2018 %	2017 %
Annual total return	4.81	9.93	5.37	4.32	3.87
Benchmark	2.13	3.16	3.35	3.15	3.15

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:

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

C. Market Review

The New Year saw the Malaysian bond market supported by the surprise 25 basis point ("bps") OPR cut on 22 January 2020, which was a pre-emptive measure to "secure the improving growth trajectory amid price stability". Bond yields further rallied on safe haven demand and concerns on impact of the coronavirus scare on global growth. The Malaysian bond market continued its rally in February 2020, despite the short sell-off in the final week of the month due to the domestic political drama that saw the resignation of the Malaysian Prime Minister and the dissolution of the cabinet. Yields quickly recovered on strong local support and expectations of another OPR cut in March 2020, as well as global risk-off mode amidst Coronavirus ("COVID-19") fears.

MAYBANK MALAYSIA SUKUK FUND

Manager's report

For the financial year ended 31 January 2021 (cont'd)

C. Market Review (cont'd)

However, the Malaysian bond market sold off in March 2020, with yields for government bonds higher by up to 55 bps month-on-month, amidst weak economic outlook due to COVID-19 pandemic as well as distressed oil prices. The sell-off was also across all other asset classes due to risk aversion as investors started to raise more cash. Central banks and governments globally introduced various unprecedented monetary, financial and economic stimulus package to support the economy. The implementation of the Movement Control Order ("MCO") in March 2020 resulted in economic activities to temporarily halt while Bank Negara Malaysia ("BNM") forecasted Malaysia's Gross Domestic Product ("GDP") to dropped lower in between 0.5% to -2% for the year 2020. BNM cut OPR in its next 3 consecutive meetings in March 2020 (25bps), May 2020 (50bps) and July 2020 (25bps), bringing the OPR to 1.75%. In addition, the Statutory Reserve Requirement ("SRR") was lowered to 2% (from 3% previously) effective 20 March 2020 and banks are now allowed to use Malaysian Government Securities ("MGS") and Government Investment Issue ("GII") to fully meet the SRR compliance effective 16 May 2020 and up to 31 May 2021. This measure will release approximately RM16 billion in liquidity into the banking system. Government has also rolled out RM260 billion economic stimulus package (PRIHATIN), RM35 billion PENJANA and more recently RM15 billion PERMAI to help individuals and SME during this hardship period. The government also implemented moratorium on bank loans for up to 6 months to ease people's financial commitment.

As economies started to gradually reopen in May 2020, optimism on economic recovery increased and global sentiment on bond market turned softer. Investors were also wary of increasing bond supply to fund the expected increase in fiscal deficit from the economic stimulus package announced by the government. In addition, the federal government's move to raise its debt limit to 60% of GDP from the current 55% (until 31 December 2022) triggered some profit taking activities. Other headwinds include FTSE Russell's decision on Malaysia bond weightage in the World Global Bond Index ("WGBI"); in which it announced it retained Malaysia under its Watch List for possible reclassification from Market Accessibility Level 2 to 1; as well as Budget 2021 and political noises. However, the re-emergence of concerns of another wave of COVID-19 globally has prompted the implementation of Targeted Enhanced Movement Control Order ("TEMCO") and Conditional Movement Control Order ("CMCO") in red zone areas in Malaysia in October 2020, and thus, increased concerns on downside risk to growth.

In November 2020, however, the Malaysian bond market went through a period of consolidation following rising global bond yields amidst positive vaccine developments that saw heightened profit taking during the month. Profit taking continued in early December 2020 due to market's knee-jerk reaction to Fitch's downgrade of Malaysia's Long-Term Foreign-Currency Issuer Default Rating (IDR) to 'BBB+' with a Stable outlook. Fitch cited weakened key credit metrics due to COVID-19 crisis, as well as political uncertainties, as basis for the downgrade. The other rating agencies, S&P and Moody's, still have a A3 rating for Malaysia. However, soon after, bargain hunters emerged amidst strengthening Malaysian Ringgit ("MYR") and stronger investor appetite on emerging markets. The bond market seemed supported on the outlook of sustained low interest rates and abundant liquidity. As at end January 2021, the 10 year MGS closed at 2.71%, still far cry from the height of 3.60% in mid-March 2020.

Meanwhile, foreign holdings recorded inflows for 8 consecutive months after the sell-off in February 2020 to April 2020 amounting to –RM22.4 billion. The cumulative inflows from May 2020 to December 2020 has offset the outflows and resulted in a full year 2020 inflow of RM18.3 billion as at December 2020 and foreign share in MGS and MGS+GII at 40.6% and 24.9% respectively from a low of 35.8% and 21.7% respectively in April 2020. This is on the back of improved global risk sentiment as emerging market debts look more attractive amidst low yield environment and extended United States Dollar ("USD") weakness.

MAYBANK MALAYSIA SUKUK FUND

Manager's report

For the financial year ended 31 January 2021 (cont'd)

D. Market Outlook & 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. With tax-exemption status on the money market funds for corporates to end in June 2021, more liquidity may end up in the bond 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%. 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 United States Treasuries ("UST"). Coupled this with expectation of weakening USD, local currency bonds like MGS will provide a good home for some of these liquidity.

After the three pauses of OPR in September 2020, November 2020 and January 2021, we believe BNM is reserving the bullet for 2021 if needed to ease further and hence, our base case is for the BNM to maintain OPR at this 1.75% for the whole of 2021, and we think that government's expectation of 2.5% inflation is too bullish considering uneven recoveries in global economies and mild increase in oil prices. Fitch Ratings downgraded Malaysia to BBB+, with a Stable outlook. The downgrade was primarily caused by weakened key credit metrics due to COVID-19 crisis, as well as political uncertainties. There were no major sell off in the bond market, as S&P and Moody's still have A3 rating for Malaysia. Any volatilities present an opportunity for investors to utilize abundant liquidity to buy on weakness.

In summary, the strong economic recoveries may actually cause the yield curve to steepen with the expectation that the 10-year MGS could move to above 3.00% level in 2021. Therefore, we are cautious to take on any more bond duration risk and would favour to position ourselves defensively, preferring short term credit bonds for an affordable yield pickup.

We continue to overweight corporate bonds over sovereign bonds to anchor the Fund's income in corporate bonds' coupons as they are less volatile and provide higher yields to buffer against potential mark-to-market losses in the event of a turnaround in sovereign bond yields. We will continue to trade opportunistically and realize profit given our expectations that the economy will start to recover in 2021 as economies gradually reopen and efforts by central banks and governments globally to combat the negative impact of COVID-19 start to show results. We will also look into new primary issuances that offer higher yields to deliver the required performance.

E. Soft Commissions and Rebates

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

During the financial year ended 31 January 2021, 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 MALAYSIA SUKUK FUND FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2021

We have acted as Trustee of Maybank Malaysia Sukuk Fund (the "Fund") for the financial year ended 31 January 2021. 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's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) Valuation and pricing were carried out in accordance with the Deeds and relevant regulatory requirements;
- (c) Creation and cancellation of units were carried out in accordance with the Deeds and relevant regulatory requirements; and
- (d) The distribution of returns for the year are tied to and reflect the objectives of the Fund.

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

Norhayati Binti Azit
Director - Funds Services

Kuala Lumpur, Malaysia
16 March 2021

STATEMENT BY MANAGER

**TO THE UNITHOLDER'S OF
MAYBANK MALAYSIA SUKUK FUND
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 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 set out 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 Malaysia Sukuk Fund as at 31 January 2021 and of its results, changes in equity and cash flows for the financial year then ended and complied 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
16 March 2021

REPORT OF THE SHARIAH ADVISER

TO THE UNITHOLDER'S OF MAYBANK MALAYSIA SUKUK FUND FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2021

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 Maybank Malaysia Sukuk Fund ("the Fund") during the year 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
Maybank Islamic Berhad

Dr Aznan Bin Hasan
Chairman of the Shariah Committee of Maybank Islamic Bhd

Kuala Lumpur, Malaysia
16 March 2021

Independent auditors' report to the Unitholders of Maybank Malaysia Sukuk Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Malaysia Sukuk Fund (the "Fund"), which comprise the statement of financial position as at 31 January 2021 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 14 to 55.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the as at 31 January 2021, 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 Maybank Malaysia Sukuk Fund (cont'd)

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

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

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

Responsibilities of the Manager and Trustee for the financial statements

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

Independent auditors' report to the Unitholders of Maybank Malaysia Sukuk Fund (cont'd)

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Independent auditors' report to the Unitholders of
Maybank Malaysia Sukuk Fund (cont'd)**

Other matters

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

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

Yeo Beng Yean
03013/10/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
16 March 2021

MAYBANK MALAYSIA SUKUK FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2021**

	Note	2021 RM	2020 RM
INVESTMENT INCOME			
Profit income	4	59,658,080	38,511,807
Net gain on financial assets at fair value through profit or loss ("FVTPL")			
- Realised gain		7,821,770	3,255,018
- Unrealised gain		3,480,829	44,836,949
Other income		-	59,250
		<u>70,960,679</u>	<u>86,663,024</u>
EXPENSES			
Manager's fee	5	5,444,295	3,156,648
Trustee's fee	6	777,756	450,950
Auditors' remuneration		8,500	8,500
Tax agent's fee		3,900	3,500
Shariah advisory fee		9,000	8,750
Administrative expenses		160,421	25,484
		<u>6,403,872</u>	<u>3,653,832</u>
Net income before taxation		64,556,807	83,009,192
Taxation	7	-	-
Net income after taxation and total comprehensive income for the financial year		<u>64,556,807</u>	<u>83,009,192</u>
Net income after taxation is made up of the following:			
Net realised income		61,075,978	38,172,243
Net unrealised income		3,480,829	44,836,949
		<u>64,556,807</u>	<u>83,009,192</u>
Distributions for the financial year:			
Net distributions	14	63,247,400	47,952,708
Gross/net distributions per unit (sen)	14	3.93	4.45
Distribution dates (ex-date)	14	28 July 2020 and 26 January 2021 30 January 2020	

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

MAYBANK MALAYSIA SUKUK FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2021**

	Note	2021 RM	2020 RM
ASSETS			
Financial assets at FVTPL	8	1,932,684,464	1,018,138,803
Shariah-compliant deposits with licensed Islamic financial institutions	9	47,696,211	172,841,826
Profit income receivables		21,224,658	11,565,940
Amount due from brokers	10	5,625,737	-
Amount due from Manager	11	138,259,409	4,653,263
Cash at bank		1,722,486	983,679
TOTAL ASSETS		2,147,212,965	1,208,183,511
LIABILITIES			
Amount due to Manager	11	9,516,330	4,003,669
Amount due to Trustee	12	86,961	50,385
Distributions payable		-	47,952,708
Other payables and accruals		79,982	19,596
TOTAL LIABILITIES		9,683,273	52,026,358
NET ASSET VALUE ("NAV") OF THE FUND		2,137,529,692	1,156,157,153
EQUITY			
Unitholders' capital	13(a)	2,061,675,386	1,107,561,160
Retained earnings	13(b) & (c)	75,854,306	48,595,993
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		2,137,529,692	1,156,157,153
NUMBER OF UNITS IN CIRCULATION (UNIT)	13(a)	1,973,105,122	1,079,375,515
NAV PER UNIT (RM)		1.0833	1.0711

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

MAYBANK MALAYSIA SUKUK FUND

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2021**

	Unitholders' capital Note 13(a) RM	Retained earnings Note 13(b) & Note 13(c) RM	Total equity RM
At 1 February 2020	1,107,561,160	48,595,993	1,156,157,153
Total comprehensive income for the financial year	-	64,556,807	64,556,807
Creation of units	1,835,145,006	-	1,835,145,006
Reinvestment of units	72,634,836	-	72,634,836
Cancellation of units	(927,716,710)	-	(927,716,710)
Distributions (Note 14)	(25,948,906)	(37,298,494)	(63,247,400)
At 31 January 2021	<u>2,061,675,386</u>	<u>75,854,306</u>	<u>2,137,529,692</u>
At 1 February 2019	284,488,938	1,808,602	286,297,540
Total comprehensive income for the financial year	-	83,009,192	83,009,192
Creation of units	1,067,014,819	-	1,067,014,819
Reinvestment of units	14,385,580	-	14,385,580
Cancellation of units	(246,597,270)	-	(246,597,270)
Distributions (Note 14)	(11,730,907)	(36,221,801)	(47,952,708)
At 31 January 2020	<u>1,107,561,160</u>	<u>48,595,993</u>	<u>1,156,157,153</u>

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

MAYBANK MALAYSIA SUKUK FUND**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2021**

	2021	2020
	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net payment for purchase of financial assets at FVTPL	(1,172,206,607)	(892,947,164)
Net proceeds from sale of financial assets at FVTPL	251,045,640	158,753,328
Profit income received	62,291,532	39,052,559
Manager's fee paid	(5,188,263)	(2,884,401)
Trustee's fee paid	(741,180)	(412,058)
Net payment of other fees and expenses	(121,437)	7,497
Decrease/(Increase) in Shariah-compliant deposits with licensed financial institutions with maturity of more than 3 months	<u>73,000,000</u>	<u>(73,000,000)</u>
Net cash used in from operating and investing activities	<u>(791,920,315)</u>	<u>(771,430,239)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	1,701,538,860	1,069,031,686
Payment for redemption of units	(922,460,081)	(242,962,332)
Distributions to unitholders	<u>(38,565,272)</u>	<u>(1,693,724)</u>
Net cash generated from financing activities	<u>740,513,507</u>	<u>824,375,630</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR	(51,406,808)	52,945,391
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	<u>100,825,505</u>	<u>47,880,114</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>49,418,697</u>	<u>100,825,505</u>
Cash and cash equivalents comprise:		
Cash at bank	1,722,486	983,679
Shariah-compliant deposits with licensed Islamic financial institutions with maturity of less than 3 months (Note 9)	<u>47,696,211</u>	<u>99,841,826</u>
	<u>49,418,697</u>	<u>100,825,505</u>

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

MAYBANK MALAYSIA SUKUK FUND

NOTES TO THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2021

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank Malaysia Sukuk Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 21 June 2013, a First Supplementary Deed dated 9 July 2014, Second Supplementary Deed dated 20 March 2015 and a Third Supplementary Deed dated 10 December 2015 between the Manager, Maybank Asset Management Sdn Bhd ("MAM") and the Trustee, TMF Trustees Malaysia Bhd. The Deeds & supplementary Deeds are collectively referred to as "Deeds".

The principal activity of the Fund is to invest between 70% to 98% of the Fund's NAV in a portfolio of Ringgit Malaysia ("RM")-denominated sukuk issued and/or offered in Malaysia with a minimum Sukuk rating of 'AA-' by RAM Holdings Berhad ("RAM") or equivalent rating by Malaysian Rating Corporation Berhad ("MARC"). However, if any of the sukuk held in the Fund has been downgraded to a rating of "BBB+" or lower by RAM or equivalent rating by MARC, the Manager may choose to dispose the sukuk as soon as practicable. However, if such prompt action may be detrimental to the Fund, the Manager may continue to hold onto the downgraded sukuk for up to 90 days.

The Manager will also invest between 2% to 30% of the Fund's NAV in Shariah-compliant liquid assets including Shariah-compliant money market instruments and placement in Shariah-compliant deposits.

The Manager of the Fund is MAM, a company incorporated in Malaysia. It is a holder of the Capital Markets Services Licence ("CMSL") 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").

MAM has appointed Maybank Islamic Asset Management Sdn Bhd ("MIAM") as the External Investment Manager for the Fund. MIAM is a subsidiary of MAMG and is a holder of CMSL to carry out Islamic fund management business pursuant to Section 61 of the CMSA.

The roles and responsibilities of MIAM include management of the investment portfolio in accordance with the investment objective, subject to the CMSA and the Guidelines on Unit Trust Funds issued by the Securities Commission of Malaysia ("SC") and any other relevant guidelines issued by the SC as well as the terms and conditions of the investment management agreement between MIAM and MAM.

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 16 March 2021.

MAYBANK MALAYSIA SUKUK FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The Fund has adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") Interpretations which have become effective during the financial year. 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 2.14 in the financial statements.

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
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: <i>Interest Rate Benchmark Reform Phase 2</i>	1 January 2021
Amendments to MFRS 3: <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116: <i>Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137: <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to MFRS Standards 2018-2020 Cycle	1 January 2022
MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non Current</i>	1 January 2023
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 & amendments to standards will not have any material impact on the financial statements in the period of initial application.

2.3 Financial instruments

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

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

MAYBANK MALAYSIA SUKUK FUND

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

2.4 Financial assets

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

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

(i) Financial assets at amortised cost

The Fund classifies cash and cash equivalents, and profit income 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 Sukuk is classified as FVTPL, unless the Fund designates an investment that is not held for trading as FVTOCI on initial recognition.

A financial asset is held for trading 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

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.

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

2.4 Financial assets (cont'd)

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

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. Profit income on debt instruments as at FVTPL is disclosed separately in the profit or loss.

The carrying cost of unquoted fixed income securities denominated in RM are revalued on a daily basis based on fair value prices quoted by Bond Pricing Agency ("BPA") registered with the Securities Commission Malaysia ("SC"). Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- records its basis for using a non-BPA price;
- obtain necessary internal approvals to the use of non-BPA price; and
- keeps an audit trail of all decisions and basis for adopting the market yield.

Changes in the fair value of FVTPL investments are recognised in 'unrealised gain on FVTPL investments' in profit or loss. Accumulated unrealised gains or losses are reclassified to 'realised gain on FVTPL investments' in 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. 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.

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

2.4 Financial assets (cont'd)

(iii) Impairment (cont'd)

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

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

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

(iv) Derecognition

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, gain or losses are recognised in profit or loss when the asset is derecognised, modified and 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, distributions payable, and other payables and accruals as financial liabilities.

(ii) Recognition and measurement

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.

MAYBANK MALAYSIA SUKUK FUND

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

2.5 Financial liabilities (cont'd)

(iii) Derecognition

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

2.6 Fair value measurement

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:

- (a) In the principal market for the asset or liability; or
- (b) In the absence of a principal market, in the most advantageous market for the

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

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

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

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:

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

MAYBANK MALAYSIA SUKUK FUND

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

2.6 Fair value measurement (cont'd)

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 RM, which is also the Fund's functional currency.

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

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 MALAYSIA SUKUK FUND

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 distributions is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' capital. A proposed distribution is recognised as a liability in the 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 Shariah-compliant deposits with licensed Islamic financial institutions 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 Sukuk includes amortisation of premium and accretion of discount, and is recognised using the effective profit rate method. Profit income from Shariah-compliant deposits with licensed Islamic financial institutions is recognised on the accrual basis using the effective profit rate method.

Realised gain or loss on disposal of Sukuk 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 or premium.

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 Taxation

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

Current taxes are recognised in profit or loss, except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax expense is determined according to Malaysian tax laws at the current tax rate based upon the taxable profit earned during the financial year.

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

2.13 Segment information

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

MAYBANK MALAYSIA SUKUK FUND

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

2.14 Critical accounting estimates and judgements

The preparation of the Fund's financial statements requires the Manager to make judgements, estimates and assumption 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.

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

3. SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investment portfolio of the Fund during the financial year ended 31 January 2021 is Shariah-compliant.

4. PROFIT INCOME

	2021	2020
	RM	RM
Profit income from Sukuk	63,379,257	36,170,419
Profit income from Shariah-compliant deposits	2,620,958	4,845,485
Amortisation of premium, net of accretion of discount	(6,342,135)	(2,504,097)
	<u>59,658,080</u>	<u>38,511,807</u>

5. MANAGER'S FEE

The Manager's fee is computed daily. The fee is based on 0.35% (2020: 0.35%) per annum ("p.a.") on the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day.

MAYBANK MALAYSIA SUKUK FUND

6. TRUSTEE'S FEE

The Trustee's fee is computed on a daily basis at 0.05% (2020: 0.05%) p.a. of the NAV of the Fund before deducting the Manager's fee and Trustee's fees.

7. TAXATION

	2021	2020
	RM	RM
Tax charge for the financial year:		
Current income tax expense	-	-

Income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable income for the financial year.

The tax charge for the financial year is in relation to the taxable income earned by the Fund after deducting tax allowable expenses. In accordance with Schedule 6 of the Income Tax Act 1967, the profit income earned by the Fund from its investment in Sukuk and Shariah-compliant deposits is exempted from tax.

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:

	2021	2020
	RM	RM
Net income before taxation	64,556,807	83,009,192
Tax at Malaysian statutory rate of 24% (2020: 24%)	15,493,634	19,922,206
Income not subject to tax	(17,030,563)	(20,799,126)
Expenses not deductible for tax purposes	1,536,929	876,920
Tax expense for the financial year	-	-

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL

			2021	2020
			RM	RM
Sukuk			1,932,684,464	1,018,138,803
Sukuk	Quantity	Aggregate	Market	Percentage
	Unit	Cost	Value	of
		RM	RM	NAV
				%
2021				
AEON Credit Service Bhd - 3.80% - 10.02.2027	10,000,000	10,078,642	10,263,100	0.48
Anih Bhd				
- 5.34% - 29.11.2023	5,000,000	5,199,105	5,345,750	0.25
- 5.70% - 27.11.2026	10,000,000	10,945,352	11,355,900	0.53
- 6.00% - 29.11.2028	14,000,000	15,394,924	16,531,480	0.77
- 5.85% - 29.11.2027	5,000,000	5,339,172	5,789,750	0.27
	<u>34,000,000</u>	<u>36,878,553</u>	<u>39,022,880</u>	<u>1.82</u>
AZRB Capital Sdn Bhd				
- 5.15% - 26.12.2029	5,000,000	5,000,000	5,260,950	0.25
- 5.25% - 26.12.2030	5,000,000	5,000,000	5,262,700	0.25
- 5.35% - 26.12.2031	5,000,000	5,000,000	5,262,200	0.25
	<u>15,000,000</u>	<u>15,000,000</u>	<u>15,785,850</u>	<u>0.75</u>
Besraya (M) Sdn Bhd				
- 4.80% - 28.07.2021	5,000,000	5,015,081	5,055,050	0.24
- 5.04% - 26.07.2024	10,000,000	10,063,046	10,658,900	0.50
- 5.20% - 28.07.2026	5,000,000	5,472,869	5,482,900	0.26
- 5.36% - 28.07.2028	15,000,000	15,793,870	16,831,800	0.79
	<u>35,000,000</u>	<u>36,344,866</u>	<u>38,028,650</u>	<u>1.79</u>
BGSM Management Sdn Bhd				
- 5.60% - 27.12.2023	5,000,000	5,165,922	5,402,400	0.25
Bank Pembangunan (M) Bhd				
- 3.18% - 11.10.2030	7,000,000	7,000,000	6,885,480	0.32

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2021 (cont'd)				
Country Garden Real Estate Sdn Bhd				
- 5.25% - 27.03.2025	35,000,000	35,000,000	37,409,050	1.75
- 5.70% - 02.03.2027	5,000,000	5,441,018	5,522,450	0.26
- 6.40% - 06.05.2022	10,000,000	10,000,000	10,412,100	0.49
- 6.40% - 18.03.2022	17,700,000	17,964,148	18,358,794	0.86
	67,700,000	68,405,166	71,702,394	3.36
Cypark Ref Sdn Bhd				
- 5.11% - 30.06.2028	5,000,000	5,075,984	5,421,800	0.25
Danainfra Nasional Bhd				
- 3.47% - 26.09.2029	10,000,000	10,000,000	10,393,300	0.49
- 4.79% - 27.11.2034	5,000,000	5,528,329	5,684,500	0.27
- 4.84% - 11.02.2039	5,000,000	5,053,882	5,674,650	0.27
- 4.90% - 21.02.2033	5,000,000	5,558,825	5,780,200	0.27
	25,000,000	26,141,036	27,532,650	1.30
Danajamin Nasional Bhd				
- 4.80% - 06.10.2027	10,000,000	10,077,393	10,346,300	0.48
Danum Capital Bhd				
- 3.29% - 13.05.2030	5,000,000	5,018,690	5,032,500	0.24
- 4.68% - 14.02.2034	10,000,000	11,385,060	11,122,900	0.52
	15,000,000	16,403,750	16,155,400	0.76
Edra Energy Sdn Bhd				
- 5.82% - 4.07.2025	5,000,000	5,305,206	5,508,550	0.26
- 5.88% - 03.07.2026	10,000,000	10,677,273	11,194,800	0.52
- 5.97% - 05.01.2028	15,000,000	16,079,411	17,148,000	0.80
- 6.23% - 05.01.2032	5,000,000	6,003,921	5,993,000	0.28
- 6.39% - 05.01.2034	2,500,000	3,095,747	3,072,350	0.14
- 6.43% - 05.07.2034	12,500,000	14,744,989	15,439,375	0.72
- 6.51% - 05.07.2035	5,000,000	6,142,665	6,233,000	0.29
- 6.15% - 03.01.2031	5,000,000	5,562,141	5,933,650	0.28
- 6.19% - 04.07.2031	20,000,000	23,506,255	23,873,400	1.12
	80,000,000	91,117,608	94,396,125	4.41
Evyap Sabun Malaysia Bhd				
- 4.05% - 30.12.2025	16,800,000	16,800,000	16,819,488	0.79

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2021 (cont'd)				
Fortune Premiere Sdn Bhd				
- 3.90% - 17.12.2024	10,000,000	10,006,773	10,311,900	0.48
- 3.99% - 11.09.2026	15,000,000	15,544,677	15,564,300	0.73
- 4.80% - 13.03.2023	5,000,000	5,161,308	5,201,450	0.24
- 4.85% - 02.11.2023	5,000,000	5,035,663	5,254,850	0.25
- 4.85% - 07.09.2023	10,000,000	10,170,430	10,488,600	0.49
- 5.05% - 05.09.2025	39,100,000	41,478,121	42,298,771	1.98
- 5.05% - 31.10.2025	5,000,000	5,388,326	5,416,350	0.25
	89,100,000	92,785,298	94,536,221	4.42
Gamuda Bhd				
- 4.10% - 28.06.2030	10,000,000	10,331,909	10,278,800	0.48
- 4.26% - 16.11.2029	7,000,000	7,226,315	7,298,340	0.34
- 4.79% - 16.03.2023	15,000,000	15,080,978	15,559,350	0.73
	32,000,000	32,639,202	33,136,490	1.55
Gulf Investment Corporation				
- 5.10% - 16.03.2021	6,100,000	6,102,018	6,119,703	0.29
Government Investment Issue				
- 4.47% - 15.09.2039	10,000,000	11,552,931	11,170,000	0.52
- 3.47% - 15.10.2030	10,000,000	10,780,051	10,613,000	0.50
	20,000,000	22,332,982	21,783,000	1.02
Gamuda Land (T12) Bhd				
- 3.55% - 12.08.2025	13,000,000	13,026,623	13,057,720	0.61
- 3.75% - 12.08.2027	13,000,000	13,029,470	13,041,730	0.61
- 3.90% - 12.08.2030	13,000,000	13,019,689	13,002,990	0.61
	39,000,000	39,075,782	39,102,440	1.83
Guan Chong Bhd				
- 3.84% - 03.12.2027	10,000,000	10,068,755	10,082,300	0.47
IJM Corporation Bhd				
- 3.85% - 23.08.2030	10,000,000	10,015,221	9,961,800	0.47
- 4.76% - 10.04.2029	10,000,000	10,663,628	10,707,200	0.50
- 4.83% - 10.06.2022	5,000,000	5,025,503	5,130,100	0.24
- 5.05% - 18.08.2028	25,000,000	26,042,204	27,254,000	1.28
	50,000,000	51,746,556	53,053,100	2.49

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2021 (cont'd)				
Jimah East Power Sdn Bhd				
- 5.52% - 04.06.2026	4,300,000	4,485,085	4,777,085	0.22
- 5.59% - 04.06.2027	2,000,000	2,250,138	2,254,820	0.11
- 5.68% - 04.12.2028	5,000,000	5,495,280	5,738,150	0.27
- 5.74% - 04.06.2029	5,000,000	5,489,039	5,781,500	0.27
- 5.77% - 04.12.2029	12,000,000	13,667,463	13,946,280	0.65
- 6.20% - 04.12.2031	5,000,000	5,541,637	6,085,750	0.28
	33,300,000	36,928,642	38,583,585	1.80
Kimanis Power Sdn Bhd				
- 5.40% - 06.08.2027	2,000,000	2,074,503	2,246,740	0.11
Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd				
- 4.25% - 01.12.2023	10,000,000	10,107,408	10,304,800	0.48
- 4.75% - 01.12.2028	20,000,000	20,911,673	21,319,600	1.00
- 4.75% - 02.12.2024	15,000,000	15,468,487	15,804,600	0.74
- 4.75% - 02.12.2025	10,000,000	10,432,729	10,599,900	0.50
- 4.75% - 02.12.2026	10,000,000	10,501,324	10,646,600	0.50
- 4.75% - 02.12.2027	20,000,000	20,807,593	21,333,400	1.00
- 4.75% - 30.11.2029	22,000,000	22,505,960	23,421,640	1.10
- 5.25% - 02.12.2030	5,000,000	5,242,742	5,512,550	0.26
	112,000,000	115,977,916	118,943,090	5.58
Kuala Lumpur Kepong Bhd				
- 3.75% - 27.09.2029	10,000,000	10,261,217	10,390,100	0.49
Lebuhraya Duke Fasa 3 Sdn Bhd				
- 5.64% - 22.08.2031	5,000,000	5,488,449	5,466,100	0.26
- 5.95% - 23.08.2034	10,000,000	11,222,348	11,166,600	0.52
	15,000,000	16,710,797	16,632,700	0.78
Malaysia Airports Holdings Bhd				
- 3.30% - 05.11.2027	12,000,000	11,999,029	12,027,720	0.56
- 3.60% - 06.11.2030	20,000,000	20,000,000	19,869,000	0.93
	32,000,000	31,999,029	31,896,720	1.49
Malakoff Power Bhd				
- 5.65% - 17.12.2025	5,000,000	5,227,935	5,599,300	0.26

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2021 (cont'd)				
Malaysia Airports Capital Bhd - 4.15% - 27.12.2024	5,000,000	4,988,897	5,228,150	0.24
Manjung Island Energy Bhd - 4.82% - 25.11.2030	10,000,000	10,695,590	11,342,700	0.53
- 4.90% - 25.11.2031	20,000,000	21,626,175	22,871,400	1.07
	30,000,000	32,321,765	34,214,100	1.60
MBB - 4.08% - Perpetual	5,000,000	5,000,000	5,175,950	0.24
- 4.13% - Perpetual	10,000,000	10,204,856	10,458,200	0.49
	15,000,000	15,204,856	15,634,150	0.73
MMC Corporation Bhd - 5.29% - 26.04.2023	6,900,000	7,174,329	7,174,689	0.34
- 5.70% - 24.03.2028	31,000,000	32,390,570	34,215,630	1.60
- 5.80% - 12.11.2025	2,000,000	2,034,808	2,179,060	0.10
- 5.95% - 12.11.2027	5,900,000	6,238,976	6,586,524	0.31
	45,800,000	47,838,683	50,155,903	2.35
Malaysia Resources Corporation Bhd - 3.85% - 14.08.2023	10,000,000	10,043,345	10,093,600	0.47
- 4.25% - 13.08.2027	28,600,000	28,936,581	29,100,500	1.36
- 4.45% - 14.08.2030	18,600,000	18,804,351	18,884,394	0.88
	57,200,000	57,784,277	58,078,494	2.71
Mumtaz Rakyat Sukuk Bhd - 4.95% - 19.06.2026	15,000,000	15,063,595	15,132,750	0.71
National Bank of Abu Dhabi - 4.75% - 09.12.2027	10,900,000	11,188,958	12,035,780	0.56
Penang Port Sdn Bhd - 4.30% - 24.12.2026	3,200,000	3,407,349	3,410,720	0.16
- 4.48% - 27.12.2029	12,500,000	13,088,763	13,527,750	0.63
- 4.68% - 26.12.2031	25,000,000	27,323,232	27,417,250	1.28
	40,700,000	43,819,344	44,355,720	2.07

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2021 (cont'd)				
Pengurusan Air SPV Bhd				
- 3.12% - 27.09.2030	5,000,000	5,020,734	4,944,350	0.23
- 3.32% - 04.06.2027	10,000,000	10,000,000	10,271,000	0.48
- 3.80% - 30.10.2026	5,000,000	5,000,000	5,261,100	0.25
- 3.90% - 30.10.2029	5,000,000	5,288,921	5,285,950	0.25
- 4.00% - 30.10.2034	5,000,000	5,000,000	5,152,050	0.24
- 4.54% - 23.02.2029	5,000,000	5,000,000	5,522,350	0.26
	35,000,000	35,309,655	36,436,800	1.71
Perbadanan Tabung Pendidikan Tinggi Nasional				
- 3.15% - 28.08.2025	10,000,000	10,017,349	10,057,500	0.47
- 3.30% - 27.08.2027	15,000,000	15,018,179	15,051,750	0.70
- 3.40% - 28.08.2030	5,000,000	5,000,000	4,978,900	0.23
- 3.95% - 18.06.2027	10,000,000	10,000,000	10,418,500	0.49
- 4.05% - 18.06.2030	9,000,000	9,511,202	9,437,940	0.44
- 4.58% - 28.02.2034	5,000,000	5,000,000	5,579,950	0.26
	54,000,000	54,546,730	55,524,540	2.59
Prasarana Malaysia Bhd				
- 4.38% - 12.03.2031	5,000,000	5,000,000	5,537,400	0.26
- 4.53% - 10.03.2034	5,000,000	5,000,000	5,529,600	0.26
- 3.75% - 23.03.2040	10,000,000	10,000,000	9,853,100	0.46
	20,000,000	20,000,000	20,920,100	0.98
Perbadanan Kemajuan Pertanian Negeri Pahang				
- 3.96% - 30.10.2024	12,800,000	12,816,678	12,835,584	0.60
- 4.11% - 30.10.2025	5,000,000	5,008,636	5,012,150	0.23
- 4.21% - 30.10.2026	10,000,000	10,021,162	10,015,100	0.47
- 4.36% - 29.10.2027	10,000,000	10,025,043	10,000,000	0.47
	37,800,000	37,871,519	37,862,834	1.77
Pengerang LNG (TWO) Sdn Bhd				
- 3.31% - 21.10.2034	7,000,000	7,000,000	6,695,080	0.31

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2021 (cont'd)				
Projek Lebuhraya Usahasama Bhd				
- 4.80% - 12.01.2027	10,000,000	10,733,038	11,031,300	0.52
- 4.96% - 12.01.2029	5,000,000	5,444,908	5,643,100	0.26
- 5.00% - 11.01.2030	20,700,000	21,453,786	23,535,279	1.10
- 5.07% - 10.01.2031	15,000,000	16,750,531	17,192,400	0.80
- 5.27% - 12.01.2033	10,000,000	11,045,740	11,656,900	0.55
- 4.72% - 12.01.2026	5,000,000	5,451,091	5,445,450	0.25
	65,700,000	70,879,094	74,504,429	3.48
Public Islamic Bank Bhd				
- 3.75% - 31.10.2029	5,000,000	5,000,000	5,159,650	0.24
Sabah Credit Corporation				
- 4.45% - 19.06.2026	5,000,000	5,030,750	5,345,850	0.25
- 4.90% - 16.02.2022	5,000,000	5,029,745	5,121,200	0.24
	10,000,000	10,060,495	10,467,050	0.49
SAJ Capital Sdn Bhd				
- 5.19% - 26.01.2022	3,600,000	3,654,677	3,684,816	0.17
- 5.31% - 26.01.2024	10,000,000	10,355,160	10,654,800	0.50
	13,600,000	14,009,837	14,339,616	0.67
Sime Darby Property Bhd				
- 3.42% - 03.12.2027	15,000,000	15,000,208	15,054,000	0.70
- 3.64% - 03.12.2030	15,000,000	15,000,000	15,020,400	0.70
	30,000,000	30,000,208	30,074,400	1.40
Sarawak Energy Bhd				
- 4.85%- 19.01.2027	10,000,000	10,701,860	11,137,500	0.52
- 3.30%- 14.06.2030	15,000,000	14,999,999	15,155,250	0.71
- 3.65%- 15.06.2035	35,000,000	35,000,000	34,770,400	1.63
- 4.70% - 24.11.2028	5,000,000	5,641,208	5,590,150	0.26
- 4.95% - 25.11.2033	28,000,000	31,134,746	32,036,760	1.50
- 5.18%- 25.04.2036	5,000,000	5,350,265	5,801,950	0.27
- 5.32%- 03.12.2032	30,000,000	34,428,282	35,430,300	1.66
- 5.50%- 04.07.2029	8,300,000	8,846,298	9,791,095	0.46
	136,300,000	146,102,658	149,713,405	7.01
Sarawak Hidro Sdn Bhd				
- 4.47% - 11.08.2027	5,000,000	4,994,226	5,465,500	0.26

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2021 (cont'd)				
Sime Darby Bhd - 5.65% - Perpetual	4,400,000	4,542,774	4,930,024	0.23
Southern Power Generation Sdn Bhd				
- 5.09%- 30.04.2029	10,000,000	10,842,513	11,305,600	0.53
- 5.25%- 30.04.2031	10,000,000	11,528,480	11,553,300	0.54
- 5.37%- 29.10.2032	5,000,000	5,308,915	5,821,000	0.27
- 5.41%- 29.04.2033	5,000,000	5,439,561	5,840,950	0.27
- 5.45% - 31.10.2033	15,000,000	16,359,964	17,583,600	0.82
	45,000,000	49,479,433	52,104,450	2.43
Sunway Treasury Sukuk Sdn Bhd				
- 3.45%- 17.07.2023	10,000,000	10,000,000	10,080,600	0.47
Tanjung Bin Energy Issuer Bhd				
- 6.20%- 16.03.2032	20,000,000	23,413,426	24,725,200	1.16
- 5.28% - 16.08.2027	4,500,000	4,689,691	5,059,215	0.24
- 5.70%- 16.03.2027	4,500,000	4,754,557	5,159,565	0.24
- 5.85% - 15.09.2028	5,000,000	5,394,401	5,873,250	0.27
- 5.95%- 14.09.2029	5,000,000	5,527,994	5,959,750	0.28
- 6.10%- 14.03.2031	5,000,000	5,551,911	6,096,650	0.29
	44,000,000	49,331,980	52,873,630	2.48
Telekom Malaysia Bhd - 4.58%- 03.09.2027	300,000	310,710	332,124	0.02
Tenaga Nasional Bhd				
- 5.18%- 03.08.2037	17,000,000	18,363,122	19,769,640	0.92
- 4.98%- 27.08.2038	10,000,000	11,573,343	11,385,800	0.53
- 3.25%- 10.08.2035	12,800,000	12,725,111	12,142,208	0.57
- 3.55%- 10.08.2040	9,900,000	9,811,235	9,369,855	0.44
	49,700,000	52,472,811	52,667,503	2.46
TG Excellence Bhd - 3.95%- 26.02.2021	20,000,000	20,371,520	20,716,200	0.97

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2021 (cont'd)				
Telekosang Hydro One Sdn Bhd				
- 5.10%- 06.08.2029	10,000,000	10,068,613	10,563,000	0.49
- 5.15%- 06.08.2030	5,000,000	5,269,529	5,273,750	0.25
- 5.30%- 06.08.2032	5,000,000	5,287,488	5,281,250	0.25
	<u>20,000,000</u>	<u>20,625,630</u>	<u>21,118,000</u>	<u>0.99</u>
TNB Northern Energy Bhd				
- 5.18% - 03.08.2037	1,700,000	1,876,626	1,882,189	0.09
UEM Sunrise Bhd				
- 3.90% - 21.09.2023	7,000,000	7,017,081	7,034,370	0.33
- 4.00% - 09.06.2023	5,000,000	5,000,000	5,037,200	0.24
- 4.75% - 22.03.2024	5,000,000	5,087,749	5,142,800	0.24
- 5.00%- 19.05.2023	40,800,000	41,560,187	42,003,192	1.97
- 5.15%- 31.10.2025	20,000,000	21,037,881	21,013,800	0.98
- 5.32%- 12.11.2024	15,000,000	15,644,025	15,771,750	0.74
	<u>92,800,000</u>	<u>95,346,923</u>	<u>96,003,112</u>	<u>4.50</u>
UMW Holdings Bhd				
- 3.03%- 05.11.2025	9,400,000	9,400,001	9,420,868	0.44
- 4.65%- 13.09.2023	5,000,000	5,240,350	5,249,100	0.25
- 5.22%- 02.10.2026	30,000,000	32,894,129	33,262,200	1.56
	<u>44,400,000</u>	<u>47,534,480</u>	<u>47,932,168</u>	<u>2.25</u>
YTL Power International Bhd				
- 5.05%- 03.05.2027	46,100,000	48,365,146	50,178,007	2.35
Total Sukuk	<u>1,798,400,000</u>	<u>1,882,662,382</u>	<u>1,932,684,464</u>	<u>90.46</u>
Unrealised gain on financial assets at FVTPL			<u>50,022,082</u>	

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2020				
Anih Bhd				
- 5.34% - 29.11.2023	3,000,000	3,085,472	3,195,240	0.28
- 5.70% - 27.11.2026	5,000,000	5,312,864	5,624,000	0.49
- 6.00% - 29.11.2028	15,000,000	16,403,143	17,542,950	1.52
- 5.85% - 29.11.2027	5,000,000	5,380,617	5,735,550	0.50
AZRB Capital Sdn Bhd				
- 5.15% - 26.12.2029	5,000,000	5,000,000	5,109,000	0.44
- 5.25% - 26.12.2030	5,000,000	5,000,000	5,116,850	0.44
- 5.35% - 26.12.2031	5,000,000	5,000,000	5,122,700	0.44
Besraya (M) Sdn Bhd				
- 4.80% - 28.07.2021	3,500,000	3,503,655	3,565,555	0.31
- 5.04% - 26.07.2024	10,000,000	10,077,133	10,548,700	0.91
- 5.20% - 28.07.2026	1,000,000	1,012,125	1,082,230	0.09
- 5.36% - 28.07.2028	10,000,000	10,170,719	11,073,300	0.96
BEWG (M) Sdn Bhd				
- 5.10% - 17.07.2020	6,500,000	6,515,597	6,542,705	0.57
BGSM Management Sdn Bhd				
- 5.35% - 09.03.2026	5,000,000	5,194,713	5,435,950	0.47
- 5.60% - 27.12.2023	5,000,000	5,218,686	5,357,450	0.46
Country Garden Real Estate Sdn Bhd				
- 6.40%-6.052022	12,000,000	12,000,000	12,477,960	1.08
- 6.40% - 18.03.2022	10,000,000	10,000,000	10,378,200	0.90
- 6.60% - 23.02.2023	1,700,000	1,702,288	1,796,832	0.16
Cypark Ref Sdn Bhd				
- 5.11% - 30.06.2028	5,000,000	5,084,355	5,166,450	0.45
DanaInfra Nasional Bhd				
- 3.47% - 26.09.2029	10,000,000	10,000,000	10,094,600	0.87
- 4.79% - 27.11.2034	5,000,000	5,556,996	5,762,350	0.50
- 4.84% - 11.02.2039	13,500,000	13,650,659	15,729,525	1.36
- 4.90% - 21.02.2033	5,000,000	5,594,992	5,768,300	0.50

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2020 (cont'd)				
Danajamin Nasional Bhd				
- 4.80% - 06.10.2027	9,300,000	9,380,339	9,561,795	0.83
Edra Energy Sdn Bhd				
- 5.82% - 04.07.2025	5,000,000	5,366,849	5,468,400	0.47
- 5.85% - 05.01.2026	5,000,000	5,153,783	5,510,000	0.48
- 5.88% - 03.07.2026	5,000,000	5,159,287	5,550,050	0.48
- 5.97% - 05.01.2028	10,000,000	10,338,167	11,339,500	0.98
- 6.15% - 03.01.2031	20,000,000	22,427,434	23,560,600	2.04
- 6.19% - 04.07.2031	5,000,000	5,622,371	5,927,950	0.51
- 6.31% - 05.01.2033	5,000,000	5,669,586	6,039,100	0.52
- 6.43% - 05.07.2034	10,000,000	11,498,192	12,284,400	1.06
Fortune Premiere Sdn Bhd				
- 3.90% - 17.12.2024	10,000,000	10,008,441	10,116,000	0.87
- 4.85% - 02.11.2023	5,000,000	5,047,721	5,224,900	0.45
- 4.85% - 07.09.2023	9,000,000	9,166,283	9,395,010	0.81
- 5.05% - 05.09.2025	13,000,000	13,593,382	13,903,760	1.20
- 5.05% - 31.10.2025	300,000	301,466	321,285	0.03
Gamuda Bhd				
- 4.79% - 16.03.2023	19,000,000	19,115,511	19,636,500	1.70
Gulf Investment Corporation				
- 4.13% - 09.07.2029	9,500,000	10,118,641	10,218,200	0.88
- 5.10% - 16.03.2021	6,100,000	6,121,430	6,189,365	0.54
- 4.72% - 15.06.2033	10,000,000	10,369,722	11,460,000	0.99
IJM Corporation Bhd				
- 4.83% - 10.06.2022	7,400,000	7,464,701	7,607,200	0.66
- 5.05% - 18.08.2028	15,000,000	15,139,007	16,161,900	1.40
Jimah East Power Sdn Bhd				
- 5.68% - 04.12.2028	5,000,000	5,547,797	5,705,100	0.49
- 5.74% - 04.06.2029	5,000,000	5,536,932	5,750,400	0.50
- 5.77% - 04.12.2029	5,000,000	5,567,682	5,784,700	0.50
- 6.20% - 04.12.2031	5,000,000	5,578,835	6,050,150	0.52
- 5.52% - 04.06.2026	4,300,000	4,515,143	4,736,966	0.41
- 5.59% - 04.06.2027	400,000	420,131	447,408	0.04

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2020 (cont'd)				
Kimanis Power Sdn Bhd - 5.40% - 06.08.2027	2,000,000	2,084,103	2,210,660	0.19
Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd				
- 4.25% - 01.12.2023	5,000,000	4,955,024	5,082,200	0.44
- 4.75% - 01.12.2028	10,000,000	10,247,472	10,586,100	0.92
- 4.75% - 02.12.2024	10,000,000	10,260,604	10,413,100	0.90
- 4.75% - 02.12.2025	5,000,000	5,178,070	5,239,050	0.45
- 4.75% - 02.12.2026	5,000,000	5,222,280	5,264,900	0.46
- 4.75% - 02.12.2027	20,000,000	20,908,569	21,137,600	1.83
- 4.75% - 30.11.2029	22,000,000	22,552,060	23,314,280	2.02
- 5.25% - 02.12.2030	5,000,000	5,261,907	5,516,800	0.48
Kuala Lumpur Kepong Bhd - 3.75% - 27.09.2029	5,000,000	5,000,000	5,060,900	0.44
Malakoff Power Bhd - 5.65% - 17.12.2025	5,000,000	5,268,909	5,519,000	0.48
MBB				
- 4.08% - Perpetual	5,000,000	5,000,000	5,070,000	0.44
- 4.13% - Perpetual	5,000,000	5,000,000	5,095,900	0.44
Malaysia Airports Capital Bhd - 4.15% - 27.12.2024	5,000,000	4,986,375	5,147,400	0.45
Manjung Island Energy Bhd				
- 4.82% - 25.11.2030	11,300,000	12,150,685	12,610,574	1.09
- 4.90% - 25.11.2013	24,400,000	25,962,438	27,531,008	2.38
MMC Corporation Bhd				
- 5.29% - 26.04.2023	1,900,000	1,907,382	1,957,532	0.17
- 5.70% - 24.03.2028	13,600,000	13,705,814	14,554,720	1.26
- 5.80% - 12.11.2025	7,500,000	7,654,336	8,007,900	0.69
-5.95% - 12.11.2027	6,500,000	6,686,996	7,059,065	0.61
Mumtaz Rakyat Sukuk Bhd - 4.95% - 19.06.2026	8,000,000	8,073,578	8,143,680	0.70

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2020 (cont'd)				
National Bank of Abu Dhabi - 4.75% - 09.12.2027	10,900,000	11,224,654	11,739,736	1.02
Penang Port Sdn Bhd - 4.48% - 27.12.2029	5,000,000	5,000,000	5,212,250	0.45
Pengurusan Air SPV Bhd - 3.80% - 30.10.2026	5,000,000	5,000,000	5,116,000	0.44
- 3.90% - 30.10.2029	5,000,000	5,000,000	5,180,350	0.45
- 4.00% - 30.10.2034	5,000,000	5,000,000	5,181,700	0.45
- 4.54% - 23.02.2029	5,000,000	5,000,000	5,421,700	0.47
Perbadanan Tabung Pendidikan Tinggi Nasional - 4.58% - 28.02.2034	5,000,000	5,000,000	5,619,250	0.49
- 4.80% - 01.03.2039	10,000,000	10,495,923	11,567,100	1.00
Prasarana Malaysia Bhd - 4.38% - 12.03.2031	5,000,000	5,000,000	5,433,550	0.47
- 4.53% - 10.03.2034	5,000,000	5,000,000	5,576,250	0.48
Projek Lebuhraya Usahasama Bhd - 4.80% - 12.01.2027	2,800,000	2,949,959	3,030,020	0.26
- 4.96% - 12.01.2029	5,000,000	5,492,466	5,537,900	0.48
- 5.00% - 11.01.2030	20,700,000	21,521,119	23,137,425	2.00
- 5.07% - 10.01.2031	5,000,000	5,369,761	5,649,250	0.49
- 5.15% - 12.01.2032	5,000,000	5,171,941	5,719,450	0.49
- 5.27% - 12.01.2033	5,000,000	5,214,403	5,809,150	0.50
Public Islamic Bank Bhd - 3.75% - 31.10.2029	5,000,000	5,000,000	5,068,550	0.44
Sabah Credit Corporation - 4.45% - 19.06.2026	5,000,000	5,035,775	5,196,300	0.45
- 4.90% - 16.02.2022	5,000,000	5,057,265	5,134,500	0.44
SAJ Capital Sdn Bhd - 5.19% - 26.01.2022	1,200,000	1,200,000	1,229,316	0.11
- 5.31% - 26.01.2024	7,000,000	7,070,559	7,328,860	0.63
- 5.55% - 26.01.2028	1,000,000	1,022,680	1,089,430	0.09

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2020 (cont'd)				
Sarawak Energy Bhd				
- 4.95% - 25.11.2033	11,500,000	12,018,600	13,116,325	1.13
- 5.18%- 25.04.2036	5,000,000	5,365,987	5,851,500	0.51
- 5.32%- 03.12.2032	25,000,000	28,627,240	29,360,750	2.54
- 5.50%- 04.07.2029	7,700,000	8,170,709	8,939,700	0.77
- 4.85% - 19.01.2027	10,000,000	10,806,096	10,880,700	0.94
Sarawak Hidro Sdn Bhd				
- 4.47% - 11.08.2027	5,100,000	5,093,351	5,438,742	0.47
Sime Darby Bhd				
- 5.65% - Perpetual	4,400,000	4,566,732	4,872,252	0.42
Southern Power Generation Sdn Bhd				
- 5.09%- 30.04.2029	5,000,000	5,279,404	5,528,150	0.48
- 5.37%- 29.10.2032	5,000,000	5,328,320	5,718,900	0.49
- 5.41%- 29.04.2033	5,000,000	5,466,102	5,737,000	0.50
- 5.45% - 31.10.2033	15,000,000	15,727,123	17,257,050	1.49
Tanjung Bin Energy Issuer Bhd				
- 5.28% - 16.08.2027	4,500,000	4,714,176	4,942,170	0.43
- 5.70%- 16.03.2027	4,500,000	4,789,926	5,086,035	0.44
- 5.85% - 15.09.2028	5,000,000	5,436,846	5,808,150	0.50
- 5.95%- 14.09.2029	5,000,000	5,577,400	5,917,800	0.51
- 6.10%- 14.03.2031	5,000,000	5,593,775	6,048,300	0.52
- 6.20%- 16.03.2032	12,000,000	13,665,776	14,708,280	1.27
Telekom Malaysia Bhd				
- 4.58%- 03.09.2027	8,900,000	9,270,170	9,559,490	0.83
Telekosang Hydro One Sdn Bhd				
- 5.10%- 06.08.2029	10,000,000	10,074,946	10,331,800	0.89
TNB Northern Energy Bhd				
- 5.18% - 03.08.2037	17,000,000	18,417,994	20,077,340	1.74

MAYBANK MALAYSIA SUKUK FUND

8. FINANCIAL ASSETS AT FVTPL (CONT'D)

Sukuk (cont'd)	Quantity Unit	Aggregate Cost RM	Market Value RM	Percentage of NAV %
2020 (cont'd)				
UEM Sunrise Bhd				
- 4.75% - 22.03.2024	5,000,000	5,113,564	5,225,400	0.45
- 5.00% - 19.05.2023	40,800,000	41,871,721	42,677,208	3.69
- 5.15% - 31.10.2025	10,000,000	10,435,091	10,782,200	0.93
- 5.32% - 12.11.2024	15,000,000	15,795,610	16,150,950	1.40
YTL Power International Bhd				
- 5.05% - 03.05.2027	29,100,000	29,804,937	31,445,169	2.72
Total Sukuk	930,800,000	971,597,550	1,018,138,803	88.06
Unrealised gain on financial assets at FVTPL			46,541,253	

9. SHARIAH-COMPLIANT DEPOSITS WITH LICENSED ISLAMIC FINANCIAL INSTITUTIONS

	2021 RM	2020 RM
Shariah-compliant deposits with licensed Islamic financial institutions with maturity of:		
- less than 3 months	47,696,211	99,841,826
- more than 3 months	-	73,000,000
	47,696,211	172,841,826

The weighted average effective profit rates ("WAEPR") p.a. and average maturity of Shariah-compliant deposits with a licensed Islamic financial institution as at the reporting date are as follows:

	2021		2020	
	WAEPR % p.a.	Average maturity Days	WAEPR % p.a.	Average maturity Days
Shariah-compliant deposits with maturity of				
- less than 3 months	1.75	4	2.75	1
- more than 3 months	-	-	3.52	156

MAYBANK MALAYSIA SUKUK FUND

10. AMOUNT DUE FROM BROKERS

The amount due from brokers relate to the amount to be received from brokers arising from the sale of Sukuk. The settlement period for these receivables are within 3 working days from the deal date.

11. AMOUNT DUE FROM/TO MANAGER

	Note	2021 RM	2020 RM
(a) Amount due from Manager			
Subscription of units	(i)	<u>138,259,409</u>	<u>4,653,263</u>
(b) Amount due to Manager			
Redemption of units	(ii)	8,907,600	3,650,971
Manager's fee	(iii)	<u>608,730</u>	<u>352,698</u>
		<u>9,516,330</u>	<u>4,003,669</u>

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

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

(iii) The amount represents the amount payable to the Manager arising from the accruals for Manager's fee at the end of the financial year. The normal credit term for Manager's fee is 15 days (2020: 15 days).

12. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable arising from the accruals for Trustee's fee at the reporting date. The normal credit term for the Trustee's fee is 15 days (2020: 15 days).

MAYBANK MALAYSIA SUKUK FUND

13. TOTAL EQUITY

	Note	2021 RM	2020 RM
Unitholders' capital	(a)	2,061,675,386	1,107,561,160
Accumulated realised income	(b)	25,913,693	2,136,209
Accumulated unrealised income	(c)	49,940,613	46,459,784
		<u>2,137,529,692</u>	<u>1,156,157,153</u>

(a) Unitholders' capital

	2021		2020	
	No. of units	RM	No. of units	RM
At the beginning of the financial year	1,079,375,515	1,107,561,160	282,093,045	284,488,938
Creation of units	1,676,810,064	1,835,145,006	1,009,273,016	1,067,014,819
Reinvestment of units	67,202,342	72,634,836	14,156,248	14,385,580
Cancellation of units	(850,282,799)	(927,716,710)	(226,146,794)	(246,597,270)
Distribution equalisation (Note 14)	-	(25,948,906)	-	(11,730,907)
At the end of the financial year	<u>1,973,105,122</u>	<u>2,061,675,386</u>	<u>1,079,375,515</u>	<u>1,107,561,160</u>

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

	2021		2020	
	No. of units	RM	No. of units	RM
The Manager	1,287	1,394	1,202	1,287
MBB, the ultimate holding company of the Manager	<u>69,915,316</u>	<u>75,741,562</u>	<u>21,736,395</u>	<u>23,281,852</u>
	<u>69,916,603</u>	<u>75,742,956</u>	<u>21,737,597</u>	<u>23,283,139</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.

(b) Accumulated realised income

	2021 RM	2020 RM
At beginning of the financial year	2,136,209	185,767
Net realised income for the financial year	61,075,978	38,172,243
Distributions out of realised reserve (Note 14)	<u>(37,298,494)</u>	<u>(36,221,801)</u>
At end of the financial year	<u>25,913,693</u>	<u>2,136,209</u>

MAYBANK MALAYSIA SUKUK FUND

13. TOTAL EQUITY (CONT'D)

(c) Accumulated unrealised income

	2021	2020
	RM	RM
At beginning of the financial year	46,459,784	1,622,835
Net unrealised income for the financial year	3,480,829	44,836,949
At end of the financial year	<u>49,940,613</u>	<u>46,459,784</u>

14. DISTRIBUTIONS

Net distributions to unitholders are from the following sources:

	2021	2020
	RM	RM
Profit income	34,328,214	36,383,836
Realised gain on sale of investments	4,500,771	3,075,162
Previous year's net realised income*	2,136,209	185,767
Less: Expenses	<u>(3,666,700)</u>	<u>(3,422,964)</u>
Distributions out of realised reserve (Note 13(b))	37,298,494	36,221,801
Distributions out of distribution equalisation (Note 13(a))	25,948,906	11,730,907
Distributions for the financial year	<u>63,247,400</u>	<u>47,952,708</u>

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

	2021	2020
	RM	RM
Analysed as:		
Cash distribution	37,253,582	1,311,690
Reinvestment of units	25,993,818	46,641,018
Distribution for the financial year	<u>63,247,400</u>	<u>47,952,708</u>

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

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

Distribution date (ex-date)	Gross/net distribution per unit (sen)
2021	
28 July 2020	1.93
26 January 2021	<u>2.00</u>
	<u>3.93</u>
2020	
30 January 2020	<u>4.45</u>

MAYBANK MALAYSIA SUKUK FUND

15. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS

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

	2021		2020	
	Value of trade RM	Percentage of total trade %	Value of trade RM	Percentage of total trade %
Affin Hwang Investment Bank Bhd	270,428,767	18.99	5,175,267	0.50
Affin Investment Bank Bhd	-	-	240,058,673	23.23
Alliance Bank Bhd	8,608,172	0.60	158,769,018	15.36
AmBank Bhd	20,039,319	1.41	45,031,880	4.36
Amlslamic Bank Bhd	62,902,470	4.42	8,821,987	0.85
Bank Islam Malaysia Bhd	-	-	10,078,000	0.98
CIMB Bank Bhd	70,668,122	4.96	110,053,817	10.65
CIMB Islamic Bank Bhd	74,844,884	5.26	8,364,797	0.81
Hong Leong Bank Bhd	139,041,798	9.77	124,179,678	12.02
Kenanga Investment Bank Bhd	10,000,000	0.70	2,028,425	0.20
MBB *	311,767,358	21.90	114,584,914	11.09
Public Investment Bank Bhd	-	-	5,000,000	0.48
RHB Bank Bhd	407,370,153	28.61	169,225,791	16.38
Standard Chartered Bank (M) Bhd	48,206,942	3.38	7,328,243	0.71
Standard Chartered Bank Singapore	-	-	24,700,000	2.38
	1,423,877,985	100.00	1,033,400,490	100.00

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

	2021		2020	
	Value of placements RM	Percentage of total placements %	Value of placements RM	Percentage of total placements %
Hong Leong Islamic Bank Bhd	5,013,984,265	17.25	10,980,520,190	81.83
Maybank Islamic Bhd ("MIB") **	284,781,795	0.98	2,305,602,969	17.18
Public Islamic Bank Bhd	23,679,946,083	81.44	113,256,732	0.84
RHB Islamic Bank Bhd	96,000,000	0.33	20,000,000	0.15
	29,074,712,143	100.00	13,419,379,891	100.00

* MBB is the ultimate holding company of the Manager.

** MIB is a subsidiary of MBB, the ultimate holding company of the Manager.

MAYBANK MALAYSIA SUKUK FUND

16. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

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

In addition to the related party information disclosed elsewhere in the financial statements, below are the significant related party transactions and balances of the Fund.

(a) Significant related party transactions

	2021	2020
	RM	RM
MIB:		
Profit income on deposits	27,885	386,183
MBB:		
Profit income on Sukuk	515,723	145,081

(b) Significant related party balances

	2021	2020
	RM	RM
MBB:		
Sukuk	15,634,150	10,165,900

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. The fees and expenses include Manager's fee, Trustee's fee, auditors' remuneration, tax agent's fee and other administrative expenses. For the financial year ended 31 January 2021, the MER of the Fund stood at 0.41% (2020: 0.41%).

18. 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 average NAV of the Fund calculated on a daily basis. For the financial year ended 31 January 2021, the PTR of the Fund stood at 0.45 times (2020: 0.58 times).

MAYBANK MALAYSIA SUKUK FUND

19. SEGMENT INFORMATION

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

The PMC is responsible for the performance of the Fund by investing between 70% to 98% of the Fund's NAV in a portfolio of RM-denominated sukuk issued by Malaysian issuers and Malaysian financial institutions with a minimum sukuk rating of 'AA-' by RAM or equivalent rating by MARC. The Manager will also invest between 2% to 30% of the Fund's NAV in Shariah-compliant liquid assets including Shariah-compliant money market instruments and placement in Shariah-compliant deposits.

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

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

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

20. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The significant accounting policies in Note 2 describe how the classes of financial instruments are measured and how income and expenses are recognised.

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

MAYBANK MALAYSIA SUKUK FUND

20. FINANCIAL INSTRUMENTS (CONT'D)

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

2021	Financial assets at FVTPL RM	Financial assets amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Financial Assets				
Financial assets at FVTPL	1,932,684,464	-	-	1,932,684,464
Shariah-compliant deposits with licensed Islamic financial institutions	-	47,696,211	-	47,696,211
Profit income receivables	-	21,224,658	-	21,224,658
Amount due from brokers	-	5,625,737	-	5,625,737
Amount due from Manager	-	138,259,409	-	138,259,409
Cash at bank	-	1,722,486	-	1,722,486
Total financial assets	1,932,684,464	214,528,501	-	2,147,212,965
Financial Liabilities				
Amount due to Manager	-	-	9,516,330	9,516,330
Amount due to Trustee	-	-	86,961	86,961
Other payables and accruals	-	-	79,982	79,982
Total financial liabilities	-	-	9,683,273	9,683,273
2020				
Financial Assets				
Financial assets at FVTPL	1,018,138,803	-	-	1,018,138,803
Shariah-compliant deposits with licensed Islamic financial institutions	-	172,841,826	-	172,841,826
Profit income receivables	-	11,565,940	-	11,565,940
Amount due from Manager	-	4,653,263	-	4,653,263
Cash at bank	-	983,679	-	983,679
Total financial assets	1,018,138,803	190,044,708	-	1,208,183,511
Financial Liabilities				
Amount due to Manager	-	-	4,003,669	4,003,669
Amount due to Trustee	-	-	50,385	50,385
Distributions payable	-	-	47,952,708	47,952,708
Other payables and accruals	-	-	19,596	19,596
Total financial liabilities	-	-	52,026,358	52,026,358

MAYBANK MALAYSIA SUKUK FUND

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 and revalued on a daily basis based on fair value prices quoted by Bond Pricing Agency Malaysia Sdn Bhd.

(c) Fair value hierarchy

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

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

	Level 1 RM	Level 2 RM	Level 3 RM
2021			
Financial assets at FVTPL	-	1,932,684,464	-
	<hr/>		
2020			
Financial assets at FVTPL	-	1,018,138,803	-
	<hr/>		

(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 liability, 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' capital. Risks are inherent in the Fund's activities, but they are 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, the SC's Guidelines on Unit Trust Fund's and the CMSA.

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

(b) Market risk

Market risk is the risk that the fair value or future cash flows of Shariah-compliant financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and security prices. However, the Fund is not exposed to currency risk as it does not hold Shariah-compliant investments denominated in currencies other than in RM as at the reporting date. The Fund is also not exposed to equity price risk as it does not hold any equity investments as at the reporting date.

(i) Profit rate risk

Shariah-compliant unquoted fixed income securities are particularly sensitive to movements in market profit rates. When profit rates rise, the value of fixed income securities will fall and vice versa, thus affecting the NAV of the Fund. The sensitivity to market profit 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 shariah-compliant unquoted fixed income securities held by the Fund as a result of movements in market profit rates. The analysis is based on the assumptions that the profit rates increased and decreased by 1% (100 basis points) with all other variables held constant.

	2021		2020	
	Changes in profit rates %	Effect on NAV (Decrease)/ Increase RM	Changes in profit rates %	Effect on NAV (Decrease)/ Increase RM
Financial assets	+1	(468,841,377)	+1	(66,238,883)
at FVTPL	-1	526,703,303	-1	72,948,086

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

(c) Credit risk

Credit risk is the risk that the issuer/counterparty to a financial instrument will default on its 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 Shariah-compliant 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

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

(c) Credit risk (cont'd)

(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

(ii) Credit risk concentration

The following tables analyse the Fund's investments in financial assets at FVTPL, profit income receivables on Shariah-compliant unquoted fixed income securities, cash at bank, Shariah-compliant deposits with a licensed Islamic financial institution and profit income receivables on Shariah-compliant deposits with a licensed Islamic financial institution by rating categories. The ratings are obtained from RAM.

	2021		2020	
	RM	As a percentage of NAV %	RM	As a percentage of NAV %
Financial assets				
AAA	374,689,029	17.53	258,702,484	22.38
AA1	236,517,587	11.06	142,617,995	12.34
AA2	194,176,121	9.08	162,532,194	14.06
AA3	1,121,065,793	52.45	551,312,094	47.68
Government guaranteed	76,879,289	3.60	88,365,481	7.64
	<u>2,003,327,819</u>	<u>93.72</u>	<u>1,203,530,248</u>	<u>86.60</u>

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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 another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected.

The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unitholders by the Manager are redeemable at the unitholders' option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Deeds of the Fund.

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 and Shariah-compliant deposits with a licensed Islamic financial institution which are capable of being converted into cash within 7 days.

The following table summarises the maturity profile of the Fund's financial assets, financial liabilities and unitholders' equity to provide a complete view of the Fund's contractual commitments and

	Less than 1 month RM	More than 1 month RM	Total RM
2021			
Financial assets			
Financial assets at FVTPL	20,716,200	1,911,968,264	1,932,684,464
Shariah-compliant deposits with a licensed Islamic financial institution	47,696,211	-	47,696,211
Profit income receivables	6,860	21,217,798	21,224,658
Amount due from broker	5,625,737	-	5,625,737
Amount due from Manager	138,259,409	-	138,259,409
Cash at bank	1,722,486	-	1,722,486
Total undiscounted financial assets	214,026,903	1,933,186,062	2,147,212,965
Financial liabilities and unitholders' equity			
Amount due to Manager	9,516,330	-	9,516,330
Amount due to Trustee	86,961	-	86,961
Other payables and accruals	79,982	-	79,982
Unitholders' equity	2,137,529,692	-	2,137,529,692
Total undiscounted financial liabilities and unitholders' equity	2,147,212,965	-	2,147,212,965
Liquidity (gap)/surplus	(1,933,186,062)	1,933,186,062	-

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

(d) Liquidity risk (cont'd)

2020	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial assets at FVTPL	-	1,018,138,803	1,018,138,803
Shariah-compliant deposits with a licensed Islamic financial institution	99,841,826	73,000,000	172,841,826
Profit income receivables	1,765,210	9,800,730	11,565,940
Amount due from Manager	4,653,263	-	4,653,263
Cash at bank	983,679	-	983,679
Total undiscounted financial assets	107,243,978	1,100,939,533	1,208,183,511
Financial liabilities and unitholders' equity			
Amount due to Manager	4,003,669	-	4,003,669
Amount due to Trustee	50,385	-	50,385
Distributions payable	47,952,708	-	47,952,708
Other payables and accruals	19,596	-	19,596
Unitholders' equity	1,156,157,153	-	1,156,157,153
Total undiscounted financial liabilities and unitholders' equity	1,208,183,511	-	1,208,183,511
Liquidity (gap)/surplus	(1,100,939,533)	1,100,939,533	-

(i) Financial assets

Shariah-compliant deposits with a licensed Islamic financial institution are grouped based on the expected date on which these assets will be realised. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting year to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

(ii) Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting date 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 is required to settle its financial obligation.

(iii) Unitholders' equity

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

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

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