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MAYBANK MALAYSIA GROWTH-I FUND

Annual report
For the financial year ended 30 April 2021

CORPORATE INFORMATION

MANAGER

Maybank Asset Management Sdn Bhd (199701006283) (421779-M)
Level 12 Tower C
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No.1 Jalan Maarof
59000 Kuala Lumpur, Malaysia
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TRUSTEE

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Tingkat 14, Wisma AmanahRaya
No. 2 Jalan Ampang
50508 Kuala Lumpur
No. Tel: 03-2036 5129/5000
No. Fax: 03-2072 0321
Website: www.artrustees.my

SHARIAH ADVISER

Amanie Advisors Sdn Bhd (200501007003) (684050-H)
Level 13A-2, Menara Tokio Marine Life
No. 189, Jalan Tun Razak
50400 Kuala Lumpur
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MAYBANK MALAYSIA GROWTH-I FUND

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MAYBANK MALAYSIA GROWTH-I FUND

Manager's report

For the financial year ended 30 April 2021

A. Fund Information

1. Name of the Fund

Maybank Malaysia Growth-I Fund ("Fund")

2. Type of Fund

Growth Fund (Shariah)

3. Category of Fund

Equity Fund

4. Duration of the Fund

The Fund is an open-ended Fund.

5. Fund launch date / commencement date

24 November 2000 / 15 December 2000

6. Fund's investment objective

The investment objective of the Fund is to achieve a steady capital growth over the medium term (three to five years) to long-term period (more than five years) through the investments permissible under Shariah principles.

7. Fund distribution policy

Income distribution (if any) is expected to be distributed annually at the Manager's discretion, subject to the approval from the Trustee. The amount distributed varies depending on the performance of the Fund and prevailing economic conditions. Any distributions declared, will be reinvested as additional units. No sales charge is charged on the reinvestment of income distributions.

8. Fund's performance benchmark

- 90% of the FTSE Bursa Malaysia EMAS Shariah Index ("FBM EMAS Shariah"); and
- 10% of 1-month General Investment Account-i ("GIA") rates of commercial banks.

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

The principal activity of the Fund is to invest between 70% to 98% of the Fund's net asset value ("NAV") in Shariah-compliant equities. However, the Fund may invest up to 25% of its NAV in Shariah-compliant equities in the Asia Pacific Markets. The Fund may also invest up to 10% of the NAV of the Fund in unlisted Shariah-compliant securities.

The Fund will also invest between 2% to 30% of the Fund's NAV in Islamic liquid assets including Islamic money market instruments and placement in Islamic deposits for liquidity purposes and/or Shariah-compliant collective investment schemes.

The Fund's allocation of Islamic Liquid Assets shall comprise of Islamic fixed income investments which includes short term government and corporate Sukuk and Islamic money market instruments. The securities invested in would have a minimum level credit rating of at least A3 or P2 by RAM or equivalent rating agencies.

MAYBANK MALAYSIA GROWTH-I FUND

Manager's report

For the financial year ended 30 April 2021 (cont'd)

A. Fund Information (cont'd)

10. Net income distribution for the financial year ended 30 April 2021

The Fund declared a distribution of RM 819,477 for the financial year ended 30 April 2021. Below are the details of distribution declared and the impact of the distribution to the Fund's NAV.

| Distribution date | Gross/net distribution per unit (sen) | Before distribution (RM) | After distribution (RM) | Changes % |
|-------------------|---------------------------------------|--------------------------|-------------------------|-----------|
| 26 April 2021 | 2.50 | 0.6163 | 0.5913 | (4.06) |

11. Breakdown of unitholdings by size

Fund size

As at 30 April 2021, the size of the Fund was 34,165,210 units.

Breakdown of unitholdings as at 30 April 2021

| Unitholdings | No. of unitholders | % | No. of units ('000) | % |
|-------------------------|--------------------|---------------|---------------------|---------------|
| 5,000 units and below | 620 | 45.45 | 1,469 | 4.30 |
| 5,001 to 10,000 units | 176 | 12.90 | 1,292 | 3.78 |
| 10,001 to 50,000 units | 423 | 31.01 | 10,042 | 29.39 |
| 50,001 to 500,000 units | 141 | 10.34 | 17,338 | 50.75 |
| 500,001 units and above | 4 | 0.30 | 4,024 | 11.78 |
| Total | 1,364 | 100.00 | 34,165 | 100.00 |

B. Performance Review

1. Key performance data of the Fund

| Category | FY2021 | FY2020 | FY2019 |
|---|----------|----------|----------|
| Portfolio | % | % | % |
| Shariah-compliant equities - local | | | |
| Collective Investment Scheme | - | - | 2.83 |
| Construction | 6.23 | 2.58 | 7.51 |
| Consumer Products & Services | 3.84 | 13.91 | 9.02 |
| Energy | 9.71 | 8.02 | 7.83 |
| Financial Services | 2.80 | 4.88 | 4.62 |
| Healthcare | - | 5.95 | 8.62 |
| Industrial Products & Services | 11.28 | 5.62 | 2.12 |
| Plantation | 6.09 | 7.08 | 4.88 |
| Real Estate Investment Trust ("REIT") | 2.63 | 6.27 | 6.04 |
| Technology | 11.85 | 4.45 | 2.32 |
| Telecommunications & Media | 9.59 | - | 7.15 |
| Transportation & Logistics | 8.18 | 5.01 | 2.77 |
| Utilities | 12.04 | 8.06 | 12.62 |

MAYBANK MALAYSIA GROWTH-I FUND

Manager's report

For the financial year ended 30 April 2021 (cont'd)

B. Performance Review (cont'd)

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

| Category | FY2021 | FY2020 | FY2019 |
|---|---------------|---------------|---------------|
| Portfolio (cont'd) | | | |
| Shariah-compliant equities - foreign | | | |
| Hong Kong | 2.36 | 3.60 | 4.38 |
| Thailand | 4.03 | - | - |
| Cash and other net assets | 9.37 | 24.57 | 17.30 |
| Total | 100.00 | 100.00 | 100.00 |
| NAV (RM'000) | 20,089 | 23,388 | 31,026 |
| Units in circulation (units'000) | 34,165 | 46,834 | 55,357 |
| NAV per unit (RM) | 0.5880 | 0.4994 | 0.5605 |
| Highest NAV per unit (RM) | 0.6339 | 0.5842 | 0.5934 |
| Lowest NAV per unit (RM) | 0.4951 | 0.4305 | 0.5133 |
| Net income distributed (RM'000) | 819 | - | - |
| Distribution date | 26.04.2021 | - | - |
| Gross distribution per unit (sen) | 2.50 | - | - |
| Net distribution per unit (sen) | 2.50 | - | - |
| Annual return (%) ⁽¹⁾ | 22.72 | (10.90) | (5.77) |
| - Capital growth (%) | 17.74 | (10.90) | (5.77) |
| - Income distribution (%) | 4.23 | - | - |
| Benchmark (%) | 19.29 | (6.84) | (8.78) |
| Management Expense Ratio ("MER") (%) ⁽²⁾ | 2.02 | 1.82 | 1.75 |
| Portfolio Turnover Ratio ("PTR") (times) ⁽³⁾ | 0.78 | 0.74 | 0.72 |

Notes:

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

(2) The Fund's recorded 2.02% MER in the current financial year ended 30 April 2021 due to a decrease in average NAV for the year.

(3) The Fund's PTR increased to 0.86 times due to higher trading activities in the current financial year ended 30 April 2021.

MAYBANK MALAYSIA GROWTH-I FUND

Manager's report

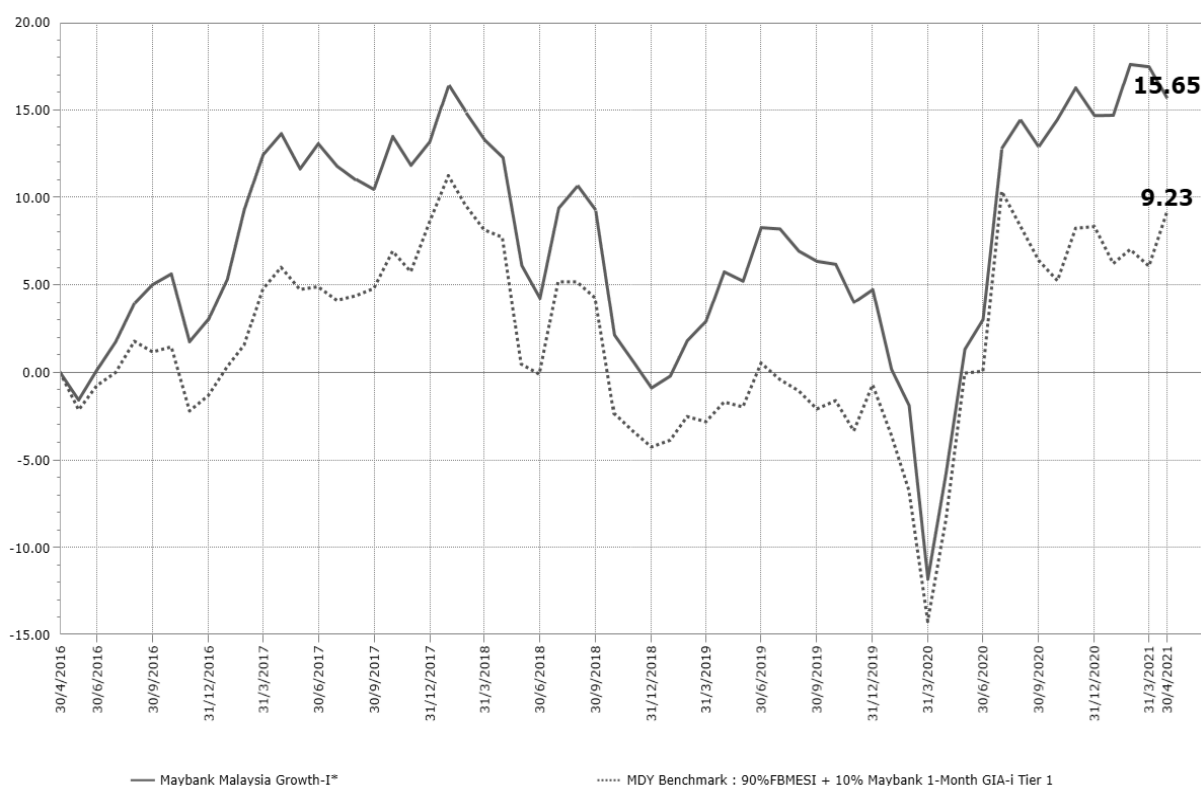
For the financial year ended 30 April 2021 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund up to 30 April 2021

| Category | 1 year to 30.04.2021 % | 3 years to 30.04.2021 % | 5 year to 30.04.2021 % |
|--------------------------|---------------------------------|----------------------------------|---------------------------------|
| Capital growth | 17.74 | (1.19) | 5.72 |
| Income distribution | 4.23 | 4.23 | 9.39 |
| Total return of the Fund | 22.72 | 2.98 | 15.65 |
| Benchmark | 19.29 | 1.38 | 9.23 |
| Average total return | 22.72 | 0.98 | 2.95 |

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.



Source: Novagni Analytics and Advisory Sdn Bhd, as at 30 April 2021

For the year under review, the Fund registered a total return of 22.72%, outperforming its benchmark which posted a gain of 19.29%. For equities, key sectors that added value to the portfolio were information technology, health care and materials. Sectors that detracted value include energy due to weak oil prices and utilities as volume fell due to the lower economic activity affected by the pandemic. Key contributors relative to the benchmark were from the overweight position in information technology and communication services while underweighting utilities. On the other hand, key drags were underweight in healthcare and materials and overweight in energy.

MAYBANK MALAYSIA GROWTH-I FUND

Manager's report

For the financial year ended 30 April 2021 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund up to 30 April 2021 (cont'd)

Has the Fund achieved its investment objective?

The Fund was not able to meet its objective of achieving a steady capital growth over the medium to long-term period. However, the Fund was able to provide a total return of 2.98% over the last 3 years and 15.65% over the last 5 years.

3. Total return of the Fund

| For the financial year ended | 30.04.2021 % | 30.04.2020 % | 30.04.2019 % | 30.04.2018 % | 30.04.2017 % |
|------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Capital growth | 17.74 | (10.90) | (5.77) | (1.23) | 8.27 |
| Income distribution | 4.23 | - | - | - | 5.39 |
| Total return | 22.72 | (10.90) | (5.77) | (1.23) | 13.66 |
| Benchmark | 19.29 | (6.84) | (8.78) | 1.62 | 6.03 |

4. Basis of calculation made in calculating the returns:

The performance figures are a comparison of the growth/decline in NAV after taking into account all the distributions payable (if any) during the stipulated period.

An illustration of the above would be as follows:

| | | |
|----------------|---|---|
| Capital return | = | (NAV per unit end / NAV per unit begin) - 1 |
| Income return | = | Income distribution per unit / NAV per unit ex-date |
| Total return | = | (1+Capital return) x (1+Income return) - 1 |

C. Market Review

Equity Market Review

During the year under review, equity markets posted remarkable performances. With the United States ("US") markets hitting new highs, the Dow Jones and Standard & Poor's 500 ("S&P") registered stellar returns of 39.1% and 43.6% respectively for the period. Euro Stoxx 50 also did well, registering a gain of 35.8% for the period. Regionally, North Asian markets were also up, with South Korea, Taiwan, India, Japan, Hong Kong and China (Shanghai) markets registering returns of 61.6%, 59.8%, 44.7%, 42.7%, 16.6% and 20.% respectively. Association of South East Asian Nations ("ASEAN") markets also recorded positive returns with Indonesia, Singapore and Thailand being the biggest gainer, up 27.1%, 22.6%, and 21.6% respectively while Malaysia gained 13.8% and Philippines gained 11.8%.

MAYBANK MALAYSIA GROWTH-I FUND

Manager's report

For the financial year ended 30 April 2021 (cont'd)

C. Market Review (cont'd)

Markets saw a strong gain in the second half of 2020 despite a slight pullback in the month of September 2020 and October 2020. Massive fiscal stimulus by Governments around the world and the monetary measures by the US Federal Reserve ("Fed") continue to lift markets, coupled with the positive development on the Coronavirus 2019 ("COVID-19") vaccines. With a number of vaccines posting positive trial results and high efficacy, the prospect of activities returning more rapidly to pre-pandemic level boosted investors sentiment, making November 2020 the best month for the year 2020 in most markets.

January 2021 started a softer note going into 2021 with some developed markets closing lower for the month, but this was short-lived as most market started strong in the early weeks of February 2021. Value sectors, such as the financials, energy and travel related names outperformed, with the rapid vaccine rollouts boosting hopes on the reopening of economies and return to normalcy. Most markets still closed positively, despite equity markets declining towards month end when global bond yields rose on higher inflation expectations. Commodity prices stayed strong with Brent oil price surging 30% year-to-date and copper hitting 10-year highs.

Domestically, Malaysia relatively underperformed the other markets, with FTSE Bursa Malaysia ("FBM") Kuala Lumpur Composite Index ("FBMKLCI") and the broader market FBM Emas Index posting gains of 13.8% and 20.3%. Meanwhile, the FBM SmallCap Index managed to register a stellar gain of 55.4% for the period as retail participation continue to high amidst the low interest rate environment, supporting the performance for smaller cap companies. For the period, foreign funds have taken out RM17.1 billion net worth of equities with January 2021 through March 2021 continue seeing net outflows despite a massive outflow of RM24.6 billion for the year 2020.

Malaysia's fourth quarter 2020 corporate results season in February 2021 saw more companies meeting and exceeding expectations despite the reintroduction of movement restrictions from late October 2020. Earnings beat mainly came from technology, Electronic Manufacturing Services ("EMS") and petrochemical companies. Meanwhile, weak earnings were mainly from the Real Estate Investment Trusts ("REITs"), construction and transport.

D. Market outlook

The roll-out of mass COVID-19 vaccinations, albeit slow in certain countries has brought light to the economic and market outlook. The progress has been particularly swift in countries such as Israel and the United Kingdom ("UK"). However, in many European countries as well as in Asia this has been considerably slower and infection rates have now started to rise. This has led to fears of third wave e.g. India registration high infection rates and prompted the re-imposition of lockdowns. Along with inflation concerns driven partly by the rising commodity prices, we remain optimistic as the recovery trajectory is still intact.

MAYBANK MALAYSIA GROWTH-I FUND

Manager's report

For the financial year ended 30 April 2021 (cont'd)

D. Market outlook (cont'd)

Strong recovery, fiscal stimulus and accommodative central should drive the economic growth in the near-term and hence result in improving fundamentals for equity. As evidenced by the recent reporting season, corporate earnings are recovering with many companies reporting better-than-expected results. The ongoing rollout of COVID-19 vaccinations worldwide, albeit patchy, will also allow further economic reopening. That said, we may still see bouts of volatility on tapering fears or surging COVID-19 cases (given more virulent variants). continue to undermine the speed of the recovery and investor sentiment Sector-wise, we are now more selective on cyclical/old-economy stocks as these names have largely priced in a full recovery. We see more opportunities in the tech sector with the recent correction.

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

Subsequent to the issuance of the First Supplementary Master Prospectus dated 22 February 2021, the following changes were updated in the latest Master Prospectus.

| No. | Disclosure items | Previous Master Prospectus* | Latest Master Prospectus |
|-----|---|--|---|
| 1. | Change of Board of Directors of the Manager | - Dr Hasnita binti Dato' Hashim (chairman/ independent non-executive director) - Goh Ching Yin (independent non-executive director) - Loh Lee Soon (independent non-executive director) - Badrul Hisyam bin Abu Bakar (non-independent non-executive director) - Ahmad Najib bin Nazlan (non-independent executive director / chief executive) | - Dato Idris Kechot (chairman / independent non-executive director) - Goh Ching Yin (independent non-executive director) - Loh Lee Soon (independent non-executive director) - Badrul Hisyam bin Abu Bakar (non-independent non-executive director) - Ahmad Najib bin Nazlan (non-independent executive director / chief executive) |
| 2. | EPF disclosures | - Disclosed under Chapters 1, 4 and 5 (Investments via EPF MIS) | Removed |
| 3. | Manager's discretion to lower the minimum investment amounts and the minimum holdings | - Nil | Included |
| 4. | Different cut-off times between distributors for switching and dealing of units | - Nil | Included |
| 5. | Illustration for sales charge | - Disclosed under Chapter 5 | - Amended as to be consistent with the standard disclosure adopted by MAM for all prospectuses and for clarity purpose. |

MAYBANK MALAYSIA GROWTH-I FUND

Manager's report

For the financial year ended 30 April 2021 (cont'd)

E. Significant Changes in the State of Affairs of the Fund (cont'd)

| No. | Disclosure items | Previous Master Prospectus* | Latest Master Prospectus |
|-----|---|-----------------------------|---|
| 6. | Illustration for sale of units with sales charge | - Disclosed under Chapter 5 | - Amended as to be consistent with the standard disclosure adopted by MAM for all prospectuses and for clarity purpose. |
| 7. | Information on switching | - Disclosed under Chapter 5 | - Amended as to be consistent with the standard disclosure adopted by MAM for all prospectuses and for clarity purpose. |
| 8. | Illustration on computation for purchase of Units | - Disclosed under Chapter 5 | - Amended as to be consistent with the standard disclosure adopted by MAM for all prospectuses and for clarity purpose. |

* The Master Prospectus dated 17 January 2020

F. Soft Commissions and Rebates

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

During the financial year under review, the Manager and its delegates did not receive any rebates from the brokers or dealers but have retained soft commissions in the form of goods and services such as research materials and advisory services that assist in decision making process relating to the investment of the Fund (i.e. research materials, data and quotation services, computer hardware and software incidental to the investment management of the Fund and investment advisory services) which were of demonstrable benefits to the unitholders.

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF MAYBANK MALAYSIA GROWTH-I FUND FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

We, AMANAHRAYA TRUSTEES BERHAD, have acted as Trustee of MAYBANK MALAYSIA GROWTH-I FUND for the financial year ended 30 April 2021. In our opinion, MAYBANK ASSET MANAGEMENT SDN BHD, the Manager, has operated and managed MAYBANK MALAYSIA GROWTH-I FUND in accordance with the limitations imposed on the investment powers of the management company under the Deed, securities laws and the applicable Guidelines on Unit Trust Funds during the financial year ended 30 April 2021.

We are also of the opinion that:

- a) Valuation and pricing is carried out in accordance with the Deed and any regulatory requirement;
- (b) Creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements; and
- (c) The distribution of returns for the year were tied to and reflect the objective of the Fund.

Yours faithfully

AMANAHRAYA TRUSTEES BERHAD

ZAINUDIN BIN SUHAIMI
Chief Executive Officer

Kuala Lumpur, Malaysia
XX June 2021

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAYBANK MALAYSIA GROWTH-I FUND
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021**

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 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 Growth-I Fund as at 30 April 2021 and of its results, changes in equity and cash flows for the financial year then ended and comply with the requirements of the Deeds.

For and on behalf of the Manager

Dato' Idris Bin Kechot
Chairman

Ahmad Najib Bin Nazlan
Director

Kuala Lumpur, Malaysia
XX June 2021

REPORT OF THE SHARIAH ADVISER

**TO THE UNITHOLDERS OF
MAYBANK MALAYSIA GROWTH-I FUND
FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 Growth-I Fund (the "Fund") during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The assets of the Fund comprise instruments that have been classified as Shariah compliant.

For and on behalf of Amanie Advisors Sdn Bhd

DATUK DR. MOHD DAUD BAKAR

Executive Chairman

Kuala Lumpur, Malaysia

XX June 2021

Independent auditors' report to the Unitholders of Maybank Malaysia Growth-I Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Malaysia Growth-I Fund (the "Fund"), which comprise the statement of financial position as at 30 April 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 16 to 51.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 April 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

The Manager of the Fund ("the Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent auditors' report to the Unitholders of Maybank Malaysia Growth-I Fund

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

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

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

Responsibilities of the Manager and Trustee for the financial statements

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

Independent auditors' report to the Unitholders of Maybank Malaysia Growth-I Fund

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 Growth-I Fund**

Other matters

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

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

Yeo Beng Yean
03013/10/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
XX June 2021

MAYBANK MALAYSIA GROWTH-I FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021**

| | Note | 2021 RM | 2020 RM |
|---|------|----------------------|--------------------|
| INVESTMENT INCOME/(LOSS) | | | |
| Dividend income | | 494,714 | 751,584 |
| Profit income | | 56,843 | 75,915 |
| Net gain/(loss) from investments on financial assets at fair value through profit or loss ("FVTPL"): | | | |
| - Realised gain | | 1,756,781 | 256,047 |
| - Unrealised gain/(loss) | | 3,587,834 | (3,496,621) |
| Net (loss)/gain on foreign exchange | 4 | (63,145) | 88,278 |
| | | <u>5,833,027</u> | <u>(2,324,797)</u> |
| EXPENSES | | | |
| Manager's fee | 5 | 357,232 | 407,508 |
| Trustee's fee | 6 | 19,052 | 22,236 |
| Auditors' remuneration | | 9,000 | 9,000 |
| Tax agent's fee | | 4,500 | 8,922 |
| Brokerage and other transaction fees | | 73,403 | 84,235 |
| Administrative expenses | | 91,387 | 57,433 |
| | | <u>554,574</u> | <u>589,334</u> |
| Net income/(loss) before taxation | | 5,278,453 | (2,914,131) |
| Taxation | 7 | (3,816) | (12,694) |
| Net income/(loss) after taxation, and total comprehensive loss for the financial year | | <u>5,274,637</u> | <u>(2,926,825)</u> |
| Net income/(loss) after taxation is made up of the following: | | | |
| Net realised income | | 1,833,443 | 505,996 |
| Net unrealised gain/(loss) | | 3,441,194 | (3,432,821) |
| | | <u>5,274,637</u> | <u>(2,926,825)</u> |
| Distribution for the financial year: | | | |
| Net distribution | | <u>819,477</u> | - |
| Gross/Net distribution per unit (sen) | | <u>2.50</u> | - |
| Distribution Date (ex-date) | | <u>26 April 2021</u> | - |

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

MAYBANK MALAYSIA GROWTH-I FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2021**

| | Note | 2021 RM | 2020 RM |
|---|-------------|-------------------|-------------------|
| ASSETS | | | |
| Financial assets at FVTPL | 8 | 18,209,554 | 17,643,490 |
| Shariah-compliant deposit with licensed Islamic financial institutions | 9 | 1,771,858 | 5,781,303 |
| Dividend receivables | | - | 16,020 |
| Profit income receivables | | 83 | 396 |
| Amount due from Manager | 10 | 190 | - |
| Cash at bank | 11 | 171,532 | 22,075 |
| TOTAL ASSETS | | <u>20,153,217</u> | <u>23,463,284</u> |
| LIABILITIES | | | |
| Amount due to Manager | 10 | 30,462 | 28,199 |
| Amount due to Trustee | 12 | 1,336 | 1,504 |
| Other payables and accruals | | 32,476 | 45,761 |
| TOTAL LIABILITIES | | <u>64,274</u> | <u>75,464</u> |
| NET ASSET VALUE ("NAV") OF THE FUND | | <u>20,088,943</u> | <u>23,387,820</u> |
| EQUITY | | | |
| Unitholders' capital | 13(a) | 10,211,734 | 13,929,025 |
| Retained earnings | 13(b) & (c) | 9,877,209 | 9,458,795 |
| NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS | | <u>20,088,943</u> | <u>23,387,820</u> |
| NUMBER OF UNITS IN CIRCULATION (UNIT) | 13(a) | <u>34,165,210</u> | <u>46,834,085</u> |
| NAV PER UNIT (RM) | | <u>0.5880</u> | <u>0.4994</u> |

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

MAYBANK MALAYSIA GROWTH-I FUND

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021**

| | Unitholders' capital Note 13(a) RM | Retained earnings Note 13(b) & (c) RM | Total equity RM |
|---|---|--|----------------------------|
| At 1 May 2020 | 13,929,025 | 9,458,795 | 23,387,820 |
| Total comprehensive income for the financial year | - | 5,274,637 | 5,274,637 |
| Creation of units | 137,034 | - | 137,034 |
| Reinvestment of units | 819,477 | - | 819,477 |
| Cancellation of units | (8,710,548) | - | (8,710,548) |
| Distributions (Note 14) | 4,036,746 | (4,856,223) | (819,477) |
| At 30 April 2021 | <u>10,211,734</u> | <u>9,877,209</u> | <u>20,088,943</u> |
| At 1 May 2019 | 18,640,305 | 12,385,620 | 31,025,925 |
| Total comprehensive loss for the financial year | - | (2,926,825) | (2,926,825) |
| Creation of units | 160,830 | - | 160,830 |
| Cancellation of units | (4,872,110) | - | (4,872,110) |
| At 30 April 2020 | <u>13,929,025</u> | <u>9,458,795</u> | <u>23,387,820</u> |

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

MAYBANK MALAYSIA GROWTH-I FUND**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021**

| | 2021 | 2020 |
|--|-------------------------|-------------------------|
| | RM | RM |
| CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES | | |
| Net proceeds from sale of financial assets at FVTPL | 21,230,122 | 22,657,629 |
| Net purchase of investment | (16,590,245) | (18,239,992) |
| Dividends received | 506,918 | 745,526 |
| Profit income received | 57,156 | 75,960 |
| Manager's fee paid | (360,381) | (416,338) |
| Trustee's fee paid | (19,220) | (22,777) |
| Payment of other fees and expenses | (98,404) | (78,141) |
| Net cash generated from operating and investing activities | <u>4,725,946</u> | <u>4,721,867</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from creation of units | 136,843 | 161,114 |
| Payments for cancellation of units | (8,705,135) | (5,246,185) |
| Net cash used in financing activities | <u>(8,568,292)</u> | <u>(5,085,071)</u> |
| NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR | (3,842,347) | (363,204) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR | 5,803,378 | 6,157,551 |
| Effect of exchange rate differences | (17,642) | 9,031 |
| CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR | <u>1,943,390</u> | <u>5,803,378</u> |
| CASH AND CASH EQUIVALENTS COMPRISE: | | |
| Cash at bank | 171,532 | 22,075 |
| Shariah-compliant deposit with licensed Islamic financial institutions with original maturity of less than 3 months (Note 9) | 1,771,858 | 5,781,303 |
| | <u>1,943,390</u> | <u>5,803,378</u> |

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

MAYBANK MALAYSIA GROWTH-I FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank Malaysia Growth-I Fund ("the Fund") was constituted pursuant to the executed Deed dated 25 October 2000 between Amanah Mutual Berhad ("AMB") as the previous Manager of the Fund and AmanahRaya Trustees Berhad as the Trustee and the Registered Holders of the Fund. Subsequently, the following deeds has been issued between AMB and the Trustee:

- First supplemental deed dated 12 September 2003
- Second supplemental deed dated 26 May 2005
- Third supplemental deed dated 13 August 2008
- Fourth supplemental deed dated 17 October 2014
- Fifth supplemental deed dated 13 January 2017

The principal activity of the Fund is to invest between 70% to 98% of the Fund's NAV in Shariah-compliant equities. The Fund will also invest a minimum of 2% of the Fund's NAV in Shariah-compliant liquid assets including Shariah-compliant money market instruments and placement in Shariah-compliant deposits for liquidity purposes.

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

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

Subsequently, MAM and the Trustee has entered into the Sixth supplemental deed dated 4 September 2018 and Seventh supplemental deed dated 11 July 2019. The Deed and Supplemental Deeds are subsequently referred to as 'Deeds'.

The Manager of the Fund is MAM, a company incorporated in Malaysia. It is a holder of the Capital Markets Services License with fund management as its regulated activity under the Capital Markets and Services Act 2007 ("CMSA"). The principal place of business of MAM is at Level 12, Tower C Dataran Maybank, No. 1 Jalan Maarof, 59000 Kuala Lumpur, Malaysia. MAM is a subsidiary of Maybank Asset Management Group Berhad ("MAMG"), which in turn is a subsidiary of 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 a capital markets services licence to carry out Islamic fund management business pursuant to Section 61 of the CMSA. The role and responsibilities of MIAM include management of the investment portfolio in accordance with the investment objective, subject to the CMSA and the Guidelines on Unit Trust Funds issued by the Securities Commission of Malaysia ("SC") and any other relevant guidelines issued by the SC as well as the terms and conditions of the investment management agreement between MIAM and MAM.

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

MAYBANK MALAYSIA GROWTH-I FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The Fund had adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") Interpretations which have become effective during the financial year ended 30 April 2020. The adoption of the new pronouncements did not result in any material impact to the financial statements.

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

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

2.2 Standards and amendments 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 |
| Amendment to MFRS 16: <i>Covid-19-Related Rent Concessions beyond 30 June 2021</i> | 1 April 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 108: <i>Definition of Accounting Estimates</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 and amendments to standards will not have any material impact on the financial statements in the period of initial application.

MAYBANK MALAYSIA GROWTH-I FUND

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

2.3 Financial instruments

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

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

2.4 Financial assets

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

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

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

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

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

The Fund classifies cash and cash equivalents, profit income receivables, dividend receivables and amount due from Manager 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 the financial asset and of allocating and recognising the profit income in profit or loss over the relevant period.

MAYBANK MALAYSIA GROWTH-I FUND

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

2.4 Financial assets (cont'd)

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

Investments in Shariah-compliant quoted equity instruments are classified as FVTPL, unless the Fund designates an investment that is not held for trading as FVTOCI on initial recognition.

A financial asset is recognised at FVTPL if :

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

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

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.

Dividend income on equity instruments as at FVTPL is disclosed separately in the profit or loss.

Changes in the fair value of FVTPL investments are recognised in 'unrealised (loss)/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.

MAYBANK MALAYSIA GROWTH-I FUND

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

2.4 Financial assets (cont'd)

(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. The impairment model does not apply to equity investments.

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

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

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

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

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

For balances with short-term nature (e.g. profit income receivables), 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.

MAYBANK MALAYSIA GROWTH-I FUND

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

2.5 Financial liabilities

(i) Classification

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

The Fund classifies amount due to Manager, amount due to Trustee and other payables and accruals as financial liabilities.

(ii) Recognition and measurement

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

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

(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:

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

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

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

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

MAYBANK MALAYSIA GROWTH-I FUND

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

2.6 Fair value measurement (cont'd)

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

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

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

For the purpose of fair value disclosures, the Fund has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.7 Functional and foreign currency

(a) Functional and presentation currency

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

(b) Foreign currency transactions

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

2.8 Unitholders' capital

The unitholders' contributions to the Fund meet the criteria to be presented 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;

MAYBANK MALAYSIA GROWTH-I FUND

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

2.8 Unitholders' capital (cont'd)

- (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 statement of comprehensive income of the Fund.

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

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

2.9 Distributions

Any distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution is sourced out of distribution equalisation which is accounted for as an adjustment to the 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 deposits with licensed Islamic financial institutions with original maturity of three (3) months or less which have an insignificant risk of changes in value.

2.11 Revenue / Income

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

- Dividends are recognised as revenue when the right to receive payment is established. Dividend revenue is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.
- Profit income from deposits with licensed financial institutions is recognised on the accruals basis using the effective profit rate method.
- Other income is generally recognised when the Fund satisfies a performance obligation by transferring a promised good or service or an Asset to a customer. an Asset is transferred when (or as) the customer obtains control of that asset.
- Realised gain or loss on disposal of the unquoted fixed income securities is accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, determined on cost adjusted for accretion of discount or amortisation or premium.

MAYBANK MALAYSIA GROWTH-I FUND

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

2.12 Income tax

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

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

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

In some jurisdictions, investment income is subject to withholding tax deducted at the source of income. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of income and is not significant for the Fund. The Fund presents withholding tax separately from the gross investment income in the statement of comprehensive income.

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

2.13 Segment information

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

2.14 Cleansing/Purification of income

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

(i) Shariah non-compliant investment

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

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

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

MAYBANK MALAYSIA GROWTH-I FUND

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

2.14 Cleansing/Purification of income (cont'd)

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

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

The purification exercise is done by channelling the purification amount to charitable purposes as advised by the Shariah Adviser and this exercise will be performed by the Investment Manager when relevant information has been obtained. The calculation of the purification amount must further be endorsed by the Shariah Adviser for verification before the purification is done.

Subsequent to the implementation of MFRS 9, any purification on income resulting from investments in Shariah non-compliant investments is disclosed as a reduction of the corresponding capital gain and/or dividend in the statement of profit or loss. Prior to the implementation of MFRS 9, purification of income is disclosed as an expense in the statement of profit or loss.

2.15 Critical accounting estimates and judgments

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

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

MAYBANK MALAYSIA GROWTH-I FUND

3. SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:

- i) Shariah-compliant by the Shariah Advisory Council of the Securities Commission Malaysia ("SACSC"), the Shariah Advisory Council of Bank Negara Malaysia ("SACBNM") and the MSCI Islamic Index Series ("MIIS"); and
- ii) Cash placement and liquid assets in local market, which are placed with licensed Islamic financial institutions.

4. NET (LOSS)/GAIN ON FOREIGN EXCHANGE

| | 2021 RM | 2020 RM |
|--|-----------------|---------------|
| Net realised gain on foreign exchange | 83,495 | 24,478 |
| Net unrealised (loss)/gain on foreign exchange | (146,640) | 63,800 |
| | <u>(63,145)</u> | <u>88,278</u> |

5. MANAGER'S FEE

The Manager's fee is computed daily. The fee is computed based on 1.50% (2020: 1.50%) per annum ("p.a.") of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day.

6. TRUSTEE'S FEE

The Trustee's fee for the financial period is computed based on 0.08% (2020: 0.08%) p.a. of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day, subject to a minimum of RM18,000 p.a. The Trustee fee is calculated and accrued daily.

7. TAXATION

| | 2021 RM | 2020 RM |
|-------------------------------------|--------------|---------------|
| Tax expense for the financial year: | | |
| Current income tax expense | | |
| - local | - | 6,579 |
| - foreign | 3,816 | 6,115 |
| | <u>3,816</u> | <u>12,694</u> |

MAYBANK MALAYSIA GROWTH-I FUND

7. TAXATION (CONT'D)

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable income for the financial year. Dividend income derived from sources outside Malaysia are exempted from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

The taxation charge for the financial year is on taxable dividend income derived from countries including Hong Kong and Singapore calculated at the rates prevailing in these countries. In accordance with Schedule 6 of the Income Tax Act 1967, profit income and dividend income earned by the Fund is exempted from Malaysian tax.

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

| | 2021 RM | 2020 RM |
|---|-------------|-------------|
| Net income/(loss) before taxation | 5,278,453 | (2,914,131) |
| Taxation at Malaysian statutory rate of 24% (2020: 24%) | 1,266,829 | (699,391) |
| Income not subject to tax | (1,415,081) | (281,238) |
| Loss not deductible for tax purposes | 15,155 | 839,189 |
| Income tax at source | 3,816 | 12,694 |
| Expenses not deductible for tax purposes | 133,097 | 141,440 |
| Tax expense for the financial year | 3,816 | 12,694 |

8. FINANCIAL ASSETS AT FVTPL

| | Note | 2021 RM | 2020 RM |
|---|------|-------------------|-------------------|
| Shariah-compliant quoted equities - local | (a) | 16,925,921 | 16,799,658 |
| Shariah-compliant quoted equities - foreign | (b) | 1,283,633 | 843,832 |
| | | <u>18,209,554</u> | <u>17,643,490</u> |

2021

| (a) Shariah-compliant quoted equities - local | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|---|------------------|-------------------------|-----------------------|---------------------------|
| Construction | | | | |
| Gabungan AQRS Bhd | 565,800 | 480,507 | 359,283 | 1.79 |
| Gamuda Bhd | 144,100 | 530,126 | 508,673 | 2.53 |

MAYBANK MALAYSIA GROWTH-I FUND

8. FINANCIAL ASSETS AT FVTPL - SHARIAH-COMPLIANT (CONT'D)

2021

**(a) Shariah-compliant
quoted equities
- local**

| | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|--|------------------|-------------------------|-----------------------|---------------------------|
|--|------------------|-------------------------|-----------------------|---------------------------|

Construction (cont'd)

| | | | | |
|-------------------------------|----------------|------------------|------------------|-------------|
| Sunway Construction Group Bhd | 220,000 | 427,706 | 382,800 | 1.91 |
| | 929,900 | 1,438,339 | 1,250,756 | 6.23 |

Consumer Products & Services

| | | | | |
|-----------------------------|----------------|----------------|----------------|-------------|
| DRB-Hicom Bhd | 200,000 | 427,000 | 382,000 | 1.90 |
| Fraser & Neave Holdings Bhd | 13,000 | 443,083 | 390,000 | 1.94 |
| | 213,000 | 870,083 | 772,000 | 3.84 |

Energy

| | | | | |
|--------------------------------|----------------|------------------|------------------|-------------|
| Dayang Enterprise Holdings Bhd | 260,000 | 373,106 | 366,600 | 1.82 |
| Dialog Group Bhd | 198,000 | 501,656 | 601,920 | 3.00 |
| Serba Dinamik Holdings Bhd | 180,000 | 305,400 | 298,800 | 1.49 |
| Yinson Holdings Bhd | 131,000 | 750,616 | 683,820 | 3.40 |
| | 769,000 | 1,930,778 | 1,951,140 | 9.71 |

Financial Services

| | | | | |
|-------------------|---------|---------|---------|------|
| BIMB Holdings Bhd | 145,000 | 593,144 | 562,600 | 2.80 |
|-------------------|---------|---------|---------|------|

Industrial Products

| | | | | |
|---------------------------------------|---------|---------|---------|------|
| ATA IMS Bhd | 113,000 | 210,756 | 340,130 | 1.69 |
| Cahaya Mata Sarawak Bhd | 255,000 | 516,457 | 522,750 | 2.60 |
| Petronas Chemicals Group Bhd | 75,000 | 579,777 | 615,000 | 3.06 |
| Press Metal Aluminium Holdings Bhd | 79,400 | 199,956 | 412,880 | 2.06 |

MAYBANK MALAYSIA GROWTH-I FUND

8. FINANCIAL ASSETS AT FVTPL - SHARIAH-COMPLIANT (CONT'D)

2021

| (a) Shariah-compliant quoted equities - local | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|--|--------------------------|----------------------------------|--------------------------------|------------------------------------|
| Industrial Products (cont'd) | | | | |
| SKP Resources Bhd | 226,500 | 207,836 | 375,990 | 1.87 |
| SKP Resources Bhd - Warrants | 36,240 | - | - | - |
| | 785,140 | 1,714,782 | 2,266,750 | 11.28 |
| Plantations | | | | |
| Kuala Lumpur Kepong Bhd | 34,571 | 805,772 | 760,562 | 3.79 |
| Sarawak Oil Palms Bhd | 123,000 | 444,848 | 462,480 | 2.30 |
| | 157,571 | 1,250,620 | 1,223,042 | 6.09 |
| Real Estate Investment Trusts ("REITS") | | | | |
| KLCC Property Holdings Bhd | 76,000 | 597,060 | 527,440 | 2.63 |
| Technology | | | | |
| Frontken Corporation Bhd | 120,000 | 375,105 | 376,800 | 1.88 |
| Frontken Corporation Bhd - Warrants | 40,000 | - | - | - |
| Globetronics Technology Bhd | 160,000 | 424,722 | 358,400 | 1.78 |
| Inari Amerton Bhd | 105,000 | 171,669 | 362,250 | 1.80 |
| Malaysian Pacific Industries Bhd | 8,700 | 131,425 | 337,560 | 1.68 |
| MyEG Services Bhd | 275,272 | 390,148 | 536,780 | 2.67 |
| Vitrox Corporation Bhd | 25,500 | 216,587 | 409,530 | 2.04 |
| | 734,472 | 1,709,656 | 2,381,320 | 11.85 |

MAYBANK MALAYSIA GROWTH-I FUND

8. FINANCIAL ASSETS AT FVTPL - SHARIAH-COMPLIANT (CONT'D)

2021

| (a) Shariah-compliant quoted equities - local | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|--|------------------|-------------------------|-----------------------|---------------------------|
| Telecommunications and Media | | | | |
| Axiata Group Bhd | 200,000 | 727,719 | 774,000 | 3.85 |
| Telekom Malaysia Bhd | 100,000 | 429,210 | 571,000 | 2.84 |
| TIME dotCom Bhd | 42,000 | 448,244 | 582,960 | 2.90 |
| | 342,000 | 1,605,173 | 1,927,960 | 9.59 |
| Transportation and Logistics | | | | |
| Lingkar Trans Kota Holdings Bhd | 129,400 | 563,206 | 486,544 | 2.42 |
| MISC Bhd | 66,000 | 434,597 | 447,480 | 2.23 |
| Westports Holdings Bhd | 165,000 | 693,063 | 709,500 | 3.53 |
| | 360,400 | 1,690,866 | 1,643,524 | 8.18 |
| Utilities | | | | |
| Mega First Corporation Bhd | 65,000 | 375,192 | 473,850 | 2.36 |
| Ranhill Holdings Bhd | 823,604 | 960,109 | 667,119 | 3.32 |
| Taliworks Corporation Bhd | 603,000 | 523,347 | 506,520 | 2.52 |
| Tenaga Nasional Bhd | 77,500 | 862,771 | 771,900 | 3.84 |
| | 1,569,104 | 2,721,419 | 2,419,389 | 12.04 |
| Total Shariah-compliant quoted equities - local | 6,081,587 | 16,121,920 | 16,925,921 | 84.24 |

MAYBANK MALAYSIA GROWTH-I FUND

8. FINANCIAL ASSETS AT FVTPL - SHARIAH-COMPLIANT (CONT'D)

2021

| (b) Shariah-compliant quoted equities - foreign | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|--|--------------------------|----------------------------------|--------------------------------|------------------------------------|
| Hong Kong | | | | |
| Alibaba Group Holding Ltd | 4,000 | 516,639 | 473,490 | 2.36 |
| Thailand | | | | |
| Airports of Thailand PCL | 45,000 | 405,698 | 365,893 | 1.82 |
| PTT Global Chemical PCL | 50,000 | 424,924 | 444,250 | 2.21 |
| | <u>95,000</u> | <u>830,622</u> | <u>810,143</u> | <u>4.03</u> |
| Total Shariah-compliant quoted equities - foreign | <u>99,000</u> | <u>1,347,262</u> | <u>1,283,633</u> | <u>6.39</u> |
| Total Shariah-compliant quoted equities | <u>6,180,587</u> | <u>17,469,182</u> | <u>18,209,554</u> | <u>90.63</u> |
| Unrealised gain on FVTPL investments* | | | <u>740,373</u> | |

2020

| (a) Shariah-compliant quoted equities - local | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|--|--------------------------|----------------------------------|--------------------------------|------------------------------------|
| Construction | | | | |
| Gabungan AQRS Bhd | 405,800 | 337,707 | 355,075 | 1.52 |

MAYBANK MALAYSIA GROWTH-I FUND

8. FINANCIAL ASSETS AT FVTPL - SHARIAH-COMPLIANT (CONT'D)

2020

**(a) Shariah-compliant
quoted equities
- local**

Construction (cont'd)

| | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|-------------------------------|------------------|-------------------------|-----------------------|---------------------------|
| Sunway Construction Group Bhd | 133,000 | 253,458 | 248,710 | 1.06 |
| | 538,800 | 591,165 | 603,785 | 2.58 |

Consumer Products & Services

| | | | | |
|--------------------------------|----------------|------------------|------------------|--------------|
| Ajinomoto (M) Bhd | 46,800 | 910,999 | 668,304 | 2.86 |
| DRB-Hicom Bhd | 230,000 | 648,899 | 324,300 | 1.39 |
| Dutch Lady Milk Industries Bhd | 12,500 | 752,474 | 601,250 | 2.57 |
| Fraser & Neave Holdings Bhd | 35,000 | 1,192,915 | 1,110,900 | 4.75 |
| Nestle (M) Bhd | 3,900 | 555,390 | 546,390 | 2.34 |
| | 328,200 | 4,060,677 | 3,251,144 | 13.91 |

Energy

| | | | | |
|-----------------------|------------------|------------------|------------------|-------------|
| Dialog Group Bhd | 253,000 | 620,356 | 842,490 | 3.60 |
| Perdana Petroleum Bhd | 1,130,000 | 494,028 | 186,450 | 0.80 |
| Sapura Energy Bhd | 1,977,400 | 612,994 | 168,079 | 0.72 |
| Yinson Holdings Bhd | 131,000 | 750,616 | 678,580 | 2.90 |
| | 3,491,400 | 2,477,994 | 1,875,599 | 8.02 |

Financial Services

| | | | | |
|-----------------------------------|----------------|------------------|------------------|-------------|
| BIMB Holdings Bhd | 277,500 | 1,145,896 | 876,900 | 3.75 |
| Syarikat Takaful (M) Keluarga Bhd | 60,000 | 346,984 | 264,600 | 1.13 |
| | 337,500 | 1,492,880 | 1,141,500 | 4.88 |

MAYBANK MALAYSIA GROWTH-I FUND

8. FINANCIAL ASSETS AT FVTPL - SHARIAH-COMPLIANT (CONT'D)

2020 (cont'd)

| (a) Shariah-compliant quoted equities - local | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|---|------------------|-------------------------|-----------------------|---------------------------|
| Healthcare | | | | |
| Kossan Rubber Industries Bhd | 85,200 | 395,458 | 477,120 | 2.04 |
| Top Glove Corporation Bhd | 126,000 | 570,862 | 914,760 | 3.91 |
| | <u>211,200</u> | <u>966,320</u> | <u>1,391,880</u> | <u>5.95</u> |
| Industrial Products | | | | |
| SKP Resources Bhd | 438,300 | 464,028 | 504,045 | 2.16 |
| Thong Guan Industries Bhd | 142,000 | 480,784 | 477,120 | 2.04 |
| UEM Edgenta Bhd | 132,000 | 306,093 | 332,640 | 1.42 |
| | <u>712,300</u> | <u>1,250,905</u> | <u>1,313,805</u> | <u>5.62</u> |
| Plantation | | | | |
| Batu Kawan Bhd | 35,951 | 620,915 | 460,892 | 1.97 |
| Kuala Lumpur Kepong Bhd | 37,571 | 875,695 | 788,991 | 3.37 |
| Sarawak Oil Palms Bhd | 168,000 | 607,598 | 406,560 | 1.74 |
| | <u>241,522</u> | <u>2,104,208</u> | <u>1,656,443</u> | <u>7.08</u> |
| Real Estate Investment Trust ("REIT") | | | | |
| AXIS REIT | 445,647 | 811,088 | 869,012 | 3.72 |
| KLCC Property Holdings Bhd | 76,000 | 597,060 | 595,840 | 2.55 |
| | <u>521,647</u> | <u>1,408,148</u> | <u>1,464,852</u> | <u>6.27</u> |

MAYBANK MALAYSIA GROWTH-I FUND

8. FINANCIAL ASSETS AT FVTPL - SHARIAH-COMPLIANT (CONT'D)

2020 (cont'd)

| (a) Shariah-compliant quoted equities - local | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|--|------------------|-------------------------|-----------------------|---------------------------|
| Technology | | | | |
| Malaysian Pacific Industries Bhd | 35,000 | 424,141 | 380,800 | 1.63 |
| MyEG Services Bhd | 208,500 | 287,000 | 264,795 | 1.13 |
| Vitrox Corporation Bhd | 47,800 | 405,994 | 396,262 | 1.69 |
| | 291,300 | 1,117,135 | 1,041,857 | 4.45 |
| Transportation and Logistics | | | | |
| Lingkar Trans Kota Holdings Bhd | 44,700 | 207,831 | 173,883 | 0.74 |
| Westports Holdings Bhd | 270,000 | 1,134,104 | 999,000 | 4.27 |
| | 314,700 | 1,341,935 | 1,172,883 | 5.01 |
| Utilities | | | | |
| Ranhill Holdings Bhd | 1,045,000 | 1,242,685 | 1,055,450 | 4.51 |
| Taliworks Corporation Bhd | 453,000 | 393,912 | 371,460 | 1.59 |
| Tenaga Nasional Bhd | 37,500 | 435,693 | 459,000 | 1.96 |
| | 1,535,500 | 2,072,290 | 1,885,910 | 8.06 |
| Total Shariah-compliant quoted equities - local | 8,524,069 | 18,883,657 | 16,799,658 | 71.83 |

MAYBANK MALAYSIA GROWTH-I FUND

8. FINANCIAL ASSETS AT FVTPL - SHARIAH-COMPLIANT (CONT'D)

2020 (cont'd)

| (b) Shariah-compliant quoted equities - foreign | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|--|------------------|-------------------------|-----------------------|---------------------------|
| Hong Kong | | | | |
| CNOOC Ltd | 88,000 | 693,305 | 429,072 | 1.83 |
| PetroChina Company Ltd | 268,000 | 767,347 | 414,760 | 1.77 |
| | <u>356,000</u> | <u>1,460,652</u> | <u>843,832</u> | <u>3.60</u> |
| Total Shariah-compliant quoted equities - foreign | <u>356,000</u> | <u>1,460,652</u> | <u>843,832</u> | <u>3.60</u> |
| Total Shariah-compliant quoted equities | <u>8,880,069</u> | <u>20,344,309</u> | <u>17,643,490</u> | <u>75.43</u> |
| Unrealised loss on FVTPL investments* | | | <u>(2,700,819)</u> | |

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

9. SHARIAH-COMPLIANT DEPOSIT WITH LICENSED ISLAMIC FINANCIAL INSTITUTIONS

| | 2021 RM | 2020 RM |
|--|------------------|------------------|
| Shariah-compliant deposit with licensed Islamic financial institutions of less than 3 months | <u>1,771,858</u> | <u>5,781,303</u> |

The weighted average effective profit rates ("WAEPR") per annum and average maturity of Shariah-compliant deposit with licensed Islamic financial institutions as at the reporting date were 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 | <u>1.70</u> | <u>3</u> | <u>2.50</u> | <u>4</u> |

MAYBANK MALAYSIA GROWTH-I FUND

10. AMOUNT DUE FROM/(TO) MANAGER

| | | 2021 RM | 2020 RM |
|-------------------------|-------|---------------|---------------|
| Amount due from Manager | | | |
| Creation of units | (i) | 190 | - |
| Amount due to Manager | | | |
| Cancellation of units | (ii) | 5,412 | - |
| Managers fee | (iii) | 25,050 | 28,199 |
| | | <u>30,462</u> | <u>28,199</u> |

- (i) The amount represents amount receivables from the Manager for units created.
(ii) The amount represents amount payables from the Manager for units redeemed/cancelled.
(iii) The amount relates to the amount payable to the Fund 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).

11. CASH AT BANK

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

| | 2021 RM | 2020 RM |
|------------------------------|----------------|---------------|
| Malaysian Ringgit ("RM") | 2,806 | 269 |
| United States Dollar ("USD") | 168,726 | 21,806 |
| | <u>171,532</u> | <u>22,075</u> |

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 end of the financial year. The normal credit term for Trustee's fee is 15 days (2020: 15 days).

13. TOTAL EQUITY

| | Note | 2021 RM | 2020 RM |
|--------------------------------------|-------|-------------------|-------------------|
| Unitholders' capital | 15(a) | 10,211,734 | 13,929,025 |
| Accumulated realised income | 15(b) | 9,051,756 | 12,074,536 |
| Accumulated unrealised income/(loss) | 15(c) | 825,453 | (2,615,741) |
| | | <u>20,088,943</u> | <u>23,387,820</u> |

MAYBANK MALAYSIA GROWTH-I FUND

13. TOTAL EQUITY (CONT'D)

(a) Unitholders' capital

| | 2021 | | 2020 | |
|---------------------------------------|---------------------|-------------------|---------------------|-------------------|
| | No. of units | RM | No. of units | RM |
| As at beginning of the financial year | 46,834,085 | 13,929,025 | 55,356,866 | 18,640,305 |
| Creation of units | 228,731 | 137,034 | 288,474 | 160,830 |
| Reinvestment of units | 1,393,669 | 819,477 | - | - |
| Cancellation of units | (14,291,275) | (8,710,548) | (8,811,255) | (4,872,110) |
| Distribution equalisation (Note 14) | - | 4,036,746 | - | - |
| As at end of the financial year | <u>34,165,210</u> | <u>10,211,734</u> | <u>46,834,085</u> | <u>13,929,025</u> |

As at the end of the financial year, there were no units held by the Manager or parties related to the Manager (2020: Nil units).

(b) Accumulated realised income

| | 2021 | 2020 |
|--|------------------|-------------------|
| | RM | RM |
| As at beginning of the financial year | 12,074,536 | 11,568,540 |
| Net realised income for the financial year | 1,833,443 | 505,996 |
| Distributions out of realised reserve | (4,856,223) | - |
| As at end of the financial year | <u>9,051,756</u> | <u>12,074,536</u> |

(c) Accumulated unrealised income/(loss)

| | 2021 | 2020 |
|---|----------------|--------------------|
| | RM | RM |
| As at beginning of the financial year | (2,615,741) | 817,080 |
| Net unrealised gain/(loss) for the financial year | 3,441,194 | (3,432,821) |
| As at end of the financial year | <u>825,453</u> | <u>(2,615,741)</u> |

MAYBANK MALAYSIA GROWTH-I FUND

14. DISTRIBUTIONS

| | 2021 |
|---|--|
| | RM |
| Profit income | 6,288,670 |
| Less: Expenses | (1,432,447) |
| Distribution out of realised reserve (Note 13(b)) | <u>4,856,223</u> |
| Distribution equalisation (Note 13(a)) | (4,036,746) |
| Distributions for the financial year | <u>819,477</u> |
| Distribution date | Gross/net distributions per unit (sen) |
| 2021 | |
| 26 April 2021 | <u>2.50</u> |

15. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

In addition to that disclose elsewhere in the financial statements, there were no other significant related party transactions and balances entered into by the Fund during the financial year.

(i) Significant related party transactions

| | 2021 | 2020 |
|---|---------------|---------------|
| | RM | RM |
| <u>Maybank Islamic Bhd ("MIB"):</u> | | |
| Profit income from Shariah-compliant deposits | <u>29,138</u> | <u>14,154</u> |

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 with unrelated parties.

MAYBANK MALAYSIA GROWTH-I FUND

16. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS

The 10 largest stockbroking companies/brokers/dealers in terms of trade values are as follows:

| | Value of trade RM | Percentage of trade % | Brokerage fees RM | Percentage of brokerage fees % |
|--|-------------------------|-----------------------------|-------------------------|---|
| 2021 | | | | |
| Maybank Investment Bank Bhd ("MIBB")* | 8,412,841 | 36.23 | 3,969 | 15.70 |
| JF Apex Securities Bhd | 5,454,705 | 23.49 | 5,478 | 21.66 |
| TA Securities Sdn Bhd | 4,422,853 | 19.05 | 4,456 | 17.62 |
| UOB Kay Hian Securities (M) Sdn Bhd | 2,241,335 | 9.65 | 4,483 | 17.73 |
| Affin Hwang Investment Bank Bhd | 1,094,890 | 4.72 | 2,190 | 8.66 |
| CIMB Investment Bank Bhd | 998,340 | 4.30 | 1,997 | 7.90 |
| Hong Leong Investment Bank Bhd | 303,158 | 1.31 | 1,765 | 6.98 |
| Kenanga Investment Bank Bhd | 164,520 | 0.71 | 823 | 3.25 |
| MIDF Amanah Investment Bank Bhd | 126,000 | 0.54 | 126 | 0.50 |
| | 23,218,642 | 100.00 | 25,287 | 100.00 |
| 2020 | | | | |
| TA Securities Sdn Bhd | 11,617,696 | 29.33 | 11,657 | 20.48 |
| JF Apex Securities Bhd | 9,956,233 | 25.13 | 9,975 | 17.53 |
| Maybank Investment Bank Bhd ("MIBB")* | 4,776,453 | 12.06 | 9,553 | 16.78 |
| Hong Leong Investment Bank Bhd | 3,508,013 | 8.86 | 6,223 | 10.93 |
| Affin Hwang Investment Bank Bhd | 3,039,393 | 7.67 | 6,079 | 10.68 |
| Nomura Securities (M) Sdn Bhd | 2,348,177 | 5.93 | 4,696 | 8.25 |
| UOB Kay Hian Securities (M) Sdn Bhd | 1,667,028 | 4.21 | 3,334 | 5.86 |
| Macquarie Securities Sdn Bhd | 1,595,281 | 4.03 | 3,191 | 5.61 |
| CIMB Investment Bank Bhd | 814,978 | 2.06 | 1,630 | 2.86 |
| CLSA Securities (M) Sdn Bhd | 287,825 | 0.73 | 576 | 1.02 |
| | 39,611,077 | 100.00 | 56,914 | 100.00 |

* MIBB is a wholly owned subsidiary of MBB, the ultimate holding company of the Manager.

MAYBANK MALAYSIA GROWTH-I FUND

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

Details of transactions, primarily cash placements with financial institutions are as follows:

| | 2021 | | 2020 | |
|-----------------------------|------------------------------|---|------------------------------|---|
| | Value of placements RM | Percentage of total placements % | Value of placements RM | Percentage of total placements % |
| CIMB Islamic Bank Bhd | 306,953,025 | 36.90 | - | - |
| Maybank Islamic Bhd ** | 438,315,000 | 52.68 | 123,269,000 | 19.13 |
| Hong Leong Islamic Bank Bhd | 86,645,409 | 10.42 | 521,030,573 | 80.87 |
| | <u>831,913,434</u> | <u>100.00</u> | <u>644,299,573</u> | <u>100.00</u> |

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

17. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. For the financial year ended 30 April 2021, the MER of the Fund stood at 2.02% (2020: 1.82%).

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 30 April 2021, the PTR of the Fund stood at 0.78 times (2020: 0.74 times).

19. SEGMENT REPORTING

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 Shariah-compliant equities. The Fund may invest up to 25% of its NAV in Shariah-compliant equities in the Asia Pacific markets. The Fund will also invest between 2% to 30% of the Fund's NAV in Islamic liquid assets including Islamic money market instruments and placement in Islamic deposits for liquidity purposes.

MAYBANK MALAYSIA GROWTH-I FUND

19. SEGMENT REPORTING (CONT'D)

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 were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The significant accounting policies in Note 2 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 class of financial instrument to which they are assigned, and therefore by the measurement basis.

| | Financial instruments at FVTPL RM | Financial assets at amortised cost RM | Financial liabilities at amortised cost RM | Total RM |
|--|--|---|--|-------------------|
| 2021 | | | | |
| Assets | | | | |
| Financial assets at FVTPL | 18,209,554 | - | - | 18,209,554 |
| Shariah-compliant deposit with licensed Islamic financial institutions | - | 1,771,858 | - | 1,771,858 |
| Profit income receivables | - | 83 | - | 83 |
| Amount due from Manager | - | 190 | - | 190 |
| Cash at bank | - | 171,532 | - | 171,532 |
| Total financial assets | <u>18,209,554</u> | <u>1,943,663</u> | - | <u>20,153,217</u> |
| Liabilities | | | | |
| Amount due to Manager | - | - | 30,462 | 30,462 |
| Amount due to Trustee | - | - | 1,336 | 1,336 |
| Other payables and accruals | - | - | 32,476 | 32,476 |
| Total financial liabilities | - | - | <u>64,274</u> | <u>64,274</u> |

MAYBANK MALAYSIA GROWTH-I FUND

20. FINANCIAL INSTRUMENTS (CONT'D)

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

| 2020 | Financial instruments at FVTPL RM | Financial assets at amortised cost RM | Financial liabilities at amortised cost RM | Total RM |
|--|--|--|---|---------------------|
| Assets | | | | |
| Financial assets at FVTPL | 17,643,490 | - | - | 17,643,490 |
| Shariah-compliant deposit with licensed Islamic financial institutions | - | 5,781,303 | - | 5,781,303 |
| Dividend receivables | - | 16,020 | - | 16,020 |
| Profit income receivables | - | 396 | - | 396 |
| Cash at bank | - | 22,075 | - | 22,075 |
| Total financial assets | 17,643,490 | 5,819,794 | - | 23,463,284 |
| Liabilities | | | | |
| Amount due to Manager | - | - | 28,199 | 28,199 |
| Amount due to Trustee | - | - | 1,504 | 1,504 |
| Other payables and accruals | - | - | 45,761 | 45,761 |
| Total financial liabilities | - | - | 75,464 | 75,464 |

(b) Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL consists quoted equities and is measured at fair value.

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

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

(c) Fair value hierarchy

| 2021 | Level 1 RM | Level 2 RM | Level 3 RM |
|---------------------------|-----------------------|-----------------------|-----------------------|
| Financial assets at FVTPL | 18,209,554 | - | - |
| 2020 | | | |
| Financial assets at FVTPL | 17,643,490 | - | - |

MAYBANK MALAYSIA GROWTH-I FUND

20. FINANCIAL INSTRUMENTS (CONT'D)

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

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

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

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Introduction

The Fund's objective in managing risk is the creation and protection of unitholders' capital. Risks are inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks. Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Deeds, SC's Guidelines on Unit Trust Funds and CMSA.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of Shariah-compliant financial instruments will fluctuate due to changes in market variables such as profit rates, foreign exchange rates and equity prices. The Fund is exposed to price risk arising from the Fund's financial assets at FVTPL. The Fund is also exposed to profit rate risk arising from deposit placed with licensed Islamic financial institutions. The Fund is not exposed to foreign currency risk as it does not hold any financial instruments denominated in foreign currency as at the reporting date.

(i) Profit rate risk

Shariah-compliant deposit with licensed Islamic financial institutions carries a fixed rate and is of a short-term tenure, therefore, is not significantly affected by the movements in profit rate.

(ii) Price risk

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

The table below summarises the sensitivity of the Fund's NAV to movements in prices of equities held by the Fund as a result of movements in market prices. The analysis is based on the assumptions that the market prices increased and decreased by 5% (500 basis points) with all other variables held constant.

MAYBANK MALAYSIA GROWTH-I FUND

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

(b) Market risk (cont'd)

| | 2021 | | 2020 | |
|---------------------------|-------------------------------------|---|-------------------------------------|---|
| | Changes in exchange rate % | Impact to NAV Increase/ (decrease) RM | Changes in exchange rate % | Impact to NAV Increase/ (decrease) RM |
| Financial assets at FVTPL | +5 | 910,478 | +5 | 882,175 |
| | -5 | (910,478) | -5 | (882,175) |

The Fund did not hedge its exposure to financial assets or liabilities denominated in foreign currencies.

(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 financial instruments with reputable counterparties. The Manager also closely monitors the creditworthiness of the Fund's other counterparties (e.g. brokers, custodian, banks, etc.) by reviewing their credit ratings and credit profile on a regular basis.

(i) Credit risk exposure

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

(ii) Credit risk concentration

The following table analyses the Fund's cash at bank, Shariah-compliant deposit with licensed Islamic financial institutions and profit income receivable by rating categories. The rating is obtained from RAM Holdings Bhd.

MAYBANK MALAYSIA GROWTH-I FUND

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

(ii) Credit risk concentration (cont'd)

| Financial assets | 2021 | | 2020 | |
|------------------|-----------|---------------|-----------|---------------|
| | RM | As a % of NAV | RM | As a % of NAV |
| AAA | 1,943,390 | 9.67 | 5,819,794 | 24.88 |

(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 of cash at bank, deposit with licensed Islamic financial institutions and other instruments which are capable of being converted into cash within 7 days.

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

| 2021 | Less than 1 month RM | More than 1 month RM | Total RM |
|--|----------------------------|----------------------------|-------------|
| Financial assets | | | |
| Financial assets at FVTPL | 18,209,554 | - | 18,209,554 |
| Shariah-compliant deposit with licensed Islamic financial institutions | 1,771,858 | - | 1,771,858 |
| Profit income receivables | 83 | - | 83 |
| Amount due from Manager | 190 | - | 190 |
| Cash at bank | 171,532 | - | 171,532 |
| Total undiscounted financial assets | 20,153,217 | - | 20,153,217 |

MAYBANK MALAYSIA GROWTH-I FUND

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

(d) Liquidity risk (cont'd)

| 2021 (cont'd) | Less than 1 month RM | More than 1 month RM | Total RM |
|--|-------------------------------------|-------------------------------------|---------------------|
| Financial liabilities and unitholders' equity | | | |
| Amount due to Manager | 30,462 | - | 30,462 |
| Amount due to Trustee | 1,336 | - | 1,336 |
| Other payables and accruals | 32,476 | - | 32,476 |
| Unitholders' equity | 20,088,943 | - | 20,088,943 |
| Total undiscounted financial liabilities and unitholders' equity | <u>20,153,217</u> | - | <u>20,153,217</u> |
| Liquidity gap | - | - | - |
| 2020 | | | |
| Financial assets | | | |
| Financial assets at FVTPL | 17,643,490 | - | 17,643,490 |
| Shariah-compliant deposit with licensed Islamic financial institutions | 5,781,303 | - | 5,781,303 |
| Dividend receivables | 16,020 | - | 16,020 |
| Profit income receivables | 396 | - | 396 |
| Cash at bank | 22,075 | - | 22,075 |
| Total undiscounted financial assets | <u>23,463,284</u> | - | <u>23,463,284</u> |
| Financial liabilities and unitholders' equity | | | |
| Amount due to Manager | 28,199 | - | 28,199 |
| Amount due to Trustee | 1,504 | - | 1,504 |
| Other payables and accruals | 45,761 | - | 45,761 |
| Unitholders' equity | 23,387,820 | - | 23,387,820 |
| Total undiscounted financial liabilities and unitholders' equity | <u>23,463,284</u> | - | <u>23,463,284</u> |
| Liquidity gap | - | - | - |

MAYBANK MALAYSIA GROWTH-I FUND

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

(d) Liquidity risk (cont'd)

(i) Financial assets

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

(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 can be required to pay.

(iii) Unitholders' equity

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

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 expected returns indicated in its prospectus;
- (b) To achieve consistent returns while safeguarding capital by using various investment strategies;
- (c) To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise; and
- (d) To maintain sufficient fund size 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.