

Maybank Asset Management Sdn Bhd  
199701006283 (421779-M)  
Level 12 Tower C  
Dataran Maybank  
No.1 Jalan Maarof  
59000 Kuala Lumpur  
Telephone +603 2297 7888  
Facsimile +603 2715 0071  
[www.maybank-am.com](http://www.maybank-am.com)

# 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  
Dataran Maybank  
No.1 Jalan Maarof  
59000 Kuala Lumpur, Malaysia  
Telephone +603 2297 7888  
Facsimile +603 2715 0071  
[www.maybank-am.com](http://www.maybank-am.com)

### **TRUSTEE**

AmanahRaya Trustees Berhad (200701008892) (766894-T)  
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](http://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  
Telephone +603 2161 0260  
Facsimile +603 2161 0262

## **MAYBANK MALAYSIA GROWTH-I FUND**

<b>CONTENTS</b>	<b>PAGE</b>
Manager's report	1 - 8
Trustee's report	9
Statement by Manager	10
Report of the Shariah Adviser	11
Independent auditors' report	12 - 15
Statement of comprehensive income	16
Statement of financial position	17
Statement of changes in equity	18
Statement of cash flows	19
Notes to the financial statements	20 - 51

## **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
<b>Total</b>	<b>1,364</b>	<b>100.00</b>	<b>34,165</b>	<b>100.00</b>

#### B. Performance Review

##### 1. Key performance data of the Fund

Category	FY2021	FY2020	FY2019
<b>Portfolio</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Shariah-compliant equities - local</b>			
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
<b>Portfolio (cont'd)</b>			
<b>Shariah-compliant equities - foreign</b>			
Hong Kong	2.36	3.60	4.38
Thailand	4.03	-	-
Cash and other net assets	9.37	24.57	17.30
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
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 (%) <sup>(1)</sup>	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") (%) <sup>(2)</sup>	2.02	1.82	1.75
Portfolio Turnover Ratio ("PTR") (times) <sup>(3)</sup>	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

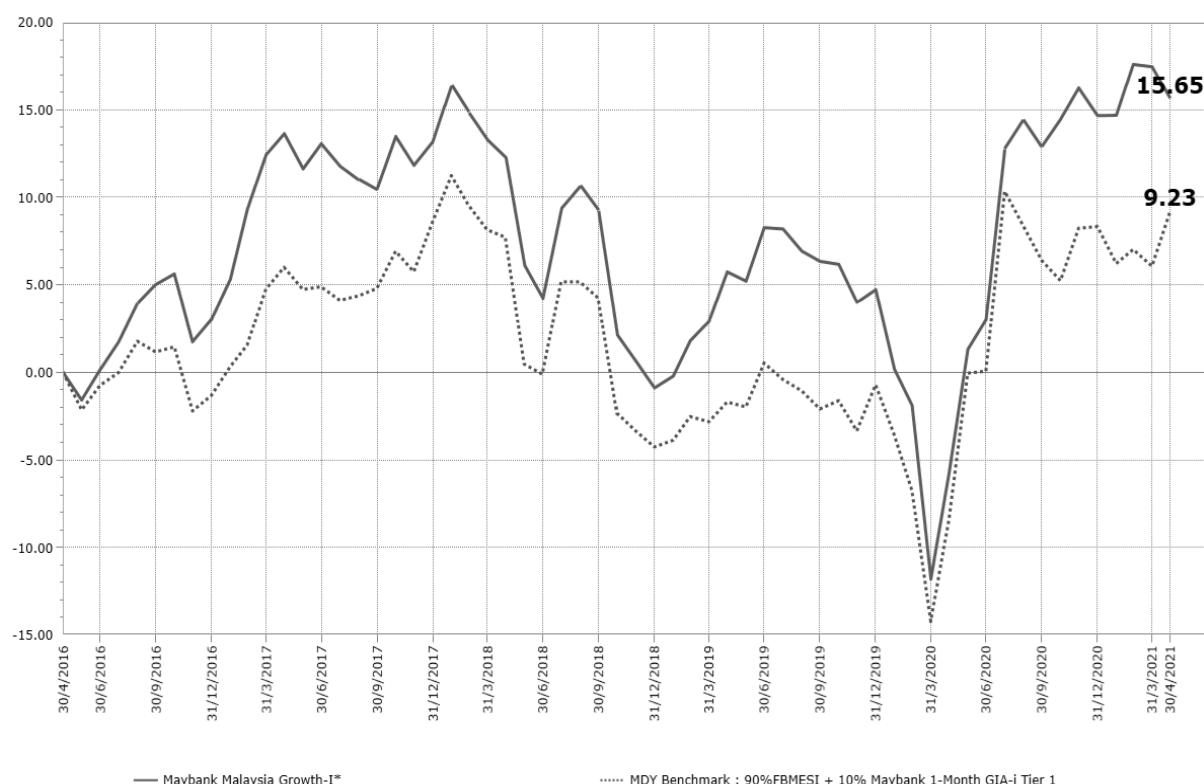
For the financial year ended 30 April 2021 (cont'd)

### 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  
8 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  
15 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

15 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  
15 June 2021

# MAYBANK MALAYSIA GROWTH-I FUND

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

	Note	2021 RM	2020 RM
<b>INVESTMENT INCOME/(LOSS)</b>			
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>
<b>EXPENSES</b>			
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>
<b>Net income/(loss) before taxation</b>		5,278,453	(2,914,131)
Taxation	7	(3,816)	(12,694)
<b>Net income/(loss) after taxation, and total comprehensive loss for the financial year</b>		<u>5,274,637</u>	<u>(2,926,825)</u>
<b>Net income/(loss) after taxation is made up of the following:</b>			
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>
<b>Distribution for the financial year:</b>			
Net distribution		819,477	-
Gross/Net distribution per unit (sen)		2.50	-
Distribution Date (ex-date)		26 April 2021	-

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**

	<b>Note</b>	<b>2021 RM</b>	<b>2020 RM</b>
<b>ASSETS</b>			
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
<b>TOTAL ASSETS</b>		<b>20,153,217</b>	<b>23,463,284</b>
<b>LIABILITIES</b>			
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
<b>TOTAL LIABILITIES</b>		<b>64,274</b>	<b>75,464</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<b>20,088,943</b>	<b>23,387,820</b>
<b>EQUITY</b>			
Unitholders' capital	13(a)	10,211,734	13,929,025
Retained earnings	13(b) & (c)	9,877,209	9,458,795
<b>NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS</b>		<b>20,088,943</b>	<b>23,387,820</b>
<b>NUMBER OF UNITS IN CIRCULATION (UNIT)</b>	13(a)	<b>34,165,210</b>	<b>46,834,085</b>
<b>NAV PER UNIT (RM)</b>		<b>0.5880</b>	<b>0.4994</b>

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**

	<b>Unitholders' capital Note 13(a) RM</b>	<b>Retained earnings Note 13(b) &amp; (c) RM</b>	<b>Total equity RM</b>
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 RM	2020 RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
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>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
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>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR</b>	(3,842,347)	(363,204)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	5,803,378	6,157,551
Effect of exchange rate differences	(17,642)	9,031
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<u>1,943,390</u>	<u>5,803,378</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
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 15 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
		18,209,554	17,643,490

#### 2021

(a) Shariah-compliant quoted equities - local	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>Construction</b>				
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**

<b>(a) Shariah-compliant quoted equities - local</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
--	--------------------------	----------------------------------	--------------------------------	------------------------------------

**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**

<b>(a) Shariah-compliant quoted equities - local</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>Industrial Products (cont'd)</b>				
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
<b>Plantations</b>				
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
<b>Real Estate Investment Trusts ("REITS")</b>				
KLCC Property Holdings Bhd	76,000	597,060	527,440	2.63
<b>Technology</b>				
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**

<b>(a) Shariah-compliant quoted equities - local</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>Telecommunications and Media</b>				
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
<b>Transportation and Logistics</b>				
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
<b>Utilities</b>				
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
<b>Total Shariah-compliant quoted equities - local</b>	<b>6,081,587</b>	<b>16,121,920</b>	<b>16,925,921</b>	<b>84.24</b>

**MAYBANK MALAYSIA GROWTH-I FUND**

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

**2021**

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

**2020**

<b>(a) Shariah-compliant quoted equities - local</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>Construction</b>				
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**

<b>(a) Shariah-compliant quoted equities - local</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
--	--------------------------	----------------------------------	--------------------------------	------------------------------------

**Construction (cont'd)**

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)**

<b>(a) Shariah-compliant quoted equities - local</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>Healthcare</b>				
Kossan Rubber Industries Bhd	85,200	395,458	477,120	2.04
Top Glove Corporation Bhd	126,000	570,862	914,760	3.91
	211,200	966,320	1,391,880	5.95
<b>Industrial Products</b>				
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
	712,300	1,250,905	1,313,805	5.62
<b>Plantation</b>				
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
	241,522	2,104,208	1,656,443	7.08
<b>Real Estate Investment Trust ("REIT")</b>				
AXIS REIT	445,647	811,088	869,012	3.72
KLCC Property Holdings Bhd	76,000	597,060	595,840	2.55
	521,647	1,408,148	1,464,852	6.27



**MAYBANK MALAYSIA GROWTH-I FUND**

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

**2020 (cont'd)**

<b>(a) Shariah-compliant quoted equities - local</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>Technology</b>				
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
<b>Transportation and Logistics</b>				
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
<b>Utilities</b>				
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
<b>Total Shariah-compliant quoted equities - local</b>	<b>8,524,069</b>	<b>18,883,657</b>	<b>16,799,658</b>	<b>71.83</b>

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

\* 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	1,771,858	5,781,303

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	1.70	3	2.50	4

## 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
		30,462	28,199

- (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
	171,532	22,075

### 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)
		20,088,943	23,387,820

# 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	34,165,210	10,211,734	46,834,085	13,929,025

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 RM	2020 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	9,051,756	12,074,536

### (c) Accumulated unrealised income/(loss)

	2021 RM	2020 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	825,453	(2,615,741)

## MAYBANK MALAYSIA GROWTH-I FUND

### 14. DISTRIBUTIONS

	<b>2021 RM</b>
Profit income	6,288,670
Less: Expenses	(1,432,447)
Distribution out of realised reserve (Note 13(b))	4,856,223
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)
<b>2021</b> 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

	<b>2021 RM</b>	<b>2020 RM</b>
<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 %
<b>2021</b>				
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
	<b>23,218,642</b>	<b>100.00</b>	<b>25,287</b>	<b>100.00</b>
<b>2020</b>				
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
	<b>39,611,077</b>	<b>100.00</b>	<b>56,914</b>	<b>100.00</b>

\* 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	Percentage	Value of	Percentage
	placements	of total	placements	of total
	RM	placements	RM	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
<b>2021</b>				
<b>Assets</b>				
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	18,209,554	1,943,663	-	20,153,217
<b>Liabilities</b>				
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	-	-	64,274	64,274



# 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
<b>Assets</b>				
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
<b>Liabilities</b>				
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

	Level 1 RM	Level 2 RM	Level 3 RM
2021			
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:

	Less than 1 month RM	More than 1 month RM	Total RM
<b>2021</b>			
<b>Financial assets</b>			
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)**

<b>2021 (cont'd)</b>	<b>Less than 1 month RM</b>	<b>More than 1 month RM</b>	<b>Total RM</b>
<b>Financial liabilities and unitholders' equity</b>			
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	20,153,217	-	20,153,217
Liquidity gap	-	-	-
<b>2020</b>			
<b>Financial assets</b>			
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	23,463,284	-	23,463,284
<b>Financial liabilities and unitholders' equity</b>			
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	23,463,284	-	23,463,284
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.