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# MAYBANK MALAYSIA BALANCED-I FUND

Unaudited interim report  
For the the financial period from 1 December 2020 to  
31 May 2021

## **CORPORATE INFORMATION**

### **MANAGER**

Maybank Asset Management Sdn Bhd (199701006283) (421779-M)  
Level 12 Tower C  
Dataran Maybank  
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59000 Kuala Lumpur, Malaysia  
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### **EXTERNAL INVESTMENT MANAGER**

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Level 12, Tower C, Dataran Maybank  
No.1 Jalan Maarof  
59000 Kuala Lumpur, Malaysia  
Telephone : +603 2297 7872  
Facsimile : +603 2297 7898

### **TRUSTEE**

AmanahRaya Trustees Berhad (200701008892) (766894-T)  
Tingkat 2,Wisma AmanahRaya,  
No. 2, Jalan Ampang  
50508 Kuala Lumpur  
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### **SHARIAH ADVISER**

Maybank Islamic Berhad (200701029411) (787435-M)  
Level 10, Tower A, Dataran Maybank  
No. 1 Jalan Maarof  
59000 Kuala Lumpur  
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## **MAYBANK MALAYSIA BALANCED-I FUND**

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## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021

#### A. Fund Information

**1. Name of the Fund**

Maybank Malaysia Balanced-I Fund ("the Fund")

**2. Type of Fund**

Income and Growth fund (Shariah)

**3. Category of Fund**

Balanced fund

**4. Duration of the Fund**

The Fund is an open-ended Fund.

**5. Fund launch date / commencement date**

17 September 2002 / 8 October 2002

**6. Fund's investment objective**

The investment objective of the Fund is to attain a mix of regular income stream and possible capital growth via investments in Shariah-compliant listed equities, sukuk and other assets that are permissible under the Shariah Principles.

**7. Fund distribution policy**

Income distribution, if any, is declared at the end of the financial year of the Fund or for any specified period, as may be determined by the Manager subject to the approval from the trustee. Distribution declared, if any, will be reinvested as additional units without sales charge.

**8. Fund's performance benchmark**

A combination of:

- 50% of the FTSE Bursa Malaysia EMAS Shariah Index ("FBMS Index") and
- 50% of the Maybank 12 months General Investment Account-i ("GIA-i") tier 1 rate

Note:

Prior to 17 September 2017, the benchmark was a combination of 50% of the FBMS Index and 50% of the 12-month GIA rates of commercial banks.

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

The Fund invests in an optimal mix of assets comprising of Shariah-compliant equities, sukuk and Islamic money market instruments.

The principal activity of the Fund is to invest between 40% to 58% of the Fund's assets in Shariah-compliant equities, between 40% to 58% in sukuk and Shariah-compliant money market instruments and minimum of 2% in Shariah-compliant liquid assets.

## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021 (cont'd)

#### A. Fund Information (cont'd)

##### 10. Net income distribution for the financial period from 1 December 2020 to 31 May 2021

The Fund did not declare any income distribution for the financial period from 1 December 2020 to 31 May 2021.

##### 11. Breakdown of unitholdings by size

###### Fund size

As at 31 May 2021, the size of the Fund was 56,476,739 units.

###### Breakdown of unitholdings as at 31 May 2021

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	601	56.06	1,500	2.66
5,001 to 10,000 units	144	13.43	1,113	1.97
10,001 to 50,000 units	248	23.13	5,907	10.46
50,001 to 500,000 units	73	6.81	8,257	14.62
500,001 units and above	6	0.57	39,699	70.29
<b>Total</b>	<b>1,072</b>	<b>100.00</b>	<b>*56,476</b>	<b>100.00</b>

\* Comprise units held under an Institutional Unit Trust Scheme Advisers ("IUTA")

#### B. Performance Review

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

Category	01.12.2020 to 31.05.2021	01.12.2019 to 30.11.2020	01.12.2018 to 30.11.2019
<b>Portfolio</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Quoted equities - local</b>			
Construction	3.64	2.31	2.58
Consumer Products	3.05	3.22	8.37
Energy	4.59	1.87	2.77
Financial Services	2.11	0.85	1.85
Healthcare	-	4.63	2.84
Industrial Products & Services	7.62	2.78	0.69
Plantations	4.32	3.27	4.70
Properties	-	-	0.51
Real Estate Investment Trust ("REITs")	1.14	2.89	4.72
Technology	7.57	5.51	1.95
Telecommunication	5.63	2.59	-
Transportation & Logistics	4.69	2.46	3.08
Utilities	4.99	2.17	3.43
<b>Total quoted equities - local</b>	<b>49.35</b>	<b>34.55</b>	<b>34.55</b>

## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021 (cont'd)

### B. Performance Review (cont'd)

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

Category	01.12.2020 to 31.05.2021	01.12.2019 to 30.11.2020	01.12.2018 to 30.11.2019
<b>Unquoted fixed income securities - local</b>			
Commodity	0.62	-	-
Construction	2.89	3.18	3.72
Consumer Products	1.95	3.16	-
Energy	1.82	2.11	3.55
Financial Services	6.62	3.05	16.55
Plantations	2.51	2.78	3.83
Properties	6.30	3.86	-
Real Estate	3.94	4.46	4.27
Transportation & Logistics	5.33	7.87	3.50
Utilities	10.20	11.73	10.73
<b>Total unquoted fixed income securities - local</b>	<b>41.56</b>	<b>42.20</b>	<b>46.15</b>
Cash and other net assets	9.09	23.24	16.36
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
NAV (RM'000)	31,609	28,817	24,849
Units in circulation (units'000)	56,477	50,493	47,051
NAV per unit (RM)	0.5597	0.5707	0.5281
Highest NAV per unit (RM)	0.5840	0.5882	0.5491
Lowest NAV per unit (RM)	0.5560	0.4676	0.5042
Net income distributed (RM)	-	713,870	461,956
Distribution date	-	23/11/2020	28/11/2019
Gross distribution per unit (sen)	-	1.00	1.00
Net distribution per unit (sen)	-	1.00	1.00
Annual total return (%) <sup>(1)</sup>			
- Capital growth (%)	(1.93)	8.01	3.24
- Income distribution (%)	-	2.56	1.89
Total return (%)	(1.93)	10.77	5.20
Benchmark (%)	(0.87)	7.52	1.70
Management Expense Ratio ("MER") (%) <sup>(2)</sup>	0.77	1.47	1.53
Portfolio Turnover Ratio ("PTR") (times) <sup>(3)</sup>	0.26	0.76	0.82

## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021 (cont'd)

#### B. Performance Review (cont'd)

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

**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 MER decreased due to lower administrative expense in the current financial period under review.

(3) The Fund's PTR decreased due to lower trading activities in the current financial period under review.

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

##### 2. Performance of the Fund up to 31 May 2021

Category	6 months to 31.05.2021 %	1 year to 31.05.2021 %	3 years to 31.05.2021 %	5 year to 31.05.2021 %
Capital growth	(1.93)	4.83	7.86	4.21
Income distribution	-	2.56	4.50	8.44
Total return of the Fund	(1.93)	7.52	12.72	13.01
Benchmark	(0.87)	3.96	7.11	11.88
Average total return	(1.93)	7.52	4.07	2.48

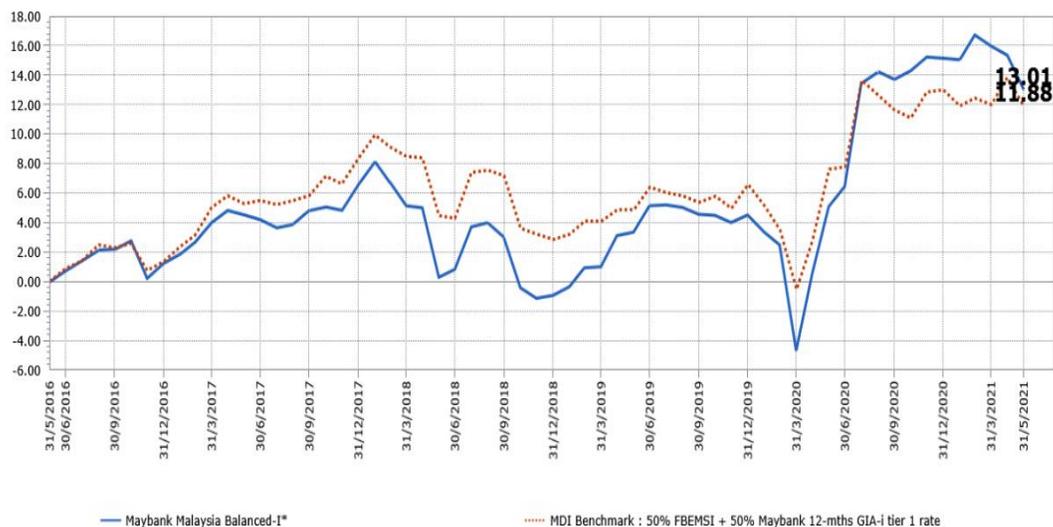
## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021 (cont'd)

### B. Performance Review (cont'd)

#### 2. Performance of the Fund up to 31 May 2020 (cont'd)



Source : Lipper

For the six-month period under review, the fund registered a total return of -1.93%, underperforming its benchmark which posted a decline of 0.87%. The underperformance was mainly due to fund's position in equities. Sector wise, the main detractors in equities came from healthcare, energy and industrials. On the other hand, key contributors were led by information technology, materials and communication services.

Relative to the benchmark, our underweight in materials, stocks picks in consumer discretionary and industrials were the key reasons for underperforming the benchmark. Relative to the benchmark, our underweight position in healthcare, overweight in information technology and underweight consumer staples outperformed the benchmark. Meanwhile, for sukuk, the underperformance was due to the sell-off in 2021 following a global rout in fixed income markets caused by rising United States Treasury ("UST") yields on the back of economic recovery optimism and inflation concerns.

#### 3. Annual total return of the Fund

For the financial period/year ended	31.05.2021	30.11.2020	30.11.2019	30.11.2018	30.11.2017
	%	%	%	%	%
Capital growth	(1.93)	4.83	3.24	(5.69)	2.71
Income distribution	-	2.56	1.89	-	1.89
Total return	(1.93)	7.52	5.20	(5.69)	4.60
Benchmark	(0.87)	3.96	1.70	(3.19)	5.94

## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021 (cont'd)

#### B. Performance Review (cont'd)

##### 4. Basis of calculation made in calculating the returns:

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

An illustration of the above would be as follows:

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

#### C. Market Review

##### Fixed Income market review

After four Overnight Policy Rate ("OPR") cuts by Bank Negara Malaysia ("BNM") between January 2020 and July 2020, the market saw a pause in the country's monetary policy as BNM maintained its OPR at 1.75% throughout the period. This saw some unwinding of dovish positioning and profit taking in the market leading to some consolidation in the local sukuk market. After the early scare of FTSE Russell's decision on Malaysia sukuk weightage in the World Global Bond Index ("WGBI") in September 2020, the local sukuk market saw Fitch downgrading Malaysia rating to 'BBB+' from 'A-' on 4 December 2020 citing Malaysia's weakened key credit metrics due to Coronavirus Disease 2019 ("COVID-19") crisis, as well as political uncertainties. After the initial reaction from the market, local sukuk saw some support to recover as Standard & Poor's 500 ("S&P 500") and Moody's still retained their 'A3' rating for Malaysia.

These factors provided some volatilities in the local sukuk market. However, the main driver for volatilities during the period was the rising yields. The global market saw the UST rose 11 basis points ("bps") to 83 bps between the 3 year and 30 year maturities during the period which drove a selloff in the emerging market sukuk (including Malaysia) as profit taking took hold. The rise in UST yields gathered momentum on positive news on the rollout of COVID-19 vaccinations worldwide that raised expectations of a start in global economic recovery. This peaked in mid-March 2021 for the Malaysian sukuk market, with 10-year Malaysian Government Securities ("MGS") reaching a high of 3.479% before recovering to 3.23% at end-May 2021.

## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021 (cont'd)

#### C. Market Review (cont'd)

##### Fixed Income market review (cont'd)

At the beginning of the period under review, it was at 2.63%. Buying interest was seen in early April 2021 following FTSE Russell's surprise decision to retain Malaysia in the WGBI while removing Malaysia from the watch list for possible exclusion. Support continued to be seen as elevated COVID-19 cases prompted a full national lockdown announcement at end-May 2021, which has lowered Gross Domestic Product ("GDP") growth expectations.

##### Equity market review

During the period under review, equity markets posted positive performances. With the United States ("US") markets hitting new highs, the Dow Jones and S&P500 registered returns of 16.5% and 16.1% respectively for the period. Euro Stoxx 50 and German DAX also did well, registering a gain of 15.7% and 16.0% respectively for the period. Regionally, North Asian markets were the best performers, Taiwan and South Korea gained 24.4% and 23.6% respectively. India, Hong Kong, Japan, and China (Shanghai) market gained 17.6%, 10.7%, 9.2%, and 6.6% respectively. Singapore and Thailand were outperformers in Association of Southeast Asian Nations ("ASEAN"), registering returns of 12.8% and 13.2% respectively, followed by Indonesia, gaining 6.0% and Malaysia gaining 1.3%. Philippines was the only decliner, falling 2.4%.

Markets saw a strong gain until December 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 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.

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. Markets continue to rise until early April 2021, supported by better commodity prices and resumption of economic activities. Commodity prices stayed strong with Brent oil price surging c.30% year-to-date and copper hitting 10-year highs. However, by mid April 2021, the broader market was hit by concerns due to the surge in COVID-19 cases, globally and locally while the vaccine roll-out were deemed slow. This followed until May 2021 with the addition of inflation fears.

## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021 (cont'd)

#### C. Market Review (cont'd)

##### Equity market review (cont'd)

Domestically, Malaysia relatively underperformed the other markets, with FTSE Bursa Malaysia ("FBM") Kuala Lumpur Composite Index ("KLCI") and the broader market FBM Emas Index posting gains of 1.3% and 1.4% respectively. Meanwhile, the FBM SmallCap Index outperformed, gaining of 8.6% for the period as retail participation continue to high amidst the low profit income environment, supporting the performance for smaller cap companies. For the period, foreign funds have taken out RM3.6 billion ("b") net worth of equities with April 2021 having the biggest outflow amounting to RM1.1b while the net outflow slowed in May in the tune of RM161 million ("m").

With 1Q2021 earnings (extended to end-June 2021) was fairly decent with beat and inline improve slightly. Not surprising, key earnings below expectations were gaming (interstate travel ban), media (lower adex spending), oil & gas (workforce disruption), construction (low work progress), Real Estate Investment Trust ("REITs") (lower traffic in malls/hotels), consumer (lower demand) and transportation (lower traffic) as the movement control order ("MCO") resumed early part of the year. Positively, financials (earnings recovered on lower provisions and net interest margins ("NIM") expansion, plantation (higher CPO), petrochemicals (higher prices) and property (lower base) reported better if not within expectations.

#### D. Market Outlook and Strategy

##### Fixed Income outlook & strategy

The Malaysian fixed income market would continue to see some support with the reinstatement of MCO beginning June 2021 due to the surge in COVID-19 cases, given lowered GDP growth expectation. So far, there are no new forecasts announced, with 2021 forecast remains at 6.0%-7.5%. However, the fall in yields could be limited as economic optimism and inflation concerns continue to play out in other foreign markets, with UST yields expected to rise. Economic recovery trajectory is expected to remain intact, with the pace of vaccinations picking up globally, albeit unevenly. On monetary policy, following the 125bps of cumulative OPR cuts in 2020 and having stayed on hold at the three Monetary Policy Committee ("MPC") meetings for the year, we view BNM will likely stand on hold with OPR at 1.75% through 2021 unless the current COVID-19 condition continue to adversely impact the domestic economy. In such event, there could be another potential reduction OPR cut by BNM.

We maintain our neutral to underweight duration relative to the Thomson Reuters BPA Malaysia ("TRBPAM") Sukuk Index as we assume a more defensive stance given our expectation of a steepening yield curve on the back of improvement in economic activities. Nevertheless, we expect the uneven global economic recoveries will provide support to the sukuk market where low profit rates will be maintained for longer by central banks to ensure an accommodative economic environment. We continue to overweight corporate sukuk over sovereign sukuk to anchor the Fund's income in corporate sukuk coupons as they are less volatile and provide higher yields to buffer against potential mark-to-market losses in the event of a turnaround in sovereign sukuk yields as economy starts to recover. We prefer strong AA-rated and A-rated papers; for yield pickup and potential long term upgrade as economic activities accelerate. We will continue to trade opportunistically will also look into new primary issuances that offer higher yields to deliver the required performance.

## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021 (cont'd)

#### D. Market Outlook and Strategy (cont'd)

##### Equities Market Outlook & Strategy

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.

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, albeit some sectors are still in the doldrums. 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. Already, the country has been hit with the reinstatement of MCO beginning June 2021 due to the surge in COVID-19 cases. If not contained, this may lead to lower earnings forecast while the reopening plays themes likely to be shifted. Having said that, the recovery trajectory should remain intact, as inoculation initiatives hit a significant level for herd immunity. 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.

## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021 (cont'd)

#### 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	Item	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.
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.

## MAYBANK MALAYSIA BALANCED-I FUND

### Manager's report

For the financial period from 1 December 2020 to 31 May 2021 (cont'd)

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

No	Item	Previous Prospectus	Latest Prospectus
9.	Information of the Trustee	- Disclosed under Chapter 2	- Amended to update the facsimile number of the Trustee
10.	Information of the Shariah Adviser	- Disclosed under Chapter 6	- Amended to update the profile of the members of the Shariah committee of Maybank Islamic Berhad

#### F. Soft Commissions and Rebates

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

During the financial period from 1 December 2020 to 31 May 2021, the Manager and its delegates did not receive any soft commissions and rebates from brokers or dealers but have retained soft commissions in the form of goods and services such as research materials and advisory services that assists 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 unitholders.

**TRUSTEE'S REPORT  
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 MAY 2021**

**TO THE UNITHOLDERS OF  
MAYBANK MALAYSIA BALANCED-I FUND**

We, AMANAHRAYA TRUSTEES BERHAD, have acted as Trustee of MAYBANK MALAYSIA BALANCED-I FUND for the six months financial period ended 31 May 2021. In our opinion, MAYBANK ASSET MANAGEMENT SDN BHD, the Manager, has operated and managed MAYBANK MALAYSIA BALANCED-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 for the six months financial period ended 31 May 2021.

We are also of the opinion that:

- (a) Valuation and pricing is carried out in accordance with the Deed and any regulatory requirement; and
- (b) Creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements.

Yours faithfully  
**AMANAHRAYA TRUSTEES BERHAD**

**ZAINUDIN BIN SUHAIMI**  
Chief Executive Officer

Kuala Lumpur, Malaysia  
13 July 2021

**STATEMENT BY MANAGER**

**TO THE UNITHOLDERS OF  
MAYBANK MALAYSIA BALANCED-I FUND  
FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2020 TO 31 MAY 2021**

I, Ahmad Najib Bin Nazlan, being the Director of Maybank Asset Management Sdn Bhd (the "Manager") do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134 Interim Financial Reporting and International Accounting Standards 34 Interim Financial Reporting so as to give a true and fair view of the financial position of Maybank Malaysia Balanced-I Fund as at 31 May 2021 and of its results, changes in net assets attributable to unitholders and cash flows for the financial period from 1 December 2020 to 31 May 2021 and comply with the requirements of the Deeds.

For and on behalf of the Manager

**Ahmad Najib Bin Nazlan**  
Director

Kuala Lumpur, Malaysia  
13 July 2021

## **REPORT OF THE SHARIAH ADVISER**

### **TO THE UNITHOLDERS OF MAYBANK MALAYSIA BALANCED-I FUND FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2020 TO 31 MAY 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 Balanced-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;
2. The asset of the Fund comprises instruments that have been classified as Shariah compliant.

For and on behalf of  
**Maybank Islamic Berhad**

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

Kuala Lumpur, Malaysia  
21 July 2021

**MAYBANK MALAYSIA BALANCED-I FUND**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2020 TO 31 MAY 2021**

	Note	01.12.2020 to 31.05.2021 RM	01.12.2019 to 31.05.2020 RM
<b>INVESTMENT (LOSS)/INCOME</b>			
Dividend income		202,495	184,143
Profit income	3	302,052	304,391
Net gain on financial assets at fair value through profit or loss ("FVTPL")			
- Unrealised (loss)/gain		(1,415,741)	559,694
- Realised gain/(loss)		531,011	(539,415)
		<u>(380,183)</u>	<u>508,813</u>
<b>EXPENSES</b>			
Manager's fee	4	189,883	148,279
Trustee's fee	5	12,659	9,885
Auditors' remuneration		4,488	3,941
Tax agent's fee		1,944	1,749
Shariah Advisory		4,488	2,500
Brokerage and other transaction fees		19,549	22,797
Administrative expenses		29,997	17,443
		<u>263,008</u>	<u>206,594</u>
<b>Net (loss)/income before tax</b>		(643,191)	302,219
Taxation	6	(614)	(889)
<b>Net (loss)/income after tax, which is the total comprehensive (loss)/income for the financial period</b>		<u>(643,805)</u>	<u>301,330</u>
<b>Net (loss)/income after tax is made up of the following:</b>			
Net realised income/(loss)		771,936	(258,364)
Net unrealised (loss)/income		(1,415,741)	559,694
		<u>(643,805)</u>	<u>301,330</u>

**MAYBANK MALAYSIA BALANCED-I FUND**

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MAY 2021**

	Note	31.05.2021 RM	30.11.2020 RM
<b>ASSETS</b>			
Financial assets at FVTPL	7	28,932,838	22,116,755
Shariah-compliant deposits with licensed Islamic financial institutions	8	2,570,100	6,254,016
Dividend receivable		13,460	16,247
Profit income receivable		140,427	130,536
Amount due from brokers	9	-	348,326
Cash at bank		31,138	35,076
<b>TOTAL ASSETS</b>		<b>31,687,963</b>	<b>28,900,956</b>
<b>LIABILITIES</b>			
Amount due to Manager	10	32,352	28,118
Amount due to Trustee	11	2,157	1,875
Other payables and accruals		44,507	54,082
<b>TOTAL LIABILITIES</b>		<b>79,016</b>	<b>84,075</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<b>31,608,947</b>	<b>28,816,881</b>
<b>EQUITY</b>			
Unitholders' capital	12(a)	30,212,370	26,776,499
Retained earnings	12(b)&(c)	1,396,577	2,040,382
<b>NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS</b>		<b>31,608,947</b>	<b>28,816,881</b>
<b>NUMBER OF UNITS IN CIRCULATION (UNIT)</b>	12	<b>56,476,739</b>	<b>50,492,714</b>
<b>NAV PER UNIT (RM)</b>		<b>0.5597</b>	<b>0.5707</b>

**MAYBANK MALAYSIA BALANCED-I FUND**

**UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2020 TO 31 MAY 2021**

	<b>Unitholders' capital Note 12(a) RM</b>	<b>Retained earnings Note 12(b) &amp; 12(c) RM</b>	<b>Total equity RM</b>
At 1 December 2020	26,776,499	2,040,382	28,816,881
Total comprehensive loss for the financial period	-	(643,805)	(643,805)
Creation of units	6,329,026	-	6,329,026
Cancellation of units	(2,893,155)	-	(2,893,155)
At 31 May 2021	<u>30,212,370</u>	<u>1,396,577</u>	<u>31,608,947</u>
At 1 December 2019	24,915,913	(66,606)	24,849,307
Total comprehensive income for the financial period	-	301,330	301,330
Creation of units	1,340,659	-	1,340,659
Cancellation of units	(493,407)	-	(493,407)
At 31 May 2020	<u>25,763,165</u>	<u>234,724</u>	<u>25,997,889</u>

**MAYBANK MALAYSIA BALANCED-I FUND****UNAUDITED STATEMENT OF CASH FLOWS****FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2020 TO 31 MAY 2021**

	<b>01.12.2020 to 31.05.2021 RM</b>	<b>01.12.2019 to 31.05.2020 RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Net proceeds from sale of financial assets at FVTPL	4,752,709	10,173,193
Net payment of purchase of financial assets at FVTPL	(12,058,728)	(11,995,595)
Profit income received	210,855	275,396
Net dividend received	204,669	187,928
Manager's fee paid	(185,649)	(147,281)
Trustee's fee paid	(12,377)	(9,818)
Other expenses paid	(35,204)	(32,616)
Net cash used in operating and investing activities	<u>(7,123,725)</u>	<u>(1,548,793)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	6,329,026	1,253,657
Payments for cancellation of units	(2,893,155)	(503,113)
Net cash generated from financing activities	<u>3,435,871</u>	<u>750,544</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS OF THE FINANCIAL PERIOD</b>		
	(3,687,854)	(798,249)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>		
	<u>6,289,092</u>	<u>3,915,828</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>		
	<u>2,601,238</u>	<u>3,117,579</u>
Cash and cash equivalents comprise:		
Cash at bank	31,138	30,764
Shariah-compliant deposits with licensed Islamic financial institutions (Note 8)	<u>2,570,100</u>	<u>3,086,815</u>
	<u>2,601,238</u>	<u>3,117,579</u>

## **MAYBANK MALAYSIA BALANCED-I FUND**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE FINANCIAL PERIOD FROM 1 DECEMBER 2020 TO 31 MAY 2021**

#### **1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

Maybank Malaysia Balanced-I Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 4 September 2002 ("Principal Deed") between Amanah Mutual Berhad as the Manager and AmanahRaya Trustees Berhad as the Trustee. The following Supplemental Deeds have been issued between AMB and the Trustee:

- First Supplemental deed dated 13 August 2008
- Second Supplemental deed dated 17 October 2014
- Third Supplemental deed dated 13 January 2017
- Fourth Supplemental deed dated 12 December 2017

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

Subsequently, MAM and the Trustee has entered into the Fifth supplemental deed dated 4 September 2018 and Sixth supplemental deed dated 11 July 2019 to changed the name of the fund effective 17 January 2020 respectively. The Deed and Supplemental Deeds are subsequently referred to as 'Deeds'.

The principal activity of the Fund is to invest in a portfolio of investments that are permissible under Shariah principles with the objective to attain a mix of regular income stream and possible capital growth. The investments include shares of companies quoted on Bursa Malaysia Securities Berhad, Sukuk and short term deposits.

MAM has appointed Maybank Islamic Asset Management Sdn Bhd ("MIAM") as the External Investment Manager for the Fund. MIAM is a wholly-owned subsidiary of Maybank Asset Management Group Berhad and is a holder of Capital Markets Services Licence ("CMSL") to carry out Islamic fund management business pursuant to Section 61 of the Capital Markets and Services Act 2007 ("CMSA").

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

#### **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 134 Interim Financial Reporting ("MFRS 134") and International Accounting Standards 34 Interim Financial Reporting.

The Interim financial statements does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Fund's annual financial statements as at 30 November 2020.

## MAYBANK MALAYSIA BALANCED-I FUND

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

#### 2.1 Basis of preparation (cont'd)

The Fund had adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") Interpretations which have become effective during the financial period from 1 December 2020 to 31 May 2021. The adoption of the new pronouncements did not result in any material impact to the financial

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

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

#### 2.2 Standards and amendments to standards issued but not yet effective

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

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

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

#### 2.3 Financial instruments

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

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

## **MAYBANK MALAYSIA BALANCED-I FUND**

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

#### **2.4 Financial assets**

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

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

##### **(i) Financial assets at amortised cost**

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 receivable, and dividend receivable 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.

##### **(ii) Financial assets at FVTPL**

Investments in equity and unquoted fixed income securities are classified as FVTPL, unless the Fund designates an investment that is not held for trading as FVTOCI on initial recognition.

A financial asset is recognised at FVTPL if:

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

## MAYBANK MALAYSIA BALANCED-I FUND

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

#### 2.4 Financial assets (cont'd)

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

Debt instruments that do not meet the amortised cost criteria (see above) 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

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. Accumulated unrealised gains or losses are reclassified to realised gains or losses when the associated assets are sold. Profit income on debt instruments as at FVTPL is disclosed separately in the profit or loss.

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

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

##### (iii) Impairment

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.

## **MAYBANK MALAYSIA BALANCED-I FUND**

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

#### **2.4 Financial assets (cont'd)**

##### **(iii) Impairment (cont'd)**

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

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

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

##### **(iv) Derecognition**

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognises its retained profit in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

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

#### **2.5 Financial liabilities**

##### **(i) Classification**

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

## **MAYBANK MALAYSIA BALANCED-I FUND**

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

#### **2.5 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.

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.

## MAYBANK MALAYSIA BALANCED-I FUND

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

#### 2.6 Fair value measurement (cont'd)

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

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

#### 2.7 Functional and presentation currency

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

#### 2.8 Unitholders' capital

The unitholders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "*Financial Instruments: Presentation*". Those criteria include:

- (i) the units entitle the holder to a proportionate share of the Fund's NAV;
- (ii) the units are the most subordinated class and class features are identical;
- (iii) there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- (iv) the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial period if unitholder exercises the right to put the unit back to the Fund.

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

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

## **MAYBANK MALAYSIA BALANCED-I FUND**

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

#### **2.9 Distributions**

Any distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distributions is sourced out of distribution equalisation which is accounted for as an adjustment to the unitholders' capital. A proposed distribution is recognised as a liability in the period in which it is approved. Distribution is either reinvested or paid in cash to the unitholders on the income payment date. Reinvestment of units is based on the NAV per unit on the income payment date, which is also the time of creation.

#### **2.10 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and Shariah-compliant deposits with licensed Islamic financial institutions with original maturity of three months or less which have an insignificant risk of changes in value.

#### **2.11 Revenue / Income**

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

Profit income from sukuk includes amortisation of premium and accretion of discount, and is recognised using the effective profit method. Profit income from short-term deposits is recognised on the accruals basis using the effective profit rate method.

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

Realised gain or loss on disposal of sukuk is accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, determined on cost adjusted for accretion of discount or amortisation of premium.

Realised gain or loss on disposal of investments are accounted for as the difference between net disposal proceeds and the carrying amounts of the investments.

Other revenue/income is generally recognised when the Fund satisfies a performance obligation by transferring a promised good or service or an asset to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

#### **2.12 Taxation**

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

## **MAYBANK MALAYSIA BALANCED-I FUND**

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

#### **2.12 Taxation (cont'd)**

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Current tax expense is determined according to Malaysian tax laws at the current tax rate based upon the taxable profit earned during the financial period.

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

#### **2.13 Segment information**

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

#### **2.14 Critical accounting estimates and judgements**

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

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

#### **2.15 Purification of income**

The Fund is required to cleanse or purify any income or gains generated by Shariah non-compliant activities 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 gains 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.

## MAYBANK MALAYSIA BALANCED-I FUND

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

#### 2.15 Purification of income

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

If a security is reclassified as Shariah non-compliant by 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.

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 bodies as advised by the Shariah Adviser and this exercise is performed by the 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.

### 3. PROFIT INCOME

	<b>01.12.2020 to 31.05.2021 RM</b>	<b>01.12.2019 to 31.05.2020 RM</b>
Profit income from unquoted fixed income securities	292,709	273,884
Profit income from short-term deposits	31,219	49,496
Amortisation of premium, net of accretion of discount	(21,876)	(18,989)
	<u>302,052</u>	<u>304,391</u>

### 4. MANAGER'S FEE

The Manager's fee is computed daily based on 1.20% per annum("p.a.") of the NAV of the Fund (01.12.2019 to 31.05.2020: 1.00% p.a. on the sukuk and money market portion and 1.50% p.a. on the equity portion), before deducting Manager's fee and Trustee's fee for the day.

### 5. TRUSTEE'S FEE

The Trustee's fee is computed based on 0.08% (01.12.2019 to 31.05.2020: 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.

## MAYBANK MALAYSIA BALANCED-I FUND

### 6. TAXATION

	<b>01.12.2020</b>	<b>01.12.2019</b>
	<b>to</b>	<b>to</b>
	<b>31.05.2021</b>	<b>31.05.2020</b>
	<b>RM</b>	<b>RM</b>
Tax expense for the financial period:		
Current income tax expense	<u>614</u>	<u>889</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (01.12.2019 to 31.05.2020: 24%) of the estimated assessable income for the financial period. The tax expense for the financial period is in relation to the taxable income earned by the Fund after deducting tax allowable expenses.

In accordance with Schedule 6 of the Income Tax Act 1967, any profit income and dividend income earned by the Fund is exempted from tax.

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

	<b>01.12.2020</b>	<b>01.12.2019</b>
	<b>to</b>	<b>to</b>
	<b>31.05.2021</b>	<b>31.05.2020</b>
	<b>RM</b>	<b>RM</b>
Net (loss)/income before taxation	<u>(643,191)</u>	<u>302,219</u>
Taxation at Malaysian statutory rate of 24% (31.05.2020: 24%)	(154,366)	72,533
Income not subject to tax	-	(122,115)
Loss not deductible for tax purposes	91,244	-
Income tax at source	614	889
Expenses not deductible for tax purposes	63,121	49,582
Tax expense for the financial period	<u>614</u>	<u>889</u>

## MAYBANK MALAYSIA BALANCED-I FUND

### 7. FINANCIAL ASSETS AT FVTPL

	Note	31.05.2021 RM	30.11.2020 RM
Quoted equities - Shariah-compliant	(a)	15,605,822	9,958,966
Unquoted fixed income securities	(b)	13,327,016	12,157,789
		<u>28,932,838</u>	<u>22,116,755</u>

31.05.2021	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - Shariah-compliant</b>				
<b>Construction</b>				
Gabungan AQRS Bhd	717,500	547,935	405,388	1.28
Gamuda Bhd	112,000	418,469	355,040	1.12
Sunway Construction Group Bhd	241,900	469,972	391,878	1.24
	<u>1,071,400</u>	<u>1,436,376</u>	<u>1,152,306</u>	<u>3.64</u>
<b>Consumer Products &amp; Services</b>				
DRB-HICOM Bhd	170,000	362,950	307,700	0.97
Dutch Lady Milk Industries Bhd	8,600	415,556	294,120	0.93
Fraser & Neave Holdings Bhd	13,700	473,809	364,420	1.15
	<u>192,300</u>	<u>1,252,314</u>	<u>966,240</u>	<u>3.05</u>
<b>Energy</b>				
Dayang Enterprise Holdings Bhd	241,000	345,868	318,120	1.01
Dialog Group Bhd	187,000	625,299	540,430	1.71
Serba Dinamik Holdings Bhd	160,000	271,000	180,800	0.57
Yinson Holdings Bhd	85,000	504,848	412,250	1.30
	<u>673,000</u>	<u>1,747,015</u>	<u>1,451,600</u>	<u>4.59</u>
<b>Financial Services</b>				
BIMB Holdings Bhd	176,300	752,973	666,414	2.11

**MAYBANK MALAYSIA BALANCED-I FUND**

**7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

31.05.2021 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - Shariah-compliant (cont'd)</b>				
<b>Industrial Products &amp; Services</b>				
ATA IMS Bhd	132,000	276,460	312,840	0.99
Cahaya Mata Sarawak Bhd	190,000	357,637	300,200	0.95
Hiap Teck Venture Bhd	537,100	317,655	268,550	0.85
Petronas Chemicals Group Bhd	95,000	730,176	764,750	2.42
Press Metal Aluminium Holdings Bhd	78,600	220,040	408,720	1.29
SKP Resources Bhd	226,875	269,502	347,119	1.10
SKP Resources Bhd Warrant	36,300	-	7,623	0.02
	<u>1,295,875</u>	<u>2,171,469</u>	<u>2,409,802</u>	<u>7.62</u>
<b>Plantation</b>				
Kuala Lumpur Kepong Bhd	23,044	532,985	511,577	1.62
Sarawak Oil Palms Bhd	116,900	433,340	454,741	1.44
United Plantation Bhd	28,400	382,098	398,736	1.26
	<u>168,344</u>	<u>1,348,423</u>	<u>1,365,054</u>	<u>4.32</u>
<b>REITs</b>				
KLCC Property Holdings Bhd	53,000	418,171	359,340	1.14
<b>Technology</b>				
Frontken Corporation Bhd	111,000	348,022	334,110	1.06
Frontken Corporation Bhd Warrant	37,000	-	13,505	0.04
Globetronics Technology Bhd	179,800	474,660	382,974	1.21
Inari Amerton Bhd	110,000	213,661	352,000	1.11
Malaysian Pacific Industries Bhd	11,800	223,769	461,380	1.46
MY E.G Services Bhd	242,125	382,080	467,301	1.48
Vitrox Corp Bhd	25,100	290,406	381,520	1.21
	<u>716,825</u>	<u>1,932,599</u>	<u>2,392,790</u>	<u>7.57</u>
<b>Telecommunications &amp; Media</b>				
Axiata Group Bhd	150,000	553,690	555,000	1.76
Telekom Malaysia Bhd	102,000	484,972	627,300	1.98
Time Dotcom Bhd	43,000	514,961	597,700	1.89
	<u>295,000</u>	<u>1,553,623</u>	<u>1,780,000</u>	<u>5.63</u>

**MAYBANK MALAYSIA BALANCED-I FUND**

**7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

31.05.2021 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - Shariah-compliant (cont'd)</b>				
<b>Transportation &amp; Logistic</b>				
Lingkar Trans Kota Holdings Bhd	98,300	421,797	361,744	1.14
MISC Bhd	91,000	608,217	625,170	1.98
Westports Holdings Bhd	115,000	482,135	495,650	1.57
	<u>304,300</u>	<u>1,512,149</u>	<u>1,482,564</u>	<u>4.69</u>
<b>Utilities</b>				
Mega First Corporation Bhd	53,000	311,255	391,670	1.24
Ranhill Holdings Bhd	629,533	646,781	481,593	1.52
Tenaga Nasional Bhd	71,000	762,797	706,450	2.23
	<u>753,533</u>	<u>1,720,834</u>	<u>1,579,713</u>	<u>4.99</u>
<b>Total quoted equities - Shariah-compliant</b>	<u>5,699,877</u>	<u>15,845,946</u>	<u>15,605,822</u>	<u>49.35</u>
<b>(b) Unquoted fixed income securities</b>				
<b>Commodity</b>				
Guan Chong Berhad - 3.84% / 03.12.2027	200,000	201,143	196,742	0.62
<b>Construction</b>				
IJM Land Bhd - 4.73% / Perpetual	500,000	500,228	495,225	1.57
- 5.65% / Perpetual	400,000	399,962	415,948	1.32
	<u>900,000</u>	<u>900,191</u>	<u>911,173</u>	<u>2.89</u>
<b>Consumer Products</b>				
DRB-HICOM Berhad - 4.85% / 11.12.2026	600,000	600,029	615,156	1.95
<b>Energy</b>				
Sarawak Energy Bhd - 3.30% / 14.06.2030	600,000	600,013	576,558	1.82

**MAYBANK MALAYSIA BALANCED-I FUND**

**7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

31.05.2021 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(b) Unquoted fixed income securities (cont'd)</b>				
<b>Financial Services</b>				
Affin Islamic Bank Bhd - 5.05% / 23.10.2028	450,000	450,828	465,696	1.47
Infracap Resources Sdn Bhd - 2.83% / 15.04.2022	600,000	599,973	615,006	1.95
OSK Rated Bond Sdn Bhd - 4.39% / 28.04.2028	300,000	299,996	303,054	0.96
Pengurusan Air SPV Bhd - 3.90% / 30.10.2029	300,000	316,768	304,578	0.96
SME Bank - 3.30% / 23.04.2027	400,000	399,999	404,204	1.28
	<u>2,050,000</u>	<u>2,067,563</u>	<u>2,092,538</u>	<u>6.62</u>
<b>Plantation</b>				
Perbadanan Kemajuan Pertanian Negeri Pahang - 4.11% / 30.10.2025	800,000	801,309	792,976	2.51
<b>Property</b>				
Fortune Premier Sdn Bhd - 5.05% / 05.09.2025	100,000	104,503	106,327	0.34
Gamuda Land (T12) Sdn Bhd - 3.75% / 12.08.2027	600,000	599,989	589,254	1.86
UEM Sunrise Bhd - 4.00% / 09.06.2023	400,000	400,011	401,364	1.27
- 4.30% / 16.02.2026	900,000	904,807	893,250	2.83
	<u>2,000,000</u>	<u>2,009,309</u>	<u>1,990,195</u>	<u>6.30</u>

**MAYBANK MALAYSIA BALANCED-I FUND**

**7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

31.05.2021 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(b) Unquoted fixed income securities (cont'd)</b>				
<b>Real Estate</b>				
Country Garden				
Real Estate Sdn Bhd				
- 5.25% / 27.03.2025	200,000	199,988	204,120	0.65
- 6.40% / 06.05.2022	400,000	400,002	408,632	1.29
- 6.40% / 18.03.2022	500,000	499,939	509,470	1.61
Talam Transform Bhd				
- 0.00% / 28.06.2022	132,222	115	123,267	0.39
	<u>1,232,222</u>	<u>1,100,044</u>	<u>1,245,489</u>	<u>3.94</u>
<b>Transportation &amp; Logistic</b>				
Malaysia Airport Holdings Bhd				
- 3.30% / 05.11.2027	200,000	199,997	195,144	0.62
MMC Corporation Bhd				
- 5.70% / 24.03.2028	1,000,000	1,024,237	1,082,880	3.43
Pelabuhan Tanjung Pelepas				
- 3.95% / 18.06.2027	400,000	400,011	405,760	1.28
	<u>1,600,000</u>	<u>1,624,245</u>	<u>1,683,784</u>	<u>5.33</u>
<b>Utilities</b>				
Quantum Solar Park (Semenanjung) Sdn Bhd				
- 5.16% / 06.10.2022	500,000	504,046	512,215	1.62
Edra Power Holdings Sdn Bhd				
- 6.51% / 05.07.2035	700,000	857,307	822,185	2.60
Cypark Resources Bhd				
- 5.18% / 29.06.2029	500,000	508,135	527,100	1.67
TNB Northern Energy Bhd				
- 4.62% / 30.05.2033	1,300,000	1,409,936	1,360,905	4.31
	<u>3,000,000</u>	<u>3,279,424</u>	<u>3,222,405</u>	<u>10.20</u>

**MAYBANK MALAYSIA BALANCED-I FUND**

**7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.05.2021 (cont'd)</b>				
<b>(b) Unquoted fixed income securities (cont'd)</b>				
<b>Total unquoted fixed income securities</b>	12,982,222	13,183,271	13,327,016	42.18
<b>Total FVTPL investments</b>	<b>18,682,099</b>	<b>29,029,219</b>	<b>28,932,838</b>	<b>91.53</b>
<b>Unrealised income on FVTPL investments</b>			<b>96,381</b>	
<b>30.11.2020</b>				
<b>(a) Quoted equities - Shariah-compliant</b>				
<b>Construction</b>				
Gabungan AQRS Bhd	309,500	262,993	213,555	0.74
Gamuda Bhd	72,000	264,869	257,040	0.89
Sunway Construction Group Bhd	105,900	206,718	194,856	0.68
	<u>487,400</u>	<u>734,580</u>	<u>665,451</u>	<u>2.31</u>
<b>Consumer Products &amp; Services</b>				
Dutch Lady Milk Industries Bhd	5,900	314,160	216,530	0.75
Fraser & Neave Holdings Bhd	13,700	473,809	444,702	1.54
Nestle (Malaysia) Bhd	2,000	273,850	268,000	0.93
	<u>21,600</u>	<u>1,061,819</u>	<u>929,232</u>	<u>3.22</u>
<b>Energy</b>				
Dialog Group Bhd	92,000	316,249	331,200	1.15
Yinson Holdings Bhd	40,000	253,810	208,800	0.72
	<u>132,000</u>	<u>570,059</u>	<u>540,000</u>	<u>1.87</u>
<b>Financial Services</b>				
BIMB Holdings Bhd	66,300	276,820	245,310	0.85
<b>Healthcare</b>				
Hartalega Holdings Bhd	17,500	301,270	252,000	0.87
Kossan Rubber Industries Bhd	47,600	100,736	296,548	1.03
Supermax Corporation Bhd	58,000	584,118	527,800	1.83
Top Glove Corporation Bhd	36,500	65,874	259,880	0.90
	<u>159,600</u>	<u>1,051,998</u>	<u>1,336,228</u>	<u>4.63</u>

**MAYBANK MALAYSIA BALANCED-I FUND**

**7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

30.11.2020 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - Shariah-compliant (cont'd)</b>				
<b>Industrial Products &amp; Services</b>				
ATA IMS Bhd	62,000	105,822	137,020	0.48
Press Metal Aluminium Holdings Bhd	52,300	265,916	366,100	1.27
SKP Resources Bhd	106,500	112,752	217,260	0.75
Thong Guan Industries Bhd	31,100	52,316	81,793	0.28
	<u>251,900</u>	<u>536,806</u>	<u>802,173</u>	<u>2.78</u>
<b>Plantation</b>				
Kuala Lumpur Kepong Bhd	16,044	366,805	377,034	1.31
Sarawak Oil Palms Bhd	71,900	249,748	296,228	1.03
United Plantation Bhd	18,400	237,898	267,536	0.93
	<u>106,344</u>	<u>854,451</u>	<u>940,798</u>	<u>3.27</u>
<b>REITs</b>				
Axis REIT	199,044	359,776	425,954	1.48
KLCC Property Holdings Bhd	53,000	418,171	407,040	1.41
	<u>252,044</u>	<u>777,947</u>	<u>832,994</u>	<u>2.89</u>
<b>Technology</b>				
Globetronics Technology Bhd	99,800	265,860	297,404	1.03
Inari Amerton Bhd	100,000	167,933	268,000	0.93
Malaysian Pacific Industries Bhd	10,300	124,624	258,118	0.90
MY E.G Services Bhd	163,125	230,400	267,525	0.93
Pentamaster Corporation Bhd	60,000	270,330	297,000	1.03
Vitrox Corp Bhd	13,100	117,426	199,120	0.69
	<u>446,325</u>	<u>1,176,573</u>	<u>1,587,167</u>	<u>5.51</u>
<b>Telecommunications &amp; Media</b>				
Axiata Group Bhd	40,000	133,600	142,000	0.49
Telekom Malaysia Bhd	60,000	257,526	302,400	1.05
Time Dotcom Bhd	22,000	234,861	301,400	1.05
	<u>122,000</u>	<u>625,987</u>	<u>745,800</u>	<u>2.59</u>
<b>Transportation &amp; Logistic</b>				
Lingkaran Trans Kota Holdings Bhd	53,300	242,076	213,733	0.74
Westports Holdings Bhd	115,000	482,135	494,500	1.72
	<u>168,300</u>	<u>724,211</u>	<u>708,233</u>	<u>2.46</u>

**MAYBANK MALAYSIA BALANCED-I FUND**

**7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

30.11.2020 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - Shariah-compliant (cont'd)</b>				
<b>Utilities</b>				
Mega First Corporation Bhd	33,000	173,253	232,980	0.81
Ranhill Holdings Bhd	333,300	392,331	271,640	0.94
Tenaga Nasional Bhd	12,000	136,320	120,960	0.42
	<u>378,300</u>	<u>701,904</u>	<u>625,580</u>	<u>2.17</u>
<b>Total quoted equities -Shariah-compliant</b>	<u>2,592,113</u>	<u>9,093,155</u>	<u>9,958,966</u>	<u>34.55</u>
<b>(b) Sukuk</b>				
<b>Construction</b>				
IJM Land Bhd				
- 4.73% / Perpetual	500,000	500,927	497,950	1.73
- 5.65% / Perpetual	400,000	400,000	418,472	1.45
	<u>900,000</u>	<u>900,927</u>	<u>916,422</u>	<u>3.18</u>
<b>Consumer Products</b>				
DRB-HICOM Berhad				
- 4.85% / 11.12.2026	600,000	600,000	611,826	2.12
UMW Holdings Bhd				
- 3.03% / 05.11.2025	300,000	300,000	299,913	1.04
	<u>900,000</u>	<u>900,000</u>	<u>911,739</u>	<u>3.16</u>
<b>Energy</b>				
Sarawak Energy Bhd				
- 3.30% / 14.06.2030	600,000	600,000	607,800	2.11

**MAYBANK MALAYSIA BALANCED-I FUND**

**7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

30.11.2020 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(b) Unquoted fixed income securities (cont'd)</b>				
<b>Financial Services</b>				
Affin Islamic Bank Bhd - 5.05% / 23.10.2028	450,000	452,334	466,916	1.62
SME Bank - 3.30% / 23.04.2027	400,000	400,000	413,144	1.43
	<u>850,000</u>	<u>852,334</u>	<u>880,060</u>	<u>3.05</u>
<b>Plantation</b>				
Perbadanan Kemajuan Pertanian Negeri Pahang - 4.11% / 30.10.2025	800,000	801,445	799,872	2.78
<b>Property</b>				
Fortune Premier Sdn Bhd - 5.05% / 05.09.2025	100,000	104,987	108,225	0.38
Gamuda Land (T12) Sdn Bhd - 3.75% / 12.08.2027	600,000	600,000	601,386	2.09
UEM Sunrise Bhd - 4.00% / 09.06.2023	400,000	400,000	401,272	1.39
	<u>1,100,000</u>	<u>1,104,987</u>	<u>1,110,883</u>	<u>3.86</u>

**MAYBANK MALAYSIA BALANCED-I FUND**

**7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

30.11.2020 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(b) Unquoted fixed income securities (cont'd)</b>				
<b>Real Estate</b>				
Country Garden				
Real Estate Sdn Bhd				
- 5.25% / 27.03.2025	200,000	200,000	213,650	0.74
- 6.40% / 06.05.2022	400,000	400,000	418,148	1.45
- 6.40% / 18.03.2022	500,000	500,000	520,800	1.81
Talam Transform Bhd				
- 0.00% / 28.06.2021	132,222	-	131,663	0.46
	<u>1,232,222</u>	<u>1,100,000</u>	<u>1,284,261</u>	<u>4.46</u>
<b>Transportation &amp; Logistic</b>				
Malaysia Airport Holdings Bhd				
- 3.30% / 05.11.2027	200,000	200,000	199,114	0.69
MMC Corporation Bhd				
- 5.70% / 24.03.2028	1,000,000	1,025,714	1,112,240	3.86
Pelabuhan Tanjung Pelepas				
- 3.95% / 18.06.2027	400,000	400,000	416,096	1.44
Penang Port Sdn Bhd				
- 4.48% / 27.12.2029	500,000	529,852	542,400	1.88
	<u>2,100,000</u>	<u>2,155,566</u>	<u>2,269,850</u>	<u>7.87</u>

**MAYBANK MALAYSIA BALANCED-I FUND**

**7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

30.11.2020 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(b) Unquoted fixed income securities (cont'd)</b>				
<b>Utilities</b>				
Quantum Solar Park (Semenanjung) Sdn Bhd - 5.16% / 06.10.2022	500,000	505,504	511,755	1.78
Edra Power Holdings Sdn Bhd - 6.51% / 05.07.2035	700,000	861,338	874,867	3.04
Cypark Resources Bhd - 5.18% / 29.06.2029	500,000	508,543	545,590	1.89
TNB Northern Energy Bhd - 4.62% / 30.05.2033	1,300,000	1,413,595	1,444,690	5.02
	<u>3,000,000</u>	<u>3,288,980</u>	<u>3,376,902</u>	<u>11.73</u>
<b>Total Sukuk</b>	<u>11,482,222</u>	<u>11,704,239</u>	<u>12,157,789</u>	<u>42.20</u>
<b>Total FVTPL investments</b>	<u>14,074,335</u>	<u>20,797,394</u>	<u>22,116,755</u>	<u>76.75</u>
<b>Unrealised gain on FVTPL investments</b>			<u>1,319,361</u>	

## MAYBANK MALAYSIA BALANCED-I FUND

### 8. SHARIAH-COMPLIANT DEPOSITS WITH ISLAMIC LICENSED FINANCIAL INSTITUTION

	31.05.2021 RM	30.11.2020 RM
Deposit with maturity of less than 3 months	2,570,100	6,254,016

The weighted average effective profit rates ("WAEPR") of deposits and the average maturity of deposits as at the reporting date were as follows:

	31.05.2021		30.11.2020	
	WAEPR % p.a.	Average maturity days	WAEPR % p.a.	Average maturity days
Deposit with maturity of less than 3 months	1.72	1	1.63	1

### 9. AMOUNT DUE FROM BROKERS

The amount due from brokers relates to the amount receivable from a broker arising from the sale of investments. The settlement period of these receivables are within 3 working days (30.11.2020: 3 days) from the deal date.

### 10. AMOUNT DUE TO MANAGER

The amount due to Manager relates to the amount payable to the Fund Manager arising from the accruals for Manager's fee at the end of the financial year. The normal credit term for Manager's fee is 15 days (30.11.2020: 15 days).

### 11. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable to the Trustee arising from the accruals for Trustee's fee at the end of the financial period/year. The normal credit term for Trustee's fee is 15 days (30.11.2020: 15 days).

### 12. TOTAL EQUITY

		01.12.2020 to 31.05.2021 RM	01.12.2019 to 30.11.2020 RM
Unitholders' capital	(a)	30,212,370	26,776,499
Accumulated realised income	(b)	1,492,958	721,022
Accumulated unrealised (loss)/income	(c)	(96,381)	1,319,360
		<u>31,608,947</u>	<u>28,816,881</u>

**MAYBANK MALAYSIA BALANCED-I FUND**

**12. TOTAL EQUITY (CONT'D)**

**(a) Unitholders' capital**

	<b>01.12.2020 to 31.05.2021</b>		<b>01.12.2019 to 30.11.2020</b>	
	<b>Units</b>	<b>RM</b>	<b>Units</b>	<b>RM</b>
As at beginning of the financial period	50,492,714	26,776,499	47,051,486	24,915,913
Creation of units	11,038,484	6,329,026	6,408,524	3,505,462
Cancellation of units	(5,054,459)	(2,893,155)	(2,967,296)	(1,653,713)
Distribution equalisation	-	-	-	8,837
As at end of the financial period	<u>56,476,739</u>	<u>30,212,370</u>	<u>50,492,714</u>	<u>26,776,499</u>

As at the end of the financial period, there were no units held by the Manager or other parties related to the Manager (01.12.2019 to 30.11.2020: nil).

**(b) Accumulated realised income**

	<b>01.12.2020 to 31.05.2021</b>	<b>01.12.2019 to 30.11.2020</b>
	<b>RM</b>	<b>RM</b>
As at beginning of the financial period	721,022	330,788
Net realised income for the financial period	771,936	1,112,941
Distribution out of retained earnings	-	(722,707)
As at end of the financial period	<u>1,492,958</u>	<u>721,022</u>

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

	<b>01.12.2020 to 31.05.2021</b>	<b>01.12.2019 to 30.11.2020</b>
	<b>RM</b>	<b>RM</b>
As at beginning of the financial period	1,319,360	(397,394)
Net unrealised (loss)/income for the financial period	(1,415,741)	1,716,754
As at end of the financial period	<u>(96,381)</u>	<u>1,319,360</u>

## MAYBANK MALAYSIA BALANCED-I FUND

### 13. TRANSACTIONS WITH RELATED AND OTHER STOCKBROKING COMPANIES / BROKERS / DEALERS

Transactions with stockbroking companies / brokers / dealers are as follows:

	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of brokerage fees %
<b>01.12.2020 to 31.05.2021</b>				
Affin Investment Bank Bhd	1,586,816	11.44	3,174	19.18
JF Apex Securities Bhd	3,561,195	25.67	3,561	21.52
RHB Investment Bank Bhd	1,100,000	7.93	-	-
TA Securities Bhd	3,696,326	26.64	3,696	22.34
CIMB Islamic Bank Bhd	1,388,873	10.01	978	5.91
Maybank Investment Bank Bhd ("MIB")*	170,128	1.23	340	2.06
Public Investment Bank Bhd	402,148	2.90	804	4.86
Malayan Banking Bhd ("MBB")**	200,000	1.44	-	-
Hong Leong Investment Bank Bhd	1,096,308	7.90	2,193	13.26
Macquarie Bank Ltd	518,550	3.75	1,037	6.26
Others	152,181	1.10	761	4.59
	<b>13,872,525</b>	<b>100.00</b>	<b>16,544</b>	<b>100.00</b>
<b>01.12.2019 to 31.05.2020</b>				
Affin Investment Bank Bhd	3,865,636	17.44	1,240	9.53
JP Apex Securities Bhd	3,686,466	16.63	3,732	28.69
RHB Investment Bank Bhd	3,478,130	15.69	766	5.89
TA Securities Bhd	3,077,205	13.88	3,140	24.14
CIMB Islamic Bank Bhd	3,041,700	13.72	-	-
Maybank Investment Bank Bhd ("MIB")*	1,565,277	7.06	3,135	24.10
Alliance Investment Bank Bhd	1,230,460	5.55	-	-
Malayan Banking Bhd ("MBB")**	1,000,000	4.51	-	-
Hong Leong Bank Bhd	522,750	2.36	-	-
Hong Leong Investment Bank Bhd	255,115	1.15	510	3.92
Others	442,781	2.01	486	3.73
	<b>22,165,520</b>	<b>100.00</b>	<b>13,009</b>	<b>100.00</b>

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

\*\* MBB is the ultimate holding company of the Manager.

## MAYBANK MALAYSIA BALANCED-I FUND

### 14. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

In addition to the related party information disclosed elsewhere in the financial statements, there are no other significant related party transactions of the Fund during the financial period/year.

	<b>01.12.2020 to 31.05.2021 RM</b>	<b>01.12.2019 to 31.05.2020 RM</b>
<b>(i) <u>Significant related party transaction</u></b>		
<u>MIB</u> Profit income from deposits	<u>8,910</u>	<u>17,144</u>
	<b>31.05.2021</b>	<b>30.11.2020</b>
<b>(ii) <u>Significant related party balances</u></b>		
<u>MIB</u> Shariah-compliant deposits with Islamic licensed financial institutions	<u>729,000</u>	<u>1,279,000</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.

### 15. 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 period from 1 December 2020 to 31 May 2021, the MER of the Fund stood at 0.77% (01.12.2019 to 31.05.2020: 0.74%).

### 16. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund us the ratio of average acquisitions and disposals of the Fund for the financial period to the average NAV of the Fund calculated on a daily basis. For the financial period from 1 December 2020 to 31 May 2021, the PTR of the Fund stood at 0.26 times (01.12.2019 to 31.05.2020: 0.45 times).

## MAYBANK MALAYSIA BALANCED-I FUND

### 17. SEGMENT INFORMATION

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

The PMC is responsible for the performance of the Fund by investing between 40% to 58% of the Fund's NAV in Shariah-compliant equities, 40% to 58% in sukuk and Shariah-compliant money market instruments and minimum of 2% in Shariah-compliant liquid assets.

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

The internal reporting of the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS. There were no changes in the reportable operating segments during the financial period.

### 18. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

#### (a) Classification of financial instruments

The Fund's financial assets and financial liabilities were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The significant accounting policies in Note 2.3 to 2.15 to the financial statements describe how the classes of financial instruments are measured and how income and expenses are recognised.

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

	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>31.05.2021</b>				
<b>Assets</b>				
Financial assets at FVTPL	28,932,838	-	-	28,932,838
Shariah-compliant deposits with Islamic licensed Islamic financial institutions	-	2,570,100	-	2,570,100
Dividend receivable	-	13,460	-	13,460
Profit income receivable	-	140,427	-	140,427
Cash at bank	-	31,138	-	31,138
<b>Total financial assets</b>	<b>28,932,838</b>	<b>2,755,125</b>	<b>-</b>	<b>31,687,963</b>

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**18. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (CONT'D)**

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

<b>31.05.2021 (cont'd)</b>	<b>Financial instruments at FVTPL RM</b>	<b>Financial assets at amortised cost RM</b>	<b>Financial liabilities at amortised cost RM</b>	<b>Total RM</b>
<b>Liabilities</b>				
Amount due to Manager	-	-	32,352	32,352
Amount due to Trustee	-	-	2,157	2,157
Other payables and accruals	-	-	44,507	44,507
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>79,016</b>	<b>79,016</b>
<b>30.11.2020</b>				
<b>Assets</b>				
Financial assets at FVTPL	22,116,755	-	-	22,116,755
Shariah-compliant deposits with Islamic licensed Islamic financial institutions	-	6,254,016	-	6,254,016
Dividend receivable	-	16,247	-	16,247
Profit income receivable	-	130,536	-	130,536
Amount due from brokers	-	348,326	-	348,326
Cash at bank	-	35,076	-	35,076
<b>Total financial assets</b>	<b>22,116,755</b>	<b>6,784,201</b>	<b>-</b>	<b>28,900,956</b>
<b>Liabilities</b>				
Amount due to Manager	-	-	28,118	28,118
Amount due to Trustee	-	-	1,875	1,875
Other payables and accruals	-	-	54,082	54,082
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>84,075</b>	<b>84,075</b>

**(b) Financial instruments that are carried at fair value**

The Fund's FVTPL are measured at fair value.

Quoted equities

The fair value of quoted investments in shares are determined by reference to the last bid price on Bursa Malaysia as at the statement of financial position date.

Sukuk

Local sukuk denominated in RM are revalued on a daily basis based on fair value prices quoted by Bond Pricing Agency ("BPA") as per SC's Guidelines on Unit Trust Funds.

## MAYBANK MALAYSIA BALANCED-I FUND

### 19. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (CONT'D)

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

Other than its investments 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 are not carried at fair value and whose carrying amounts are not reasonable approximations of their respective fair values.

### 20. FAIR VALUE HIERARCHY

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

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

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

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

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>31.05.2021</b>				
Quoted equities	15,605,822	-	-	15,605,822
Unquoted fixed income securities	-	13,327,016	-	13,327,016
	<u>15,605,822</u>	<u>13,327,016</u>		<u>28,932,838</u>
<b>30.11.2020</b>				
Quoted equities	9,958,966	-	-	9,958,966
Unquoted fixed income securities	-	12,157,789	-	12,157,789
	<u>9,958,966</u>	<u>12,157,789</u>		<u>22,116,755</u>

## **MAYBANK MALAYSIA BALANCED-I FUND**

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

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