

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

MAYBANK SINGAPORE REITS FUND

Annual Report
For the financial year ended 31 July 2021

CORPORATE INFORMATION

MANAGER

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

BUSINESS OFFICE

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

TRUSTEE

RHB Trustees Berhad (200201005356) (573019-U)
Level 11 Tower Three
RHB Centre
Jalan Tun Razak
50450 Kuala Lumpur
Tel No: +603 9280 5933
Fax No: +603 9280 5934

INVESTMENT ADVISER

Maybank Asset Management Singapore Pte Ltd (200812589K)
2 Battery Road
08-01 Maybank Tower
049907 Singapore
Tel No: +65 6231 5080
Fax No: +65 6339 1003

MAYBANK SINGAPORE REITS FUND

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MAYBANK SINGAPORE REITS FUND

Manager's report

For financial year ended 31 July 2021

A. Fund Information

1. Name of Fund

Maybank Singapore REITs Fund (the "Fund")

2. Type of Fund

Income

3. Category of Fund

Fund-of Funds

4. Duration of Fund

The Fund is an open-ended fund.

5. Fund launch date / Commencement date

Class	Launch Date	Commencement Date
MYR	13 September 2018	4 October 2018
MYR (Hedged)	13 September 2018	4 October 2018
SGD	13 September 2018	4 October 2018

6. Fund's investment objectives

The Fund aims to provide income through investments in a portfolio of Singapore Real Estate Investment Trusts ("SREITs") listed on the Singapore stock exchange.

7. Fund distribution policy

Subject to availability of income, distribution will be made on a semi-annual basis. The source of income, if any, for the purpose of distribution shall be derived from the realised income and/or gain.

8. Fund's performance benchmark

Absolute return of 5% per annum (Singapore Dollar ("SGD"))

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

The Fund seeks to achieve its investment objective by investing a minimum of 70% of the Fund's NAV into a basket of listed SREITs, maximum of 30% of its NAV in liquid assets (not limited to fixed deposits and money market instruments), and a maximum of 20% of its NAV in real estate investment trusts ("REITs") which are listed on any other stock exchanges.

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

The Fund distributed a net income of SGD 969,987 from MYR Class, SGD 2,034,015 from MYR (Hedged) Class and SGD 443,449 from SGD Class to unitholders for the financial year ended 31 July 2021.

MAYBANK SINGAPORE REITS FUND

Manager's report

For financial year ended 31 July 2021 (cont'd)

A. Fund Information (cont'd)

10. Net income distribution for the financial year ended 31 July 2021 (cont'd)

Below are the details of the distributions declared and the impact of the distributions to the Fund's NAV:

Entitlement date	Before distribution	After distribution	Gross/Net distribution per unit (sen)	Changes %
<u>MYR Class</u>				
27 January 2021	1.0980	1.0730	2.50	(2.28)
28 July 2021	1.1432	1.1123	3.09	(2.70)
			<u>5.59</u>	
<u>MYR (Hedged) Class</u>				
27 January 2021	1.0981	1.0731	2.50	(2.28)
28 July 2021	1.1338	1.1029	3.09	(2.73)
			<u>5.59</u>	
<u>SGD Class</u>				
27 January 2021	1.0860	1.0610	2.50	(2.30)
28 July 2021	1.1114	1.0805	3.09	(2.78)
			<u>5.59</u>	

11. Breakdown of unitholdings by size

Fund size

As at 31 July 2021, the size of the Fund was 168,507,661 units.

Breakdown of unitholdings by Class

MYR Class

Unitholdings	No. of unitholders	%	No. of units	%
5,000 units and below	1	12.50	* 1	0.00
5,001 to 10,000 units	1	12.50	29	0.05
10,001 to 50,000 units	1	12.50	327	0.59
50,001 to 500,000 units	-	-	-	-
500,001 units and above	5	62.50	55,470	99.36
Total	8	100.00	** 55,827	100.00

* Comprise of 1,166 units held under Manager

** Comprises units held under Institutional Unit Trust Scheme Advisers ("IUTA")

MAYBANK SINGAPORE REITS FUND

Manager's report

For financial year ended 31 July 2021 (cont'd)

A. Fund Information (cont'd)

11. Breakdown of unitholdings by size

MYR (Hedged) Class

Unitholdings	No. of unitholders	%	No. of units	%
5,000 units and below	1	14.29	* 1	0.00
5,001 to 10,000 units	1	14.29	9	0.01
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	1	14.29	94	0.09
500,001 units and above	4	57.14	104,059	99.90
Total	7	100.00	** 104,163	100.00

* Comprise of 1,166 units held under Manager

** Comprises units held under IUTA

SGD Class

Unitholdings	No. of unitholders	%	No. of units	%
5,000 units and below	1	16.67	* 1	0.01
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	1	16.67	90	1.06
500,001 units and above	4	66.67	8,426	98.93
Total	6	100.00	** 8,517	100.00

* Comprise of 1,168 units held under Manager

** Comprises units held under IUTA

B. Performance Review

1. Key performance data of the Fund

Category	2021	2020	2019
Portfolio Composition (%)			
Singapore Dollar ("SGD")	84.07	80.58	79.55
United States Dollar ("USD")	7.16	9.81	5.30
European Euro ("Euro")	-	-	1.78
Cash and other net assets	8.77	9.61	13.37
	100.00	100.00	100.00

MYR Class

NAV (SGD'000)	19,914	18,752	5,019
NAV (RM'000)	62,094	57,768	15,141
Units in circulation (units'000)	55,827	52,841	13,718
NAV per unit	RM 1.1123	RM 1.0932	RM 1.1037
Highest NAV per unit	RM 1.1384	RM 1.1950	RM 1.1962
Lowest NAV per unit	RM 1.0827	RM 0.8274	RM 0.9859

MAYBANK SINGAPORE REITS FUND

Manager's report

For financial year ended 31 July 2021 (cont'd)

B. Performance Review (cont'd)

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

Category	2021	2020	2019
<u>MYR Class (cont'd)</u>			
Annual return (%) ⁽¹⁾			
- Capital growth (%)	1.74	(6.05)	16.37
- Income distribution (%)	5.13	11.01	-
Total return (%)	6.96	4.29	16.37
	27.01.2021	30.01.2020	
Distribution date (ex-date)	28.07.2021	28.07.2020	07.07.2019
Net distributions (in Fund currency)	969,987	805,644	272,832
Net distributions (in Class currency)	2,996,293	2,455,600	823,100
Gross/Net distribution per unit (RM cent)	5.59	5.80	6.00
<u>MYR (Hedged) Class</u>			
NAV (SGD'000)	36,842	56,247	21,392
NAV (RM'000)	114,882	173,282	64,540
Units in circulation (units'000)	104,163	159,378	57,987
NAV per unit	RM 1.1029	RM 1.0872	RM 1.1130
Highest NAV per unit	RM 1.1550	RM 1.2103	RM 1.1920
Lowest NAV per unit	RM 1.0822	RM 0.8290	RM 0.9816
Annual return (%) ⁽¹⁾			
- Capital growth (%)	1.43	(7.31)	17.30
- Income distribution (%)	5.13	10.95	-
Total return (%)	6.64	2.84	17.30
	27.01.2021	30.01.2020	
Distribution date (ex-date)	28.07.2021	28.07.2020	07.07.2019
Net distributions (in Fund currency)	2,034,015	2,790,807	1,153,267
Net distributions (in Class currency)	6,275,791	8,489,166	3,479,246
Gross/Net distribution per unit (RM sen)	5.59	5.80	6.00
<u>SGD Class</u>			
NAV (SGD'000)	9,202	7,796	3,824
Units in circulation (units'000)	8,517	7,248	3,450
NAV per unit	SGD 1.0805	SGD 1.0756	SGD 1.1082
Highest NAV per unit	SGD 1.1384	SGD 1.2062	SGD 1.1916
Lowest NAV per unit	SGD 1.0604	SGD 0.8229	SGD 0.9858
Annual return (%) ⁽¹⁾			
- Capital growth (%)	0.45	(7.92)	16.82
- Income distribution (%)	5.22	11.01	-
Total return (%)	5.69	2.22	16.82

MAYBANK SINGAPORE REITS FUND

Manager's report

For financial year ended 31 July 2021 (cont'd)

B. Performance Review (cont'd)

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

Category	2021	2020	2019
<u>SGD Class (cont'd)</u>			
	27.01.2021	30.01.2020	
Distribution date (ex-date)	28.07.2021	28.07.2020	07.07.2019
Net distributions (in Class currency)	443,449	507,983	207,022
Gross/Net distribution per unit (SGD cent)	5.59	5.80	6.00
Management Expense Ratio ("MER") (%) ⁽²⁾	1.46	1.25	1.09
Portfolio Turnover Ratio ("PTR") (times) ⁽³⁾	1.64	1.27	1.94

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.

Note:

- (1) Actual return of the Fund for the financial year is computed based on the daily average NAV per unit, net of Manager's and Trustee's fees.
- (2) The Fund's MER increased to 1.46% due to the increase in administrative expenses incurred during the current financial year.
- (3) The Fund's PTR increased to 1.64 times due to increase in investing activities during the current financial year.

2. Performance of the Fund up to 31 July 2021

MYR Class

Category	1 year to 31.07.2021 %	Since inception to 31.07.2021 %
Capital growth	1.74	11.23
Income distribution	5.13	16.70
Total return of the Fund	6.96	29.80
Benchmark	6.08	19.02
Average total return	6.96	9.47

MAYBANK SINGAPORE REITS FUND

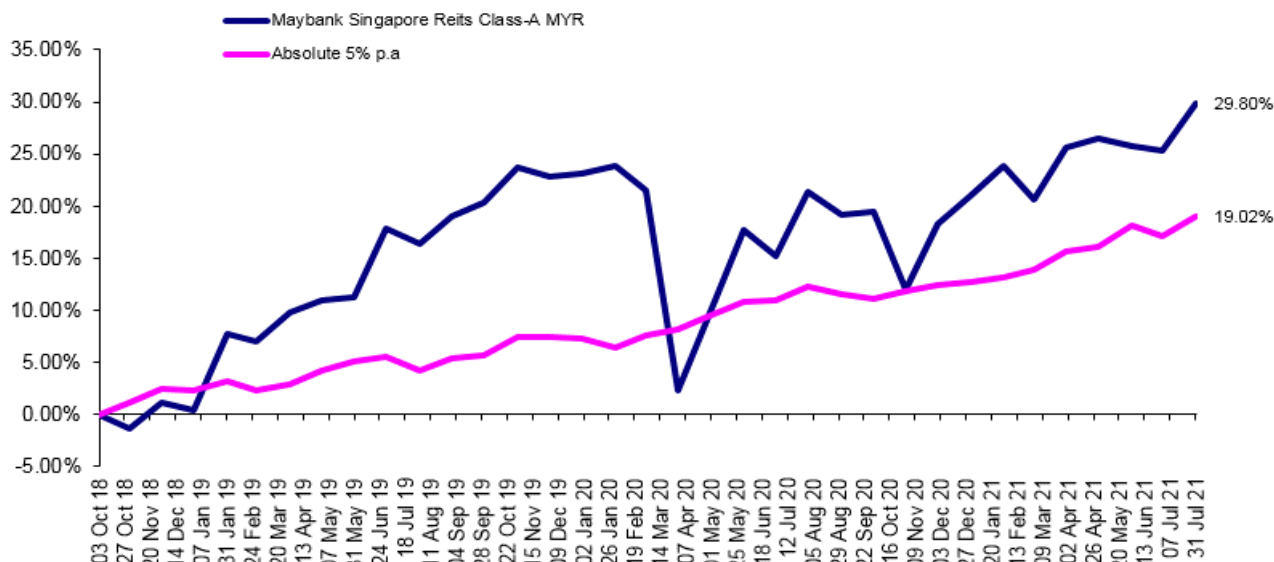
Manager's report

For financial year ended 31 July 2021 (cont'd)

B. Performance Review (cont'd)

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

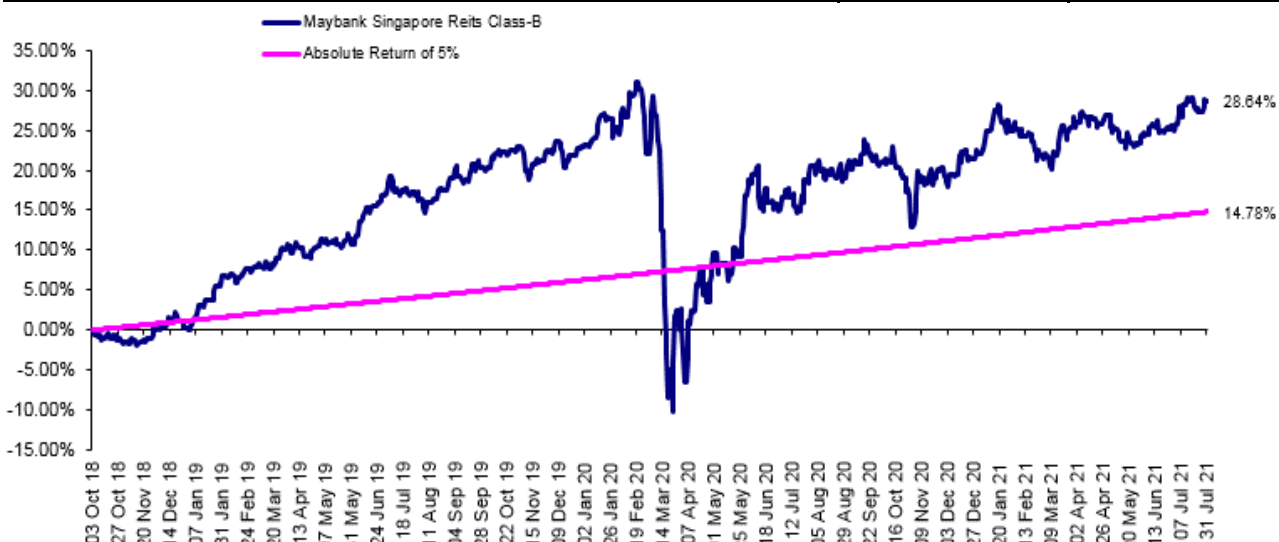
MYR Class (cont'd)



Source: Lipper

MYR (Hedged) Class

Category	1 year to 31.07.2021 %	Since inception to 31.07.2021 %
Capital growth	1.43	10.29
Income distribution	5.13	16.64
Total return of the Fund	6.64	28.64
Benchmark	5.00	14.78
Average total return	6.64	9.13



Source: Lipper

MAYBANK SINGAPORE REITS FUND

Manager's report

For financial year ended 31 July 2021 (cont'd)

B. Performance Review (cont'd)

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

SGD Class

Category	1 year to 31.07.2021 %	Since inception to 31.07.2021 %
Capital growth	0.45	8.05
Income distribution	5.22	16.81
Total return of the Fund	5.69	26.21
Benchmark	5.00	14.78
Average total return	5.69	8.41



Source: Lipper

For the period under review from 1 August 2020 till 31 July 2021, the total return of Fund - MYR Class was up 6.96% outperforming the absolute benchmark of 6.08%. MYR (Hedged) Class and SGD Class were up by 6.64% and 5.69% respectively both outperforming the benchmark of 5.00%.

Has the Fund met its objective?

The Fund declared a distribution of SGD 969,987 for MYR Class, SGD 2,034,015 for MYR (Hedged) Class and SGD 443,449 for SGD Class during the period under review. Hence, the Fund has met its objective of providing income to the unitholders.

3. Annual total return of the Share Class

For the financial year ended	2021	2020	2019
MYR Class	6.96	4.29	16.37
MYR (Hedged) Class	6.64	2.84	17.30
SGD Class	5.69	2.22	16.82

MAYBANK SINGAPORE REITS FUND

Manager's report

For financial year ended 31 July 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

In August 2020 and September 2020, SREITs were in a consolidation phase, although we saw some rotation from Coronavirus Disease 2019 ("COVID-19") winners (Industrials) to losers (Retail, Office and Hospitality). In October 2020, SREITs experienced a sell-off on concerns of a second COVID-19 wave in United States ("US") and Europe, but recovered rapidly in November 2020 and December 2020 on Pfizer's successful vaccine development.

In January 2021, SREITs rose for the 3rd consecutive month, building on the momentum as COVID-19 vaccinations are deployed in Singapore. SREITs declined by 3.36% in February 2021, due to concerns about higher bond yields. However, the SREIT market made a complete recovery in March 2021 as concerns were soothed by the return of stability to US government bond yields.

SREITs rose further in April 2021 as US bond yields stabilized. However, the SREIT market in May 2021 as a spike in COVID-19 cases led to the Singapore government re-introducing social distancing restrictions.

The SREIT market rose in June 2021 as Singapore COVID -19 cases came under control and the government started to gradually relax social distancing restrictions. The SREIT market rose again in July 2021 as US government bond yields fell on concerns of rising COVID-19 cases globally.

D. Market Outlook & Strategy

In terms of market outlook, there have been several false starts in the journey towards economic re-opening as the fight against COVID-19 proves to be more protracted than expected. With the latest curbs, a re-opening in late 3Q2021 may also be more gradual than anticipated, meaning that 2021 earnings momentum will likely be slower.

Historically, investors tend to position out of the retail, office, and hospitality sectors in the immediate term in anticipation of negative earnings surprises. However, any downside had proven to be short lived and in fact opened an opportunity. Lockdowns tend to work and the trade quickly unwinds when COVID-19 cases declines again.

In terms of market strategy, we maintain our preference for Industrial REITs, followed by Retail REITs and then Office REITs. We added more Retail REIT exposure during July 2021, although we are still underweight Retail sector in general, as vaccination rates are slowly rising and will eventually be an important foundation for future re-opening of the economy.

MAYBANK SINGAPORE REITS FUND

Manager's report

For financial year ended 31 July 2021 (cont'd)

D. Market Outlook & Strategy (cont'd)

We have started to see higher investor demand for REITs as an asset class that can help protect against unexpected inflation. SREITs own physical real estate and are expected to do well in an inflation environment. Singapore's inflation rate is expected to increase to 1.5% in 2022 driven by a mix of demand and cost push factors. With higher economic growth, a gradual steepening of the yield curve is expected to be positive for SREITs. While gently rising interest rates is positive for SREITs, we would watch out for the risk of a sudden spike in interest rates which would represent downside risk.

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

The Fund has been converted to a Unit Trust Fund effective 21 June 2021.

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 soft commissions received are retained in the form of goods and services such as financial wire services and stock quotations system incidental to investment management of the Fund. All dealings with brokers are executed on best available terms.

During the financial year 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.

G. Significant Financial Risk of the Fund

As the base currency of the Fund is denominated in SGD and the currency denomination of the Classes may be denominated in other than SGD, the Classes not denominated in SGD are exposed to currency risk. Any fluctuation in the exchange rates between SGD and the currency denomination of the Class (other than SGD Class) will affect the unitholders' investments in those Classes (other than SGD Class). The impact of the exchange rate movement between the base currency of the Fund and the currency denomination of the Class (other than SGD Class) may result in a depreciation of the unitholders' holdings as expressed in the base currency of the Fund.

In order to manage currency risk, the Manager may employ currency hedging strategies to fully or partially hedge the foreign currency exposure of the Class not denominated in SGD. Currency hedging may reduce the effect of the exchange rate movement for the Class being hedged (other than SGD Class) but it does not entirely eliminate currency risk between the Class and the base currency of the Fund. The unhedged portion of the Class will still be affected by the exchange rate movements and it may cause fluctuation of NAV of the Class.

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF MAYBANK SINGAPORE REITS FUND FOR THE FINANCIAL YEAR ENDED 31 JULY 2021

We have acted as Trustee of Maybank Singapore REITs Fund (the "Fund") for the financial year ended 31 July 2021. To the best of our knowledge, Maybank Asset Management Sdn Bhd ("the Manager"), has operated and managed the Fund in accordance with the following:

- (a) limitations imposed on the investment powers of the Manager and the Trustee under the Deeds, the Securities Commission Malaysia's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) valuation/pricing is carried out in accordance with the Deeds and any regulatory requirements;
- (c) creation and cancellation of units of the Fund have been carried out in accordance with the Deeds and relevant regulatory requirements; and
- (d) the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For and on behalf of
RHB TRUSTEES BERHAD

MOHD SOFIAN BIN KAMARUDDIN
Vice President

SELINE LAI SWEE LAN
Assistant Vice President

Kuala Lumpur, Malaysia
14 September 2021

STATEMENT BY MANAGER

TO THE UNITHOLDERS OF MAYBANK SINGAPORE REITS FUND FOR THE FINANCIAL YEAR ENDED 31 JULY 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 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 Singapore REITs Fund as at 31 July 2021 and of its results, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 July 2021 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
14 September 2021

Independent auditors' report to the Unitholders of Maybank Singapore REITs Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Singapore REITs Fund (the "Fund"), which comprise the statement of financial position as at 31 July 2021 of the Fund, and the statement of comprehensive income, the statement of changes in net assets attributable to unitholders and the 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 50.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 July 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 Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

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

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

Independent auditors' report to the Unitholders of Maybank Singapore REITs Fund (cont'd)

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

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

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

Responsibilities of the Manager and Trustee for the financial statements

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

Independent auditors' report to the Unitholders of Maybank Singapore REITs Fund (cont'd)

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

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

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

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

**Independent auditors' report to the Unitholders of
Maybank Singapore REITs Fund (cont'd)**

Other matters

This report is made solely to the Unitholders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Fund 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
20200600000 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Yeo Beng Yean
03013/10/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
14 September 2021

MAYBANK SINGAPORE REITS FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR FINANCIAL YEAR ENDED 31 JULY 2021**

		2021	2020
		SGD	SGD
INVESTMENT INCOME			
Dividend income		3,073,726	2,441,807
Interest income		54,772	132,761
Net gain/(loss) on financial assets at fair value through profit or loss ("FVTPL")			
- Realised gain		1,997,513	1,008,955
- Unrealised gain/(loss)		645,487	(1,667,673)
Net loss on foreign exchange and forward currency contracts	3	(40,749)	(431,931)
		<u>5,730,749</u>	<u>1,483,919</u>
EXPENSES			
Manager's fee	4	873,175	736,405
Trustee's fee	5	14,552	12,273
Auditors' remuneration		2,935	2,955
Tax agent's fee		1,257	1,725
Brokerage and other transaction fees		347,067	239,398
Administrative expenses		114,633	15,259
		<u>1,353,619</u>	<u>1,008,015</u>
Net income before distribution and taxation		4,377,130	475,904
Distribution to unitholders			
MYR Class	14(a)	(846,460)	(340,168)
MYR Hedged Class	14(b)	(2,290,250)	(1,446,268)
SGD Class	14(c)	(432,425)	(244,897)
		<u>(3,569,135)</u>	<u>(2,031,333)</u>
Net results before taxation		807,995	(1,555,429)
Taxation	6	(226,523)	(157,748)
Net results after distribution and taxation, which is the total comprehensive income/(loss) for the financial year		<u>581,472</u>	<u>(1,713,177)</u>
Net results after distribution and taxation is made up of the following:			
Net realised income		34,959	426,537
Net unrealised income/(loss)		546,513	(2,139,714)
		<u>581,472</u>	<u>(1,713,177)</u>

MAYBANK SINGAPORE REITS FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR FINANCIAL YEAR ENDED 31 JULY 2021 (CONT'D)**

	Note	2021	2020
Distributions for the financial year:	14		
<u>MYR Class</u>			
		27.01.2021	30.01.2020
Distribution dates (ex-date)		28.07.2021	28.07.2020
Net distributions (in Fund currency)		SGD 969,987	SGD 805,644
Net distributions (in Class currency)		RM2,996,293	RM2,455,600
Gross/Net distribution per unit (RM sen)		5.59	5.80
<u>MYR (Hedged) Class</u>			
		27.01.2021	30.01.2020
Distribution dates (ex-date)		28.07.2021	28.07.2020
Net distributions (in Fund currency)		SGD 2,034,015	SGD 2,790,807
Net distributions (in Class currency)		RM6,275,791	RM8,489,166
Gross/Net distribution per unit (RM sen)		5.59	5.80
<u>SGD Class</u>			
		27.01.2021	30.01.2020
Distribution dates (ex-date)		28.07.2021	28.07.2020
Net distributions (in Class currency)		443,449	394,763
Gross/Net distribution per unit (SGD cent)		5.59	5.80

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

MAYBANK SINGAPORE REITS FUND

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

	Note	2021 SGD	2020 SGD
ASSETS			
Financial assets at FVTPL	7	60,183,044	74,831,235
Derivative assets	8	-	3,366
Deposit with a licensed financial institution	9	3,662,394	3,570,600
Dividend receivable		201,415	514,338
Interest receivable		331	323
Amount due from Manager	10	188,035	203,789
Cash at bank	11	2,796,294	4,537,909
TOTAL ASSETS		67,031,513	83,661,560
LIABILITIES			
Derivative liabilities	8	316,844	253,982
Amount due to Manager	10	741,298	595,085
Amount due to Trustee	12	1,118	1,345
Other payables and accruals		13,478	15,893
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		1,072,738	866,305
NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS OF THE FUND		65,958,775	82,795,255
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:			
Unitholders' contribution	13 (a)	65,228,739	82,646,691
Retained earnings	13 (b) & 13 (c)	730,036	148,564
		65,958,775	82,795,255
NET ASSET VALUE			
- MYR Class		19,914,330	18,751,570
- MYR (Hedged) Class		36,842,364	56,247,481
- SGD Class		9,202,081	7,796,204
		65,958,775	82,795,255
NUMBER OF UNITS IN CIRCULATION (UNITS)			
	13 (a)		
- MYR Class		55,827,417	52,841,083
- MYR (Hedged) Class		104,163,365	159,378,434
- SGD Class		8,516,879	7,247,990
		168,507,661	219,467,507
NAV PER UNIT			
- MYR Class		RM 1.1123	RM 1.0932
- MYR (Hedged) Class		RM 1.1029	RM 1.0872
- SGD Class		SGD 1.0805	SGD 1.0756

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

MAYBANK SINGAPORE REITS FUND

**STATEMENT OF CHANGES IN NET ASSET ATTRIBUTABLE TO UNITHOLDERS
FOR FINANCIAL YEAR ENDED 31 JULY 2021**

	Unitholders' contribution Note 13 (a) SGD	Retained earnings Note 13 (b) & 13 (c) SGD	Net assets attributable to unitholders SGD
At 1 August 2020	82,646,691	148,564	82,795,255
Total comprehensive income for the year	-	581,472	581,472
Creation of units	21,811,524	-	21,811,524
Reinvestment of units	3,447,200	-	3,447,200
Cancellation of units	(42,798,360)	-	(42,798,360)
Distributions (Note 14)	121,684	-	121,684
At 31 July 2021	<u>65,228,739</u>	<u>730,036</u>	<u>65,958,775</u>
At 1 August 2019	28,373,039	1,861,741	30,234,780
Total comprehensive loss for the year	-	(1,713,177)	(1,713,177)
Creation of units	87,318,899	-	87,318,899
Reinvestment of units	5,629,496	-	5,629,496
Cancellation of units	(36,714,862)	-	(36,714,862)
Distributions (Note 14)	(1,959,881)	-	(1,959,881)
At 31 July 2020	<u>82,646,691</u>	<u>148,564</u>	<u>82,795,255</u>

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

MAYBANK SINGAPORE REITS FUND**STATEMENT OF CASH FLOWS
FOR FINANCIAL YEAR ENDED 31 JULY 2021**

	2021	2020
	SGD	SGD
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from sale of investments	127,625,915	53,190,568
Net purchase of investments	(110,827,439)	(103,116,133)
Realised gain on forward foreign exchange contracts	205,490	94,363
Dividend received	3,158,646	1,964,278
Interest received	41,342	67,437
Manager's fee paid	(886,401)	(686,132)
Trustee's fee paid	(14,781)	(11,457)
Payment of other fees and expenses	(152,514)	(8,790)
Net cash generated from/(used in) operating and investing activities	<u>19,150,258</u>	<u>(48,505,866)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	21,820,546	87,319,662
Payments for cancellation of units	(42,627,518)	(36,845,754)
Distributions to unitholders	-	(456)
Net cash (used in)/generated from financing activities	<u>(20,806,972)</u>	<u>50,473,452</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR	(1,656,714)	1,967,586
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	8,108,509	6,142,896
Effect on foreign exchange	6,893	(1,973)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>6,458,688</u>	<u>8,108,509</u>
Cash and cash equivalents comprise of:		
Deposit with a licensed financial institution with original maturity of less than 3 months (Note 9)	3,662,394	3,570,600
Cash at bank (Note 11)	2,796,294	4,537,909
	<u>6,458,688</u>	<u>8,108,509</u>

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

MAYBANK SINGAPORE REITS FUND

NOTES TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR ENDED 31 JULY 2021

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank Singapore REITs Fund ("the Fund") was constituted pursuant to the executed Deed dated 10 August 2018 between Maybank Asset Management Sdn Bhd ("MAM") as the Manager and RHB Trustee Berhad as the Trustee and the Registered Holders of the Fund.

To achieve its objective, the Fund will invest a minimum of 70% of its NAV into a basket of listed Singapore Real Estate Investment Trusts ("SREITs"). These includes but are not limited to initial public offer of SREITs which are to be listed on the Singapore stock exchange. The balance of 30% of the Fund's NAV will be invested in liquid asset which include but are not limited to fixed deposit and money market instruments. Also, up to 20% of the Fund's NAV may be invested in REIT listed on other stock exchanges.

The Fund launched three (3) Classes of units - MYR Class, MYR (Hedged) Class and SGD Class. MYR (Hedged) Class represents a Class denominated in MYR which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund by entering into forward currency contracts to hedge the foreign currency exposure of this Class. See Note 8 and Note 13 (a)(ii) for further details.

The Manager of the Fund is MAM, a company incorporated in Malaysia. It is a holder of the Capital Markets Services License with fund management as its regulated activity under the Capital Markets and Services Act 2007 ("CMSA"). The principal place of business of MAM is at Level 12, Tower C, Dataran Maybank, No. 1 Jalan Maarof, 59000 Kuala Lumpur, Malaysia. MAM is a subsidiary of Maybank Asset Management Group Berhad ("MAMG"), which in turn is a subsidiary of Malayan Banking Berhad ("MBB").

The financial statements were authorised for issue by the Board of Directors of the Manager (the "Directors") in accordance with a resolution of the Directors on 14 September 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements for the financial year ended 31 July 2021 have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB") and International Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The Fund had adopted the MFRS, Amendments to Standards and IC Interpretations which have become effective during the financial year ended 31 July 2021. 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 Singapore Dollar ("SGD").

MAYBANK SINGAPORE REITS FUND

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

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
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
<i>Annual Improvements to MFRS Standards 2018-2020 Cycle</i>	1 January 2022
MFRS 17: <i>Insurance Contracts</i>	1 January 2022
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Fund expects that the adoption of the above standards 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 FVTPL) 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 FVTPL are recognised immediately in profit or loss.

2.4 Financial assets

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

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

MAYBANK SINGAPORE REITS FUND

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

2.4 Financial assets (cont'd)

(i) Financial assets at amortised cost

The Fund classifies dividend receivable, interest receivable, amount due from Manager and cash and cash equivalents as financial assets at amortised cost.

These assets are subsequently measure using the effective interest rate ("EIR") method and are subject to impairment. The EIR is a method of calculating the amortised cost of financial asset and of allocating and recognising the interest income in profit or loss of the relevant period.

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

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

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

(ii) Financial assets at FVTPL

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

A financial asset is recognised at FVTPL if :

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

Dividend income on quoted equities is disclosed separately in the profit or loss when the Fund's right to receive the dividends is established in accordance with MFRS9 and is disclosed separately in the profit and loss.

MAYBANK SINGAPORE REITS FUND

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

2.4 Financial assets (cont'd)

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

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

(iii) Impairment

Credit losses are recognised based on the 'Expected Credit Loss' ("ECL") model. The Fund recognises loss allowances for ECL on financial instruments that are not measured at FVTPL. 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, 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.

MAYBANK SINGAPORE REITS 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 other financial liabilities.

(ii) Recognition and measurement

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

(iii) Derecognition

The Fund derecognises financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.6 Derivatives and hedge accounting

Derivatives are financial assets or liabilities at fair value through profit or loss categorised as held for trading unless they are designated hedges.

The Fund's derivative financial instruments comprise forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as held for trading and accounted for in accordance with the accounting policy for FVTPL.

The Fund does not apply hedge accounting to the forward currency contracts entered during the financial year. However, future events or conditions may cause the Fund to apply the hedge accounting in the future.

2.7 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.

MAYBANK SINGAPORE REITS FUND

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

2.7 Fair value measurement (cont'd)

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.

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.

2.8 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 Singapore Dollar ("SGD"), 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 period-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.

MAYBANK SINGAPORE REITS FUND

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

2.9 Unitholders' contribution

The unitholders' contributions to the Fund are classified as liabilities under *MFRS 132 Financial Instruments: Presentation*.

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 unit holders with the total number of outstanding units.

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.

2.10 Distributions

Any distribution to the Fund's unitholders is accounted for as a deduction from profit or loss in the statement of comprehensive income except where distribution is sourced out of distribution equalisation which is accounted for as a deduction to the unitholders' capital. A proposed distribution is recognised as a liability in the 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.

2.11 Cash and cash equivalents

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

2.12 Revenue / Income

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

- Dividend income is recognised when the right to receive 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 a licensed financial institution is recognised on the accruals basis using the EIR method.
- Realised gain or loss on disposal of investments is accounted for as the difference between net disposal proceeds and the carrying amount 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.

MAYBANK SINGAPORE REITS FUND

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

2.13 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.

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

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

2.14 Segment information

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

2.15 Critical accounting estimates and 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 period.

3. NET LOSS ON FOREIGN EXCHANGE AND FORWARD CURRENCY CONTRACTS

	2021 SGD	2020 SGD
Realised foreign exchange loss	(148,854)	(53,842)
Unrealised foreign exchange (loss)/gain	(32,746)	9,133
Realised gain on forward contracts	207,079	93,952
Unrealised loss on forward contracts	(66,228)	(481,174)
	<u>(40,749)</u>	<u>(431,931)</u>

MAYBANK SINGAPORE REITS FUND

4. MANAGER'S FEE

The Manager's fee is computed on a daily basis at the following rate per annum ("p.a") of the NAV of the Fund before deducting the Manager's fee and Trustee's fee for the particular day.

Classes of units	Annual management fee (%)
MYR Class	1.20%
MYR (Hedged) Class	1.20%
SGD Class	1.20%

The Manager's fee is calculated and accrued daily in the Fund's base currency which is SGD, which is also the Fund's functional currency and paid monthly to the Manager. There was no change to the fee rate in the current financial year.

5. TRUSTEE'S FEE

The Trustee's fee is calculated and accrued daily based on 0.02% p.a. of the NAV of each class, subject to a minimum of RM6,000 p.a. before deducting Manager's fee and Trustee's fee for the day. There was no change to the fee rate in the current financial year.

6. TAXATION

Income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 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 Singapore, United States and Europe calculated at the rates prevailing in these countries. In accordance with Schedule 6 of the Income Tax Act 1967, interest income and dividend income earned by the Fund is exempted from Malaysian tax.

A reconciliation of income tax expense applicable to net results before taxation at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	2021 SGD	2020 SGD
Net results before taxation	807,995	(1,555,429)
Taxation at Malaysian statutory rate of 24% (2020: 24%)	193,919	(373,303)
Income not subject to tax	(1,385,160)	(860,046)
Income taxed at source	226,523	157,748
Loss not deductible for tax purposes	9,780	503,905
Expenses not deductible for tax purposes	1,181,461	729,444
Tax expense for the financial year	226,523	157,748

MAYBANK SINGAPORE REITS FUND

7. FINANCIAL ASSETS AT FVTPL

			2021 SGD	2020 SGD
Financial assets at FVTPL			60,183,044	74,831,235
	Quantity Unit	Aggregate cost SGD	Market value SGD	Percentage of NAV %
2021				
Singapore Dollar ("SGD")				
Ara Logos Logistics Trust	3,358,367	2,900,607	3,022,530	4.58
Ascendas India Trust	2,168,200	3,234,503	3,143,890	4.77
Ascendas Real Estate Investment Trust ("REIT")	616,117	1,876,261	1,922,285	2.91
Ascott Residence Trust	1,423,200	1,642,295	1,465,896	2.22
Capitaland China Trust	1,726,061	2,339,697	2,416,485	3.66
Capitaland Integrated Commercial Trust	755,600	1,699,743	1,624,540	2.46
FarEast Hospitality Trust	1,550,900	995,995	899,522	1.36
Frasers Logistics & Industrial Trust	3,725,400	5,407,757	5,662,608	8.59
Fraser Centrepoint Trust	1,122,071	2,823,070	2,715,412	4.12
Keppel DC REIT	1,889,907	5,089,765	4,989,354	7.56
Keppel REIT	1,424,100	1,685,120	1,708,920	2.59
Lendlease Global Commercial Trust	2,819,800	2,420,228	2,467,325	3.74
Mapletree Commercial Trust	807,773	1,722,637	1,744,790	2.65
Mapletree Industrial Trust	1,994,135	5,565,088	5,982,405	9.07
Mapletree Logistics Trust	2,914,256	5,924,988	6,149,080	9.32
Mapletree North Asia Commercial Trust	2,158,300	2,402,524	2,179,883	3.30
Parkway Life REIT	619,100	2,781,319	2,872,624	4.36
Sasseur REIT	3,570,700	3,323,580	3,392,165	5.14
Suntec REIT	754,100	1,186,621	1,100,986	1.67
	35,398,087	55,021,798	55,460,700	84.07

MAYBANK SINGAPORE REITS FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2021 (cont'd)	Quantity Unit	Aggregate cost SGD	Market value SGD	Percentage of NAV %
United States Dollar ("USD")				
Keppel Pacific Oak US REIT	1,164,100	1,243,250	1,245,283	1.89
Manulife US REIT	2,595,054	3,105,507	2,670,612	4.05
Prime US REIT	709,000	863,990	806,449	1.22
	<u>4,468,154</u>	<u>5,212,747</u>	<u>4,722,344</u>	<u>7.16</u>
Total investments	<u>39,866,241</u>	<u>60,234,545</u>	<u>60,183,044</u>	<u>91.23</u>
Unrealised loss on FVTPL investments *			<u>(51,501)</u>	
2020				
Singapore Dollar ("SGD")				
Ascendas India Trust	2,750,400	4,179,627	3,850,560	4.65
Ascendas Real Estate Investment Trust ("REIT")	2,064,872	6,348,730	7,309,647	8.83
Ascott Residence Trust	1,693,100	2,101,675	1,515,325	1.83
CapitaLand Mall Trust	2,013,500	4,812,791	3,805,515	4.60
CapitaLand Retail China Trust	1,256,916	1,638,303	1,546,007	1.87
FarEast Hospitality Trust	2,368,200	1,587,446	1,160,417	1.40
Frasers Logistics & Industrial Trust	4,355,200	5,207,720	5,879,520	7.10
Fraser Centrepoint Trust	1,878,065	4,862,564	4,469,795	5.40
Keppel DC REIT	2,656,107	6,276,828	7,915,199	9.56
Keppel REIT	4,815,300	5,541,649	5,296,829	6.40
Lendlease Global Commercial Trust	3,825,300	2,932,974	2,390,813	2.89
Mapletree Commercial Trust	987,473	2,159,473	1,816,950	2.19

MAYBANK SINGAPORE REITS FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020 (cont'd)	Quantity Unit	Aggregate cost SGD	Market value SGD	Percentage of NAV %
Mapletree Industrial Trust	2,252,800	6,117,093	7,344,127	8.87
Mapletree Logistics Trust	3,209,300	6,033,585	6,835,809	8.26
Mapletree North Asia Commercial Trust	1,001,700	1,192,806	856,454	1.03
Parkway Life REIT	481,000	1,562,369	1,712,360	2.07
Sasseur REIT	1,985,800	1,472,577	1,538,995	1.86
SPH REIT	1,141,900	1,213,108	942,068	1.14
Suntec REIT	391,100	705,916	524,074	0.63
	41,128,033	65,947,234	66,710,464	80.58
United States Dollar ("USD")				
Keppel-KBS US REIT	2,104,900	2,221,731	2,115,098	2.55
Manulife US REIT	3,715,854	4,724,040	3,938,452	4.76
Prime US REIT	1,937,800	2,590,351	2,067,221	2.50
	7,758,554	9,536,122	8,120,771	9.81
Total investments	48,886,587	75,483,356	74,831,235	90.39
Unrealised loss on FVTPL investments *			(652,121)	

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

MAYBANK SINGAPORE REITS FUND

8. DERIVATIVE ASSETS/(LIABILITIES)

	Principal amount SGD	Fair Value	
		Assets SGD	Liabilities SGD
<u>Foreign exchange related contracts</u>			
2021			
Currency forwards:			
Less than 1 year	33,600,000	-	(316,844)
2020			
Currency forwards:			
Less than 1 year	145,414,150	3,366	(253,982)

As at the reporting date, there were 16 (2020: 28) forward exchange contracts outstanding.

The Fund entered into forward currency contracts during the financial year to hedge the foreign currency exposure of the MYR (Hedged) Class based on the features of the Class as disclosed in the Information Memorandum. The change in the fair value of the forward currency contract is recognised immediately in the statement of comprehensive income, and borne solely by the respective Class (i.e. MYR (Hedged) Class).

9. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	2021 SGD	2020 SGD
Short-term placement with a maturity of less than 3 months	3,662,394	3,570,600

The weighted average effective interest rates ("WAEIR") and average maturity of deposit with a licensed financial institution with maturity of less than 3 months as at the reporting date were as follows:

	2021		2020	
	WAEPR % p.a.	Average maturity Days	WAEPR % p.a.	Average maturity Days
Deposit with a licensed financial institution	1.65	3	1.65	4

MAYBANK SINGAPORE REITS FUND

10. AMOUNT DUE FROM/TO MANAGER

	Note	2021 SGD	2020 SGD
Amount due from Manager is in respect of:			
Creation of units	(i)	188,035	203,789
Amount due to Manager is in respect of:			
Cancellation of units	(ii)	674,205	514,388
Manager's fee	(iii)	67,093	80,697
		741,298	595,085

(i) The amount represented amount receivable from the Manager for units created.

(ii) The amount represented amount payable to the Manager for units cancelled.

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

11. CASH AT BANK

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

	2021 SGD	2020 SGD
Malaysian Ringgit ("RM")	1,030,486	2,490,699
SGD	1,765,808	2,047,210
	2,796,294	4,537,909

12. AMOUNT DUE TO TRUSTEE

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. NET ASSET ATTRIBUTABLE TO UNITHOLDERS OF THE FUND

	Note	2021 SGD	2020 SGD
Unitholders' contribution	(a)	65,228,739	82,646,691
Accumulated realised income	(b)	1,086,395	1,051,436
Accumulated unrealised loss	(c)	(356,359)	(902,872)
		65,958,775	82,795,255

MAYBANK SINGAPORE REITS FUND

13. NET ASSET ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution

The units are distributed based on the following share classes:

	2021		2020	
	Units	SGD	Units	SGD
(i) MYR Class	55,827,417	19,512,045	52,841,083	18,623,104
(ii) MYR (Hedged) Class	104,163,365	36,407,630	159,378,433	56,087,267
(iii) SGD Class	8,516,879	9,309,064	7,247,990	7,936,320
	<u>168,507,661</u>	<u>65,228,739</u>	<u>219,467,506</u>	<u>82,646,691</u>

(i) MYR Class

	2021		2020	
	Units	SGD	Units	SGD
As at beginning of the financial year	52,841,083	18,623,104	13,718,334	4,826,924
Creation of units	23,812,720	8,484,801	52,783,103	19,259,149
Reinvestment of units	2,705,926	966,976	2,946,487	1,079,635
Cancellation of units	(23,532,312)	(8,439,309)	(16,606,841)	(6,077,128)
Distribution equalisation (Note 14 (a))	-	(123,527)	-	(465,476)
As at end of the financial year	<u>55,827,417</u>	<u>19,512,045</u>	<u>52,841,083</u>	<u>18,623,104</u>

	2021		2020	
	Units	SGD	Units	SGD
(ii) MYR (Hedged) Class				
As at beginning of the financial year	159,378,433	56,087,267	57,987,436	19,911,137
Creation of units	29,146,416	10,433,289	164,248,676	61,166,585
Reinvestment of units	5,692,392	2,036,775	10,691,371	3,948,077
Cancellation of units	(90,053,876)	(32,405,936)	(73,549,050)	(27,593,993)
Distribution equalisation (Note 14 (b))	-	256,235	-	(1,344,539)
As at end of the financial year	<u>104,163,365</u>	<u>36,407,630</u>	<u>159,378,433</u>	<u>56,087,267</u>

The Fund is a multi-class Fund. The impact of the exchange rate movement between the SGD and MYR may result in the appreciation or depreciation of the unitholders investments in the Fund expressed in MYR. MYR (Hedged) Class represents a Class denominated in MYR which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund by entering into forward currency contracts to hedge the foreign currency exposure of this Class. See Note 8 of the financial statements for further details.

MAYBANK SINGAPORE REITS FUND

13. NET ASSET ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution (cont'd)

(iii) SGD Class

	2021		2020	
	Units	SGD	Units	SGD
As at beginning of the financial year	7,247,990	7,936,320	3,450,365	3,634,978
Creation of units	2,663,634	2,893,434	6,074,125	6,893,165
Reinvestment of units	409,612	443,449	540,645	601,784
Cancellation of units	(1,804,357)	(1,953,115)	(2,817,145)	(3,043,741)
Distribution equalisation (Note 14 (c))	-	(11,024)	-	(149,866)
As at end of the financial year	<u>8,516,879</u>	<u>9,309,064</u>	<u>7,247,990</u>	<u>7,936,320</u>

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

	2021		2020	
	No of units	Valued at NAV	No of units	Valued at NAV
MYR Class	1,167	RM 1,298	1,000	RM 1,093
MYR (Hedged) Class	1,166	RM 1,287	1,000	RM 1,087
SGD Class	1,168	SGD 1,262	1,000	SGD 1,076

In the opinion of the Manager, the above units were transacted at the prevailing market price. Other than the above, there were no other units held by the Manager or parties related to the Manager.

	2021 SGD	2020 SGD
(b) Accumulated realised income		
As at beginning of the financial year	1,051,436	624,899
Net realised income for the financial year	34,959	426,537
As at end of the financial year	<u>1,086,395</u>	<u>1,051,436</u>
(c) Accumulated unrealised loss		
As at beginning of the financial year	(902,872)	1,236,842
Net unrealised income/(loss) for the financial year	546,513	(2,139,714)
As at end of the financial year	<u>(356,359)</u>	<u>(902,872)</u>

MAYBANK SINGAPORE REITS FUND

13. NET ASSET ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(d) Classes of shares

(i) Types of classes of units

The Fund issues cancellable units, in three classes of units as detailed below:

Classes of units	Currency	Categories of investors	Distribution policy
MYR Class	RM	Institutional	Distribution of income
MYR (Hedged) Class	RM	Institutional	Distribution of income
SGD Class	SGD	Institutional	Distribution of income

There are different charges and features for each class as follows:

- (a) Initial investments for each class
- (b) Additional investments
- (c) Minimum holdings
- (d) Transfer, switching and conversion charges for each class
- (e) Hedging strategy (See Note 13 (a)(ii))

(ii) NAV computation

The computation of NAV of the Fund is based on the Fund's functional currency, SGD, irrespective of the multiple classes of units (denominated in other currencies). Due to multiple classes in this Fund, the non-class designated income and expenses incurred by the Fund are apportioned based on the multi-class ratio, which is the size of the respective class relative to the whole Fund. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to members of respective classes with the total number of outstanding units of respective classes.

(iii) Redemption of units by unitholders

These units are redeemable at the unitholders' option. Redeemable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unitholder exercises the right to put back the unit to the Fund.

There is no restriction on the putting of the units back to the Fund (i.e. redemption), subject to the minimum redemption amount of units of each class and the minimum unit holding for each class. If the unit holdings of a unitholder are, after a redemption request, falls below the minimum unit holdings for the Fund, a request for full redemption is deemed to have been made.

MAYBANK SINGAPORE REITS FUND

14. DISTRIBUTION

The sources of distribution and the gross/net distribution rates declared for the various classes of units are as follows:

(a) MYR Class

	2021	2020
	SGD	SGD
Dividend income	711,405	341,836
Interest income	12,677	18,586
Net realised gain on sale of investments	475,795	146,860
Less: Expenses	<u>(353,417)</u>	<u>(167,114)</u>
Distribution out of realised income	846,460	340,168
Distribution out of distribution equalisation (Note 13 (a) (i))	<u>123,527</u>	<u>465,476</u>
Distribution for the financial year	<u>969,987</u>	<u>805,644</u>

Distribution dates (ex-date)

	Gross/Net distribution per unit (RM sen)
2021	
27 January 2021	2.50
28 July 2021	<u>3.09</u>
	<u>5.59</u>
2020	
30 January 2020	3.10
28 July 2020	<u>2.70</u>
	<u>5.80</u>

(b) MYR (Hedged) Class

	2021	2020
	SGD	SGD
Dividend income	1,847,474	1,368,666
Interest income	32,921	74,414
Net realised gain on sale of investments	1,235,608	588,016
Less: Expenses	<u>(825,753)</u>	<u>(584,828)</u>
Distribution out of realised income	2,290,250	1,446,268
Distribution out of distribution equalisation (Note 13 (a) (ii))	<u>(256,235)</u>	<u>1,344,539</u>
Distribution for the financial year	<u>2,034,015</u>	<u>2,790,807</u>

MAYBANK SINGAPORE REITS FUND

14. DISTRIBUTION (CONT'D)

(b) MYR (Hedged) Class (cont'd)

Distribution dates (ex-date)	Gross/Net distribution per unit (RM sen)
2021	
27 January 2021	2.50
28 July 2021	3.09
	<u>5.59</u>
2020	
30 January 2020	3.10
28 July 2020	2.70
	<u>5.80</u>

(c) SGD Class

	2021 SGD	2020 SGD
Dividend income	360,607	241,319
Interest income	6,426	13,121
Net realised gain on sale of investments	241,178	103,677
Less: Expenses	(175,786)	(113,220)
Distribution out of realised income	<u>432,425</u>	<u>244,897</u>
Distribution out of distribution equalisation (Note 13 (a) (iii))	11,024	149,866
Distribution for the financial year	<u>443,449</u>	<u>394,763</u>

Distribution dates (ex-date)	Gross/Net distribution per unit (SGD cent)
2021	
27 January 2021	2.50
28 July 2021	3.09
	<u>5.59</u>
2020	
30 January 2020	3.10
28 July 2020	2.70
	<u>5.80</u>

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

MAYBANK SINGAPORE REITS FUND

15. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS

Transactions with the brokers/dealers in terms of trade values for the current and previous financial year and period are as follows:

	Value of trade SGD	Percentage of trade %	Brokerage fees SGD	Percentage of brokerage fees %
2021				
Maybank Investment Bank Bhd ("MIBB") *	227,554,347	100.00	273,101	100.00
2020				
Maybank Investment Bank Bhd ("MIBB") *	150,989,294	97.54	181,187	95.97
CLSA Ltd	3,807,788	2.46	7,616	4.03
	154,797,082	100.00	188,803	100.00

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

Transactions with the financial institution in terms of trade values are as follows:

Financial institution	2021		2020	
	Value of placements SGD	Percentage of total placements %	Value of placements SGD	Percentage of total placements %
Malayan Banking Bhd ("MBB")**	1,688,141,501	91.11	1,259,814,510	100.00
Maybank Islamic Bhd ("MIB")***	164,729,401	8.89	-	-
	1,852,870,902	100.00	1,259,814,510	100.00

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

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

MAYBANK SINGAPORE REITS FUND

16. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

(i) Significant related party transaction

	2021 SGD	2020 SGD
<u>MBB:</u>		
Interest income from deposits	44,470	133,434
	<hr/>	<hr/>
<u>MIB:</u>		
Interest income from deposits	10,301	-
	<hr/>	<hr/>

(ii) Significant related party balances

	2021 SGD	2020 SGD
<u>MBB:</u>		
Deposits with a licensed financial institution	-	3,570,600
	<hr/>	<hr/>
<u>MIB:</u>		
Deposits with a licensed financial institution	3,662,394	-
Interest receivable	331	-
	<hr/>	<hr/>

The Manager is of the opinion that the transactions with the related parties have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

17. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee, auditor's remuneration, tax agent's fee and other administrative expenses. For the financial year ended 31 July 2021 the MER of the Fund stood at 1.46% (2020: 1.25%).

MER for the financial year ended 31 July 2021 is 1.27% (2020: 1.21%) for MYR Class, 1.36% (2020: 1.24%) for MYR (Hedged) Class and 1.23% (2020: 1.21%) for SGD Class.

18. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial period to the average NAV of the Fund calculated on a daily basis. For the financial year ended 31 July 2021, the PTR of the Fund stood at 1.64 times (2020: 1.27 times).

MAYBANK SINGAPORE REITS FUND

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

(a) Classification of financial instruments

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

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

2021	Financial instruments at FVTPL SGD	Financial assets at amortised cost SGD	Financial liabilities at amortised cost SGD	Total SGD
Financial assets				
Financial assets at FVTPL	60,183,044	-	-	60,183,044
Deposit with a licensed financial institution	-	3,662,394	-	3,662,394
Dividend receivable	-	201,415	-	201,415
Interest receivable	-	331	-	331
Amount due from Manager	-	188,035	-	188,035
Cash at bank	-	2,796,294	-	2,796,294
Total financial assets	60,183,044	6,848,469	-	67,031,513
Financial liabilities (excluding NAV attributable to unitholders)				
Derivative liabilities	316,844	-	-	316,844
Amount due to Manager	-	-	741,298	741,298
Amount due to Trustee	-	-	1,118	1,118
Other payables and accruals	-	-	13,478	13,478
Total financial liabilities	316,844	-	755,894	1,072,738

MAYBANK SINGAPORE REITS FUND

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

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

2020	Financial instruments at FVTPL SGD	Financial assets at amortised cost SGD	Financial liabilities at amortised cost SGD	Total SGD
Financial assets				
Financial assets at FVTPL	74,831,235	-	-	74,831,235
Derivative assets	3,366	-	-	3,366
Deposit with a licensed financial institution	-	3,570,600	-	3,570,600
Dividend receivable	-	514,338	-	514,338
Interest receivable	-	323	-	323
Amount due from Manager	-	203,789	-	203,789
Cash at bank	-	4,537,909	-	4,537,909
Total financial assets	74,834,601	8,826,959	-	83,661,560
Financial liabilities (excluding NAV attributable to unitholders)				
Derivative liabilities	253,982	-	253,982	253,982
Amount due to Manager	-	-	595,085	595,085
Amount due to Trustee	-	-	1,345	1,345
Other payables and accruals	-	-	15,893	15,893
Total financial liabilities	-	-	866,305	866,305

(b) Financial instruments that are carried at fair value

The fair value of quoted investments in REITs are determined by reference to the last bid price on the relevant stock exchanges (e.g. Singapore Exchange and New York Stock Exchange) as at the statement of financial position date.

(c) Fair value hierarchy

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

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

MAYBANK SINGAPORE REITS FUND

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

(c) Fair value hierarchy (cont'd)

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities measured at fair value:

	Level 1 SGD	Level 2 SGD	Level 3 SGD	Total SGD
2021				
Financial assets at FVTPL	60,183,044	-	-	-
Derivative liabilities	-	316,844	-	-
2020				
Financial assets at FVTPL	74,831,235	-	-	74,831,235
Derivative assets	-	3,366	-	3,366
Derivative liabilities	-	253,982	-	253,982

(d) 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.

20. SEGMENTAL REPORTING

The chief operating decision-maker of the Manager 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 chief operating decision-maker is responsible for the performance of the Fund by investing a minimum of 70% of its NAV into a basket of listed SREITs. These includes but are not limited to initial public offer of SREITs which are to be listed on the Singapore stock exchange. The balance of 30% of the Fund's NAV will be invested in liquid asset which include but are not limited to fixed deposit and money market instruments. Also, up to 20% of the Fund's NAV may be invested in REIT listed on other stock exchanges.

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

MAYBANK SINGAPORE REITS FUND

21. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

(a) Introduction

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks.

Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Deed, SC's Guidelines on Unit Trust Funds and CMSA.

(b) Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables such as equity prices. The maximum risk resulting from financial instruments equals their fair value. The market risk is managed through consistent monitoring and swift response to various factors that may adversely affect the Fund.

(i) Equity price risk

Equity price risk is the risk of unfavourable changes in the fair values of equities as the result of changes in the levels of equity indices and the value of individual shares. The equity price risk exposure arises from the Fund's investments in quoted equity securities. This risk can be minimised through investing in a wide range of companies in different sectors, which function independently from one another.

(ii) Equity price risk concentration

The Fund's exposure to equity price risk based on its portfolio of investments as at the reporting date is disclosed in Note 7 to the financial statements.

(iii) Equity price risk sensitivity

Management's best estimate of the effect on the Fund's NAV due to a reasonable change in equity index, with all other variables held constant is indicated in the table below. The impact to NAV and net loss after taxation is expected to be the same.

	2021		2020	
	Changes in equity price %	Effects on NAV Increase/ (decrease) SGD	Changes in equity price %	Effects on NAV Increase/ (decrease) SGD
Quoted equities	+ 5	3,009,152	+ 5	3,741,562
	- 5	(3,009,152)	- 5	(3,741,562)

MAYBANK SINGAPORE REITS FUND

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

(c) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The base currency of the Fund is SGD. As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between SGD and the currencies in which the Fund's investments are denominated in may have an impact on the fair value of the Fund's quoted equities. If the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment and of the Fund.

The table below analyses the net positions of the Fund's financial assets and financial liabilities (excluding derivative assets and liabilities) which are exposed to foreign exchange risk as at the reporting date. As the Fund's functional currency is SGD, the financial assets and financial liabilities (excluding derivative assets and liabilities) in other currencies are exposed to the movement of foreign exchange rates. The exposure might lead to the appreciation or depreciation of the financial assets and financial liabilities of the Fund that may affect the value of the NAV attributable to unitholders.

	MYR SGD	USD SGD	TOTAL SGD
2021			
Financial assets			
Financial assets at FVTPL	-	4,722,344	4,722,344
Dividend receivable	-	46,836	46,836
Cash at bank	1,030,486	-	1,030,486
Total financial assets	1,030,486	4,769,180	5,799,666
Net on-balance sheet open position	1,030,486	4,769,180	5,799,666
2020			
Financial assets			
Financial assets at FVTPL	-	8,120,771	8,120,771
Dividend receivable	-	89,819	89,819
Cash at bank	2,490,699	-	2,490,699
Total financial assets	2,490,699	8,210,590	10,701,289
Net on-balance sheet open position	2,490,699	8,210,590	10,701,289

MAYBANK SINGAPORE REITS FUND

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

(c) Currency risk (cont'd)

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

The table below summarises the sensitivity of the Fund's net on-balance sheet open position (excluding derivative assets and derivative liabilities) to movements in exchange rates. The analysis is based on the assumptions that the exchange rates will increase or decrease by 5% with all other variables held constant.

	2021		2020	
	Changes in price %	Effects on NAV Increase/ (Decrease) SGD	Changes in price %	Effects on NAV Increase/ (Decrease) SGD
MYR/SGD	+5	51,524	+5	124,535
	-5	(51,524)	-5	(124,535)
USD/SGD	+5	238,459	+5	410,530
	-5	(238,459)	-5	(410,530)

(d) Credit risk

Credit risk is the risk that the issuer/counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. 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 interest, 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 counterparties (e.g., brokers, custodian, banks, etc.) by reviewing their credit ratings and credit profile on a regular basis.

(i) Credit risk exposure

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

(ii) Credit quality of financial assets

The Fund maintains its cash at bank, deposit with a licensed financial institutions and interest receivables with a financial institution with 'AAA' rating. The rating is obtained from RAM Holdings Bhd's official website.

MAYBANK SINGAPORE REITS FUND

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

(e) 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 assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unitholders by the Manager are redeemable at the unitholders' option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Deed.

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, deposits with 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 liabilities. Balances due within twelve months equal their carrying amounts, as the impact of discounting is insignificant.

2021	Less than 1 month SGD	More than 1 month SGD	Total SGD
Financial assets			
Financial assets at FVTPL	60,183,044	-	60,183,044
Deposits with a licensed financial institution	3,662,394	-	3,662,394
Dividend receivable	201,415	-	201,415
Interest receivable	331	-	331
Amount due from Manager	188,035	-	188,035
Cash at bank	2,796,294	-	2,796,294
Total undiscounted financial assets	<u>67,031,513</u>	<u>-</u>	<u>67,031,513</u>
Financial liabilities and net assets attributable to unitholders of the Fund			
Derivative liabilities	178,765	138,079	316,844
Amount due to Manager	741,298	-	741,298
Amount due to Trustee	1,118	-	1,118
Other payables and accruals	13,478	-	13,478
Net assets attributable to unitholders of the Fund	<u>65,958,775</u>	<u>-</u>	<u>65,958,775</u>
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	<u>66,893,434</u>	<u>138,079</u>	<u>67,031,513</u>
Liquidity surplus/(gap)	<u>138,079</u>	<u>(138,079)</u>	<u>-</u>

MAYBANK SINGAPORE REITS FUND

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

(e) Liquidity risk (cont'd)

2020	Less than 1 month SGD	More than 1 month SGD	Total SGD
Financial assets			
Financial assets at FVTPL	74,831,235	-	74,831,235
Derivative assets	-	3,366	3,366
Deposits with a licensed financial institution	3,570,600	-	3,570,600
Dividend receivable	514,338	-	514,338
Interest receivable	323	-	323
Amount due from Manager	203,789	-	203,789
Cash at bank	4,537,909	-	4,537,909
Total undiscounted financial assets	<u>83,658,194</u>	<u>3,366</u>	<u>83,661,560</u>
Financial liabilities and net assets attributable to unitholders of the Fund			
Derivative liabilities	7,472	246,510	253,982
Amount due to Manager	595,085	-	595,085
Amount due to Trustee	1,345	-	1,345
Other payables and accruals	15,893	-	15,893
Net assets attributable to unitholders of the Fund	<u>82,795,255</u>	<u>-</u>	<u>82,795,255</u>
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	<u>83,415,050</u>	<u>246,510</u>	<u>83,661,560</u>
Liquidity (gap)/surplus	<u>243,144</u>	<u>(243,144)</u>	<u>-</u>

Notes:

(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 quoted 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' capital 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 period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

MAYBANK SINGAPORE REITS FUND

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

(e) Liquidity risk (cont'd)

(iii) Unitholders' contribution

The unitholders can request for redemption on their units by giving the Manager a T + 7 calendar day notice period, the unitholders' capital have been categorised as having a maturity of "less than 1 month".

22. UNITHOLDERS' CONTRIBUTION MANAGEMENT

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

The Fund's objectives for managing capital are:

- (a) To invest in investments meeting the description, risk exposure and 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 unitholders' contribution management objectives, policies or processes in the current financial year.