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MAYBANK FLEXI INCOME FUND

Annual report
For the financial year ended 31 August 2021

CORPORATE INFORMATION

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EXTERNAL INVESTMENT MANAGER

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MAYBANK FLEXI INCOME FUND

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MAYBANK FLEXI INCOME FUND

Manager's report

For the financial year ended 31 August 2021

A. Fund Information

1. Name of Fund

Maybank Flexi Income Fund (the "Fund")

2. Type of Fund

Income

3. Category of Fund

Fixed income fund

4. Duration of Fund

The Fund is an open-ended fund.

5. Fund launch date

28 November 2019

6. Fund's investment objectives

The Fund aims to outperform its benchmark by investing in a portfolio of fixed income securities, equities, real estate investment trusts ("REITs") and/or exchange-traded funds ("ETFs").

7. Fund distribution policy

Distribution will be made on a quarterly basis, subject to availability of income.

8. Fund's performance benchmark

70% Maybank 12-month fixed deposits rate + 30% MSCI Asia Pacific Ex-Japan Index.

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

The Fund will invest at least 70% of its NAV in fixed income securities and/or liquid assets and not more than 30% of its NAV in equities, REITs and/or ETFs.

The Fund may employ currency and interest rate hedging strategies by utilising currency forwards to fully or partially hedge the foreign currency exposure to manage the currency risk. Furthermore, the Fund may also use futures to fully or partially hedge the interest rate risk inherent in the investment of fixed income securities.

10. The Fund's asset allocation policy

The Fund will be investing a minimum of 70% of the Fund's assets in fixed income securities and/or liquid assets; and up to 30% in equities, REITs and/or ETFs.

MAYBANK FLEXI INCOME FUND

Manager's report

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

11. Net income distributions for the financial year ended 31 August 2021

The Fund distributed a net income of USD52,497 from USD Class, USD147,301 from MYR Class, USD792,169 from MYR (Hedged) Class, USD28,480 from SGD (Hedged) Class and USD53,824 from AUD (Hedged) Class to unitholders for the financial year ended 31 August 2021.

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	Changes %
<u>USD Class</u>				
27 November 2020	1.0478	1.0413	0.0065	(0.62)
24 February 2021	1.0823	1.0716	0.0107	(0.99)
27 May 2021	1.0755	1.0645	0.0110	(1.02)
26 August 2021	1.0410	1.0265	0.0145	(1.39)
			<u>0.0427</u>	
<u>MYR Class</u>				
27 November 2020	1.0329	1.0264	0.0065	(0.63)
24 February 2021	1.0598	1.0491	0.0107	(1.01)
27 May 2021	1.0783	1.0673	0.0110	(1.02)
26 August 2021	1.0569	1.0424	0.0145	(1.37)
			<u>0.0427</u>	
<u>MYR (Hedged) Class</u>				
27 November 2020	1.0518	1.0383	0.0135	(1.28)
24 February 2021	1.0821	1.0714	0.0107	(0.99)
27 May 2021	1.0756	1.0646	0.0110	(1.02)
26 August 2021	1.0446	1.0376	0.0070	(0.67)
			<u>0.0422</u>	
<u>SGD (Hedged) Class</u>				
27 November 2020	1.0408	1.0273	0.0135	(1.30)
24 February 2021	1.0676	1.0569	0.0107	(1.00)
27 May 2021	1.0610	1.0500	0.0110	(1.04)
26 August 2021	1.0242	1.0172	0.0070	(0.68)
			<u>0.0422</u>	
<u>AUD (Hedged) Class</u>				
27 November 2020	1.0451	1.0386	0.0065	(0.62)
24 February 2021	1.0776	1.0669	0.0107	(0.99)
27 May 2021	1.0659	1.0549	0.0110	(1.03)
26 August 2021	1.0301	1.0161	0.0140	(1.36)
			<u>0.0422</u>	

MAYBANK FLEXI INCOME FUND

Manager's report

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

A. Fund Information (cont'd)

12. Breakdown of unitholdings by size

Fund size

As at 31 August 2021, the size of the Fund was 82,335,479 units.

Units in circulation by Class (units)	No. of units	%
USD Class	943,414	1.15
MYR Class	9,613,916	11.68
MYR (Hedged) Class	69,995,679	85.00
SGD (Hedged) Class	435,964	0.53
AUD (Hedged) Class	1,346,506	1.64
Total	82,335,479	100.00

Breakdown of unitholdings by Class of Units as at 31 August 2021

USD Class

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	50.00	*1	0.11
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	-	-	-	-
500,001 units and above	1	50.00	942	99.89
Total	2	100.00	943	100.00

* Represent 1,041 units held by the Manager

MYR Class

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	25.00	* 1	0.01
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	1	25.00	15	0.16
50,001 to 500,000 units	1	25.00	257	2.67
500,001 units and above	1	25.00	9,340	97.16
Total	4	100.00	9,613	100.00

* Represent 1,041 units held by the Manager

MAYBANK FLEXI INCOME FUND

Manager's report

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

A. Fund Information (cont'd)

12. Breakdown of unitholdings by size (cont'd)

Breakdown of unitholdings by Class of Units as at 31 August 2021 (cont'd)

MYR (Hedged) Class

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	2	33.33	* 5	0.01
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	2	33.33	649	0.93
500,001 units and above	2	33.34	69,342	99.06
Total	6	100.00	69,996	100.00

* Comprised of 1,041 units held by the Manager

SGD (Hedged) Class

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	2	66.67	* 2	0.46
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	-	-	-	-
500,001 units and above	1	33.33	434	99.54
Total	3	100.00	436	100.00

* Comprised of 1,041 units held by the Manager

AUD (Hedged) Class

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	50.00	* 1	0.07
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	-	-	-	-
500,001 units and above	1	50.00	1,345	99.93
Total	2	100.00	1,346	100.00

* Represent 1,041 units held by the Manager

MAYBANK FLEXI INCOME FUND

Manager's report

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

B. Performance Review

1. Key performance data of the Fund

Category	01.09.2020 to 31.08.2021	28.11.2019 (date of launch) to 31.08.2020
Portfolio		
Unquoted fixed income securities (%)		
Australia	5.62	6.37
Bermuda Island	1.15	-
Bahrain	-	0.51
British Virgin Island	4.82	6.62
Canada	-	0.51
Cayman Island	9.16	12.42
Finland	0.90	-
China	-	3.56
Great Britain	6.69	5.59
Hong Kong	3.49	-
India	3.96	3.55
Indonesia	4.95	6.45
Japan	2.77	-
Jersey	0.91	-
Malaysia	-	1.85
Mauritius	4.47	5.79
Netherlands	2.16	1.05
New Zealand	-	1.90
Oman	1.88	-
Philippines	3.53	3.64
Saudi Arabia	-	0.59
Singapore	6.24	9.57
South Korea	0.89	-
Switzerland	2.60	4.18
Thailand	4.22	3.07
United Arab Emirates	-	1.24
Quoted equities (%)	24.35	13.00
Cash and other net assets (%)	5.24	8.54
Total (%)	100.00	100.00

MAYBANK FLEXI INCOME FUND

Manager's report

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

B. Performance Review (cont'd)

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

Category	01.09.2020 to 31.08.2021	28.11.2019 (date of launch) to 31.08.2020
USD Class		
NAV (USD'000)	973	3,371
Units in circulation (units'000)	943	3,269
NAV per unit (USD)	1.0315	1.0310
Highest NAV per unit (USD)	1.0972	1.0310
Lowest NAV per unit (USD)	1.0144	0.8613
Net income distributed (USD)	52,497	-
Distribution dates	27/11/2020	-
	24/2/2021	-
	27/5/2021	-
	26/8/2021	-
Gross/net distribution per unit (sen)	4.27	-
Annual return (%) ⁽¹⁾		
- Capital growth (%)	0.05	3.00
- Income distribution (%)	4.13	-
Total return (%)	4.18	3.00
MYR Class		
NAV (USD'000)	2,401	6,522
NAV (RM'000)	9,982	27,164
Units in circulation (units'000)	9,614	26,119
NAV per unit (RM)	1.0383	1.0400
Highest NAV per unit (RM)	1.0838	1.0445
Lowest NAV per unit (RM)	1.0234	0.9256
Net income distributed (USD)	147,301	-
Net income distributed (RM)	605,349	-
Distribution dates	27/11/2020	-
	24/2/2021	-
	27/5/2021	-
	26/8/2021	-
Gross/net distribution per unit (sen)	4.27	-
Annual return (%) ⁽¹⁾		
- Capital growth (%)	(0.15)	4.17
- Income distribution (%)	4.14	-
Total return (%)	3.98	4.17

MAYBANK FLEXI INCOME FUND

Manager's report

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

B. Performance Review (cont'd)

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

Category	01.09.2020 to 31.08.2021	28.11.2019 (date of launch) to 31.08.2020
MYR (Hedged) Class		
NAV (USD'000)	17,551	28,611
NAV (RM'000)	72,963	119,163
Units in circulation (units'000)	69,996	115,513
NAV per unit (RM)	1.0424	1.0316
Highest NAV per unit (RM)	1.0967	1.0316
Lowest NAV per unit (RM)	1.0151	0.8612
Net income distributed (USD)	792,169	-
Net income distributed (RM)	3,250,744	-
Distribution dates	27/11/2020 24/2/2021 27/5/2021 26/8/2021	- - - -
Gross/net distribution per unit (sen)	4.22	-
Annual return (%) ⁽¹⁾		
- Capital growth (%)	1.07	3.08
- Income distribution (%)	4.07	-
Total return (%)	5.18	3.08
SGD (Hedged) Class		
NAV (USD'000)	332	959
NAV (SGD'000)	446	914
Units in circulation (units'000)	436	1,271
NAV per unit (SGD)	1.0223	1.0255
Highest NAV per unit (SGD)	1.0826	1.0255
Lowest NAV per unit (SGD)	1.0090	0.8657
Net income distributed (USD)	28,480	-
Net income distributed (SGD)	37,891	-
Distribution dates	27/11/2020 24/2/2021 27/5/2021 26/8/2021	- - - -
Gross/net distribution per unit (sen)	4.22	-

MAYBANK FLEXI INCOME FUND

Manager's report

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

B. Performance Review (cont'd)

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

Category	01.09.2020 to 31.08.2021	28.11.2019 (date of launch) to 31.08.2020
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SGD (Hedged) Class (cont'd)

Annual return (%) ⁽¹⁾		
- Capital growth (%)	(0.31)	2.47
- Income distribution (%)	4.12	-
Total return (%)	3.80	2.47

AUD (Hedged) Class

NAV (USD'000)	1,004	2,962
NAV (AUD'000)	1,375	2,638
Units in circulation (units'000)	1,347	3,914
NAV per unit (AUD)	1.0214	1.0301
Highest NAV per unit (AUD)	1.0907	1.0304
Lowest NAV per unit (AUD)	1.0137	0.8462

Net income distributed (USD)	53,824	-
Net income distributed (AUD)	71,424	-
Distribution dates	27/11/2020	-
	24/2/2021	-
	27/5/2021	-
	26/8/2021	-
Gross/net distribution per unit (sen)	4.22	-

Annual return (%) ⁽¹⁾		
- Capital growth (%)	(0.86)	2.99
- Income distribution (%)	4.11	-
Total return (%)	3.22	2.99

Management Expense Ratio ("MER") (%)	1.63	1.11
Portfolio Turnover Ratio ("PTR") (times)	1.23	2.47

Note:

- ⁽¹⁾ Actual return of the Fund for the financial year is computed based on the daily average NAV per unit, net of Manager and Trustee's fees.
- ⁽²⁾ The Fund's MER increased to 1.63% due to lower in average NAV in the current financial year under review
- ⁽³⁾ The Fund's PTR decreased to 1.23 times due to lower trading activities in the current financial year under review

MAYBANK FLEXI INCOME FUND

Manager's report

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

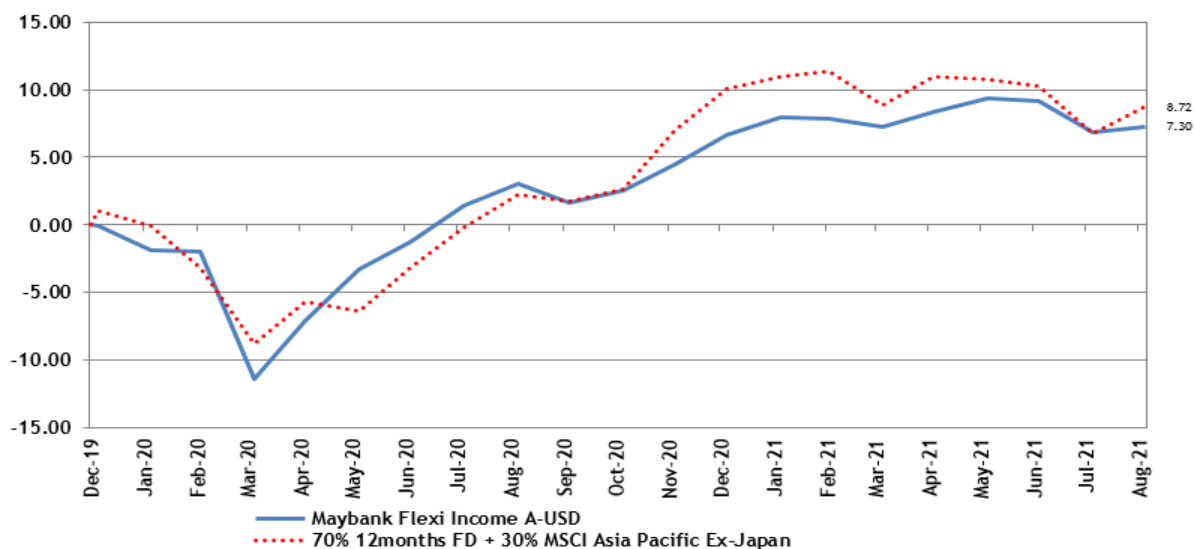
B. Performance Review (cont'd)

2. Performance of the Fund up to 31 August 2021

Returns of the different classes up to 31 August 2021 are as follows:

(a) USD Class

Category	1 year to 31.08.2021 %	Since Inception to 31.08.2021 %
Capital growth	0.05	3.04
Income distribution	4.13	4.13
Total return of the Fund	4.18	7.30
Benchmark	6.34	8.72
Average total return	4.18	4.14



Source: Lipper, as at 31 August 2021

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.

MAYBANK FLEXI INCOME FUND

Manager's report

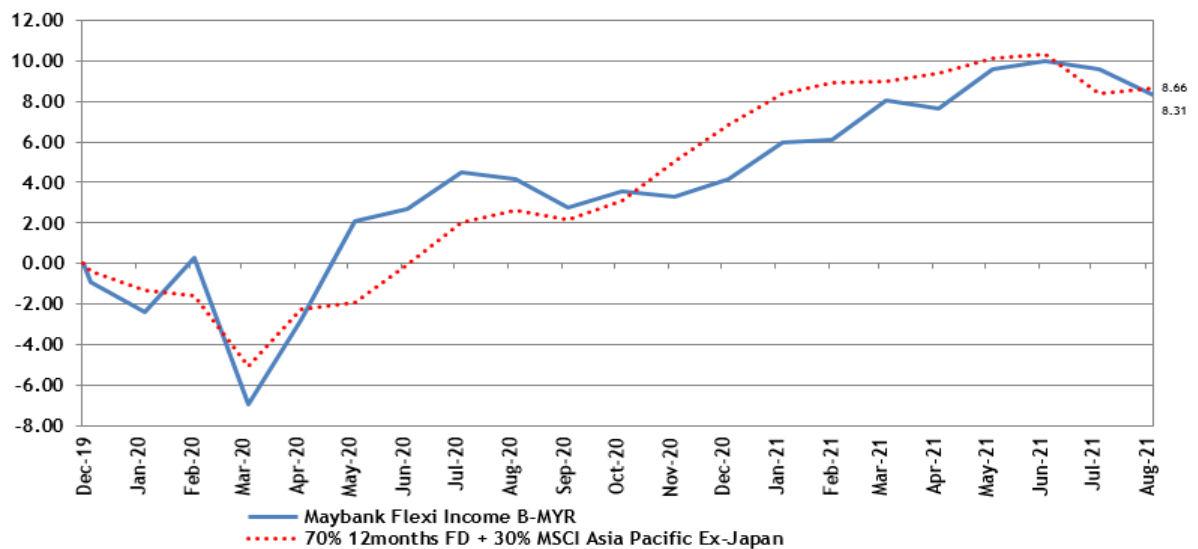
For the financial year ended 31 August 2021 (cont'd)

B. Performance Review (cont'd)

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

(b) MYR Class

Category	1 year to 31.08.2021 %	Since Inception to 31.08.2021 %
Capital growth	(0.15)	4.01
Income distribution	4.14	4.14
Total return of the Fund	3.98	8.31
Benchmark	5.86	8.66
Average total return	3.98	4.54



Source: Lipper, as at 31 August 2021

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MAYBANK FLEXI INCOME FUND

Manager's report

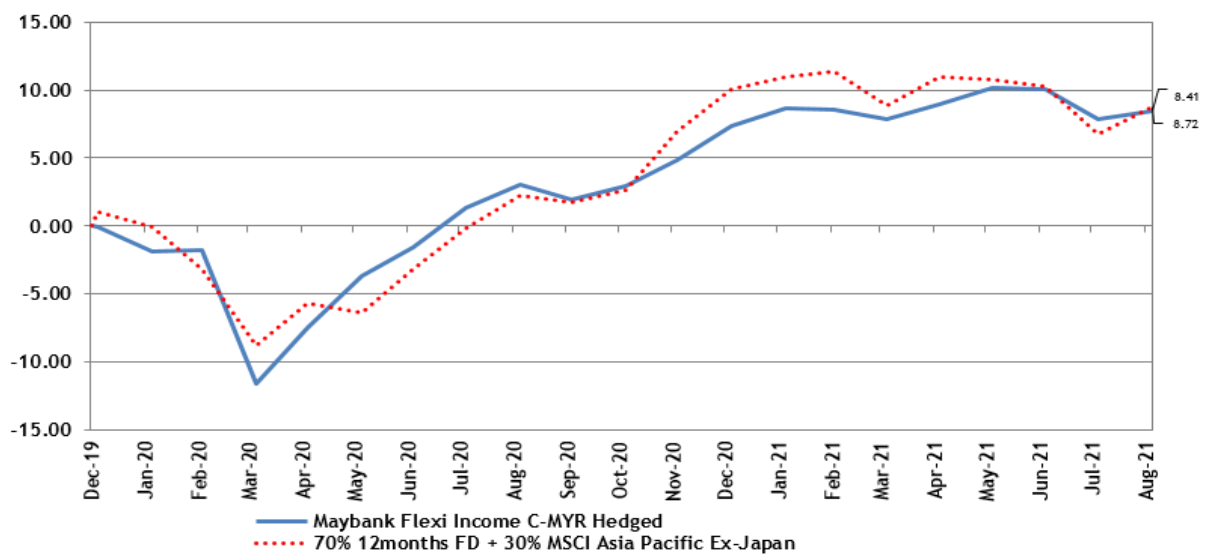
For the financial year ended 31 August 2021

B. Performance Review (cont'd)

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

(c) MYR (Hedged) Class

Category	1 year to 31.08.2021 %	Since Inception to 31.08.2021 %
Capital growth	1.07	4.17
Income distribution	4.07	4.07
Total return of the Fund	5.18	8.41
Benchmark	6.34	8.72
Average total return	5.18	4.74



Source: Lipper, as at 31 August 2021

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MAYBANK FLEXI INCOME FUND

Manager's report

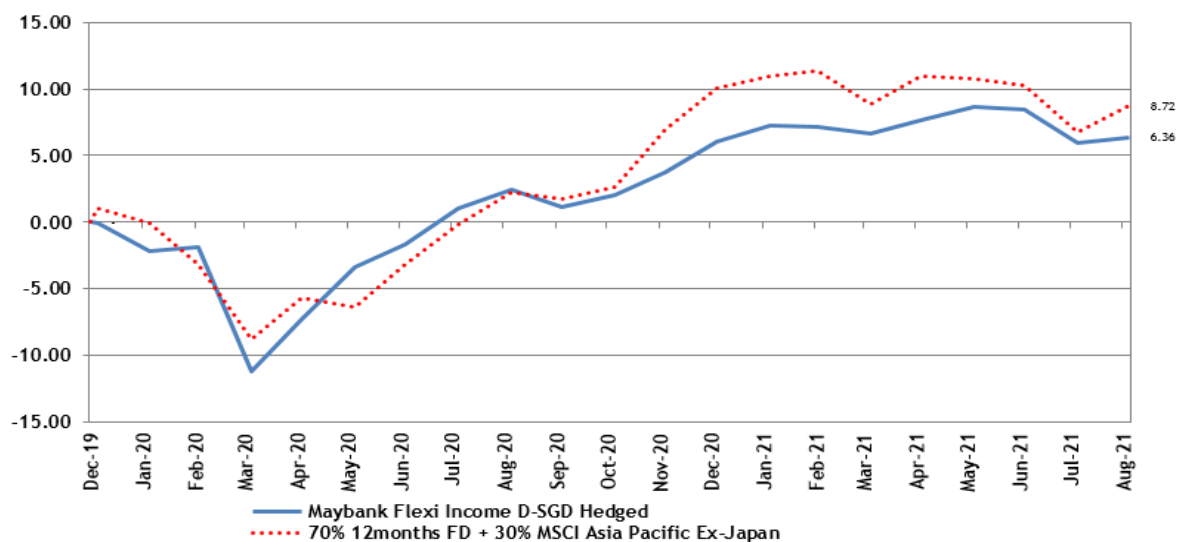
For the financial year ended 31 August 2021 (cont'd)

B. Performance Review (cont'd)

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

(d) SGD (Hedged) Class

Category	1 year to 31.08.2021 %	Since Inception to 31.08.2021 %
Capital growth	(0.31)	2.15
Income distribution	4.12	4.12
Total return of the Fund	3.80	6.36
Benchmark	6.34	8.72
Average total return	3.80	3.61



Source: Lipper, as at 31 August 2021

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.

MAYBANK FLEXI INCOME FUND

Manager's report

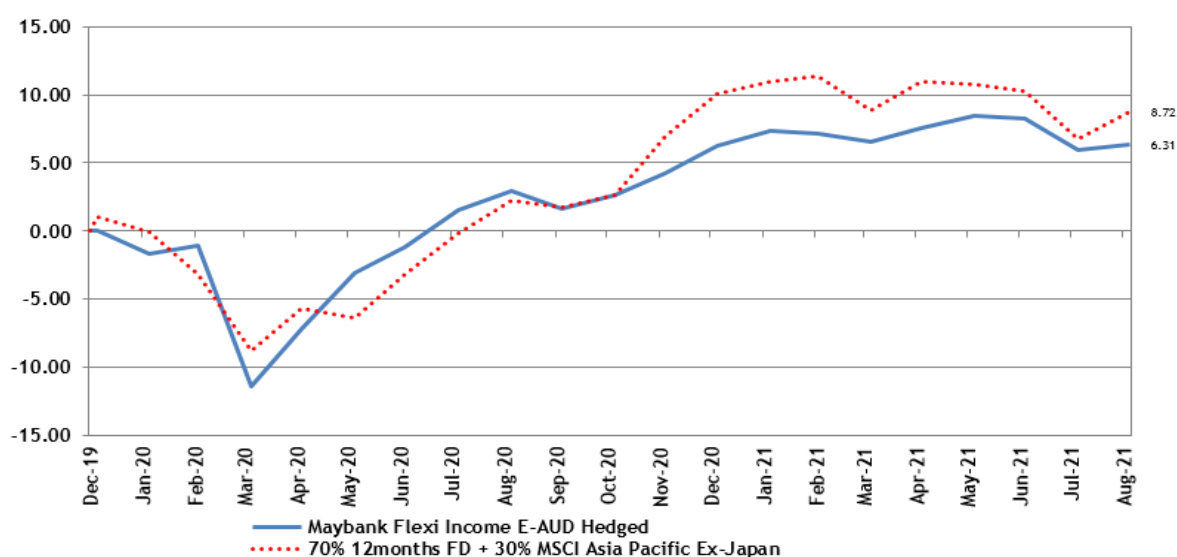
For the financial year ended 31 August 2021

B. Performance Review (cont'd)

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

(e) AUD (Hedged) Class

Category	1 year to 31.08.2021 %	Since Inception to 31.08.2021 %
Capital growth	(0.86)	2.11
Income distribution	4.11	4.11
Total return of the Fund	3.22	6.31
Benchmark	6.34	8.72
Average total return	3.22	3.54



Source: Lipper, as at 31 August 2021

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.

MAYBANK FLEXI INCOME FUND

Manager's report

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

B. Performance Review (cont'd)

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

For the period since Fund's commencement under review, the Fund has generated a total return as described below against the benchmark for each respected class. The underperformance was largely due to its tactic to underweight equity holdings during the assessment period as compared to the benchmark.

Annualised Return

USD Class – Total return 4.18% vs Benchmark 6.34%

MYR Class – Total return 3.98% vs Benchmark 5.86%

MYR (Hedged) Class – Total return 5.18% vs Benchmark 6.34%

SGD (Hedged) Class – Total return 3.80% vs Benchmark 6.34%

AUD (Hedged) Class – Total return 3.22% vs Benchmark 6.34%

The Fund aims to outperform its benchmark by investing in a portfolio of fixed income securities, equities, real estate investment trusts ("REITs") and exchange-traded funds ("ETFs").

Has the Fund met its objective?

The Fund did not meet its objective given that its total return fell short of the performance benchmark but nonetheless deliver a commendable performance during a very challenging period.

3. Annual Total Return of the Share Class

For the financial year ended	31.08.2021	31.08.2020
	%	%
USD Class	4.18	3.00
MYR Class	3.98	4.17
MYR (Hedged) Class	5.18	3.08
SGD (Hedged) Class	3.80	2.47
AUD (Hedged) Class	3.22	2.99

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

MAYBANK FLEXI INCOME FUND

Manager's report

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

C. Market Review

September 2020 - The United States ("US") economy continues to recover and Federal Reserve ("Fed") will now use average inflation targeting ("AIT") in setting the policy interest rate, allowing for temporary overshoots in inflation. The new policy means the Fed is willing to wait until inflation has gone above 2% until it responds. Furthermore, the latest dot plot – the Fed's own projection of the future path of interest rates - suggests that policymakers see rates at the zero lower bound through to and including 2023. However, US markets was seen jittery in the quarter amid a resurgence in European Coronavirus Disease ("Covid-19") cases, as well as questions over refreshed fiscal stimulus measures along with uncertainty over a smooth transition of power if President Trump loses his re-election bid.

October 2020 - US equities declined in October 2020, primarily due to the continued rise in Covid-19 cases in many states. Market optimism over additional fiscal stimulus also waxed and waned, contributing to stock market movements. As the deadline for stimulus negotiations drew near, the unpredictability of the 3 November 2020 presidential election added to the wider sense of uncertainty. President Trump hinted more than once that stimulus would be announced post the election, should he win a second term. From an economic perspective, data continued to indicate industrial activity was expanding in both the manufacturing and service sectors. Initial jobless claims also reached their lowest number since March. Even so, the Fed maintained the message that it will keep rates unchanged until inflation stabilizes at 2%, and will tolerate a moderate overshoot. Further, the Fed reiterated that additional fiscal stimulus was required. In Europe, data showed that the eurozone economy expanded by 12.7% in the third quarter of 2020 as activity rebounded over the summer. However, this still leaves the economy 4.3% smaller than it was at the same time last year and expectations are that the new lockdowns will weigh on economic activity in the coming months. Indeed, business activity contracted in October according to the Markit composite purchasing managers' index ("PMI") which fell to 49.4. from 50.4 in September 2020.

November 2020 – Market players seen to take more risk as several vaccine breakthroughs sparked investor optimism that a return to economic normality is in sight. The optimism on vaccines development overshadow President-elect Joe Biden's victory in the US presidential election, and concerns over the smooth transition of power. The US stock market rose sharply with Energy, Financials, industrials and materials stocks seen to rise up. The US dollar seen declined against major currencies as players seen to take on more risk due to vaccines optimism. In Europe, there were also encouraging signs that Covid-19 infection rates are slowing in several European countries, enabling governments to start easing lockdown restrictions.

December 2020 – The US announced USD 900 billion rescue package in late December 2020 and saw Fed reinforced its supportive message and vowe to continue with its current levels of qualitative easing. In Europe Covid-19 infections seen to bounce back higher leading to some of the European countries to tighten back its restrictions. European Union ("EU") leaders approved the landmark €1.8 trillion budget package, including the €750 billion recovery fund, after overcoming opposition from Hungary and Poland. The EU also agreed a Brexit trade deal with the United Kingdom ("UK"). The US 10-year yield was 25 basis points ("bps") higher, finishing at 0.91%, while the German 10-year yield fell by 5bps to -0.57%.

MAYBANK FLEXI INCOME FUND

Manager's report

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

C. Market Review (cont'd)

January 2021 - During the month of January 2021, the yield curve steepened as reflation risks come back into play with Biden pushing for a substantially larger USD1.9 trillion Covid-19 relief package. Yellen has fully endorsed the large stimulus package, calling it the best way to get the US economy back to pre-pandemic levels. If the package is passed, she expects US to get back to full employment next year. Besides inflation risks, there are also risks of increased Treasury bond issuance to fund the relief package. This drove US Treasury ("UST") 10 year yield up from 0.91% end December 2020 to 1.04% end January 2021.

February 2021 – During February 2021, the bond market continued to be plagued with volatility both from rising bond yields and negative credit headlines. On the back of continued inflation concerns, the UST 10 year which started the year at 0.91% closed at 1.41% end February 2021. Even the 5-year UST yield doubled from 0.35% beginning of the year to over 0.70% end of February 2021. This all occurred even as US Fed Chairman reiterated to the congress on 24 February 2021 that the central bank would not start to trim its \$120 billion in monthly bond purchases, or hike the benchmark interest rate, until “substantial further progress” has been made toward the Fed’s goals on inflation and employment. Specifically, that would mean US inflation reaching and running slightly above the 2% level, with employment falling to a level viewed as maximum employment. On the credit front, there continued to be some negative spillover effects from the China Fortune Land restructuring event. The financial markets turned more cautious on China property high yield as they worry about tightening policies and negative investor sentiment which will impact almost all major onshore and offshore funding channels, including bank loans, bonds issuance and trust loans. Concerns arose again on the government’s Three Red Lines policy rollout implications on property developers. Weak local State-owned enterprises ("SOE") bonds and local government funding vehicles ("LGFV") is also traded weaker in a market where there were no buyers. It did not help that liquidity was poor during the one-week Chinese New Year holiday mid-February 2021. China high yield shaded about 0.5% to 1% lower while Indonesia and India high yield outperformed. Overall, the JP Morgan Asia Credit Index fell 0.79% in February 2021, with the investment grade bonds down 1.17% and the high yield bonds up 0.46%. While investment grade bonds ("IG") spreads tightened 8bps, it was not enough to offset the heavy sell-off in Treasury yields.

March 2021 – President Biden confirmed a fiscal stimulus package of USD1.9 trillion, which followed up with an additional promise of USD 2 trillion in infrastructure spending. In Europe, the market saw the flash manufacturing PMI for March 2021 reached record high of 62.4 signaling strong growth. Global bond yield was seen to rise higher as major countries continue to rollout Covid-19 vaccination along with expectation of large US economic stimulus. The 10y UST yield was seen to rise to 1.74% yield resulting curve to steepen further. USD corporate bond continue to perform well against government bond while high yield bonds ("HY") space perform better to produce more moderate positive return.

MAYBANK FLEXI INCOME FUND

Manager's report

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

C. Market Review (cont'd)

April 2021 - In US, almost 70% of the population has now had at least one shot of the vaccine, However the sharp sell off in UST in March 2021 seen to halt due to Fed comment. The 10y UST yield declined by 11 basis points (bps) to 1.63% for the month. Echoing the previous month's comments, the Fed acknowledged improvements in the economy and a better outlook, but clearly downplayed any prospect of removing policy support. The US economy grew at an annualized 6.4% in Q1, beating expectations. In credit space, market was seen to focus on sell off in Huarong's bond which was triggered by the group's failure to release its financial results at the end of March. There had been a debate among market players if Beijing will remain firm to back the state own companies that borrow on international market. The bond price had plunged since then but recovered slightly as regulators came forward to bring some assurance on the entity commitment to uphold its bond obligation. The situation however escalated to other China SOE resulting volatile market within that space.

May 2021 – US economic recovery seen to be on track with further sign of acceleration seen visible. The PMI no rose to 63.5 in April indicating significant expansion. Headline consumer price index ("CPI") rose 4.2% YoY in April 2021 reaching highest level since September 2008 and sparked optimism among players that Fed could initiate tighter monetary policy. The optimism however was met with some disappointment as the Non-Farm Payroll ("NFP") number added only 266 thousand job in April 2021 as compared to expectation of a 1 million job.

June 2021 – The US economy seen to remain in recovering mode after its Q1 Gross Domestic Product ("GDP") no grew at 6.4% (qoq) but was lower than consensus at 6.7%. The US PMI numbers for the month of June clocked at 63.9 signaling strong expansion in the US economy. In late June President Joe Biden also secured a deal on an infrastructure package worth about \$1 trillion to upgrade roads, bridges and broadband networks over the next eight years. The agreement fell short of the \$2.3 trillion infrastructure spending plan announced in March 2021, and did not address the social safety-net spending proposed in April 2021.

July 2021 – The 10y UST level dropped lower from 1.47% to 1.23% at the back on concerns over the Covid-19 Delta variant along with signs that global growth moderating caused investors to shift towards risk -off mode. In the July 2021 Fed meeting, the Fed acknowledge that the economy was making progress in line with its mandate but highlighted that tapering would require additional improvements especially in the labor market. They also acknowledge that there was upside risk to the inflation outlook but retained the view that this would be transitory. In the credit space, China names continues to remain volatile as Chinese government tighten its regulatory on tech sectors. Latest casualty saw Chinese government launched an investigation into ride hailing giant Didi citing national security and cyber security concerns.

MAYBANK FLEXI INCOME FUND

Manager's report

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

C. Market Review (cont'd)

August 2021 - Jerome Powell struck a cautious note in his statement at the Jackson Hole symposium, stating that while the US economy had made progress on some important targets – specifically on inflation - tapering too aggressively could derail progress at a sensitive time, reiterating a desire to see further progress in the labor market. The comments were consistent with expectations that tapering could begin this year, but were broadly perceived as dovish. The 10y UST yield was eight bps higher at 1.31%, having twice come close to 1.38% during the course of the month. Data showed still healthy levels of expansion, but with momentum moderating. US consumer price inflation remained elevated in July 2021, but rose more slowly.

D. Market Outlook

We expect volatility to continue in the third quarter due to volatile US rates, higher inflation and asset prices. We will keep duration between 2 to 4 years and cash between 5-10% during this period.

Valuations of Chinese Real Estate bonds are starting to look attractive and we have bought some BB property recently. More importantly, the market is decoupling from China Evergrande and is differentiating between strong and weak names. We also like selective AT1 paper in Europe, Thailand and Australia. In the High Grade space we like 10 to 30 year India, Middle East and Australia. We like Middle East as their bonds still offer 20-30 bps pick up over Asia and will also benefit from higher oil prices.

Asian equity markets rebounded after the sharp drop in July 2021. Sentiment remains fragile as investors are still digesting the impact of increased regulation in China. After 3 decades of turbo charged economic growth, China is shifting its economic model. The existing policies have been a great success in elevating China from a poor country to a middle income country but there have been some negative aspects. There has been a widening gap between the rich and the poor and costs of living for the middle class are high.

Therefore the Government is fine tuning its policies with the “Common Prosperity” model to improve the lives of the majority of people by reducing the income gap as well as increasing the size and the incomes of the middle class. As part of the initiatives, the Chinese government is also looking to stem the decline in the birthrate. One reason cited by parents on the reluctance to have children was the high costs and time required. The tutoring sector was identified as the main area imposing a huge financial and time burden on parents. This was the reason after school tutoring on core curriculum was regulated to be non-profit. From this, investors have become extremely sensitive to the news flow from the authorities.

MAYBANK FLEXI INCOME FUND

Manager's report

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

D. Market Outlook (cont'd)

Investors are speculating that with the “Common Prosperity” concept, the government will come out with more rules that adversely affect various sectors including the luxury market, the healthcare sector and property. In the short term, volatility will continue but we believe these concerns will fade over time. Over the longer run, some of this regulation is good for more sustainable growth. With the common prosperity concept, China wants to move to a more consumer driven economy from the export led high investment driven model. The policies to promote size and incomes of the middle class should boost economic growth in the long run.

The global economy growth rate appears to be peaking having rebounded sharply from the low base due to COVID19. Growth should move towards a more modest rate in future. The slowing growth may result in market weakness in the short term especially the US equity markets that have already seen good gains for the year. On the positive side, corporate earnings have been strong which augurs well for the stock market. Even for the Chinese stocks where we have seen weakness, recently released interim corporate earnings have been decent. The hard hit Chinese internet stocks are still reporting revenue growth of between 15-30%.

In the short term, following the regulatory concerns we have turned more conservative. As mentioned, we expect markets to be more volatile. The 3Q is also a seasonally weaker period. Despite the short term challenges we are optimistic that these concerns will fade towards the end of 2021. We have moved Singapore to overweight given the more defensive nature of the market in addition to the relatively robust corporate earnings. We maintain our overweight on Taiwan as we continue to expect the supply shortage of tech components to boost demand and therefore support earnings for the rest of 2021.

E. Soft Commissions and Rebates

The Manager and its delegates will not retain any form of soft commissions and rebates from or otherwise share in any commission with any broker in consideration for directing dealings in the investments of the Fund unless the 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 ended 31 August 2021, 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.

MAYBANK FLEXI INCOME FUND

Manager's report

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

F. Significant Financial Risk of the Fund

As the base currency of the Fund is denominated in USD and the currency denomination of the Classes may be denominated in other than USD, the Classes not denominated in USD are exposed to currency risk. Any fluctuation in the exchange rates between USD and the currency denomination of the Class (other than USD Class) will affect the unitholder's investments in those Classes (other than USD Class). The impact of the exchange rate movement between the base currency of the Fund and the currency denomination of the Class (other than USD Class) may result in a depreciation of the unitholder's 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 USD. Currency hedging may reduce the effect of the exchange rate movement for the Class being hedged (other than USD 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 FLEXI INCOME FUND FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

We have acted as Trustee for Maybank Flexi Income Fund ("the Fund"), for the financial year ended 31 August 2021. In our opinion and to the best of our knowledge, Maybank Asset Management Sdn Bhd, (the "Manager"), has operated and managed the Fund in accordance with the following:

- (a) Limitations imposed on the investment powers of the Manager and the Trustee under the Deeds, the Securities Commission Malaysia's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 ("CMSA") and other applicable laws;
- (b) Valuation and pricing for the Fund has been carried out in accordance with the Deeds and relevant regulatory requirements;
- (c) Creation and cancellation of units have been carried out in accordance with the Deed and relevant regulatory requirements; and
- (d) The distributions to the unitholders during the financial year ended 31 August 2021 are consistent with the objectives of the Fund.

For and on behalf of the Trustee

TMF Trustees Malaysia Bhd

(Company No: 200301008392 (610812-W))

Norhayati Binti Azit

Director- Fund Services

Kuala Lumpur, Malaysia

20 October 2021

STATEMENT BY MANAGER

TO THE UNITHOLDERS OF MAYBANK FLEXI INCOME FUND FOR THE FINANCIAL YEAR ENDED 31 AUGUST 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 Flexi Income Fund as at 31 August 2021 and of its results, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 August 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
20 October 2021

Independent auditors' report to the Unitholders of Maybank Flexi Income Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Flexi Income Fund ("the Fund"), which comprise the statement of financial position as at 31 August 2021, and the statement of comprehensive income, statement of changes in net assets and statement of cash flows for the financial year ended 31 August 2021, and notes to the financial statements, including a summary of accounting policies, as set out on pages 27 to 93.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 August 2021, and of its financial performance and cash flows for the financial year ended 31 August 2021 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 opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

Maybank Asset Management Sdn Bhd (the "Manager") of the Fund 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 Flexi Income 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 identified above 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.

Responsibility 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 intend 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' responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Trust 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 Flexi Income Fund (cont'd)

Auditors' responsibility 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 scepticism 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 Trust, 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 Flexi Income Fund (cont'd)**

Other matters

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

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

Yeo Beng Yean
No. 03013/10/2022 J
Chartered Accountant

Kuala Lumpur, Malaysia
20 October 2021

MAYBANK FLEXI INCOME FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

		01.09.2020 to 31.08.2021 USD	28.11.2019 (date of launch) to 31.08.2020 USD
INVESTMENT INCOME/(LOSS)			
Dividend income		105,518	71,038
Interest income		1,039,584	1,032,987
Net gain/(loss) from financial assets at fair value through profit or loss ("FVTPL"):			
- Unrealised gain		192,217	997,408
- Realised gain/(loss)		652,343	(1,542,542)
Net gain/(loss) on foreign currency exchange and forward currency contracts	3	406,737	(1,005,004)
		<u>2,396,399</u>	<u>(446,113)</u>
EXPENSES			
Manager's fee	4	439,426	423,041
Trustee's fee	5	11,718	11,281
Auditors' remuneration		2,426	2,361
Tax agent's fee		945	1,160
Brokerage fee		20,618	37,738
Administrative expenses		24,062	28,360
		<u>499,195</u>	<u>503,941</u>
Net income/(loss) before distribution and taxation		1,897,204	(950,054)
Distribution to unitholders	2.10		
USD Class	15(a)	(56,129)	-
MYR Class	15(b)	(382,840)	-
MYR (Hedged) Class	15(c)	(791,231)	-
SGD (Hedged) Class	15(d)	(29,527)	-
AUD (Hedged) Class	15(e)	(268,080)	-
		<u>(1,527,807)</u>	<u>-</u>
Net results before taxation		369,397	(950,054)
Taxation	6	(7,147)	(3,586)
Net results after distribution and taxation, which is the total comprehensive income/(loss) for the financial year/period		<u>362,250</u>	<u>(953,640)</u>

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

MAYBANK FLEXI INCOME FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021 (CONT'D)

	01.09.2020 to 31.08.2021 USD	28.11.2019 (date of launch) to 31.08.2020 USD
--	---------------------------------------	---

Net results after taxation is made up of the following:

Net realised income/(loss)	1,011,443	(3,128,262)
Net unrealised (loss)/income	(649,193)	2,174,622
	<u>362,250</u>	<u>(953,640)</u>

Distributions for the financial year/period:

USD Class

Distribution dates (ex-date)	Refer Note 15	-
Net distributions (in Fund currency)	USD 52,497	-
Gross/Net distribution per unit (USD cent)	4.27	-

MYR Class

Distribution dates (ex-date)	Refer Note 15	-
Net distributions (in Fund currency)	USD 147,301	-
Net distributions (in Class currency)	RM605,349	-
Gross/Net distribution per unit (RM sen)	4.27	-

MYR (Hedged) Class

Distribution dates (ex-date)	Refer Note 15	-
Net distributions (in Fund currency)	USD 792,169	-
Net distributions (in Class currency)	RM3,250,744	-
Gross/Net distribution per unit (RM sen)	4.22	-

SGD (Hedged) Class

Distribution dates (ex-date)	Refer Note 15	-
Net distributions (in Fund currency)	USD 28,480	-
Net distributions (in Class currency)	SGD 37,891	-
Gross/Net distribution per unit (SGD cent)	4.22	-

AUD (Hedged) Class

Distribution dates (ex-date)	Refer Note 15	-
Net distributions (in Fund currency)	USD 53,824	-
Net distributions (in Class currency)	AUD 71,424	-
Gross/Net distribution per unit (AUD cent)	4.22	-

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

MAYBANK FLEXI INCOME FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2021

	Note	31.08.2021 USD	31.08.2020 USD
ASSETS			
Financial assets at FVTPL	7	21,094,141	38,805,312
Derivative assets	8	21,726	754,296
Deposits with a licensed financial institution	9	230,955	541,472
Interest receivable		209,558	432,000
Dividend receivable		7,035	18,443
Amount due from brokers	10	703,460	1,578,461
Cash at bank	11	740,837	1,305,321
TOTAL ASSETS		23,007,712	43,435,305
LIABILITIES			
Derivative liabilities	8	99,368	6,269
Amount due to Manager	12	142,211	740,106
Amount due to Trustee	13	759	1,472
Amount due to financial institution		-	5,984
Amount due to brokers	10	499,180	250,000
Other payables and accruals		6,030	6,450
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		747,548	1,010,281
NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS		22,260,164	42,425,024
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:			
Unitholders' contribution	14 (a)	22,851,554	43,378,664
Accumulated losses	14 (b) & (c)	(591,390)	(953,640)
		22,260,164	42,425,024

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

MAYBANK FLEXI INCOME FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021 (CONT'D)**

	Note	31.08.2021 USD	31.08.2020 USD
NET ASSET VALUE ("NAV")			
- USD Class		973,122	3,370,675
- MYR Class		2,400,914	6,521,976
- MYR (Hedged) Class		17,551,037	28,611,238
- SGD (Hedged) Class		331,543	958,974
- AUD (Hedged) Class		1,003,548	2,962,161
		<u>22,260,164</u>	<u>42,425,024</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)			
	14 (a)		
- USD Class		943,414	3,269,217
- MYR Class		9,613,916	26,119,008
- MYR (Hedged) Class		69,995,679	115,512,722
- SGD (Hedged) Class		435,964	1,270,904
- AUD (Hedged) Class		1,346,506	3,913,860
		<u>82,335,479</u>	<u>150,085,711</u>
NAV PER UNIT IN RESPECTIVE CURRENCIES			
	14 (a)		
- USD Class		<u>USD 1.0315</u>	<u>USD1.0310</u>
- MYR Class		<u>RM1.0383</u>	<u>RM1.0400</u>
- MYR (Hedged) Class		<u>RM1.0424</u>	<u>RM1.0316</u>
- SGD (Hedged) Class		<u>SGD 1.0223</u>	<u>SGD1.0255</u>
- AUD (Hedged) Class		<u>AUD 1.0214</u>	<u>AUD1.0301</u>

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

MAYBANK FLEXI INCOME FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

	Unitholders' contribution Note 14 (a) USD	Accumulated losses Note 14 (b) & (c) USD	Net assets attributable to unitholders USD
At 1 September 2020	43,378,664	(953,640)	42,425,024
Total comprehensive income for the financial year	-	362,250	362,250
Creation of units	9,250,735	-	9,250,735
Reinvestment of units	1,076,155	-	1,076,155
Cancellation of units	(31,307,536)	-	(31,307,536)
Distributions (Note 15)	453,536	-	453,536
At 31 August 2021	22,851,554	(591,390)	22,260,164
At 28 November 2019 (date of launch)	-	-	-
Total comprehensive loss for the financial period	-	(953,640)	(953,640)
Creation of units	63,644,941	-	63,644,941
Cancellation of units	(20,266,277)	-	(20,266,277)
At 31 August 2020	43,378,664	(953,640)	42,425,024

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

MAYBANK FLEXI INCOME FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

	01.09.2020	28.11.2019
	to	(date of launch)
	31.08.2021	to
	USD	31.08.2020
		USD
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from sale of investments	45,891,528	82,922,006
Net purchase of investments	(25,946,226)	(124,023,983)
Interest income received	929,599	700,494
Dividend income received	112,036	52,032
Realised gain/(loss) of forward foreign exchange	1,481,637	(1,531,572)
Manager's fee paid	(288,341)	(367,987)
Trustee's fee paid	(12,432)	(6,677)
Payment of other fees and expenses	(25,658)	(25,430)
Net cash generated from/(used in) operating and investing activities	<u>22,142,143</u>	<u>(42,281,117)</u>
CASH FLOWS GENERATED FROM FINANCING ACTIVITIES		
Proceeds from creation of units	9,239,377	63,616,918
Payments for cancellations of units	(31,898,101)	(19,690,148)
Net cash (used in)/generated from financing activities	<u>(22,658,724)</u>	<u>43,926,770</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR/PERIOD	(516,581)	1,645,653
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR/PERIOD	1,846,793	-
Effects of foreign exchange	(358,420)	201,140
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR/PERIOD	<u>971,792</u>	<u>1,846,793</u>
Cash and cash equivalents comprise of:		
Deposits with a licensed financial institution (Note 9)	230,955	541,472
Cash at bank (Note 11)	740,837	1,305,321
	<u>971,792</u>	<u>1,846,793</u>

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

MAYBANK FLEXI INCOME FUND

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

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank Flexi Income Fund (the "Fund") was constituted pursuant to the execution of a Principal Deed dated 6 November 2019 between the Manager, Maybank Asset Management Sdn Bhd ("MAM"), the Trustee, TMF Trustees Malaysia Berhad and the registered holders of the Fund.

The Fund launched 5 classes of units i.e. USD Class, MYR Class, MYR (Hedged) Class, SGD (Hedged) Class and AUD (Hedged) Class.

The Fund aims to outperform its benchmark by investing in a portfolio of fixed income securities, equities, REITs, and or ETFs. The Fund will invest at least 70% of its NAV in fixed income securities and/or liquid assets and not more than 30% of its NAV in equities, REITs and/or ETFs. The Fund may employ currency and interest rate hedging strategies by utilising currency forwards to fully or partially hedge the foreign currency exposure to manage the currency risk. Furthermore, the Fund may also use futures to fully or partially hedge the interest rate risk inherent in the investment of fixed income securities.

The Manager of the Fund is MAM, a company incorporated in Malaysia. It is a holder of the Capital Markets Services Licence 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. Maybank AM 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 20 October 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The Fund had adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") which have become effective during the financial year ended 31 August 2021. The adoption of the new pronouncements did not result in any material impact to the financial statements.

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

The financial statements are presented in United States Dollar ("USD").

MAYBANK FLEXI INCOME FUND

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

2.2 Standards and amendments issued but not yet effective

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

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

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

2.3 Financial instruments

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

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

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 FLEXI INCOME FUND

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

2.4 Financial assets (cont'd)

(i) Financial assets at amortised cost

The Fund classifies cash and cash equivalents, interest receivable, dividend receivable and amount due from brokers as financial assets at amortised cost. These assets are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. The EIR is a method of calculating the amortised cost of the financial asset and of allocating and recognising the interest income in profit or loss over the relevant period.

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

- the assets are held within a business model whose objectives is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest 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 fixed income securities, 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 instruments 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.

MAYBANK FLEXI INCOME FUND

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

2.4 Financial assets (cont'd)

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

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

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

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

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

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.

MAYBANK FLEXI INCOME FUND

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

2.4 Financial assets (cont'd)

(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 interest 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 assets at amortised cost, gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

2.5 Financial liabilities

(i) Classification

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. The Fund classifies amount due to Manager, amount due to Trustee, amount due to financial institution, amount due to brokers, 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 instruments.

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

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

MAYBANK FLEXI INCOME FUND

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

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 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.

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

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

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

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

MAYBANK FLEXI INCOME FUND

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

2.7 Fair value measurement (cont'd)

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

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

2.8 Functional and foreign currency

(i) 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 USD, which is also the Fund's functional currency.

(ii) 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.

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 period if unitholders exercises the right to put the unit back to the Fund.

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

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

MAYBANK FLEXI INCOME FUND

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

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 dividend is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' capital. A proposed dividend is recognised as a liability in the year in which it is approved. Distribution is declared at the discretion of the Fund Manager based on the availability of distributable income. 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 a licensed financial institution with original maturity of three (3) months or less which have an insignificant risk of changes in value.

2.12 Taxation

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

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.

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

MAYBANK FLEXI INCOME FUND

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

2.13 Revenue / Income

Revenue is measured at 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.

Interest income from unquoted fixed income securities and deposits with a licensed financial institution are 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 amounts of the investments.

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

2.14 Segment reporting

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 judgements

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 the 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.

MAYBANK FLEXI INCOME FUND

3. NET GAIN/(LOSS) ON FOREIGN EXCHANGE AND FORWARD CURRENCY CONTRACTS

	01.09.2020	28.11.2019
	to	(date of launch)
	31.08.2021	to
	USD	31.08.2020
		USD
Realised foreign exchange gain/(loss)	6,938	(679,716)
Unrealised foreign exchange (loss)/gain	(15,741)	429,188
Realised gain/(loss) on forward contracts	1,241,209	(1,502,502)
Unrealised (loss)/gain on forward contracts	(825,669)	748,026
	<u>406,737</u>	<u>(1,005,004)</u>

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 that particular day.

Share Class	31.08.2021	31.08.2020
USD Class	1.50%	1.50%
MYR Class	1.50%	1.50%
MYR (Hedged) Class	1.50%	1.50%
SGD (Hedged) Class	1.50%	1.50%
AUD (Hedged) Class	1.50%	1.50%

5. TRUSTEE'S FEE

Trustee's fee is computed daily based on 0.04% p.a. (28.11.2019 (date of launch) to 31.08.2020: 0.04% p.a.) of the NAV of the Fund before deducting the Manager's fee and Trustee's fee for that particular day, accrued daily in the Fund's base currency, USD.

6. TAXATION

	01.09.2020	28.11.2019
	to	(date of launch)
	31.08.2021	to
	USD	31.08.2020
		USD
Current tax expense	<u>7,147</u>	<u>3,586</u>

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. Tax on dividend income from foreign quoted equities is based on the tax regime of the respective countries that the Fund invests in.

MAYBANK FLEXI INCOME FUND

6. TAXATION (CONT'D)

The tax charge for the financial year is in relation to the taxable income earned by the Fund after deducting the permitted expenses. 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:

	01.09.2020 to 31.08.2021 USD	28.11.2019 (date of launch) to 31.08.2020 USD
Net results before taxation	369,397	(950,054)
Tax at Malaysian statutory rate of 24% (28.11.2019 (date of launch) to 31.08.2020: 24%)	88,655	(228,013)
Income not subject to tax	(575,136)	(504,344)
Loss not deductible for tax purposes	-	611,411
Income tax at source	7,147	3,586
Expenses not deductible for tax purposes	486,481	120,946
Tax expense for the financial year/period	7,147	3,586

7. FINANCIAL ASSETS AT FVTPL

		31.08.2021 USD	31.08.2020 USD
Unquoted fixed income securities	Note (a)	15,675,308	33,290,167
Quoted equities	(b)	5,418,833	5,515,145
		<u>21,094,141</u>	<u>38,805,312</u>

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2021	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities				
Australia				
QBE Insurance Group Ltd - 5.88% / Perpetual	700,000	702,200	771,610	3.47
Scentre Group Trust 2 - 4.75% / 24.09.2080	450,000	449,383	478,845	2.15
Total Australia	1,150,000	1,151,583	1,250,455	5.62
Bermuda Islands				
China Oil & Gas Group Ltd - 4.70% 30.06.2026	250,000	252,424	256,613	1.15
British Virgin Island				
New Metro Global Ltd - 7.50% / 16.12.2021	200,000	200,586	202,292	0.91
- 7.50% / 20.03.2022	250,000	249,992	254,375	1.14
NWD Finance (BVI) Ltd - 4.13% / Perpetual	200,000	201,641	201,986	0.91
Peak Re BVI Holding Ltd - 5.35% / Perpetual	200,000	199,987	210,994	0.95
Wanda Properties Overseas Ltd - 7.25% / 28.04.2022	200,000	201,869	201,644	0.91
Total British Virgin Island	1,050,000	1,054,075	1,071,291	4.82

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2021 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Cayman Island				
Agile Group Holdings Ltd - 4.85% / 31.08.2022	300,000	300,000	301,494	1.35
Nogaholding Sukuk Ltd - 5.25% / 08.04.2029	300,000	299,983	314,166	1.41
Oryx Funding - 5.80% / 03.02.2031	200,000	199,989	211,000	0.95
Seazen Group Ltd - 6.45% / 11.06.2022	500,000	500,382	507,530	2.28
TMB Bank Public Company Ltd (Cayman Islands) - 4.90% / Perpetual	500,000	500,297	507,210	2.28
Zhenro Properties Group - 6.50% / 01.09.2022	200,000	199,180	199,180	0.89
Total Cayman Island	2,000,000	1,999,831	2,040,580	9.16
Finland				
Nordea Bank Abp - 3.75% / Perpetual	200,000	201,100	199,842	0.90

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2021 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Great Britain				
Macquarie Bank Ltd (London Branch) - 6.13% / 08.03.2027	500,000	499,542	549,145	2.47
Standard Chartered PLC				
- 6.00% / Perpetual	200,000	199,997	199,130	0.89
- 5.38% / Perpetual	500,000	499,963	547,755	2.46
- 4.30% / Perpetual	250,000	186,966	193,537	0.87
Total Great Britain	<u>1,450,000</u>	<u>1,386,468</u>	<u>1,489,567</u>	<u>6.69</u>
Hong Kong				
AIA Group Ltd - 2.90% / Perpetual	250,000	187,429	185,544	0.83
Bank Of East Asia Ltd - 5.83% / Perpetual	550,000	550,950	591,850	2.66
Total Hong Kong	<u>800,000</u>	<u>738,379</u>	<u>777,394</u>	<u>3.49</u>
India				
Renew Power Ltd - 5.88% / 05.03.2027	500,000	500,677	529,500	2.38
Shriram Transport Finance - 4.40% / 13.03.2024	350,000	351,504	351,908	1.58
Total India	<u>850,000</u>	<u>852,181</u>	<u>881,408</u>	<u>3.96</u>

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2021 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Indonesia				
Bank Tabungan Negara Tbk PT - 4.20% / 23.01.2025	400,000	386,115	409,252	1.84
Perusahaan Listrik Negara (Persero) Pt - 4.00% / 30.06.2050	200,000	197,049	198,484	0.89
Perusahaan Penerbit Indonesia - 5.45% / 15.01.2022	7,000,000,000	489,153	494,454	2.22
Total Indonesia	7,000,600,000	1,072,317	1,102,190	4.95
Japan				
Rakuten Group Inc - 5.13% / Perpetual	200,000	207,939	200,664	0.90
Sumitomo Life Insurance - 3.38% / 15.04.2031	400,000	400,861	416,968	1.87
Total Japan	600,000	608,800	617,632	2.77
Jersey				
West China Cement Ltd - 4.95% / 08.07.2026	200,000	200,240	203,108	0.91

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2021 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Mauritius				
Clean Renewable Power (Mauritius) Pte Ltd - 4.25% / 25.03.2027	200,000	201,376	202,886	0.91
India Green Energy Holdings - 5.38% / 29.04.2024	250,000	251,417	261,520	1.17
Network I2I Ltd - 5.65% / 15.01.2025	500,000	500,171	531,955	2.39
Total Mauritius	950,000	952,964	996,361	4.47
Netherlands				
Royal Capital BV - 5.00% / 05.02.2026	450,000	449,185	479,894	2.16
Oman				
Oman Sovereign Sukuk - 4.88% / 15.06.2030	400,000	405,605	417,668	1.88
Philippines				
San Miguel Corp - 5.50% / 29.07.2025	750,000	749,971	784,733	3.53
Singapore				
Global Prime Capital Ltd - 5.50% / 18.10.2023	300,000	300,011	303,621	1.36
- 5.95% / 23.01.2025	500,000	500,888	514,850	2.31
Mapletree Industrial Trust Management Ltd - 3.15% / Perpetual	250,000	185,970	188,214	0.85
Singapore Tech Telemedia Ltd - 4.10% / Perpetual	250,000	185,968	193,247	0.87

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2021 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Singapore (cont'd)				
Singtel Group Treasury - 3.30% / Perpetual	250,000	185,975	190,278	0.85
Total Singapore	1,550,000	1,358,812	1,390,210	6.24
South Korea				
Shinhan Financial Group Co Ltd - 2.88% / Perpetual	200,000	199,995	198,148	0.89
Switzerland				
UBS Group Ltd - 4.85% / Perpetual	250,000	186,342	192,006	0.86
- 5.88% / Perpetual	500,000	372,541	390,644	1.75
Total Switzerland	750,000	558,883	582,650	2.60
Thailand				
Bangkok Bank PCL - 5.00% / Perpetual	500,000	500,129	523,180	2.35
Kasikornbank PCL - 5.28% / Perpetual	200,000	199,990	210,706	0.95
Krung Thai Bank - 4.40% / Perpetual	200,000	199,994	201,678	0.91
Total Thailand	900,000	900,113	935,564	4.22
Total unquoted fixed income securities	7,015,100,000	15,092,926	15,675,308	70.41

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2021 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(b) Quoted equities				
Malaysia				
My EG Services Bhd	110,000	52,994	49,206	0.22
Hong Kong				
A-Living Smart City Services Co Ltd	39250	165,625	154,503	0.69
AIA Group Ltd	7,600	81,325	91,653	0.41
Alibaba Group Holdings Ltd	10,100	299,289	205,208	0.92
Anta Sports Product Ltd	5,000	48,077	101,973	0.46
China Education Group Holdings Ltd	30,000	72,309	54,788	0.25
China Medical Systems Holdings Ltd	82,000	130,061	164,498	0.74
China Merchants Bank	19,000	131,129	155,439	0.70
China Suntien Green Energy	360,000	171,904	229,325	1.03

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2021 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(b) Quoted equities (cont'd)				
Hong Kong (cont'd)				
China Telecom Corp Ltd	230,000	78,190	80,346	0.36
China Traditional Chinese Medicine Holdings Co Ltd	174,000	94,400	82,460	0.37
Country Garden Services Holdings Co Ltd	21,000	106,498	161,552	0.73
Dongfeng Motor Grp Co Ltd-H	60,000	62,338	63,573	0.29
ENN Energy Holdings Ltd	2,800	32,437	53,545	0.24
JD.COM Inc	4,550	139,740	174,372	0.78
JNBY Design Ltd Inc	60,000	122,331	148,568	0.67
Kunlun Energy Co Ltd	90,000	78,792	91,314	0.41
KWG Group Holdings Ltd	1,235	1,595	1,274	0.01
KWG Living Group Holdings Ltd Holdings Ltd	65,233	48,183	53,954	0.24
Li Ning Co Ltd	7,500	26,030	97,671	0.44
Link REIT	1,900	19,108	17,557	0.08
Netease Inc	7,400	131,243	137,520	0.62
Semiconductor Manufacturing International Corp	26,000	96,171	80,808	0.36
Shimao Services Holdings Ltd	286	614	685	-

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2021 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
b) Quoted equities (cont'd)				
Hong Kong (cont'd)				
Sino Biopharmaceutical Ltd	85,000	98,346	69,320	0.31
Techtronic Industries Co Ltd	9,500	108,616	209,611	0.94
Tencent Holding Ltd	4,000	220,733	239,291	1.07
Total Hong Kong	<u>1,403,354</u>	<u>2,565,084</u>	<u>2,920,808</u>	<u>13.12</u>
Indonesia				
PT Indofood CBP Sukses Makmur Tbk	<u>128,000</u>	<u>79,211</u>	<u>77,056</u>	<u>0.35</u>
Philippines				
LTG Group Inc	<u>126,600</u>	<u>26,079</u>	<u>22,800</u>	<u>0.10</u>
Singapore				
AEM Holdings Ltd	27,300	51,464	81,234	0.36
Ara Logos Logistics Trust	215,400	98,565	144,212	0.65
Capitaland Ltd	61,000	168,474	184,688	0.83
Capitaland China Trust	66,720	63,634	64,523	0.29
DBS Group Holdings Ltd	10,800	183,892	244,237	1.10
Frecken Group Ltd	116,700	80,128	206,615	0.93
Ifast Corp Ltd	10,000	48,409	61,744	0.28

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2021 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
b) Quoted equities (cont'd)				
Singapore (cont'd)				
Japfa Ltd	91,000	57,368	45,694	0.21
Q & M Dental Group Singapore	120,000	70,753	65,612	0.29
Sasseur REIT	238,400	147,842	163,158	0.73
Singapore Technologies Engineering Ltd	20,600	60,233	58,079	0.26
Total Singapore	<u>977,920</u>	<u>1,030,762</u>	<u>1,319,796</u>	<u>5.93</u>
Taiwan				
United Microelectronics Corp	<u>37,000</u>	<u>77,983</u>	<u>83,654</u>	<u>0.38</u>
United States of America ("USA")				
Baidu Inc	400	52,920	61,272	0.28
Pinduoduo Inc	800	77,860	75,984	0.34
Trip.Com Group Ltd	2,800	88,041	80,052	0.36
SPDR Gold Shares	4,300	746,923	728,205	3.27
Total USA	<u>8,300</u>	<u>965,744</u>	<u>945,513</u>	<u>4.25</u>
Total quoted equities	<u>2,791,174</u>	<u>4,797,857</u>	<u>5,418,833</u>	<u>24.35</u>
Total FVTPL Investments	<u>7,017,891,174</u>	<u>19,890,783</u>	<u>21,094,141</u>	<u>94.76</u>
Unrealised gain on FVTPL investment			<u>1,203,358</u>	

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities				
Australia				
Australia and New Zealand Banking Group Ltd - 6.75% / 15.06.2026	1,000,000	1,142,582	1,145,600	2.70
Macquarie Bank London - 6.13% / 08.03.2027	500,000	498,224	511,700	1.21
Newcastle Coal Infrastructure Group - 4.40% / 29.09.2027	300,000	299,574	301,560	0.71
QBE Insurance Group Ltd - 5.88% / 12.05.2025	700,000	712,364	743,890	1.75
Total Australia	2,500,000	2,652,744	2,702,750	6.37
Bahrain				
CBB International Sukuk Co - 6.25% / 14.11.2024	200,000	209,158	217,500	0.51
British Virgin Island				
Greenland Holding Group - 6.25% / 16.12.2022	300,000	299,232	304,500	0.72
Huarong Finance Co Ltd - 4.50% / 24.01.2022	700,000	668,776	712,250	1.68
JG Summit Holdings Ltd - 4.13% / 09.07.2030	300,000	300,000	301,710	0.71
New Metro Global Ltd - 7.50% / 20.03.2022	250,000	250,030	256,175	0.60
- 6.50% / 23.04.2021	250,000	250,012	252,500	0.60
- 7.50% / 16.12.2021	200,000	202,829	205,420	0.48

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
British Virgin Island (cont'd)				
RKPF Overseas Ltd - 6.70% / 30.09.2024	310,000	318,699	321,346	0.76
Wanda Properties Overseas Ltd - 6.88% / 203.07.2023	250,000	250,000	251,250	0.59
- 6.95% / 05.12.2022	200,000	196,120	204,940	0.48
Total British Virgin Island	<u>2,760,000</u>	<u>2,735,698</u>	<u>2,810,091</u>	<u>6.62</u>
Canada				
Meglobal Canada Inc - 5.00% / 18.05.2025	200,000	201,354	218,240	0.51
Cayman Island				
ADIB Capital Investment Ltd - 7.13% / 20.09.2023	500,000	543,378	525,550	1.24
CIFI Holdings Group - 6.45% / 07.11.2024	500,000	483,936	519,000	1.22
Country Garden Holdings - 4.80% / 06.08.2030	300,000	300,000	302,580	0.71
DP World Plc - 6.00% / 01.10.2025	600,000	600,612	636,240	1.50
Greentown China Holdings - 5.65% / 13.07.2025	250,000	253,082	258,475	0.61
MAR Sukuk Ltd - 2.21% / 02.09.2025	250,000	250,000	252,250	0.59
Seazen Group Ltd - 6.00% / 08.12.2024	200,000	200,371	200,660	0.47
- 6.45% / 11.06.2020	500,000	500,764	508,800	1.20

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Cayman Island (cont'd)				
Shimao Group Holdings Ltd				
- 4.60% / 13.07.2030	500,000	511,725	513,750	1.21
- 5.60% / 15.07.2026	250,000	258,133	269,825	0.64
Sunac China Holdings Ltd				
- 6.50% / 09.07.2023	300,000	298,166	301,980	0.71
- 7.25% / 14.06.2022	250,000	256,223	255,750	0.60
Times China Holding Ltd				
- 7.25% / 14.06.2022	250,000	253,625	253,425	0.60
TMB Bank PCL				
- 4.90% / 02.12.2024	500,000	502,034	471,450	1.11
Total Cayman Island	<u>5,150,000</u>	<u>5,212,049</u>	<u>5,269,735</u>	<u>12.42</u>
China				
Postal Savings Bank of China Ltd				
- 4.50% / PERP	250,000	250,328	255,575	0.60
Ronshine China Holdings Ltd				
- 10.50% / 01.03.2022	400,000	409,917	427,480	1.01
- 8.75% / 25.10.2021	500,000	478,076	523,100	1.23
Times China Holdings Ltd				
- 10.95% / 27.11.2020	300,000	304,567	305,250	0.72
Total China	<u>1,450,000</u>	<u>1,442,888</u>	<u>1,511,405</u>	<u>3.56</u>

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Great Britain				
Barclays PLC - 6.13% / 15.12.2025	250,000	252,378	257,425	0.61
BP Capital Markets PLC - 4.88% / 22.03.2030	350,000	350,000	381,045	0.90
Legal & General Group PLC - 5.25% / 21.03.2047	300,000	325,432	328,740	0.77
Phoenix Group Holdings Ltd - 4.75% / 04.09.2031	250,000	252,116	259,825	0.61
Standard Chartered PLC - 6.00% / 26.07.2025	500,000	499,999	523,650	1.23
- 5.38% / 03.10.2024	250,000	187,200	185,790	0.44
Swiss Re finance PLC - 2.71% / 04.06.2052	200,000	236,002	250,902	0.59
- 3.13% / 03.07.2035	250,000	179,275	184,907	0.44
Total Great Britain	2,350,000	2,282,402	2,372,284	5.59
India				
Adani Ports and Special Economic Zone - 4.20% / 04.08.2027	200,000	200,446	202,380	0.48
Power Finance Corp Ltd - 3.95% / 23.04.2030	550,000	545,999	543,290	1.28
- 4.50% / 18.06.2029	250,000	262,452	256,450	0.60
Renew Power Ltd - 5.88% / 05.03.2027	500,000	503,924	502,500	1.18
Total India	1,500,000	1,512,821	1,504,620	3.55

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Indonesia				
Adaro Indonesia PT - 4.25% / 31.10.2024	500,000	499,543	492,000	1.16
Bank Tabungan Negara Tbk PT - 4.20% / 23.01.2025	650,000	620,973	645,190	1.52
Bayan Resources Tbk PT - 6.13% / 24.01.2023	400,000	390,901	391,400	0.92
Indonesia Asahan Alumini - 5.45% / 15.05.2030	200,000	195,610	235,840	0.56
Perusahaan Penerbit Indonesia - 5.45% / 15.01.2022	14,000,000,000	998,012	970,246	2.29
Total Indonesia	14,001,750,000	2,705,039	2,734,676	6.45
Malaysia				
Axiata SPV2 Ltd - 2.16% / 19.08.2030	300,000	303,043	300,150	0.71
Axiata SPV5 Ltd - 3.06% / 19.08.2050	500,000	503,439	485,850	1.15
Total Malaysia	800,000	806,482	786,000	1.85
Mauritius				
Greenko Solar Ltd - 5.95% / 29.07.2026	450,000	465,079	468,090	1.10
Network I2I Ltd - 5.65% / 15.01.2025	1,050,000	1,051,938	1,055,355	2.49

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Mauritius (cont'd)				
UPL Corp Ltd				
- 4.63% / 16.06.2030	250,000	254,005	256,750	0.61
- 5.25% / 27.02.2025	700,000	676,366	678,090	1.60
Total Mauritius	2,450,000	2,447,388	2,458,285	5.79
Netherlands				
Royal Capital BV				
- 5.00% / 05.02.2026	450,000	446,089	445,455	1.05
New Zealand				
Westpac Banking Corp				
- 5.00% / Perpetual	800,000	778,347	807,520	1.90
Philippines				
Globe Telecom Inc				
- 3.00% / 23.07.2035	400,000	399,126	388,240	0.92
International Container Terminal Services Inc				
- 4.75% / 17.06.2030	400,000	401,398	414,120	0.98
San Miguel Corp				
- 5.50% / 29.07.2025	750,000	750,000	743,625	1.75
Total Philippines	1,550,000	1,550,524	1,545,985	3.64
Saudi Arabia				
Saudi Electricity Global Sukuk				
- 5.06% / 08.04.2043	200,000	257,891	249,620	0.59

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Singapore				
DBS Group Holdings Ltd - 3.30% / 27.02.2025	1,000,000	1,000,072	1,003,700	2.37
Global Prime Capital Ltd - 5.50% / 18.10.2023	300,000	300,145	298,440	0.70
- 5.95% / 23.01.2025	500,000	502,030	485,450	1.14
Jollibee Worldwide Pte Ltd - 5.06% / 08.04.2043	300,000	300,007	300,600	0.71
- 5.06% / 08.04.2043	250,000	251,633	250,300	0.59
Pakuwon Prime Pte Ltd - 5.00% / 14.02.2024	200,000	192,197	201,000	0.47
NTUC Income Insurance - 3.10% / 20.07.2050	1,000,000	725,465	772,590	1.82
Singapore Tech Telemedia Ltd - 4.10% / 02.07.2027	250,000	179,300	189,708	0.45
ST Telemedia Global Data Centres Pte Ltd - 3.13% / 28.07.2028	750,000	548,391	556,265	1.31
Total Singapore	4,550,000	3,999,240	4,058,053	9.57
Switzerland				
Credit Suisse Group AG - 5.25% / 11.02.2027	200,000	201,006	203,440	0.48
- 6.38% / 21.08.2026	250,000	260,956	270,200	0.64
UBS Group Ltd - 5.13% / 29.07.2026	450,000	453,084	466,290	1.10
- 7.00% / Perpetual	250,000	268,754	270,350	0.64
- 4.85% / Perpetual	250,000	185,595	184,520	0.43
- 5.88% / 28.11.2023	500,000	364,173	377,318	0.89
Total Switzerland	1,900,000	1,733,568	1,772,118	4.18

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(a) Unquoted fixed income securities (cont'd)				
Thailand				
Bangkok Bank PCL - 3.73% / 25.09.2034	400,000	404,415	399,280	0.94
Kasikornbank PCL - 1.00% / 03.10.2022	700,000	670,413	699,510	1.65
Minor International PCL - 3.10% / 29.06.2023	200,000	200,000	202,040	0.48
Total Thailand	1,300,000	1,274,828	1,300,830	3.07
United Arab Emirates				
Emirates NBD Bank PJSC - 6.13% / 26.04.2026	500,000	501,037	525,000	1.24
Total unquoted fixed income securities	14,032,360,000	32,749,547	33,290,167	78.47
(b) Quoted equities				
Malaysia				
Kossan Rubber Industries Bhd	13,000	26,848	49,878	0.12
Hong Kong				
AIA Group Ltd	6,000	64,761	62,438	0.15
Alibaba Group Holdings Ltd	2,300	60,137	82,205	0.19
A-Living Services Co Ltd	17,000	66,547	88,947	0.21
Anta Sports Product Ltd	4,000	38,090	42,348	0.10

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(b) Quoted equities (cont'd)				
Hong Kong (cont'd)				
Aoyuan Healthy Life Group Co Ltd	239,000	206,815	218,643	0.52
China Construction Bank Corporation	44,000	37,663	32,077	0.08
China Life Insurance Co Ltd	12,000	33,079	29,295	0.07
China Lilang Ltd	29,000	23,769	16,838	0.04
China Medical Systems Holdings Ltd	47,000	68,774	53,064	0.13
China Resources Gas Group Ltd	6,000	32,989	29,032	0.07
China Traditional Chinese Medicine Holdings Co Ltd	92,000	46,982	39,767	0.09
CIFI Holdings Group Co Ltd	60,000	48,729	52,489	0.12
Country Garden Services Holdings Co Ltd	12,000	44,300	85,934	0.20
ENN Energy Holdings Ltd	5,200	60,240	58,071	0.14
JD.COM Inc	2,000	77,517	79,586	0.19
KWG Group Holdings Ltd	39,735	58,515	77,213	0.18
Li Ning Co Ltd	12,000	39,040	53,341	0.13
Link Real Estate Investment Trust ("REIT")	1,500	15,919	11,893	0.03

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(b) Quoted equities (cont'd)				
Hong Kong (cont'd)				
Meituan Dianping - Class B	2,000	66,778	68,438	0.16
Netease Inc	4,000	79,579	81,082	0.19
Shimao Group Holdings Ltd	13,500	52,428	63,492	0.15
Sichuan Lanhuan Justbon Services Group Co Ltd	10,200	67,437	66,266	0.16
Techtronic Industries Co Ltd	5,500	46,243	71,463	0.17
Tencent Holding Ltd	4,400	225,311	306,859	0.72
Total Hong Kong	<u>670,335</u>	<u>1,561,642</u>	<u>1,770,781</u>	<u>4.17</u>
Philippines				
LTG Group Inc	<u>180,000</u>	<u>32,273</u>	<u>31,267</u>	<u>0.07</u>
Singapore				
Manulife US REIT	100,500	100,845	74,370	0.18
Prime US REIT	100,600	99,321	78,468	0.18
United Hampshire REIT	118,000	94,400	64,310	0.15
AEM Holdings Ltd	42,500	67,158	127,900	0.30
Ascendas India Trust	95,900	115,959	93,143	0.22
Capitaland Ltd	13,300	37,908	27,205	0.06
Comfortdelgro Co Ltd	40,000	47,203	44,737	0.11

MAYBANK FLEXI INCOME FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

31.08.2020 (cont'd)	Quantity Unit	Total cost USD	Market value USD	Percentage of NAV %
(b) Quoted equities (cont'd)				
Singapore (cont'd)				
CSE Global Ltd	94,400	39,470	34,730	0.08
DBS Group Holdings Ltd	9,500	166,170	145,114	0.34
Frecken Group Ltd	91,300	62,451	63,148	0.15
Lendlease Global Commercial REIT	95,300	65,336	44,878	0.11
Sasseur REIT	186,500	118,415	104,978	0.25
Singapore Technologies Engineering Ltd	16,100	48,911	41,344	0.10
Total Singapore	1,003,900	1,063,547	944,325	2.23
United States of America ("USA")				
Alibaba Group Holding Ltd	1,400	307,783	404,600	0.95
JD.Com Inc	1,600	69,765	127,937	0.30
SPDR Gold Shares	10,600	1,780,815	1,954,535	4.61
Vipshop Holdings Ltd	5,400	77,026	92,287	0.22
Baidu Inc	300	40,329	38,700	0.09
Netease Inc	200	72,654	100,835	0.24
Total USA	19,500	2,348,372	2,718,894	6.41
Total quoted equities	1,886,735	5,032,682	5,515,145	13.00
Total FVTPL Investments	14,034,246,735	37,782,229	38,805,312	91.47
Unrealised gain on FVTPL investment			1,023,083	

MAYBANK FLEXI INCOME FUND

8. DERIVATIVE ASSETS/LIABILITIES

<u>Foreign exchange related contracts</u>	Notional Principal amount USD	Fair Value	
		Assets USD	Liabilities USD

31.08.2021

Currency forwards:

Less than 1 year	18,598,832	21,726	(99,368)
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31.08.2020

Currency forwards:

Less than 1 year	134,181,296	754,296	(6,269)
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As at the reporting date, there was 21 forward contracts (31.08.2020: 29 forward contracts) outstanding.

The Fund entered into forward currency contracts during the financial year to hedge the foreign currency exposure of the MYR (Hedged) Class, SGD (Hedged) Class and AUD (Hedged) Class based on the features of the Class as disclosed in the Prospectus. 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, SGD (Hedged) Class and AUD (Hedged) Class).

9. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	31.08.2021 USD	31.08.2020 USD
Short-term placement with a licensed financial institution	230,955	541,472

MAYBANK FLEXI INCOME FUND

9. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION (CONT'D)

The weighted average effective interest rates ("WAEIR") of deposit and average maturity deposit with licensed financial institution as at the reporting date is as follows:

	31.08.2021		31.08.2020	
	WAEIR % p.a.	Average Maturity Days	WAEIR % p.a.	Average Maturity Days
Deposit with a licensed financial institution	1.60	2	1.70	4

10. AMOUNT DUE FROM/(TO) BROKER

The amount due from/(to) brokers relate to the amount receivable/(payable) to brokers arising from the sale/(purchase) of investments. The settlement period for this receivable/(payable) is within two (2) to three (3) working days from the deal date.

11. CASH AT BANK

The Fund has cash at bank denominated in the currencies as follows:

	31.08.2021	31.08.2020
	USD	USD
Ringgit Malaysia ("MYR")	2,235	406,892
United States Dollars ("USD")	721,657	872,796
Australian Dollars ("AUD")	10,970	3,364
Singapore Dollars ("SGD")	5,023	16,632
Euros ("EUR")	952	5,625
Indonesian Rupiah ("IDR")	-	12
	<u>740,837</u>	<u>1,305,321</u>

MAYBANK FLEXI INCOME FUND

12. AMOUNT DUE TO MANAGER

	Note	31.08.2021 USD	31.08.2020 USD
Amount due to Manager is in respect of:			
- Manager's fee	(i)	113,780	55,207
- Cancellation of units	(ii)	28,431	684,899
		<u>142,211</u>	<u>740,106</u>

(i) The amount represents amount payable to the Manager arising from the accruals for Manager's fee at the end of the financial period.

(ii) The amount represents the amount payable to the Manager for units cancelled by the unitholders.

13. AMOUNT DUE TO TRUSTEE

Amount due to Trustee relates to the amount payable arising from the accrued for Trustee's fee at the end of the financial year/period.

MAYBANK FLEXI INCOME FUND

14. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND

	Note	31.08.2021 USD	31.08.2020 USD
Unitholders' contribution	(a)	22,851,554	43,378,664
Accumulated realised losses	(b)	(2,116,819)	(3,128,262)
Accumulated unrealised income	(c)	1,525,429	2,174,622
		<u>22,260,164</u>	<u>42,425,024</u>

(a) Unitholders' contribution

The units are distributed based on the following share classes:

	31.08.2021		31.08.2020	
	No. of units	USD	No. of units	USD
(i) USD Class	943,414	805,794	3,269,217	3,255,228
(ii) MYR Class	9,613,916	2,292,892	26,119,008	6,284,557
(iii) MYR (Hedged) Class	69,995,679	18,625,620	115,512,722	30,286,940
(iv) SGD (Hedged) Class	435,964	278,175	1,270,904	913,726
(v) AUD (Hedged) Class	1,346,506	849,073	3,913,860	2,638,213
	<u>82,335,479</u>	<u>22,851,554</u>	<u>150,085,711</u>	<u>43,378,664</u>

(i) USD Class

	01.09.2020 to 31.08.2021		28.11.2019 (date of launch) to 31.08.2020	
	Units	USD	Units	USD
At the beginning of the financial year/period	3,269,217	3,255,228	-	-
Creation of units	200,096	215,423	3,730,222	3,727,309
Reinvestment of units	50,192	52,497	-	-
Cancellation of units	(2,576,091)	(2,720,986)	(461,005)	(472,081)
Distributions (Note 15)	-	3,632	-	-
As at the end of the financial year/period	<u>943,414</u>	<u>805,794</u>	<u>3,269,217</u>	<u>3,255,228</u>

MAYBANK FLEXI INCOME FUND

14. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution (cont'd)

	01.09.2020 to 31.08.2021		28.11.2019 (date of launch) to 31.08.2020	
	Units	USD	Units	USD
(ii) MYR Class				
At the beginning of the financial year/period	26,119,008	6,284,557	-	-
Creation of units	3,026,699	776,170	32,720,472	7,853,729
Reinvestment of units	580,905	147,719	-	-
Cancellation of units	(20,112,696)	(5,151,093)	(6,601,464)	(1,569,172)
Distributions (Note 15)	-	235,539	-	-
As at the end of the financial year/period	9,613,916	2,292,892	26,119,008	6,284,557

(iii) MYR (Hedged) Class

At the beginning of the financial year/period	115,512,722	30,286,940	-	-
Creation of units	30,106,482	7,801,875	199,050,816	47,885,833
Reinvestment of units	3,096,209	793,842	-	-
Cancellation of units	(78,719,734)	(20,256,099)	(83,538,094)	(17,598,893)
Distributions (Note 15)	-	(938)	-	-
As at the end of the financial year/period	69,995,679	18,625,620	115,512,722	30,286,940

The Fund is a multi-class Fund. The impact of the exchange rate movement between the USD 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 FLEXI INCOME FUND

14. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution (cont'd)

	01.09.2020 to 31.08.2021		28.11.2019 (date of launch) to 31.08.2020	
	Units	USD	Units	USD
(iv) SGD (Hedged) Class				
At the beginning of the financial year/period	1,270,904	913,726	-	-
Creation of units	283,827	222,615	1,740,172	1,247,955
Reinvestment of units	36,441	28,468	-	-
Cancellation of units	(1,155,208)	(887,681)	(469,268)	(334,229)
Distributions (Note 15)	-	1,047	-	-
As at the end of the financial year/period	435,964	278,175	1,270,904	913,726

The Fund is a multi-class Fund. The impact of the exchange rate movement between the USD and SGD may result in the appreciation or depreciation of the unitholders investments in the Fund expressed in SGD. SGD (Hedged) Class represents a Class denominated in SGD 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 FLEXI INCOME FUND

14. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution (cont'd)

	01.09.2020 to 31.08.2021		28.11.2019 (date of launch) to 31.08.2020	
	Units	USD	Units	USD
(v) AUD (Hedged) Class				
At the beginning of the financial year/period	3,913,860	2,638,213	-	-
Creation of units	286,239	234,652	4,317,328	2,930,114
Reinvestment of units	68,656	53,629	-	-
Cancellation of units	(2,922,249)	(2,291,677)	(403,468)	(291,901)
Distributions (Note 15)	-	214,256	-	-
As at the end of the financial year/period	<u>1,346,506</u>	<u>849,073</u>	<u>3,913,860</u>	<u>2,638,213</u>

The Fund is a multi-class Fund. The impact of the exchange rate movement between the USD and AUD may result in the appreciation or depreciation of the unitholders investments in the Fund expressed in AUD. AUD (Hedged) Class represents a Class denominated in AUD 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.

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:

	31.08.2021		31.08.2020	
	No. of units	Value at NAV	No. of units	Value at NAV
The Manager (USD Class)	1,041	USD1,074	1,000	USD1,031
The Manager (MYR Class)	1,041	RM1,081	1,000	RM1,040
The Manager (MYR Hedged Class)	1,041	RM1,085	1,000	RM1,032
The Manager (SGD Hedged Class)	1,041	SGD1,064	1,000	SGD1,026
The Manager (AUD Hedged Class)	1,041	AUD1,063	1,000	AUD1,030

MAYBANK FLEXI INCOME FUND

14. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution (cont'd)

The units are held beneficially by the Manager for booking purposes, and are within the prescribed limit allowed by the SC's Guidelines on Unit Trust Funds. Other than the above, there were no other units held by the Manager or parties related to the Manager.

(b) Accumulated realised losses

	01.09.2020	28.11.2019
	(date of launch)	
	to	to
	31.08.2021	31.08.2020
	USD	USD
At the beginning of the financial year/period	(3,128,262)	-
Net realised income/(loss) for the financial year/period	1,011,443	(3,128,262)
As at the end of the financial year/period	<u>(2,116,819)</u>	<u>(3,128,262)</u>

(c) Accumulated unrealised income

	01.09.2020	28.11.2019
	(date of launch)	
	to	to
	31.08.2021	31.08.2020
	USD	USD
At the beginning of the financial year/period	2,174,622	-
Net unrealised(loss)/income for the financial year/period	(649,193)	2,174,622
As at the end of the financial year/period	<u>1,525,429</u>	<u>2,174,622</u>

MAYBANK FLEXI INCOME FUND

14. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(d) Classes of shares

(i) Types of classes of units

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

Classes of units	Currency denomination
USD	USD
MYR	MYR
MYR (Hedged)	MYR
SGD (Hedged)	SGD
AUD (Hedged)	AUD

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

- (a) Initial investments for each class
- (b) Additional minimum investment
- (c) Transfer, switching and conversion charges for each class

(ii) NAV computation

The computation of NAV of the Fund is based on the Fund's functional currency, USD, irrespective of the multiple classes of units (denominated in other currencies). Due to multiple classes in this Fund, the expenses of the Fund are apportioned based on the MCR, 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 unitholder's 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 FLEXI INCOME FUND

15. DISTRIBUTIONS

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

(a) USD Class

	01.09.2020 to 31.08.2021 USD
Dividend income	2,637
Interest income	25,853
Net realised gain on sale of investments	16,305
Net realised foreign exchange loss	(16,409)
Net realised gain on forward contracts	47,685
Less: Expenses	<u>(19,942)</u>
Distribution out of realised income	56,129
Distribution out of distribution equalisation (Note 14 (a) (i))	<u>(3,632)</u>
Distribution for the financial year	<u><u>52,497</u></u>
Distribution dates (ex-date)	Gross/Net distribution per unit (USD cent)
2021	
27 November 2020	0.65
24 February 2021	1.07
27 May 2021	1.10
26 August 2021	<u>1.45</u>
	<u><u>4.27</u></u>

MAYBANK FLEXI INCOME FUND

15. DISTRIBUTIONS (CONT'D)

(b) MYR Class

	01.09.2020 to 31.08.2021 USD
Dividend income	18,759
Interest income	183,885
Net realised gain on sale of investments	115,973
Net realised foreign exchange loss	(116,713)
Net realised gain on forward contracts	339,175
Less: Expenses	(158,239)
Distribution out of realised income	<u>382,840</u>
Distribution out of distribution equalisation (Note 14 (a) (ii))	<u>(235,539)</u>
Distribution for the financial year	<u>147,301</u>
Distribution dates (ex-date)	Gross/Net distribution per unit (RM sen)
2021	
27 November 2020	0.65
24 February 2021	1.07
27 May 2021	1.10
26 August 2021	1.45
	<u>4.27</u>

(c) MYR (Hedged) Class

	01.09.2020 to 31.08.2021 USD
Dividend income	33,055
Interest income	324,019
Net realised gain on sale of investments	204,354
Net realised foreign exchange loss	(205,658)
Net realised gain on forward contracts	597,652
Less: Expenses	(162,191)
Distribution out of realised income	<u>791,231</u>
Distribution out of distribution equalisation (Note 14 (a) (iii))	<u>938</u>
Distribution for the financial year	<u>792,169</u>

MAYBANK FLEXI INCOME FUND

15. DISTRIBUTIONS (CONT'D)

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

Distribution dates (ex-date)	Gross/Net distribution per unit (RM sen)
2021	
27 November 2020	1.35
24 February 2021	1.07
27 May 2021	1.10
26 August 2021	0.70
	<u>4.22</u>

(d) SGD (Hedged) Class

	01.09.2020 to 31.08.2021 USD
Dividend income	1,218
Interest income	11,942
Net realised gain on sale of investments	7,531
Net realised foreign exchange loss	(7,579)
Net realised gain on forward contracts	22,026
Less: Expenses	(5,611)
Distribution out of realised income	<u>29,527</u>
Distribution out of distribution equalisation (Note 14 (a) (iv))	<u>(1,047)</u>
Distribution for the financial year	<u>28,480</u>

Distribution dates (ex-date)	Gross/Net distribution per unit (SGD cent)
2021	
27 November 2020	1.35
24 February 2021	1.07
27 May 2021	1.10
26 August 2021	0.70
	<u>4.22</u>

MAYBANK FLEXI INCOME FUND

15. DISTRIBUTIONS (CONT'D)

(e) AUD (Hedged) Class

	01.09.2020 to 31.08.2021
Dividend income	13,754
Interest income	134,824
Net realised gain on sale of investments	85,031
Net realised foreign exchange loss	(85,574)
Net realised gain on forward contracts	248,682
Less: Expenses	<u>(128,637)</u>
Distribution out of realised income	268,080
Distribution out of distribution equalisation (Note 14 (a) (v))	<u>(214,256)</u>
Distribution for the financial year	<u>53,824</u>
Distribution dates (ex-date)	Gross/Net distribution per unit (AUD cent)
2021	
27 November 2020	0.65
24 February 2021	1.07
27 May 2021	1.10
26 August 2021	<u>1.40</u>
	<u>4.22</u>

The distribution declared are settled in the forms of units and presented as 'reinvestment of units' in Note 14(a) on payment date.

MAYBANK FLEXI INCOME FUND

16. TRANSACTIONS WITH RELATED AND OTHER STOCKBROKING COMPANIES/BROKERS

Transactions with top 10 stockbroking companies / brokers / dealers are as follows:

Brokers	Value of trade USD	Percentage of total trade %	Brokerage fees USD	Percent of brokerage fees %
31.08.2021				
Maybank Kim Eng Securities Pte Ltd	18,510,444	23.05	5,023	39.51
HSBC Singapore	4,989,714	6.21	-	-
Standard Chartered Singapore	5,180,596	6.45	-	-
Bank Of America Merrill Lynch London	2,918,020	3.63	-	-
UBS Financial Services Inc	2,661,007	3.31	-	-
Citigroup Global Markets Inc	2,647,035	3.30	-	-
ANZ Singapore Ltd	2,628,782	3.27	-	-
Deutsche Bank AG	2,617,997	3.26	-	-
Daiwa Capital Markets Singapore Ltd	2,493,840	3.11	618	4.86
Goldman Sachs Group Inc	2,382,084	2.97	-	-
Others	33,272,011	41.44	7,072	55.63
	80,301,530	100.00	12,713	100.00
31.08.2020				
Maybank Investment Bank Bhd*	26,490,517	8.95	21,765	92.69
Citibank International Ltd	15,673,780	5.29	-	-
HSBC Holdings Plc	12,755,550	4.31	-	-
Standard Chartered Plc	11,540,550	3.90	-	-
UBS Group	10,893,950	3.68	-	-
Deutsche Bank AG	8,290,404	2.80	-	-
Goldman Sachs Group Inc	8,000,000	2.70	-	-
DBS Singapore	7,540,850	2.55	-	-
First Abu Dhabi Bank PJSC	7,400,000	2.50	-	-
Credit Suisse Group AG	7,233,950	2.44	-	-
Others	180,253,569	60.88	1,717	7.31
	296,073,120	100.00	23,482	100.00

* Maybank Investment Bank Bhd ("MIBB") is a subsidiary of Malayan Banking Bhd, the ultimate holding company of the Manager.

MAYBANK FLEXI INCOME FUND

17. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

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

Other than those disclosed elsewhere in the financial statements, there were no other significant related party transactions as at reporting date.

(i) <u>Significant related party transaction</u>		28.11.2019
	01.09.2020	(date of
	to	launch) to
	31.08.2021	31.08.2020
<u>MBB</u>		
Profit income from deposits	2,422	31,253
	<hr/>	<hr/>
(ii) <u>Significant related party balances</u>		
<u>MBB</u>		
Interest receivable	20	101
Deposit with a licensed financial institution	230,955	541,472
	<hr/>	<hr/>

MAYBANK FLEXI INCOME FUND

18. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of the sum of total expenses incurred by the Fund to the daily average NAV of the Fund. For the financial year ended for 31 August 2021, the MER of the Fund stood at 1.63% (28.11.2019 (date of launch) to 31.08.2020: 1.11%).

MER for the financial year ended 31 August 2021 is 1.51% for USD Class, 1.52% for MYR Class, 1.59% for MYR (Hedged) Class, 1.50% for SGD (Hedged) Class and 1.51% for AUD (Hedged) Class.

19. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial year ended to the daily average NAV of the Fund for financial year ended 31 August 2021, the PTR of the Fund stood at 1.23 times (28.11.2019 (date of launch) to 31.08.2020: 2.47 times).

20. SEGMENT INFORMATION

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

The PMC of the Manager is responsible for the Fund's performance by investing at least 70% of its NAV in fixed income securities and/or liquid assets and not more than 30% of its NAV in equities, REITs and/or ETF.

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.

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

MAYBANK FLEXI INCOME FUND

21. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

(a) Classification of financial instruments

The Fund's financial assets and financial liabilities were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The significant accounting policies in Note 2.3 to 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.

	Financial instruments at FVTPL USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
31.08.2021				
Financial assets				
Financial assets at FVTPL	21,094,141	-	-	21,094,141
Derivative assets	21,726	-	-	21,726
Deposit with a licensed financial institution	-	230,955	-	230,955
Interest receivable	-	209,558	-	209,558
Dividend receivable	-	7,035	-	7,035
Amount due from brokers	-	703,460	-	703,460
Cash at bank	-	740,837	-	740,837
Total financial assets	<u>21,115,867</u>	<u>1,891,845</u>	<u>-</u>	<u>23,007,712</u>
Financial liabilities (excluding NAV attributable to unitholders)				
Amount due to Manager	-	-	142,211	142,211
Amount due to Trustee	-	-	759	759
Derivative liabilities	99,368	-	-	99,368
Amount due to brokers	-	-	499,180	499,180
Other payables and accruals	-	-	6,030	6,030
Total financial liabilities	<u>99,368</u>	<u>-</u>	<u>648,180</u>	<u>747,548</u>

MAYBANK FLEXI INCOME FUND

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

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

	Financial instruments at FVTPL USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
31.08.2020				
Financial assets				
Financial assets at FVTPL	38,805,312	-	-	38,805,312
Derivative assets	754,296	-	-	754,296
Deposit with a licensed financial institution	-	541,472	-	541,472
Interest receivable	-	432,000	-	432,000
Dividend receivable	-	18,443	-	18,443
Amount due from brokers	-	1,578,461	-	1,578,461
Cash at bank	-	1,305,321	-	1,305,321
Total financial assets	<u>39,559,608</u>	<u>3,875,697</u>	-	<u>43,435,305</u>
Financial liabilities (excluding NAV attributable to unitholders)				
Amount due to Manager	-	-	740,106	740,106
Amount due to Trustee	-	-	1,472	1,472
Amount due to financial institution	-	-	5,984	5,984
Derivative liabilities	6,269	-	-	6,269
Amount due to brokers	-	-	250,000	250,000
Other payables and accruals	-	-	6,450	6,450
Total financial liabilities	<u>-</u>	<u>-</u>	<u>1,010,281</u>	<u>1,010,281</u>

MAYBANK FLEXI INCOME FUND

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

(b) Financial instruments that are carried at fair value

Unquoted fixed income securities

Local unquoted fixed income securities denominated in RM are revalued on a daily basis based on fair value prices quoted by Bond Pricing Agency as per SC's Guidelines on Unit Trust Funds.

Foreign unquoted fixed income securities denominated in foreign currencies are revalued on a daily basis using the Bloomberg Generic Price ("BGN"). In the case where the Manager are unable to obtain quotation from the BGN, such the unquoted fixed income securities will be valued at fair value by reference to the average indicative yield quoted by 3 independent and reputable institutions. If both the BGN and quotation from 3 independent and reputable institutions are not available, the unquoted fixed income securities will be valued at fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

Quoted equities

The fair value of quoted investments in equities, REITs and ETFs are determined by reference to the last bid price on the relevant stock exchanges (e.g. Bursa Malaysia, Singapore Exchange, Hong Kong exchange) as at the statement of financial position date.

Derivative assets and liabilities

The fair value of over-the-counter forward foreign exchange contracts are obtained by using valuation models which incorporate various observable market inputs such as changes in spot rate, and changes in the forward points.

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

	Level 1 USD	Level 2 USD	Level 3 USD
31.08.2021			
Financial assets at FVTPL	5,418,833	15,675,308	-
Derivative assets	-	21,726	-
	5,418,833	15,697,034	-
Derivative liabilities	-	(99,368)	-

MAYBANK FLEXI INCOME FUND

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

(c) Fair value hierarchy (cont'd)

	Level 1 USD	Level 2 USD	Level 3 USD
31.08.2020			
Financial assets at FVTPL	5,515,145	33,290,167	-
Derivative assets	-	754,296	-
	<u>5,515,145</u>	<u>34,044,463</u>	<u>-</u>
Derivative liabilities	-	(6,269)	-

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

Other than its financial assets at FVTPL and derivative assets and liabilities, 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.

MAYBANK FLEXI INCOME FUND

22. FINANCIAL RISK 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, the 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) Interest rate risk

Fixed income securities are particularly sensitive to movements in market interest rates. When interest rates rise, the value of fixed income securities will fall and vice versa, thus affecting the NAV of the Fund. The sensitivity to market interest rate changes are normally greater for longer tenured securities when compared to shorter tenured securities.

The table below summarises the sensitivity of the Fund's NAV to movements in prices of fixed income securities held by the Fund as a result of movements in market interest rates. The analysis is based on the assumptions that the interest rates increased and decreased by 1% (100 basis points) with all other variables held constant.

	31.08.2021		31.08.2020	
	Changes in interest rates %	Effects on NAV (Decrease)/ Increase USD	Changes in interest rates %	Effects on NAV (Decrease)/ Increase USD
Unquoted fixed income securities	+1 -1	(576,666) 538,073	+1 -1	(1,563,336) 1,617,315

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

The Fund's deposit with a licensed financial institution carries fixed rate and is short-term in nature, and therefore is not affected by movements in market interest rate.

MAYBANK FLEXI INCOME FUND

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

(b) Market risk (cont'd)

(ii) 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 equities. This risk can be minimised through investing in a wide range of companies in different sectors, which function independently from one another.

Equity price risk sensitivity

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

	31.08.2021		31.08.2020	
	Changes in price %	Effects on NAV Increase/ (Decrease) USD	Changes in price %	Effects on NAV Increase/ (Decrease) USD
Quoted equities	+5	270,942	+5	275,757
	-5	(270,942)	-5	(275,757)

(iii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Manager did not enter into any hedging instruments (e.g. forward currency contracts) to hedge the foreign currency exposure of the Fund.

The base currency of the Fund is USD. As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between USD and the currencies in which the Fund's assets are denominated in may have an impact on the fair value of the Fund's assets. If the currencies in which the assets 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 Fund is a multi-class Fund. The impact of the exchange rate movement between USD and the foreign currency of MYR, AUD, SGD and EUR Class, may result in a depreciation of the unitholders' investment in the Fund as expressed in USD.

MAYBANK FLEXI INCOME FUND

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

(b) Market risk (cont'd)

(iii) Currency risk (cont'd)

The table below analyses the net positions of the Fund's financial assets and financial liabilities, which are exposed to foreign exchange risk as at 31 August 2021:

31.08.2021

	HKD USD	IDR USD	SGD USD	TOTAL USD
Financial assets at FVTPL	2,920,807	571,510	2,853,267	6,345,584
Dividend receivable	1,705	-	4,881	6,586
Cash at bank	-	-	5,023	5,023
Total financial assets and net on balance-sheet position	2,922,512	571,510	2,863,171	6,357,193

The Fund's exposures to fluctuations in the AUD/USD, MYR/USD, PHP/USD and TWD/USD exchange rates are not significant as at 31 August 2021.

31.08.2020

	EUR USD	MYR USD	SGD USD	TOTAL USD
Financial assets at FVTPL	250,902	49,878	3,178,275	3,479,055
Cash at bank	5,625	406,892	16,632	429,149
Total financial assets and net on balance-sheet position	256,527	456,770	3,194,907	3,908,204

The Fund's exposures to fluctuations in the AUD/USD, PHP/USD and TWD/USD exchange rates are not significant as at 31 August 2020.

MAYBANK FLEXI INCOME FUND

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

(b) Market risk (cont'd)

(iii) Currency risk (cont'd)

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

The following table summarises the sensitivity of the Fund's net on-balance sheet open position to movements in the exchange rates. The analysis calculated the effect of a reasonably possible movement of the currency rate against USD on the Fund's NAV with all other variables held constant.

	31.08.2021	
	Change in exchange rates %	Effects on NAV Increase/ (Decrease) USD
HKD/USD	+5%	146,126
	-5%	(146,126)
IDR/USD	+5%	28,576
	-5%	(28,576)
SGD/USD	+5%	143,159
	-5%	(143,159)
	31.08.2020	
	Change in exchange rates %	Effects on NAV Increase/ (Decrease) USD
EUR/USD	+5%	12,826
	-5%	(12,826)
MYR/USD	+5%	22,839
	-5%	(22,839)
SGD/USD	+5%	159,745
	-5%	(159,745)

The impact to net results after taxation and NAV is expected to be the same.

MAYBANK FLEXI INCOME FUND

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

(c) Credit risk

Credit risk is the risk that the issuer/counterparty to a financial instrument will default on its contractual obligation resulting in a financial loss to the Fund. The Fund is exposed to the risk of credit-related losses that can occur as a result of an issuer/counterparty's inability or unwillingness to honour its contractual obligations to make timely repayments of 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 other counterparties (e.g. brokers, custodian, banks, etc.) by reviewing their credit ratings and credit profile on a regular basis.

(i) Credit risk exposure

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

(ii) Credit risk concentration

The following table analyses the Fund's investments in unquoted fixed income securities and cash at bank by rating categories. The ratings for the Fund's investments in unquoted fixed income securities and interest receivable on unquoted fixed income securities were obtained from S&P or its equivalent rating by Moody's and/or Fitch, while the ratings for cash at bank were obtained from RAM's official website.

MAYBANK FLEXI INCOME FUND

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

(c) Credit risk

(ii) Credit risk concentration (cont'd)

Financial assets	USD	31.08.2021		31.08.2020	
		As a % of NAV	%	As a % of NAV	%
AAA	971,812	4.37	2,278,794	3.08	
AA-	-	-	1,003,700	2.37	
A+	-	-	255,575	0.60	
A1	186,756	0.84	633,295	1.49	
A3	1,398,762	6.28	743,890	1.75	
A-	-	-	519,820	1.23	
B+	320,422	1.44	217,500	0.51	
B1	-	-	525,550	1.24	
BAA1	-	-	712,250	1.68	
BAA2	-	-	300,150	0.71	
BA1	514,697	2.31	1,000,070	2.36	
BA2	301,494	1.35	761,335	1.79	
BA3	-	-	1,774,701	4.18	
BBB+	688,009	3.09	1,250,399	2.95	
BBB	1,007,361	4.53	4,892,148	11.53	
BBB-	1,138,261	5.11	4,715,530	11.11	
BB+	1,780,913	8.00	807,660	1.90	
BB	1,369,461	6.15	3,427,245	8.08	
BB-	3,183,871	14.30	4,336,945	10.22	
Non Rated	3,994,839	17.95	5,412,403	12.76	
	16,856,658	75.73	35,568,960	81.54	

(d) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other 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. It is the Fund's policy that the Manager monitors the Fund's liquidity position on a daily basis. The Fund also manages its obligation to redeem units when required to do so.

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 and other instruments which are capable of being converted into cash within 7 days.

MAYBANK FLEXI INCOME FUND

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

(d) Liquidity risk (cont'd)

The following table summarises the maturity profile of the Fund's financial assets, liabilities and unitholders' capital to provide a complete view of the Fund's contractual commitments and liquidity. The Fund's financial assets and financial liabilities have been included in the "less than 1 month" category and the impact of discounting is insignificant.

31.08.2021	Less than 1 month USD	More than 1 month USD	Total USD
Financial assets			
Financial assets at FVTPL	5,418,833	15,675,308	21,094,141
Derivative assets	-	21,726	21,726
Deposits with a licensed financial institution	230,955		230,955
Interest receivable	71,236	138,322	209,558
Dividend receivable	7,035	-	7,035
Amount due from brokers	703,460	-	703,460
Cash at bank	740,837	-	740,837
	<u>7,172,356</u>	<u>15,835,356</u>	<u>23,007,712</u>
Financial liabilities and net assets attributable to unitholders of the Fund			
Derivative liabilities	-	99,368	99,368
Amount due to Manager	142,211	-	142,211
Amount due to Trustee	759	-	759
Amount due to brokers	499,180	-	499,180
Other payables and accruals	6,030	-	6,030
Net assets attributable to unitholders of the Fund	<u>22,260,164</u>	<u>-</u>	<u>22,260,164</u>
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	<u>22,908,344</u>	<u>99,368</u>	<u>23,007,712</u>
Liquidity (gap)/surplus	<u>(15,735,988)</u>	<u>15,735,988</u>	<u>-</u>

MAYBANK FLEXI INCOME FUND

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

(d) Liquidity risk (cont'd)

31.08.2020	Less than 1 month USD	More than 1 month USD	Total USD
Financial assets			
Financial assets at FVTPL	5,515,145	33,290,167	38,805,312
Derivative assets	64,578	689,718	754,296
Deposits with a licensed financial institution	541,472	-	541,472
Interest receivable	124,888	307,112	432,000
Dividend receivable	18,443	-	18,443
Amount due from broker	1,578,461	-	1,578,461
Cash at bank	1,305,321	-	1,305,321
	<u>9,148,308</u>	<u>34,286,997</u>	<u>43,435,305</u>
Financial liabilities and net assets attributable to unitholders of the Fund			
Derivative liabilities	-	6,269	6,269
Amount due to Manager	740,106	-	740,106
Amount due to Trustee	1,472	-	1,472
Amount due to financial institution	5,984	-	5,984
Amount due to broker	250,000	-	250,000
Other payables and accruals	6,450	-	6,450
Net assets attributable to unitholders	42,425,024	-	42,425,024
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	<u>43,429,036</u>	<u>6,269</u>	<u>43,435,305</u>
Liquidity (gap)/surplus	<u>(34,280,728)</u>	<u>34,280,728</u>	<u>-</u>

Notes:

(i) Financial assets

Deposits with licensed financial institutions are grouped based on the expected date on which these assets will be realised. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

MAYBANK FLEXI INCOME FUND

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

(d) Liquidity risk (cont'd)

(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 is required to settle its financial obligation.

(iii) Net assets attributable to unitholders of the Fund

As unitholders could request for redemption of their units within ten calendar days from transaction date, the net assets attributable to unitholders of the Fund has been categorised as having a maturity of "less than 1 month".

As a result, it appears that the Fund has a liquidity gap within "less than 1 month". However, the Fund believes that it would be able to liquidate its investments should the need arise to satisfy all the redemption requirements.

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

No changes were made to the unitholders' contribution management objectives, policies or processes in the current financial year.