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# MAYBANK RETAIL MONEY MARKET-I FUND

Unaudited semi-annual report

For the financial period from 1 August 2022 to 31 January 2023

## **CORPORATE INFORMATION**

### **MANAGER**

Maybank Asset Management Sdn Bhd (199701006283) (421779-M)  
Level 12 Tower C  
Dataran Maybank  
No.1 Jalan Maarof  
59000 Kuala Lumpur, Malaysia  
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### **EXTERNAL INVESTMENT MANAGER ("EIM")**

Maybank Islamic Asset Management Sdn Bhd (201301012623) (1042461-K)  
Level 12, Tower C,  
Dataran Maybank  
No.1 Jalan Maarof  
59000 Kuala Lumpur, Malaysia  
Telephone +603 2297 7872  
Facsimile +603 2297 7898

### **TRUSTEE**

RHB Trustees Berhad (200201005356) (573019-U)  
Level 10, Tower One  
RHB Centre  
Jalan Tun Razak  
50400 Kuala Lumpur  
Telephone +603 9287 3888  
Facsimile +603 9281 9314

### **SHARIAH ADVISER**

Amanie Advisors Sdn Bhd (200501007003) (684050-H)  
Level 13A-2  
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189 Jalan Tun Razak  
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## **MAYBANK RETAIL MONEY MARKET-I FUND**

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## MAYBANK RETAIL MONEY MARKET-I FUND

### Manager's report

For the financial period from 1 August 2022 to 31 January 2023

#### A. Fund Information

**1. Name of the Fund**

Maybank Retail Money Market-I Fund ("Fund")

**2. Type of Fund**

Income

**3. Category of Fund**

Islamic money market fund

**4. Duration of the Fund**

The Fund is an open-ended Fund.

**5. Launch date**

3 November 2021

**6. Fund's investment objective**

The Fund aims to provide investors with liquidity and regular income stream to meet cash flow requirements based on Shariah principles while preserving capital.

Note: Capital preservation does not signify that the capital/ principal invested is guaranteed/ protected by any party.

**7. Fund distribution policy**

Subject to availability of income, the Fund endeavours to distribute income on a monthly basis.

**8. Fund's performance benchmark**

Maybank Islamic Overnight rate.

**9. The Fund's asset allocation policy**

The Fund invests at least 90% of the Fund's assets in Islamic deposits, Islamic money market instruments and Sukuk which have a remaining maturity period of not more than 365 days. Up to 10% of the Fund's assets is invested in Sukuk which have a remaining maturity period of more than 365 days but fewer than 732 days.

## MAYBANK RETAIL MONEY MARKET-I FUND

### Manager's report

For the financial period from 1 August 2022 to 31 January 2023

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

##### 10. Net income distribution for the financial period from 1 August 2022 to 31 January 2023

The Fund distributed net income of RM2,419,064 to unitholders for the financial period from 1 August 2022 to 31 January 2023. Below are the impact of the distributions to the Fund's NAV:

Entitlement date	Payment date	Before distribution RM	After distribution RM	Gross/ Net distribution sen	Changes %
24.08.2022	30.08.2022	1.0073	1.0055	0.18	(0.18)
26.09.2022	30.09.2022	1.0075	1.0055	0.20	(0.20)
26.10.2022	31.10.2022	1.0076	1.0051	0.25	(0.25)
25.11.2022	30.11.2022	1.0073	1.0043	0.30	(0.30)
27.12.2022	30.12.2022	1.0069	1.0056	0.13	(0.13)
26.01.2023	31.01.2023	1.0085	1.0071	0.14	(0.14)
				<u>1.20</u>	

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

###### Fund size

As at 31 January 2023, the size of the Fund was 527,308,957 units.

###### Breakdown of unitholdings as at 31 January 2023

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	20.00	0	0.00
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	1	20.00	78	0.01
500,001 units and above	3	60.00	527,231	99.99
<b>Total</b>	<b>5</b>	<b>100.00</b>	<b>*527,309</b>	<b>100.00</b>

\* Includes 429,777,369 units held under Institutional Unit Trust Scheme Advisers.

## MAYBANK RETAIL MONEY MARKET-I FUND

### Manager's report

For the financial period from 1 August 2022 to 31 January 2023

### B. Performance Review

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

Category	01.08.2022 to 31.01.2023	03.11.2022 (date of launch) to 31.07.2022
<b>Portfolio (%)</b>		
Shariah-compliant deposits	100.10	99.83
Cash and other (liabilities)/ net assets	(0.10)	0.17
<b>Total</b>	<b>100.00</b>	<b>100.00</b>
NAV (RM'000)	531,054	193,461
Units in circulation ('000)	527,309	192,415
NAV per unit (RM)	1.0071	1.0054
Highest NAV per unit (RM)	1.0079	1.0067
Lowest NAV per unit (RM)	1.0039	0.8232
Annual return (%) <sup>(1)</sup>		
- Capital growth (%)	0.18	0.53
- Income distribution (%)	1.20	0.97
Total return (%)	1.38	1.50
Benchmark (%)	0.47	0.23
Net income distributed (RM'000)	2,419	2,016
Distribution dates (ex-date)	Refer to Note 11	Refer to Note 11
Gross/ net distribution per unit (sen)	1.20	0.97
Total Expense Ratio (TER) (%) <sup>(2)</sup>	0.14	0.21
Portfolio Turnover Ratio ("PTR") (times) <sup>(3)</sup>	N/A	N/A

#### Notes:

- (1) Actual return of the Fund for the financial period is computed based on the daily average NAV per unit, net of Manager's and Trustee's fees.
- (2) The Fund's TER decreased to 0.14% due to lower auditor remuneration expenses in the current financial period under review.
- (3) PTR is not applicable for this Fund as the Fund invested only in Shariah-compliant deposits during the period under review.

## MAYBANK RETAIL MONEY MARKET-I FUND

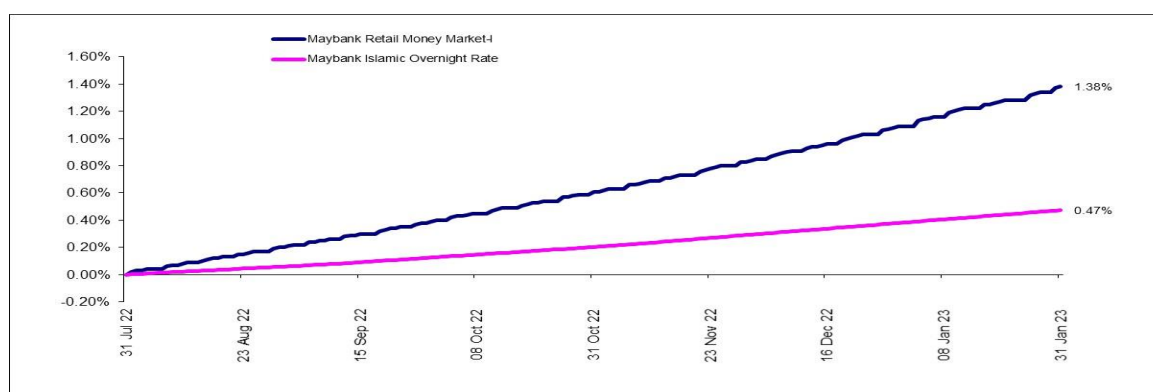
### Manager's report

For the financial period from 1 August 2022 to 31 January 2023

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

#### 2. Performance of the Fund up to 31 January 2023

Category	6 months to 31.01.2023 %	1 year to 31.01.2023 %	Since Inception to 31.07.2022 %
Capital growth	0.18	0.21	0.71
Income distribution	1.20	2.08	2.18
Total return of the Fund	1.38	2.29	2.91
Benchmark	0.47	0.66	0.71
Average total return	-	2.29	2.33



Source: Lipper, 31 January 2023

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.

The outperformance was mainly due to better returns from its deposits with selective financial institutions.

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

For the financial period/ year	31.01.2023 %	31.07.2022 %
Capital growth	0.18	0.53
Income distribution	1.20	0.97
Total return	1.38	1.50
Benchmark	0.47	0.23

#### 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:

$$\begin{aligned} \text{Capital return} &= (\text{NAV per unit end} / \text{NAV per unit begin}) - 1 \\ \text{Income return} &= \text{Income distribution per unit} / \text{NAV per unit ex-date} \\ \text{Total return} &= (1 + \text{Capital return}) \times (1 + \text{Income return}) - 1 \end{aligned}$$

## **MAYBANK RETAIL MONEY MARKET-I FUND**

### **Manager's report**

**For the financial period from 1 August 2022 to 31 January 2023**

#### **C. Market Review**

Bank Negara Malaysia ("BNM") maintained the Overnight Policy Rate ("OPR") at 2.75% in the first Monetary Policy Committee ("MPC") meeting held on 19 January 2023. The decision will allow the bank to assess the lag effect of monetary transmission following four consecutive 25 basis points ("bps") hikes last year. Similar to previous statement, the central bank remains downbeat on global economy prospects as it expects elevated cost pressures, higher interest rates and Coronavirus Disease 2019 ("Covid-19") related disruption in China to more than offset the support coming from positive labour market conditions and the full reopening of economies and international borders.

#### **D. Market Outlook and strategies**

BNM expects growth in 2023 to moderate with downside risks stemming from weaker-than-expected global growth, higher risk aversion in global financial markets amid more aggressive monetary policy tightening in major economies, geopolitical conflicts and re-emergence of significant supply chain disruptions. Overall, the central bank still described the current stance of monetary policy stance as accommodative. Our economic research has tweaked OPR forecast lower for 2023 between 2.75% to 3.00% from the current OPR of 3.00%.

The Manager monitors the liquidity requirements closely in order to place money market deposits in appropriate tenures which will satisfy the liquidity requirements and also position of the Fund to capitalise on any profit rate movement. The Manager also actively looks for products from licensed financial institutions that provide better yields. Hence, the Manager has resorted to maintain the deposit placement up to two (2) months and at the same time reserved cash in short-term tenure for liquidity requirement.

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

During the financial period ended 31 January 2023, the Manager and its delegates did not receive any rebates from the brokers or dealers but have retained soft commissions in the form of goods and services such as research materials and advisory services that assist in decision making process relating to the investment of the Fund (i.e. research materials, data and quotation services, computer hardware and software incidental to the investment management of the Fund and investment advisory services) which were of demonstrable benefits to the unitholders.



## **Trustee's Report**

### **TO THE UNIT HOLDERS OF MAYBANK RETAIL MONEY MARKET-I FUND FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2022 TO 31 JANUARY 2023**

We have acted as Trustee of Maybank Retail Money Market-I Fund ("the Fund") for the financial period 31 January 2023. 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 management company under the deed, securities laws and the Guidelines on Unit Trust Funds;
- (b) Valuation and pricing is carried out in accordance with the deed; and
- (c) Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

We are of the opinion that the distribution of income by the Fund is appropriate and does reflect the investment objective of the Fund.

For and on behalf of  
**RHB TRUSTEES BERHAD**

**MOHD SOFIAN BIN KAMARUDDIN**  
Vice President

**SHARON CHEW MUN HOONG**  
Head, Trustees Operations

Kuala Lumpur, Malaysia  
14 March 2023

**STATEMENT BY MANAGER**

**TO THE UNITHOLDERS OF  
MAYBANK RETAIL MONEY MARKET-I FUND  
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2022 TO 31 JANUARY 2023**

I, Ahmed Muzni Bin Mohamed, being a of the Director 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 Retail Money Market-I Fund as at 31 January 2023 and of its results, net assets attributable to unitholders and cash flows for the financial period from 1 August 2023 to 31 January 2023 and comply with the requirements of the Deeds.

For and on behalf of the Manager

**Ahmed Muzni Bin Mohamed**  
Director

Kuala Lumpur, Malaysia  
14 March 2023

## **REPORT OF THE SHARIAH ADVISER**

### **TO THE UNITHOLDERS OF MAYBANK RETAIL MONEY MARKET-I FUND FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2022 TO 31 JANUARY 2023**

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Maybank Asset Management Sdn Bhd (the "Manager") has operated and managed Maybank Retail Money Market-I Fund ("the Fund") during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises instruments that have been classified as Shariah compliant.

For and on behalf of  
**Amanie Advisors Sdn Bhd**

**Tan Sri Dr Mohd Daud Bakar**  
Executive Chairman

Kuala Lumpur, Malaysia  
14 March 2023

**MAYBANK RETAIL MONEY MARKET-I FUND****UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2022 TO 31 JANUARY 2023**

		<b>01.08.2022 to 31.01.2023 RM</b>
<b>INCOME</b>	<b>Note</b>	
Profit income	3	3,179,337
<b>EXPENSES</b>		
Manager's fee	4	259,514
Trustee's fee	5	20,761
Auditors' remuneration		4,865
Tax agent's fee		2,469
Administrative expenses		7,066
		<u>294,675</u>
<b>Net income before taxation</b>		2,884,662
Taxation	7	<u>-</u>
<b>Net income after taxation, which is the total comprehensive income for the financial period</b>		<u>2,884,662</u>
<b>Net income after taxation is made up of the following:</b>		
Net realised income		<u>2,884,662</u>
<b>Total distributions for the financial period comprised the following:</b>		
Net distributions	11	<u>2,419,064</u>
Gross and net distributions per unit (sen)		<u>1.20</u>

**MAYBANK RETAIL MONEY MARKET-I FUND****UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 JANUARY 2023**

	Note	31.01.2023 RM	31.07.2022 RM
<b>ASSETS</b>			
Shariah-compliant deposits with licensed financial institutions	7	531,571,464	193,137,305
Profit income receivables		1,169,042	482,956
Amount due from Manager	8	4,454,549	1,500
Cash at bank		2,917	885
<b>TOTAL ASSETS</b>		<b>537,197,972</b>	<b>193,622,646</b>
<b>LIABILITIES</b>			
Amount due to Manager	8	6,114,789	141,753
Amount due to Trustee	9	7,051	3,298
Other payables and accruals		22,034	16,463
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		<b>6,143,874</b>	<b>161,514</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS OF THE FUND</b>		<b>531,054,098</b>	<b>193,461,132</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:</b>			
Unitholders' contribution	10(a)	530,371,576	193,244,208
Retained earnings	10(b)	682,522	216,924
<b>NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS</b>		<b>531,054,098</b>	<b>193,461,132</b>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>		<b>527,308,957</b>	<b>192,414,861</b>
<b>NAV PER UNIT</b>		<b>1.0071</b>	<b>1.0054</b>

**MAYBANK RETAIL MONEY MARKET-I FUND****UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS  
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2022 TO 31 JANUARY 2023**

	<b>Unitholders' contribution Note 10(a) RM</b>	<b>Retained earnings Note 10(b) RM</b>	<b>Net assets attributable to unitholders RM</b>
At 1 August 2022	193,244,208	216,924	193,461,132
Total comprehensive income for the period	-	2,884,662	2,884,662
Creation of units	537,090,972	-	537,090,972
Reinvestment of units	749,157	-	749,157
Cancellation of units	(200,712,761)	-	(200,712,761)
Distributions (Note 11)	-	(2,419,064)	(2,419,064)
At 31 January 2023	<u>530,371,576</u>	<u>682,522</u>	<u>531,054,098</u>

## MAYBANK RETAIL MONEY MARKET-I FUND

### UNAUDITED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2022 TO 31 JANUARY 2023

01.08.2022  
to  
31.01.2023  
RM

#### CASH FLOW FROM OPERATING AND INVESTING ACTIVITIES

Decrease in Shariah-compliant deposits with maturity more than 3 months	20,000,000
Profit from Islamic deposits received	2,493,251
Manager's fee paid	(212,595)
Trustee's fee paid	(17,008)
Other expenses paid	(8,833)
Net cash generated from operating and investing activities	<u>22,254,815</u>

#### CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from creation of units	532,637,925
Payments for cancellation of units	(194,786,642)
Distributions to unitholders	(1,669,907)
Net cash generated from financing activities	<u>336,181,376</u>

#### NET CHANGES IN CASH AND CASH EQUIVALENTS

358,436,191

#### CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD

173,138,190

#### CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD

**531,574,381**

#### CASH AND CASH EQUIVALENTS COMPRISE:

Cash at bank	2,917
Shariah-compliant deposits with licensed financial institutions with maturity of less than 3 months (Note 7)	531,571,464
	<u><b>531,574,381</b></u>

## **MAYBANK RETAIL MONEY MARKET-I FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2022 TO 31 JANUARY 2023**

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

Maybank Retail Money Market-I Fund ("the Fund") was constituted pursuant to the executed Deed dated 15 April 2021 between the Manager, Maybank Asset Management Sdn Bhd ("MAM") and the Trustee, RHB Trustees Berhad.

The Fund aims to achieve its objective by investing in liquid and low risk Shariah-compliant short-term investments with a high degree of capital preservation.

The Fund will invest at least 90% of the Fund's NAV in Islamic deposits, Islamic money market instruments and Sukuk which have a remaining maturity period of not more than 365 days. Up to 10% of the Fund's NAV will be invested in Sukuk which have a remaining maturity period of more than 365 days but fewer than 732 days.

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

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **2.1 Basis of preparation**

The financial statements of the Fund from 1 August 2022 to 31 January 2023 have been prepared in accordance to Malaysian Financial Reporting Standards 134 Interim Financial Reporting ("MFRS 134") and International Accounting Standards 134 Interim Financial Reporting.

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

The financial statements are prepared on a historical cost basis except as disclosed in the accounting policies in Note 2.3 to Note 2.14 to the financial statements. The financial statements are presented in Ringgit Malaysia ("RM").



## MAYBANK RETAIL MONEY MARKET-I FUND

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

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

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

Description	Effective for annual periods beginning on or after
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 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112: <i>Deferred Tax Related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to IFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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

#### 2.3 Financial instruments

Financial assets and 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.

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

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

## MAYBANK RETAIL MONEY MARKET-I FUND

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

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

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

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

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

##### (ii) Impairment

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

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

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

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

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

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

For balances with short-term nature (e.g. profit income receivable), full impairment will be recognised on uncollected balances after the grace period.

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

## **MAYBANK RETAIL MONEY MARKET-I FUND**

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

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

##### **(iii) Derecognition**

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

#### **2.5 Financial liabilities**

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

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

##### **(ii) Recognition and measurement**

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

The EPR is a method of calculating the amortised cost of the financial liability and of allocating and recognising the profit expense in profit or loss over the relevant period.

##### **(iii) Derecognition**

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

#### **2.6 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 unitholder exercises the right to put the unit back to the Fund.

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

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

#### **2.7 Distributions**

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.

## **MAYBANK RETAIL MONEY MARKET-I FUND**

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

#### **2.7 Distributions (cont'd)**

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

#### **2.8 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and deposits with financial institutions with original maturity of three (3) months or less which have an insignificant risk of changes in value.

#### **2.9 Revenue/ Income**

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

- Profit income from deposits with licensed financial institutions is recognised on the accruals basis using the EPR method.
- 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 the asset.

#### **2.10 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.

#### **2.11 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.

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

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

No deferred tax is recognised as there are no material temporary differences.

## **MAYBANK RETAIL MONEY MARKET-I FUND**

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

#### **2.12 Fair value measurement**

The Fund measures its investments at FVTPL at fair value at each reporting date.

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 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 to by the Fund.

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

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

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

For assets 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.

#### **2.13 Functional and presentation currency**

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

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

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

No major 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 year.

## MAYBANK RETAIL MONEY MARKET-I FUND

### 3. PROFIT INCOME

	<b>01.08.2022</b> to <b>31.01.2023</b> RM
Profit income from Shariah-compliant deposits	<u>3,179,337</u>

### 4. MANAGER'S FEE

The Manager's fee is computed daily. The fee is based on up to 0.50% per annum ("p.a.") on the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day.

### 5. TRUSTEE'S FEE

The Trustee is entitled to a trustee fee of up to 0.02% p.a. of the NAV of the Fund accrued daily and paid monthly to the Trustee.

### 6. TAXATION

	<b>01.08.2022</b> to <b>31.01.2023</b> RM
Current income tax expense	<u>-</u>

The tax charge for the financial period is in relation to the taxable income earned by the Fund after deducting tax allowable expenses. In accordance with Schedule 6 of the Income Tax Act 1967, profit income earned by the Fund is exempted from tax.

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable income for the financial period. A reconciliation of income tax expense applicable to net income before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	<b>01.08.2022</b> to <b>31.01.2023</b> RM
Net income before taxation	<u>2,884,662</u>
Taxation at Malaysian statutory rate of 24%	692,319
Income not subject to tax	(763,041)
Expenses not deductible for tax purposes	<u>70,722</u>
Tax expense for the financial period	<u>-</u>

## MAYBANK RETAIL MONEY MARKET-I FUND

### 7. SHARIAH-COMPLIANT DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	31.01.2023 RM	30.07.2022 RM
Shariah-compliant deposits with licensed financial institutions with maturity of:		
- less than 3 months	531,571,464	173,137,305
- more than 3 months	-	20,000,000
	<u>531,571,464</u>	<u>193,137,305</u>

The weighted average effective profit rates ("WAEPR") p.a. and the average remaining days to maturity of deposits as at the reporting date are as follows:

	31.01.2023		30.07.2022	
	WAEPR (% p.a.)	Average Remaining Maturity (Days)	WAEPR (% p.a.)	Average Remaining Maturity (Days)
Less than 3 months	3.86	42	2.45	39
More than 3 months	-	-	2.49	114

### 8. AMOUNT DUE FROM/ (TO) MANAGER

		31.01.2023 RM	30.07.2022 RM
Amount due from Manager:			
Creation of units	(i)	4,454,549	1,500
Amount due to Manager:			
Manager's fee	(ii)	88,143	41,223
Cancellation of units	(iii)	6,026,646	100,530
		<u>6,114,789</u>	<u>141,753</u>

(i) The amount represent amount receivable from the Manager for units subscribed.

(ii) The amount represents amount payable to the Manager arising from the accruals for Manager's fee at the end of the financial period. The normal credit term for Manager's fee is 15 days (31.07.2022: 15 days).

(iii) The amount represents amount payable to the Manager for units cancelled.

### 9. AMOUNT DUE TO TRUSTEE

Amount due to Trustee relates to the amount payable arising from the accrual for Trustee's fee at the end of the financial period. The normal credit term is 15 days (31.07.2022: 15 days).

## MAYBANK RETAIL MONEY MARKET-I FUND

### 10. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND

	Note	31.01.2023 RM	31.07.2022 RM
Unitholders' contribution	(a)	530,371,576	193,244,208
Accumulated realised income	(b)	682,522	216,924
		<u>531,054,098</u>	<u>193,461,132</u>

#### (a) Unitholders' contribution

	01.08.2022 to 31.01.2023		03.11.2021 (date of launch) to 31.07.2022	
	Units	RM	Units	RM
At the beginning of the financial period	192,414,861	193,244,208	-	-
Creation of units	533,595,561	537,090,972	321,504,979	323,088,204
Reinvestment of units	743,875	749,157	2,005,998	2,016,484
Cancellation of units	(199,445,340)	(200,712,761)	(131,096,116)	(131,860,480)
At the end of the financial period	<u>527,308,957</u>	<u>530,371,576</u>	<u>192,414,861</u>	<u>193,244,208</u>

As of end of the financial period, there were no units held by the Manager or parties related to the Manager.

#### (b) Accumulated realised income

	01.08.2022 to 31.01.2023 RM	03.11.2021 (date of launch) to 31.07.2022 RM
As at the beginning of the financial period	216,924	-
Net realised income for the financial period	2,884,662	2,233,408
Distribution out of retained earnings (Note 11)	(2,419,064)	(2,016,484)
As at the end of the financial period	<u>682,522</u>	<u>216,924</u>



## MAYBANK RETAIL MONEY MARKET-I FUND

### 11. DISTRIBUTIONS

	<b>01.08.2022</b> <b>to</b> <b>31.01.2023</b> <b>RM</b>	<b>03.11.2021</b> <b>(date of launch)</b> <b>to</b> <b>31.07.2022</b> <b>RM</b>
Profit income from Shariah-compliant deposits	2,689,640	2,324,690
Less: Expenses	(270,576)	(308,206)
Distributions out of realised income	<u>2,419,064</u>	<u>2,016,484</u>
Gross and net distributions per unit (sen)	<u>1.20</u>	<u>0.97</u>

The details of the distributions declared in the current and previous period are as follows:

<b>Distribution dates (ex-date)</b>	<b>Gross/ Net</b> <b>distribution</b> <b>(sen)</b>
<b>2022</b>	
27 January 2022	0.10
24 February 2022	0.10
29 March 2022	0.15
27 April 2022	0.16
27 May 2022	0.16
28 June 2022	0.14
27 July 2022	<u>0.16</u>
	<u>0.97</u>
<b>2023</b>	
25 August 2022	0.18
27 September 2022	0.20
27 October 2022	0.25
28 November 2022	0.30
28 December 2022	0.13
27 January 2023	<u>0.14</u>
	<u>1.20</u>

### 12. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

## MAYBANK RETAIL MONEY MARKET-I FUND

### 12. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES (CONT'D)

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

	<b>01.08.2022</b>
	<b>to</b>
	<b>31.01.2023</b>
	<b>RM</b>
<b>(i) Significant related party transactions</b>	
Maybank Islamic Bhd ("MIB"):	
Profit income received	<u>286,268</u>

#### (ii) Significant related party balances

	<b>31.01.2023</b>	<b>31.07.2022</b>
	<b>RM</b>	<b>RM</b>
MIB:		
Shariah-compliant deposits	30,000,000	21,787,000
Profit income receivable	<u>155,507</u>	<u>127,322</u>
Cash at bank	<u>2,917</u>	<u>885</u>

### 13. TRANSACTIONS WITH FINANCIAL INSTITUTIONS

Details of transaction, primarily deposits with licensed financial institutions for the current financial period are as follows:

	<b>01.08.2022</b>	
	<b>to</b>	
	<b>31.01.2023</b>	
	<b>Value of</b>	<b>Percentage</b>
	<b>placements</b>	<b>of total</b>
	<b>RM</b>	<b>placements</b>
<b>Financial institutions</b>		<b>%</b>
Bank Kerjasama Rakyat Malaysia Bhd	1,814,037,553	26.12
Public Islamic Bank Bhd	1,780,803,504	25.64
MBB *	847,711,155	12.20
MIB **	831,721,000	11.97
Hong Leong Islamic Bank Bhd	721,350,944	10.39
CIMB Islamic Bank Bhd	546,500,921	7.87
Bank Pembangunan Malaysia Bhd	185,695,480	2.67
Malaysia Building Society Bhd	76,152,567	1.10
RHB Islamic Bank Bhd	55,000,000	0.79
SME Development Bank (M) Bhd	48,026,041	0.69
Bank Islam Malaysia Bhd	35,000,000	0.50
CIMB Bank Bhd	4,050,150	0.06
	<u>6,946,049,314</u>	<u>100.00</u>

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

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

## MAYBANK RETAIL MONEY MARKET-I FUND

### 14. TOTAL EXPENSE RATIO ("TER")

TER is calculated based on the ratio of the total fees and recovered expenses for the period, to the average daily NAV of the Fund. For the financial period from 1 August 2022 to 31 January 2023, the TER of the Fund stood at 0.14%.

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

The PTR of the Fund is the ratio of average of the total acquisitions and disposals of the investment in the Fund for the financial period to the daily average NAV of the Fund. PTR is not applicable for the financial period from 1 August 2022 to 31 January 2023 as the Fund invested only in Shariah-compliant deposits during the period under review.

### 16. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

#### (a) Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The significant accounting policies in Note 2.3 to 2.14 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 assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>31.01.2023</b>			
<b>Assets</b>			
Shariah-compliant deposits with licensed financial institutions	531,571,464	-	531,571,464
Profit income receivables	1,169,042	-	1,169,042
Amount due from Manager	4,454,549	-	4,454,549
Cash at bank	2,917	-	2,917
Total financial assets	<u>537,197,972</u>	<u>-</u>	<u>537,197,972</u>
<b>Liabilities</b>			
Amount due to Manager	-	6,114,789	6,114,789
Amount due to Trustee	-	7,051	7,051
Other payables and accruals	-	22,034	22,034
Total financial liabilities	<u>-</u>	<u>6,143,874</u>	<u>6,143,874</u>

## MAYBANK RETAIL MONEY MARKET-I FUND

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

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

31.07.2022	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>Assets</b>			
Shariah-compliant deposits with licensed financial institutions	193,137,305	-	193,137,305
Profit income receivables	482,956	-	482,956
Amount due from Manager	1,500	-	1,500
Cash at bank	885	-	885
Total financial assets	<u>193,622,646</u>	-	<u>193,622,646</u>
<b>Liabilities</b>			
Amount due to Manager	-	141,753	141,753
Amount due to Trustee	-	3,298	3,298
Other payables and accruals	-	16,463	16,463
Total financial liabilities	-	<u>161,514</u>	<u>161,514</u>

#### (b) Fair value hierarchy

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

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

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

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

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

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

### 17. SEGMENT INFORMATION

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

The Fund will invest at least 90% of the Fund's NAV in Islamic deposits, Islamic money market instruments, and Sukuk with maturity of not more than 365 days and up to 10% of the Fund's NAV may be invested in Sukuk which have a remaining maturity period of more than 365 days but less than 732 days.

## **MAYBANK RETAIL MONEY MARKET-I FUND**

### **17. SEGMENT INFORMATION (CONT'D)**

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

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

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

### **18. 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 unitholders' contribution are:

- (a) To invest in investments meeting the description, risk exposure and generate higher returns 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 period.

### **19. COMPARATIVE**

There are no comparative figures for statement of comprehensive income presented as this is the Fund's first reporting period since the Fund was launched on 3 November 2021.