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# MAYBANK ASIAN CREDIT INCOME FUND

**Unaudited semi-annual report  
For the financial period from 1 May 2024 to 31 October  
2024**

## **CORPORATE INFORMATION**

### **MANAGER**

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### **TRUSTEE**

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## **MAYBANK ASIAN CREDIT INCOME FUND**

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## MAYBANK ASIAN CREDIT INCOME FUND

### Manager's report

For the financial period from 1 May 2024 to 31 October 2024

#### A. Fund Information

**1. Name of the Fund**

Maybank Asian Credit Income Fund (the "Fund")

**2. Type of Fund**

Fixed Income

**3. Category of Fund**

Feeder Fund

**4. Duration of the Fund**

The Fund is an open-ended Fund.

**5. Fund launch date/ Commencement date**

Class	Currency denomination	Launch date	Commencement date
MYR	Malaysian Ringgit ("MYR")	7 July 2020	7 August 2020
SGD (Hedged)	Singapore Dollar ("SGD")	7 July 2020	7 August 2020

**6. Fund's investment objective**

The Fund aims to maximise investment returns by investing in the Maybank Asian Income Fund ("Target Fund").

**7. Fund's distribution policy**

Income (if any) shall be distributed bi-monthly basis at the discretion of the Manager, subject to Trustee's approval. Distribution will be made from realised income and realised gains of the Fund.

**8. Fund's performance benchmark**

JP Morgan Asian Credit Index ("JACI")

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

The principal activity of the Fund is to investing a minimum of 90% of the Fund's NAV in the Target Fund and up to 10% of the Fund's NAV in liquid assets\*.

\* Liquid assets include but are not limited to deposit and money market instruments.

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

The Fund seeks to achieve its investment objective by investing a minimum of 90% of the Fund's NAV in Class A (Dist) - SGD of the Target Fund. The Target Fund is a Singapore-authorized open-ended unit trust constituted in Singapore and is a sub-fund of Maybank Focus Funds. The Fund will use derivatives such as currency forwards for hedging purposes to manage the currency risk of the Fund's investments and the Classes not denominated in MYR. Although the Fund is passively managed by us, we will ensure proper and efficient management of the Fund so that the Fund is able to meet redemption requests by unitholders.

## MAYBANK ASIAN CREDIT INCOME FUND

### Manager's report

For the financial period from 1 May 2024 to 31 October 2024 (cont'd)

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

##### 11. Net income distribution for the financial period from 1 May 2024 to 31 October 2024

The Fund distributed net income of RM607,620 from MYR Class and RM3,236 from SGD (Hedged) Class for the financial period from 1 May 2024 to 31 October 2024.

#### B. Performance Review

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

Category	31.10.2024	31.10.2023	30.04.2024
<b>Portfolio Composition (%)</b>			
Collective investment scheme (%)	96.17	99.37	94.38
Cash and other net assets (%)	3.83	0.63	5.62
Total (%)	100.00	100.00	100.00
<b>MYR Class</b>			
NAV (RM'000)	29,439	36,427	31,567
Units in circulation (units'000)	33,611	43,939	36,741
NAV per unit (RM)	0.8759	0.8290	0.8592
Highest NAV per unit (RM)	0.8942	0.8516	0.8733
Lowest NAV per unit (RM)	0.8592	0.8272	0.8272
Annual total return (%) <sup>(1)</sup>			
- Capital growth (%)	5.66	(2.62)	0.93
- Income distribution (%)	2.04	-	-
Total return (%)	7.81	(2.62)	0.93
Benchmark (%)	12.85	(2.74)	3.71
Net distributions (in Fund currency)	607,620	-	-
Gross/ Net distribution per unit (sen)	1.79	-	-
Distribution dates (ex-date)			Refer to Note 14

## MAYBANK ASIAN CREDIT INCOME FUND

### Manager's report

For the financial period from 1 May 2024 to 31 October 2024 (cont'd)

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

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

Category	31.10.2024	31.10.2023	30.04.2024
<b>SGD (Hedged) Class</b>			
NAV (RM'000)	1,032	898	479
NAV (SGD'000)	312	258	137
Units in circulation (units'000)	352	315	161
NAV per unit (SGD)	0.8845	0.8207	0.8532
Highest NAV per unit (SGD)	0.8993	0.8384	0.8670
Lowest NAV per unit (SGD)	0.8532	0.8185	0.8185
Annual total return (%) <sup>(1)</sup>			
- Capital growth (%)	7.77	(2.04)	1.84
- Income distribution (%)	0.49	-	-
Total return (%)	8.31	(2.04)	1.84
Benchmark (%)	10.65	(3.47)	1.97
Net distributions (in Fund currency)	3,236	-	-
Gross/ Net distribution per unit (SGD cent)	0.43	-	-
Distribution dates (ex-date)		Refer to Note 14	
Total Expense Ratio ("TER") (%) <sup>(2)</sup>	0.19	0.17	0.36
Portfolio Turnover Ratio ("PTR") (times) <sup>(3)</sup>	0.06	0.08	0.21

#### Notes:

- (1) Actual return of the Fund for the financial period/ year is computed based on the daily average NAV per unit, net of Manager's and Trustee's fees.
- (2) The Fund's TER increased to 0.19 due to lower average daily NAV during the current financial period.
- (3) The Fund's PTR decreased to 0.06 times due to lower investing activities during the current financial period.

*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 ASIAN CREDIT INCOME FUND

### Manager's report

For the financial period from 1 May 2024 to 31 October 2024 (cont'd)

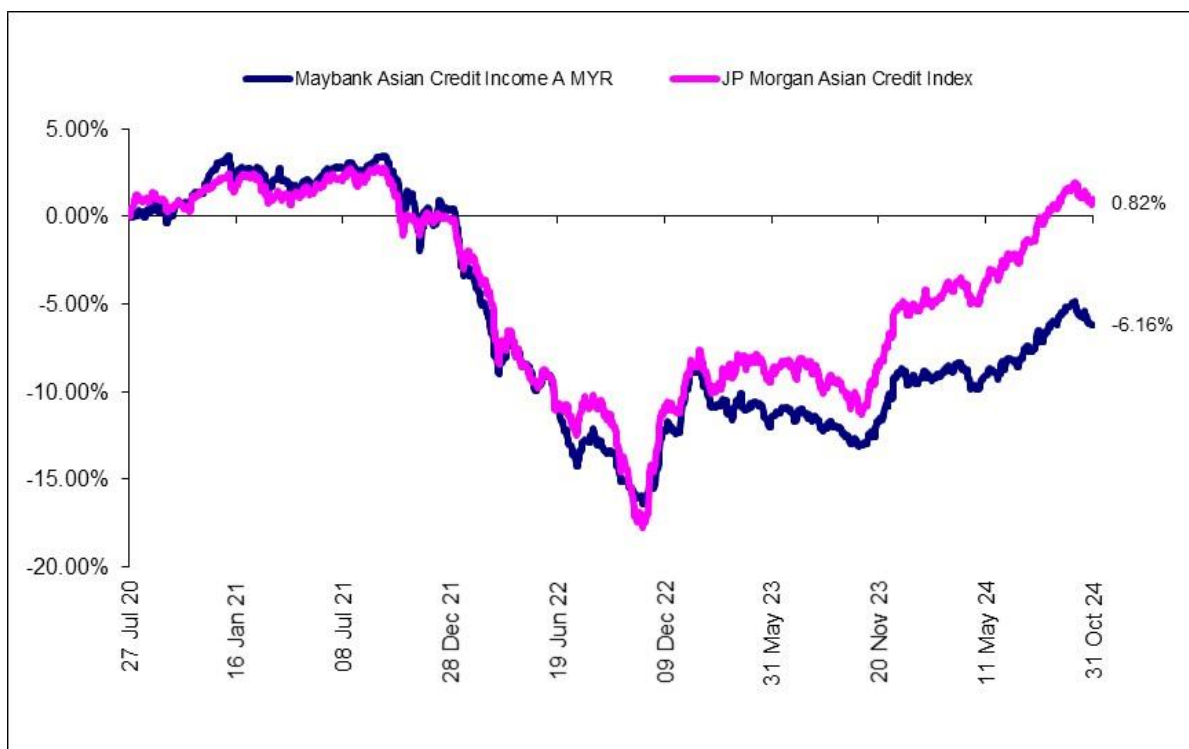
### B. Performance Review (cont'd)

#### 2. Performance of the Fund up to 31 October 2024

Returns of the different classes and its benchmark for the financial period ended 31 October 2024 are as follows:

##### (a) MYR Class

Category	6 months to 31.10.2024 %	1 year to 31.10.2024 %	3 year to 31.10.2024 %	S.I. to 31.10.2024 %
Capital growth	1.94	5.66	(9.81)	(12.41)
Income distribution	2.04	2.04	3.15	7.13
Total return of the Fund	4.02	7.81	(6.97)	(6.16)
Benchmark	5.83	12.85	1.02	0.82
Average total return	-	7.81	(2.38)	(1.48)



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 October 2024

## MAYBANK ASIAN CREDIT INCOME FUND

### Manager's report

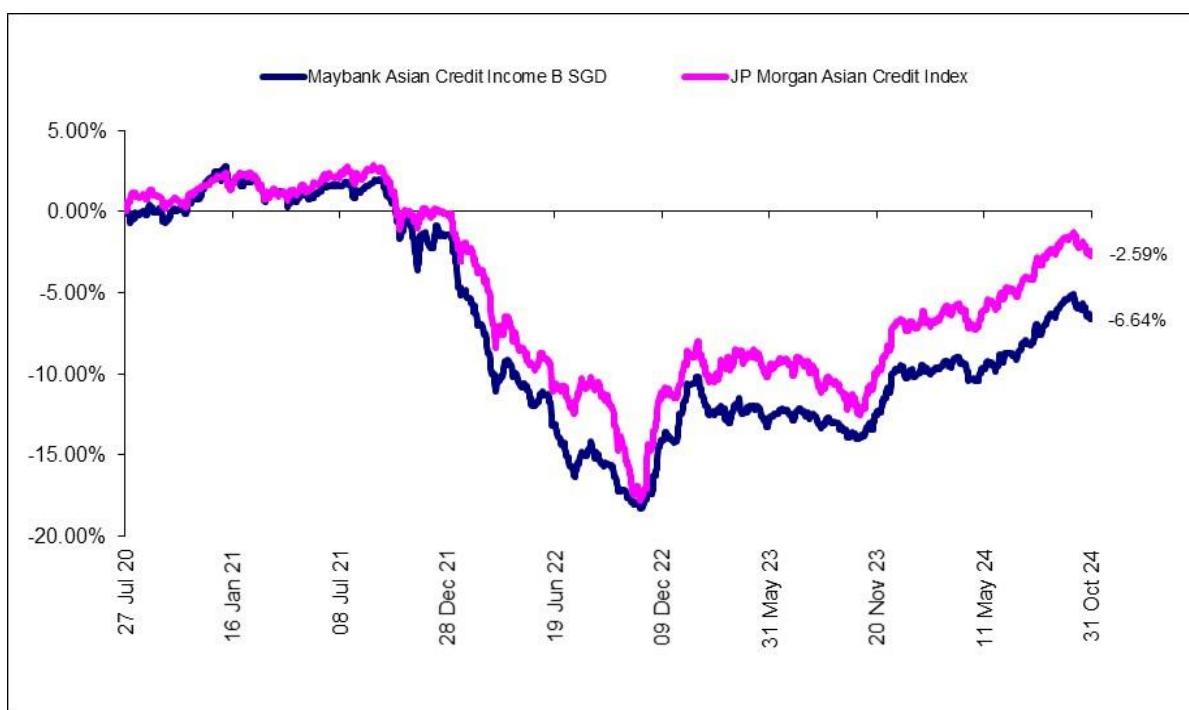
For the financial period from 1 May 2024 to 31 October 2024 (cont'd)

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

#### 2. Performance of the Fund up to 31 October 2024 (cont'd)

##### (b) SGD (Hedged) Class

Category	6 months to 31.10.2024 %	1 year to 31.10.2024 %	3 year to 31.10.2024 %	S.I. to 31.10.2024 %
Capital growth	3.67	7.77	(7.99)	(11.55)
Income distribution	0.49	0.49	2.31	5.55
Total return of the Fund	4.18	8.31	(5.86)	(6.64)
Benchmark	4.74	10.65	(2.39)	(2.59)
Average total return	-	8.31	(1.99)	(1.60)



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 October 2024

For the period under review, the Fund MYR class generated a total return of 4.02% and SGD class at 4.18%, as compared to the benchmark which registered a return of 5.83% and 4.74% respectively over the same period. The Fund underperformed the benchmark mainly attributed to higher treasury yields and credit spreads especially in high yield space widened. Currency hedging cost for SGDMYR was also a negative contributor for the performance, hence the MYR class underperformed SGD hedged class.



## MAYBANK ASIAN CREDIT INCOME FUND

### Manager's report

For the financial period from 1 May 2024 to 31 October 2024 (cont'd)

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

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

###### MYR Class

For the financial period/ year ended	01.05.2024 to 31.10.2024 %	01.05.2023 to 31.10.2023 %	01.05.2024 to 31.10.2024 %
Capital growth	1.94	(2.62)	0.93
Income distribution	2.04	-	-
Total return	4.02	(2.62)	0.93
Benchmark	5.83	(2.74)	3.71

###### SGD (Hedged) Class

For the financial period/ year ended	01.05.2024 to 31.10.2024 %	01.05.2023 to 31.10.2023 %	01.05.2024 to 31.10.2024 %
Capital growth	3.67	(2.04)	1.84
Income distribution	0.49	-	-
Total return	4.18	(2.04)	1.84
Benchmark	4.74	(3.47)	1.97

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

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

An illustration of the above would be as follows:

Capital return = (NAV per unit end / NAV per unit begin) - 1

Income return = Income distribution per unit / NAV per unit ex-date

Total return = (1+Capital return) x (1+Income return) - 1

#### C. Market Review

For the new year of 2024, United States ("US") Federal Reserve ("Fed") speak pushed back against early rate cuts. United States Treasury ("UST") was traded higher and the probability of Fed rate cut in March 2024 has been reduced to below 50% compared to more than 80% seen at the end of last year. UST yields surged 31 basis points ("bps") to 37 bps across the curve in 1Q24. Weighed by stronger-than-expected economic data, market pricing for total rate cut in 2024 has been reduced to about 75 bps/3 cuts compared with 150 bps/6 cuts previously.

## **MAYBANK ASIAN CREDIT INCOME FUND**

### **Manager's report**

**For the financial period from 1 May 2024 to 31 October 2024 (cont'd)**

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

UST selloffs continue in 2Q24, however, appeared to attract gradual but consistent buy-on-dip demand unlike the freefall in September 2024 to October 2024. With soft-landing/ no-landing an overwhelmingly high consensus, market optimism for risk assets are running high with high-yield corporate spreads at the tighter end of long-term range. The consecutive weeks of yield increase was finally halted in May 2024. Markets piled risk on in stocks and bonds alike, after the Fed's stance that leaned dovish drove markets to a 1-way trade in 3Q2024, while geopolitical conflict escalations also gave bonds an additional tailwind too in second half of July 2024. The stock markets took a hit in the early August 2024 due to mix of softer US economic data. However, the much-awaited start of the Fed's rate-cutting cycle in September 2024, coupled with a more dovish stance from Japanese policymakers and fresh stimulus measures in China, helped ease investor worries and still concluded with solid return across major asset classes by the end of the quarter. 2s10s space steepened to its highest in almost 2 years with 10y UST closed the quarter at 3.78% level while 2y was at 3.64%. Regional bonds continued to rally alongside global bonds. On the currency front, The DXY index slipped to a low of 100.21 on the FOMC day before reversing higher back above the key 100.60-support.

DXY climbed back up by around 3.00% since beginning of 3Q2024 amid signs of US economic resilience, concerns that the Fed's easing trajectory may pause or be lower after the 50 bps rate cut in September 2024 and risk aversion pick-up ahead of the US presidential elections. The latter was a result of candidate Trump's higher polling percentages raising concerns of higher and wider tariff imposition which may affect sentiment and global growth negatively. UST also priced higher in tandem with DXY index for the month. Overall, the curve shifted upwards by 38 to 60 bps across the tenors with 10y UST weaker by 52 bps to close the October 2024 at 4.30% compared to 3.78% in September 2024. As at 31 Oct 2024, Fed fund futures look for the Fed to cut by another 42 bps by the end of 2024 and roughly another 82bps by the end of 2025 to take the policy rate to around 3.55%, which is higher than the Fed's estimate of the long-run policy rate (2.80% to 2.90%).

#### **D. Market Outlook & Strategy**

While we do believe that the tide has turned for interest rates and feel that bonds are attractive investments for the rest of FY2024 stretching to FY2025, we have turned slightly cautious ahead of the US presidential election. In addition, historically equity markets have tended to underperform during September/October pre-election months due to US election uncertainties. This risk-off sell-off may extend to the weaker high yield bonds.

We maintained the duration overweight in long end Treasuries while reducing some exposure to higher risk credit. We may take profit in our Treasury overweight if we feel that market has overpriced the extent of interest rate cuts for the rest of FY2024. We also raised around 5% cash to participate in new issues. Overall, we remain invested in strong credits and with a more cautious stance.

## **MAYBANK ASIAN CREDIT INCOME FUND**

### **Manager's report**

**For the financial period from 1 May 2024 to 31 October 2024 (cont'd)**

#### **E. Significant financial risk of the Fund**

As the base currency of the Fund ("Base Currency") is denominated in MYR and the investments of the Fund in the Target Fund is denominated in SGD, the Fund is exposed to currency risk. Any fluctuation in the exchange rates between MYR and SGD will affect the value of the Fund's investments.

As the Base Currency is denominated in MYR and the currency denomination of the classes may be denominated in other than MYR, the classes not denominated in MYR are also exposed to currency risk. Any fluctuation in the exchange rates between MYR and the currency denomination of the class (other than MYR Class) will affect the unit holder's investments in those classes (other than MYR Class). The impact of the exchange rate movement between the Base Currency and the currency denomination of the class (other than MYR Class) may result in a depreciation of the unit holder's holdings as expressed in the Base Currency.

In order to manage currency risk, the Manager may employ currency hedging strategies to fully or partially hedge the foreign currency exposure of the Fund's investments and the classes not denominated in MYR. However, every hedge comes with a cost and will be borne by the respective class.

#### **F. Soft Commissions and Rebates**

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

During the financial period ended 31 October 2024, the Manager and its delegates did not receive any rebates from the brokers or dealers but have retained soft commissions in the form of goods and services such as research materials and advisory services that assist in decision making process relating to the investment of the Fund (i.e. research materials, data and quotation services, computer hardware and software incidental to the investment management of the Fund and investment advisory services) which were of demonstrable benefits to the unitholders.

## **TRUSTEE'S REPORT**

### **TO THE UNITHOLDERS OF MAYBANK ASIAN CREDIT INCOME FUND ("FUND")**

We have acted as Trustee of the Fund for the financial period ended 31 October 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Maybank Asset Management Sdn Bhd has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company under the Deed, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deed;
3. Any creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirements; and
4. 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 TMF Trustees Malaysia Berhad**

(Company No: 200301008392/ 610812-W)

**NORHAYATI BINTI AZIT**  
**DIRECTOR - FUND SERVICES**

Kuala Lumpur, Malaysia  
27 November 2024

**STATEMENT BY MANAGER**

**TO THE UNITHOLDERS OF  
MAYBANK ASIAN CREDIT INCOME FUND  
FOR THE FINANCIAL PERIOD FROM 1 MAY 2024 TO 31 OCTOBER 2024**

I, Muhammad Hishamudin Bin Hamzah, being a 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 134 Interim Financial Reporting and International Accounting Standards 34 Interim Financial Reporting so as to give a true and fair view of the financial position of the Maybank Asian Credit Income Fund as at 31 October 2024 and of its results, changes in net assets attributable to unitholders and cash flows for the financial period from 1 May 2024 to 31 October 2024 and comply with the requirements of the Deeds.

For and on behalf of the Manager

**Muhammad Hishamudin Bin Hamzah**  
Director

Kuala Lumpur, Malaysia  
27 November 2024

**MAYBANK ASIAN CREDIT INCOME FUND**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD FROM 1 MAY 2024 TO 31 OCTOBER 2024**

		<b>01.05.2024 to 31.10.2024</b>	<b>01.05.2023 to 31.10.2023</b>
	<b>Note</b>	<b>RM</b>	<b>RM</b>
<b>INVESTMENT INCOME/ (LOSS)</b>			
Dividend income		730,630	982,476
Profit/ Interest income		7,577	8,937
Net loss from financial assets at fair value through profit or loss ("FVTPL")			
- Realised loss		(228,853)	(694,203)
- Unrealised (loss)/ gain		(726,455)	472,887
Net income/ (loss) on foreign exchange and forward currency contracts	3	<u>1,503,245</u>	<u>(1,706,427)</u>
		<u>1,286,144</u>	<u>(936,330)</u>
<b>EXPENSES</b>			
Manager's fee	4	39,662	50,047
Trustee's fee	5	9,519	12,011
Auditors' remuneration		4,661	3,277
Tax agent's fee		1,359	1,765
Administrative expenses		4,822	1,282
		<u>60,023</u>	<u>68,382</u>
<b>Net results before distribution and taxation</b>		1,226,121	(1,004,712)
Distribution to unitholders			
MYR Class		(607,620)	-
SGD (Hedged) Class		(3,236)	-
		<u>(610,856)</u>	<u>-</u>
<b>Net results before taxation</b>		615,265	(1,004,712)
Taxation	6	-	-
<b>Net results after taxation, representing total comprehensive income/ (loss) for the financial period</b>		<u>615,265</u>	<u>(1,004,712)</u>
<b>Net results after taxation is made up of the following:</b>			
Net realised income/ (loss)		1,737,603	(1,480,803)
Net unrealised (loss)/ income		(1,122,338)	476,091
		<u>615,265</u>	<u>(1,004,712)</u>

**MAYBANK ASIAN CREDIT INCOME FUND**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD FROM 1 MAY 2023 TO 31 OCTOBER 2023 (CONT'D)**

		01.05.2024 to 31.10.2024 RM	01.05.2023 to 31.10.2023 RM
<b>Distributions for the financial period:</b>	14		
<b><u>MYR Class</u></b>			
Net distributions (in Fund currency)		607,620	-
Gross/ Net distribution per unit (sen)		<u>1.79</u>	<u>-</u>
Distribution dates (ex-date)		<u>Refer to Note 14</u>	<u>Refer to Note 14</u>
<b><u>SGD (Hedged) Class</u></b>			
Net distributions (in Fund currency)		3,236	-
Gross/ Net distribution per unit (SGD cent)		<u>0.43</u>	<u>-</u>
Distribution dates (ex-date)		<u>Refer to Note 14</u>	<u>Refer to Note 14</u>

**MAYBANK ASIAN CREDIT INCOME FUND**

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 OCTOBER 2024**

	Note	31.10.2024 RM	30.04.2024 RM
<b>ASSETS</b>			
Financial assets at FVTPL	7	29,304,408	30,244,317
Deposit with a licensed financial institution	8	752,520	630,530
Derivative assets	9	5,118	188,794
Dividend receivables		121,332	128,041
Profit/ Interest receivables		124	54
Amount due from Manager	10	146,302	1,501
Cash at bank	11	598,082	900,192
<b>TOTAL ASSETS</b>		<b>30,927,886</b>	<b>32,093,429</b>
<b>LIABILITIES</b>			
Derivative liabilities	9	222,752	7,177
Amount due to Manager	10	19,745	15,749
Amount due to Trustee	12	1,559	1,604
Distribution payable		198,388	-
Other payables and accruals		15,103	22,842
<b>TOTAL LIABILITIES</b>		<b>457,547</b>	<b>47,372</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS OF THE FUND</b>		<b>30,470,339</b>	<b>32,046,057</b>
<b>NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS OF THE FUND COMPRISE:</b>			
Unitholders' contribution	13(a)	39,357,387	41,548,370
Accumulated losses	13(b) & 13(c)	(8,887,048)	(9,502,313)
		<b>30,470,339</b>	<b>32,046,057</b>
<b>NET ASSET VALUE ("NAV")</b>			
- MYR Class		29,438,827	31,567,004
- SGD (Hedged) Class		1,031,512	479,053
		<b>30,470,339</b>	<b>32,046,057</b>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- MYR Class	13(a)	33,611,162	36,741,015
- SGD (Hedged) Class	13(a)	352,488	160,520
		<b>33,963,650</b>	<b>36,901,535</b>
<b>NAV PER UNIT</b>			
- MYR Class (MYR)	13(a)	RM 0.8759	RM 0.8592
- SGD (Hedged) Class (SGD)	13(a)	SGD 0.8845	SGD 0.8532



**MAYBANK ASIAN CREDIT INCOME FUND**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS  
FOR THE FINANCIAL PERIOD FROM 1 MAY 2024 TO 31 OCTOBER 2024**

	<b>Unitholders' contribution Note 13(a) RM</b>	<b>Accumulated losses Note 13(b) &amp; 13(c) RM</b>	<b>Net assets attributable to unitholders RM</b>
At 1 May 2024	41,548,370	(9,502,313)	32,046,057
Total comprehensive income for the financial period	-	615,265	615,265
Creation of units	976,385	-	976,385
Reinvestment of units	412,460	-	412,460
Cancellation of units	(3,579,828)	-	(3,579,828)
At 31 October 2024	<u>39,357,387</u>	<u>(8,887,048)</u>	<u>30,470,339</u>
At 1 May 2023	52,612,752	(9,886,392)	42,726,360
Total comprehensive loss for the financial period	-	(1,004,712)	(1,004,712)
Creation of units	6,776	-	6,776
Cancellation of units	(4,403,701)	-	(4,403,701)
At 31 October 2023	<u>48,215,827</u>	<u>(10,891,104)</u>	<u>37,324,723</u>

**MAYBANK ASIAN CREDIT INCOME FUND**

**UNAUDITED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL PERIOD FROM 1 MAY 2024 TO 31 OCTOBER 2024**

	<b>01.05.2024 to 31.10.2024 RM</b>	<b>01.05.2023 to 31.10.2023 RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Net proceeds from disposal of financial assets at FVTPL	1,867,975	4,970,915
Net payments for purchase of financial assets at FVTPL	(1,895,099)	(995,236)
Net (settlement)/ receipt on foreign exchange (loss)/ income	(31,502)	3,061
Net receipt/ (settlement) on forward foreign exchange contracts	1,941,718	#REF!
Dividend income received	738,168	998,422
Profit/ Interest income received	7,507	9,099
Manager's fee paid	(39,851)	(50,876)
Trustee's fee paid	(9,564)	(12,210)
Payment of other fees and expenses	(18,636)	(588)
Net cash generated from operating and investing activities	<u>2,560,716</u>	<u>2,443,415</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	832,602	6,776
Payments for cancellation of units	(3,575,644)	(4,405,144)
Net cash used in financing activities	<u>(2,743,042)</u>	<u>(4,398,368)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL PERIOD</b>		
	(182,326)	(1,954,953)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>		
	1,530,722	2,544,974
Effect on foreign exchange	2,206	3,204
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>		
	<u>1,350,602</u>	<u>593,225</u>
<b>Cash and cash equivalents comprise of:</b>		
Cash at bank (Note 11)	598,082	394,249
Deposit with a licensed financial institution with maturity of less than 3 months (Note 8)	752,520	198,976
	<u>1,350,602</u>	<u>593,225</u>

## **MAYBANK ASIAN CREDIT INCOME FUND**

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

#### **FOR THE FINANCIAL PERIOD FROM 1 MAY 2024 TO 31 OCTOBER 2024**

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

Maybank Asian Credit Income Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 22 May 2020 between the Manager, Maybank Asset Management Sdn Bhd ("MAM") and the Trustee, TMF Trustee Malaysia Bhd. Subsequently, MAM and the Trustee have entered the First Supplemental Deed dated 2 November 2022. The Deed and Supplemental Deed are hereinafter referred to as "Deeds".

The Fund aims to achieve long-term consistent positive return by investing in the Maybank Asian Income Fund ("Target Fund") offered in Singapore.

The principal activity of the Fund is to investing a minimum of 90% of the Fund's NAV in the Target Fund and up to 10% of the Fund's NAV in liquid assets. The Target Fund is a Singapore-authorized open-ended unit trust constituted in Singapore and is a sub-fund of Maybank Focus Funds.

The Target Fund is constituted as a unit trust in Singapore established on 24 November 2014. The Fund Manager of the Target Fund is Maybank Asset Management Singapore Pte. Ltd. ("MAMS") a fully owned subsidiary of Maybank Asset Management Group Berhad and is licensed and regulated by the Monetary Authority of Singapore. The investment objective of the Target Fund is to provide investors with capital growth and income primarily through investing in a portfolio of Asian fixed income securities and U.S. government debt.

The Fund launched 2 share classes of units as at the date of this report, which are MYR Class and SGD (Hedged) Class.

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. MATERIAL ACCOUNTING POLICY INFORMATION**

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

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standard 134: Interim Financial Reporting ("MFRS 134") and International Accounting Standards 34 Interim Financial Reporting.

The Fund has adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") which have become effective during the financial period from 1 May 2024 to 31 October 2024. The adoption of the above did not result in material impact to the financial statements.

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

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

## MAYBANK ASIAN CREDIT INCOME FUND

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.2 Standards and Amendments to Standards issued but not yet effective

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

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7: <i>Amendments to the Classifications and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 1: <i>First-time Adoption of Malaysian Financial Reporting Standards</i>	1 January 2026
Amendments to MFRS 7: <i>Financial Instruments: Disclosures</i>	1 January 2026
Amendments to MFRS 9: <i>Financial Instruments</i>	1 January 2026
Amendments to MFRS 10: <i>Consolidated Financial Statements</i>	1 January 2026
Amendments to MFRS 107: <i>Statement of Cash Flows</i>	1 January 2026
MFRS 18: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19: <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

Except for MFRS 18, 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. The Fund is currently in the process of assessing the potential effects of MFRS 18.

#### 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 ASIAN CREDIT INCOME FUND

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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

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

The Fund classifies cash and cash equivalents, amount due from Manager, profit/ interest receivables and dividend receivables as financial assets at amortised cost. These assets are subsequently measured using the effective profit rate ("EPR")/ effective interest rate ("EIR") method and are subject to impairment. The EPR/ EIR is a method of calculating the amortised cost of the financial assets 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 collective investment scheme 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;
- on initial recognition it is part of the portfolio of identified financial instruments that the Fund manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Debt instruments that do not meet the amortised cost criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. Accumulated unrealised gains or losses are reclassified to realised gains or losses when the associated assets are sold.

Profit/ Interest income on debt instruments and dividend income on equity securities classified as FVTPL are disclosed separately in the profit or loss.

## MAYBANK ASIAN CREDIT INCOME FUND

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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

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

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

##### (iii) Impairment

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

ECL 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.

##### (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.

## **MAYBANK ASIAN CREDIT INCOME FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

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

##### **(iv) Derecognition (cont'd)**

On derecognition of financial asset at amortised cost, gains and losses previously 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 Trustee, amount due to Manager, distribution payable and other payables and accruals as other financial liabilities.

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

Financial liabilities, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. The Fund's financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the EPR/ EIR method.

The EPR/ EIR is a method of calculating the amortised cost of the financial liability and of allocating and recognising the interest 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 meet the criteria to be classified as equity instruments under MFRS 132 "*Financial Instruments: Presentation*".

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

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

#### **2.7 Revenue/ Income**

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

## **MAYBANK ASIAN CREDIT INCOME FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

#### **2.7 Revenue/ Income (cont'd)**

Profit/ Interest income from short-term deposit is recognised on the accruals basis using the EPR/ EIR method.

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

Realised gain on disposal of investments is measured as the difference between the net proceeds and its carrying amount.

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.

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

Cash and cash equivalents include cash at bank and deposit with a licensed financial institution with maturities of three months or less, which have an insignificant risk of changes in value.

#### **2.9 Distributions**

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

#### **2.10 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 assets attributable to unitholders.

Current tax expense is determined according to Malaysian tax laws at the current rate based upon the taxable income earned during the financial period. Tax on dividend income from foreign quoted securities is based on the tax regime of the respective countries that the Fund invests in.

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

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



## **MAYBANK ASIAN CREDIT INCOME FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

#### **2.11 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 period. However, future events or conditions may cause the Fund to apply hedge accounting in the future.

#### **2.12 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 or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets 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:

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.

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.

## **MAYBANK ASIAN CREDIT INCOME FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

#### **2.12 Fair value measurement (cont'd)**

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.

#### **2.13 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 Ringgit Malaysia ("RM"), which is also the Fund's functional currency.

##### **(ii) Transactions and balances**

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 in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

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

## MAYBANK ASIAN CREDIT INCOME FUND

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

	<b>01.05.2024</b> to <b>31.10.2024</b> RM	<b>01.05.2023</b> to <b>31.10.2023</b> RM
Net unrealised income on foreign exchange	3,369	3,204
Net realised (loss)/ income on foreign exchange	(43,261)	31,935
Net unrealised (loss)/ income on forward foreign exchange contracts	(399,252)	746,190
Net realised income/ (loss) on forward foreign exchange contracts	1,942,389	(2,487,756)
	<u>1,503,245</u>	<u>(1,706,427)</u>

### 4. MANAGER'S FEE

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

Share class	Rate	
	<b>01.05.2024</b> to <b>31.10.2024</b>	<b>01.05.2023</b> to <b>31.10.2023</b>
MYR Class	up to 1.25%	up to 1.25%
SGD (Hedged) Class	up to 1.25%	up to 1.25%

As the Fund is investing in the Target Fund, the annual management fee is inclusive of the management fee charged by the Target Fund. There shall be no double charging of management fee.

### 5. TRUSTEE'S FEE

If the Fund is invested locally only, the Trustee's fee is computed up to 0.06% p.a. (including local custodian fee) (01.05.2023 to 31.10.2023: 0.06% p.a) of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day, calculated on a daily basis.

### 6. TAXATION

	<b>01.05.2024</b> to <b>31.10.2024</b> RM	<b>01.05.2023</b> to <b>31.10.2023</b> RM
Current income tax expense	-	-

Income tax is calculated at the Malaysian statutory tax rate of 24% (01.05.2023 to 31.10.2023: 24%) of the estimated assessable income for the financial period. The tax expense for the financial period is in relation to the taxable income earned by the Fund after deducting tax allowable expenses.

## MAYBANK ASIAN CREDIT INCOME FUND

### 6. TAXATION (CONT'D)

In accordance with Schedule 6 of the Income Tax Act 1967, profit/ interest income earned by the Fund is exempted from tax. Dividend income derived from sources outside Malaysia are exempted from Malaysian income tax. However, such income may be subject to tax in the country from which it is

	<b>01.05.2024 to 31.10.2024 RM</b>	<b>01.05.2023 to 31.10.2023 RM</b>
Net results before taxation	<u>615,265</u>	<u>(1,004,712)</u>
Taxation at Malaysian statutory rate of 24% (01.05.2023 to 31.10.2023: 24%)	147,664	(241,131)
Income not subject to tax	(644,152)	(538,951)
Loss not deductible for tax purposes	335,477	763,670
Expenses not deductible for tax purposes	<u>161,011</u>	<u>16,412</u>
Tax expense for the financial period	<u>-</u>	<u>-</u>

### 7. FINANCIAL ASSETS AT FVTPL

	<b>31.10.2024 RM</b>	<b>30.04.2024 RM</b>
Collective investment scheme	<u>29,304,408</u>	<u>30,244,317</u>

<b>Financial assets at FVTPL</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>Collective Investment Scheme</b>				
<b>31.10.2024</b>				
Maybank Asian Credit Income Fund Class A (Dist) - SGD	<u>10,946,782</u>	<u>33,689,678</u>	<u>29,304,408</u>	<u>96.17</u>
Unrealised loss on financial assets at FVTPL *			<u>(4,385,270)</u>	
<b>30.04.2024</b>				
Maybank Asian Credit Income Fund Class A (Dist) - SGD	<u>10,927,481</u>	<u>33,903,132</u>	<u>30,244,317</u>	<u>94.38</u>
Unrealised loss on financial assets at FVTPL *			<u>(3,658,815)</u>	

\* The unrealised loss on collective investment scheme comprise the amounts arising from changes in fair values and effects from foreign exchange.

## MAYBANK ASIAN CREDIT INCOME FUND

### 8. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	31.10.2024	30.04.2024
	RM	RM
Deposit with a licensed financial institution with maturity of:		
- less than 3 months	752,520	630,530

The weighted average effective profit rates ("WAEPR")/ weighted average effective interest rates ("WAEIR") p.a. and average maturity of deposit with licensed financial institution as at the reporting date were as follows:

	31.10.2024		30.04.2024	
	WAEPR/ WAEIR % p.a.	Average maturity Days	WAEPR/ WAEIR % p.a.	Average maturity Days
Deposit with maturity of less than 3 months	3.00	2	3.15	2

### 9. DERIVATIVE ASSETS/ (LIABILITIES)

	Notional principal amount RM	Fair Value	
		Assets RM	Liabilities RM
<u>Forward currency contracts</u>			
<b>31.10.2024</b>			
Currency forwards - less than 1 year	1,229,956	5,118	(1,841)
	<b>SGD</b>	<b>RM</b>	<b>RM</b>
Currency forwards - less than 1 year	9,100,000	-	(220,911)
<b>Total derivative assets and liabilities</b>		5,118	(222,752)
<b>30.04.2024</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Currency forwards - less than 1 year	1,187,611	-	(7,177)
	<b>SGD</b>	<b>RM</b>	<b>RM</b>
Currency forwards - less than 1 year	9,000,000	188,794	-
<b>Total derivative assets and liabilities</b>		188,794	(7,177)

As at the reporting date, there were 7 (30.04.2024: 4) forward exchange contracts outstanding.

The Fund entered into forward currency contracts to hedge the Fund's exposure to foreign currencies, arising mainly from subscriptions in the SGD (Hedged) Class. As the Fund did not adopt hedge accounting during the financial period, the change in the fair value of the forward currency contracts is recognised in the statement of comprehensive income.

## MAYBANK ASIAN CREDIT INCOME FUND

### 10. AMOUNT DUE FROM/ TO MANAGER

		<b>31.10.2024</b>	<b>30.04.2024</b>
		<b>RM</b>	<b>RM</b>
Amount due from Manager is in respect of:			
Creation of units	(i)	<u>146,302</u>	<u>1,501</u>
Amount due to Manager is in respect of:			
Manager's fee	(ii)	6,495	6,684
Cancellation of units	(iii)	<u>13,250</u>	<u>9,065</u>
		<u>19,745</u>	<u>15,749</u>

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

(ii) The amount relates to the amount payable to the Fund Manager arising from the accruals for Manager's fee at the end of the financial period/ year. The normal credit term for Manager's fee is 15 days (30.04.2024: 15 days).

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

### 11. CASH AT BANK

	<b>31.10.2024</b>	<b>30.04.2024</b>
	<b>RM</b>	<b>RM</b>
Singapore Dollar ("SGD")	592,300	896,725
RM	<u>5,782</u>	<u>3,467</u>
	<u>598,082</u>	<u>900,192</u>

### 12. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable to the Trustee arising from the accruals for Trustee's fee at the end of the financial period/ year. The normal credit term for Trustee's fee is 15 days (30.04.2024: 15 days)

### 13. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

		<b>31.10.2024</b>	<b>30.04.2024</b>
	<b>Note</b>	<b>RM</b>	<b>RM</b>
Unitholders' contribution	(a)	39,357,387	41,548,370
Accumulated realised loss	(b)	(3,556,355)	(5,293,958)
Accumulated unrealised loss	(c)	<u>(5,330,693)</u>	<u>(4,208,355)</u>
		<u>30,470,339</u>	<u>32,046,057</u>

**MAYBANK ASIAN CREDIT INCOME FUND**

**13. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (CONT'D)**

**(a) Unitholders' contribution**

The units are distributed based on the following share classes:

	<b>31.10.2024</b>		<b>30.04.2024</b>	
	<b>Units</b>	<b>RM</b>	<b>Units</b>	<b>RM</b>
(i) MYR Class	33,611,162	38,219,030	36,741,015	40,975,219
(ii) SGD (Hedged) Class	352,488	1,138,357	160,520	573,151
	<u>33,963,650</u>	<u>39,357,387</u>	<u>36,901,535</u>	<u>41,548,370</u>

**(i) MYR Class**

	<b>01.05.2024 to 31.10.2024</b>		<b>01.05.2023 to 30.04.2024</b>	
	<b>Units</b>	<b>RM</b>	<b>Units</b>	<b>RM</b>
As at beginning of the financial period/ year	36,741,015	40,975,219	48,981,774	51,422,593
Creation of units	468,365	414,407	243,512	210,429
Reinvestment of units	465,530	409,232	-	-
Cancellation of units	(4,063,748)	(3,579,828)	(12,484,271)	(10,657,803)
As at end of the financial period/ year	<u>33,611,162</u>	<u>38,219,030</u>	<u>36,741,015</u>	<u>40,975,219</u>

**(ii) SGD (Hedged) Class**

	<b>01.05.2024 to 31.10.2024</b>		<b>01.05.2023 to 30.04.2024</b>	
	<b>Units</b>	<b>RM</b>	<b>Units</b>	<b>RM</b>
As at beginning of the financial period/ year	160,520	573,151	367,741	1,190,159
Creation of units	190,887	561,978	-	-
Reinvestment of units	1,081	3,228	-	-
Cancellation of units	-	-	(207,221)	(617,008)
As at end of the financial period/ year	<u>352,488</u>	<u>1,138,357</u>	<u>160,520</u>	<u>573,151</u>

As of end of the financial period, the total number and value of units held legally or beneficially by the Manager and a related party are as follows:

	<b>31.10.2024</b>		<b>30.04.2024</b>	
	<b>No. of units</b>	<b>Valued at NAV</b>	<b>No. of units</b>	<b>Valued at NAV</b>
The Manager (MYR Class)	<u>1,064</u>	<u>RM 932</u>	<u>1,050</u>	<u>RM 902</u>
The Manager (SGD (Hedged) Class)	<u>1,056</u>	<u>SGD 934</u>	<u>1,050</u>	<u>SGD 896</u>

## MAYBANK ASIAN CREDIT INCOME FUND

### 13. NAV ATTRIBUTABLE TO UNITHOLDERS (CONT'D)

#### (b) Accumulated realised loss

	<b>01.05.2024</b> <b>to</b> <b>31.10.2024</b> <b>RM</b>	<b>01.05.2023</b> <b>to</b> <b>30.04.2024</b> <b>RM</b>
At the beginning of the financial period/ year	(5,293,958)	(1,813,866)
Net realised income/ (loss) for the financial period/ year	1,737,603	(3,480,092)
At the end of the financial period/ year	<u>(3,556,355)</u>	<u>(5,293,958)</u>

#### (c) Accumulated unrealised loss

	<b>01.05.2023</b> <b>to</b> <b>31.10.2023</b> <b>RM</b>	<b>01.05.2023</b> <b>to</b> <b>30.04.2024</b> <b>RM</b>
At the beginning of the financial period/ year	(4,208,355)	(8,072,526)
Net unrealised (loss)/ income for the financial period/ year	(1,122,338)	3,864,171
At the end of the financial period/ year	<u>(5,330,693)</u>	<u>(4,208,355)</u>

#### (d) Classes of shares

##### (i) Types of classes of units

Class	Currency
MYR Class	MYR
SGD (Hedged) Class	SGD

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

- (a) Initial investment for each class; and
- (b) Different additional minimum investment.

##### (ii) NAV computation

The computation of NAV of the Fund is based on the Fund's functional currency, RM, 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 multi-class ratio ("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/ Cancellation of units by Unitholders

These units are cancellable at the unitholder's option. Cancellable 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.



**MAYBANK ASIAN CREDIT INCOME FUND**

**13. NAV ATTRIBUTABLE TO UNITHOLDERS (CONT'D)**

**(d) Classes of shares (cont'd)**

**(iii) Redemption/ Cancellation of units by Unitholders (cont'd)**

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.

**14. DISTRIBUTION**

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

**MYR Class**

	01.05.2024 to 31.10.2024		01.05.2023 to 31.10.2023	
	Total distribution RM	Composition of distribution in percentage %	Total distribution RM	Composition of distribution in percentage %
<b>Source of distribution*</b>				
- Income distribution	607,620	100.00	-	-
- Capital distribution	-	-	-	-
	<u>607,620</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

The gross/ net distribution per unit and the distribution dates are as follows:

<b>Distribution dates (ex-date)</b>	<b>Gross/ Net distribution per unit (MYR sen)</b>
<b>01.05.2024 to 31.10.2024</b>	
25 June 2024	0.30
27 August 2024	0.90
25 October 2024	0.59
	<u>1.79</u>

**MAYBANK ASIAN CREDIT INCOME FUND**

**14. DISTRIBUTION (CONT'D)**

**SGD (Hedged) Class**

	01.05.2024 to 31.10.2024		01.05.2023 to 31.10.2023	
	Total distribution RM	Composition of distribution in percentage %	Total distribution RM	Composition of distribution in percentage %
<b>Source of distribution*</b>				
- Income distribution	3,236	100.00	-	-
- Capital distribution	-	-	-	-
	<u>3,236</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

The gross/ net distribution per unit and the distribution dates are as follows:

<b>Distribution dates (ex-date)</b>	<b>Gross/ Net distribution per unit (SGD cent)</b>
<b>01.05.2024 to 31.10.2024</b>	
25 June 2024	0.30
27 August 2024	0.13
	<u>0.43</u>

\* Effective from the 1 March 2022, the Securities Commission Guidelines permit a fund to distribute out of income (which includes current year's realised income) or out of capital (which includes prior year's realised income).

**15. TRANSACTIONS WITH FINANCIAL INSTITUTION**

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

	01.05.2024 to 31.10.2024		01.05.2023 to 30.04.2024	
	Value of placements RM	Percentage of total placement %	Value of placements RM	Percentage of total placement %
<b>Financial institution</b>				
MBB*	61,781,216	100.00	123,704,552	99.54
Maybank Islamic Bhd ("MIB")**	-	-	570,000	0.46
	<u>61,781,216</u>	<u>100.00</u>	<u>124,274,552</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 ASIAN CREDIT INCOME FUND

### 16. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

For the purpose of these financial statements, parties are considered to be related to the Fund or the Manager if the Fund or the Manager has the ability directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Fund or the Manager and the party are subject to common control or common significant influence. Related parties maybe individuals or other entities. In addition to the related party information disclosed elsewhere in the financial statements, there are no other significant related party transaction and balances of the Fund during the financial period.

	<b>01.05.2024</b>	<b>01.05.2023</b>
	<b>to</b>	<b>to</b>
	<b>31.10.2024</b>	<b>31.10.2023</b>
	<b>RM</b>	<b>RM</b>
(i) <u>Significant related party transaction</u>		
<u>MBB:</u>		
Profit/ Interest income from deposit	7,577	8,937
	<hr/>	<hr/>
(ii) <u>Significant related party balances</u>	<b>31.10.2023</b>	<b>30.04.2024</b>
	<b>RM</b>	<b>RM</b>
<u>MBB:</u>		
Deposit with a licensed financial institution	752,520	630,530
Profit/ Interest receivables	124	54
	<hr/>	<hr/>

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

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

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Trustee's fee and other administrative expenses. For the financial period from 1 May 2024 to 31 October 2024, the TER of the Fund stood at 0.19% (01.05.2023 to 31.10.2023: 0.17%).

As the TER includes only the incremental fee charged by the Manager, the estimated TER inclusive of the fees charged by the Target Fund Manager as disclosed in Note 4 is 1.25% (01.05.2023 to 31.10.2023: 1.25%).

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

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial period to the daily average NAV of the Fund. For the financial period from 1 May 2024 to 31 October 2024, the PTR of the Fund stood at 0.06 times (01.05.2023 to 31.10.2023: 0.08 times).

## MAYBANK ASIAN CREDIT INCOME FUND

### 19. SEGMENT REPORTING

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

The PMC is responsible for the performance of the Fund by investing a minimum of 90% of the Fund's NAV in the Target Fund and up to 10% of the Fund's NAV 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.

### 20. FINANCIAL INSTRUMENTS

#### (a) Classification of financial instruments

The Fund's financial assets and financial liabilities were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The material accounting policy information 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 prepayment, tax-related matters and NAV attributable to unitholders) 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.

31.10.2024	Financial assets and liabilities at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>Financial assets</b>				
Financial assets at FVTPL	29,304,408	-	-	29,304,408
Deposit with a licensed financial institution	-	752,520	-	752,520
Derivative assets	5,118	-	-	5,118
Dividend receivables	-	121,332	-	121,332
Profit/ Interest receivables	-	124	-	124
Amount due from Manager	-	146,302	-	146,302
Cash at bank	-	598,082	-	598,082
<b>Total financial assets</b>	<b>29,309,526</b>	<b>1,618,360</b>	<b>-</b>	<b>30,927,886</b>

**MAYBANK ASIAN CREDIT INCOME FUND**

**20. FINANCIAL INSTRUMENTS (CONT'D)**

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

<b>31.10.2024 (cont'd)</b>	<b>Financial assets and liabilities at FVTPL RM</b>	<b>Financial assets at amortised cost RM</b>	<b>Financial liabilities at amortised cost RM</b>	<b>Total RM</b>
<b>Financial liabilities</b>				
Derivative liabilities	222,752	-	-	222,752
Amount due to Manager	-	-	19,745	19,745
Amount due to Trustee	-	-	1,559	1,559
Distribution payable	-	-	198,388	198,388
Other payables and accruals	-	-	15,103	15,103
<b>Total financial liabilities</b>	<b>222,752</b>	<b>-</b>	<b>234,795</b>	<b>457,547</b>
<b>30.04.2024</b>				
<b>Financial assets</b>				
Financial assets at FVTPL	30,244,317	-	-	30,244,317
Deposit with a licensed financial institution	-	630,530	-	630,530
Derivative assets	188,794	-	-	188,794
Dividend receivables	-	128,041	-	128,041
Profit/ Interest receivables	-	54	-	54
Amount due from Manager	-	1,501	-	1,501
Cash at bank	-	900,192	-	900,192
<b>Total financial assets</b>	<b>30,433,111</b>	<b>1,660,318</b>	<b>-</b>	<b>32,093,429</b>
<b>Financial liabilities</b>				
Derivative liabilities	7,177	-	-	7,177
Amount due to Manager	-	-	15,749	15,749
Amount due to Trustee	-	-	1,604	1,604
Other payables and accruals	-	-	22,842	22,842
<b>Total financial liabilities</b>	<b>7,177</b>	<b>-</b>	<b>40,195</b>	<b>47,372</b>

Collective investment scheme

The Fund's investment in the collective investment scheme is carried at fair value. The fair value of the collective investment scheme is determined by reference to its last published NAV per unit at the reporting 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. For these financial instruments, significant inputs into models are market observable and are included within Level 2.

## MAYBANK ASIAN CREDIT INCOME FUND

### 21. FAIR VALUE HIERARCHY

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

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

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

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

	Level 1 RM	Level 2 RM	Level 3 RM
<b>31.10.2024</b>			
Financial assets at FVTPL	29,304,408	-	-
Derivative assets	-	5,118	-
	<u>29,304,408</u>	<u>5,118</u>	<u>-</u>
Derivative liabilities	-	(222,752)	-
<b>30.04.2024</b>			
Financial assets at FVTPL	30,244,317	-	-
Derivative assets	-	188,794	-
	<u>30,244,317</u>	<u>188,794</u>	<u>-</u>
Derivative liabilities	-	(7,177)	-

### 22. UNITHOLDERS' CONTRIBUTION MANAGEMENT

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

The Fund's objectives for managing capital are:

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

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