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# MAYBANK MALAYSIA INCOME FUND

**Unaudited semi-annual report  
For the financial period from 1 July 2024 to 31  
December 2024**

## **CORPORATE INFORMATION**

### **MANAGER**

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### **TRUSTEE**

Universal Trustee (Malaysia) Berhad (197401000629) (17540-D)  
No. 1, 3rd Floor  
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50450 Kuala Lumpur  
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## **MAYBANK MALAYSIA INCOME FUND**

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## MAYBANK MALAYSIA INCOME FUND

### Manager's report

For the financial period from 1 July 2024 to 31 December 2024

#### A. Fund Information

**1. Name of the Fund**

Maybank Malaysia Income Fund ("Fund")

**2. Type of Fund**

Income

**3. Category of Fund**

Bond

**4. Duration of the Fund**

The Fund is an open-ended Fund.

**5. Launch date/ Commencement date**

19 June 1996/ 18 July 1996

**6. Fund's investment objective**

The Fund aims to maximise returns over the medium term, and while at the same time offering stability of capital and regular consistent income.

**7. Fund's distribution policy**

Income distribution (if any) is declared at the end of the financial year of the Fund or for any specified period at the Manager's discretion, subject to Trustee's approval.

**8. Fund's performance benchmark**

Maybank 12-month fixed deposit rate

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

The Fund will invest a minimum of 70% of the Fund's assets in fixed income securities, and a maximum of 30% of the Fund's assets in liquid assets.

**10. Net income distribution for the financial period from 1 July 2024 to 31 December 2024**

There was no distribution declared by the Fund for the financial period ended 31 December 2024.

## MAYBANK MALAYSIA INCOME FUND

### Manager's report

For the financial period from 1 July 2024 to 31 December 2024 (cont'd)

### B. Performance Review

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

Category	01.07.2024 to 31.12.2024	01.07.2023 to 31.12.2023	01.07.2023 to 30.06.2024
<b>Portfolio Composition (%)</b>			
<b>Unquoted fixed income securities (%)</b>	<b>94.50</b>	<b>86.00</b>	<b>93.90</b>
- Construction	11.36	14.06	11.79
- Financial Services	12.94	-	5.99
- Government Agency	-	-	2.25
- Industrial Product	-	1.45	-
- Mining & Petroleum	-	5.15	-
- Plantation	4.25	3.65	4.38
- Power Generation	-	-	11.86
- Real Estate	13.68	14.96	15.58
- Trading & Services	4.70	4.07	4.86
- Transportation & Logistics	7.42	4.20	7.54
- Utilities	40.15	38.46	29.65
<b>Cash and other net assets (%)</b>	<b>5.50</b>	<b>14.00</b>	<b>6.10</b>
<b>Total (%)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
NAV (RM)	46,901	54,098	45,341
Units in circulation (units)	42,456	49,828	41,961
NAV per unit (RM)	1.1047	1.0857	1.0805
Highest NAV per unit (RM)	1.1047	1.0530	1.1138
Lowest NAV per unit (RM)	1.0805	1.0287	1.0586
Annual return (%) <sup>(1)</sup>			
- Capital growth (%)	2.26	2.09	1.60
- Income distribution (%)	-	-	3.15
Total return (%)	2.26	2.09	4.80
Benchmark (%)	1.32	1.55	2.93
Net income distributed (RM)	-	-	1,426
Distribution date	-	-	24/06/2024
Gross/ Net distribution per unit (sen)	-	-	3.40
Total Expense Ratio ("TER") (%) <sup>(2)</sup>	0.54	0.54	1.06
Portfolio Turnover Ratio ("PTR") (times) <sup>(3)</sup>	0.08	0.07	0.24

*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 MALAYSIA INCOME FUND

### Manager's report

For the financial period from 1 July 2024 to 31 December 2024 (cont'd)

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

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

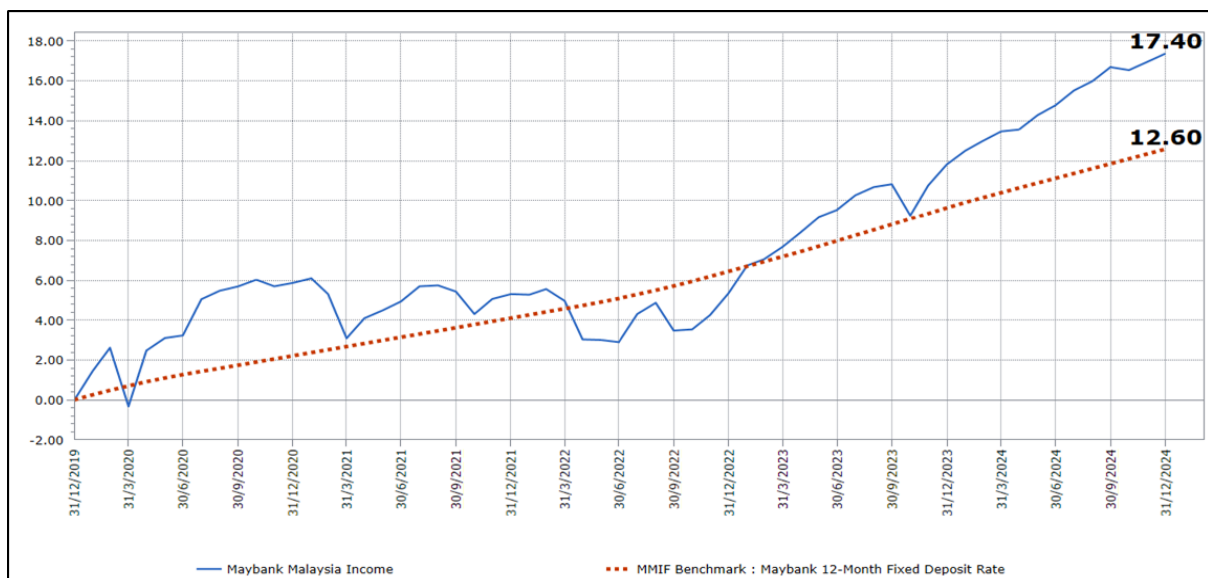
**Note:**

- (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 remained stagnant during the current financial period.
- (3) The Fund's PTR increased to 0.08 times due to increased investing activities during the current financial period.

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

Category	6 months to 31.12.2024 %	1 year to 31.12.2024 %	3 years to 31.12.2024 %	5 years to 31.12.2024 %
Capital growth	2.26	1.77	1.81	2.23
Income distribution	-	3.15	9.48	14.83
Total return of the Fund	2.26	4.97	11.45	17.40
Benchmark	1.32	2.70	8.17	12.60
Average total return		4.97	3.68	3.26

##### Performance of the Fund for the 5 years to 31 December 2024



Source: Lipper as at 31 December 2024

For the period under review, the fund registered a 2.26% return, outperforming its benchmark, which posted a return of 1.32% during the corresponding period. The outperformance was mainly attributed to the lower yield for the period and the tightening of credit spreads, driven by peaking policy rates and moderate inflation expectations for the local economy.

## MAYBANK MALAYSIA INCOME FUND

### Manager's report

For the financial period from 1 July 2024 to 31 December 2024 (cont'd)

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

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

For the financial period/ year ended	31.12.2024 %	30.06.2024 %	30.06.2023 %	30.06.2022 %	30.06.2021 %
Capital growth	2.26	1.60	3.40	(4.90)	(0.41)
Income distribution	-	3.15	2.93	3.11	2.07
Total return	2.26	4.80	6.44	(1.94)	1.65
Benchmark	1.32	2.93	2.75	1.88	1.85

#### 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

Markets piled on risk in both stocks and bonds after the Federal Reserve ("Fed") dovish stance drove a one-way trade in 3Q2024. Geopolitical conflict escalations also provided an additional tailwind for bonds in the second half of July 2024. Stock markets took a hit in early August 2024 due to a mix of softer United States ("US") economic data. However, the much-awaited start of the Fed 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, leading to solid returns across major asset classes by the end of the third quarter. The US Presidential Election dominated financial markets in the last quarter. US stocks performed better following Trump's victory, while Emerging Markets ("EM") faced challenges due to concerns over trade tariffs. In commodities, energy prices showed mixed results, Brent Crude oil remained stable, while European wholesale gas prices hit new Year-To-Date ("YTD") highs. Gold saw a decline, while Bitcoin surged, approaching the \$100,000 mark.

Local bond markets tracked the movement of US Treasuries ("UST"), with yields mostly shifting upward due to the delayed Fed rate cut, then moving lower amid dovish tones. The United States Dollar ("USD")/Malaysian Ringgit ("MYR") spot briefly surged past 4.80 in February but rebounded strongly, reaching a YTD low of 4.12 in the third quarter, partly attributed to strong foreign inflows into the local bond markets. However, the gain was reversed post-US election, with the exchange rate last seen at the 4.50 level. Bank Negara Malaysia ("BNM") kept the Overnight Policy Rate ("OPR") unchanged at 3.00% in the most recent Monetary Policy Committee ("MPC") meeting, as expected, amid sustained strength in domestic economic activities and a favorable inflation outlook heading into 2025.

## **MAYBANK MALAYSIA INCOME FUND**

### **Manager's report**

**For the financial period from 1 July 2024 to 31 December 2024 (cont'd)**

#### **D. Market Outlook & Strategies**

Our view remains that BNM will maintain the OPR at 3.00% in 2025, in the absence of demand-pull pressures, especially as Consumer Price Index ("CPI") numbers remain relatively benign following subsidy rationalization measures. In terms of growth prospects, Malaysia's Gross Domestic Product ("GDP") growth is projected to expand by 4.00% to 5.00% in 2024, justifying a continuation of the current monetary policy stance. With that said, while no change is expected, the next move in the OPR, if any, is likely to be a hike rather than a cut. However, we anticipate that volatility will remain elevated, given the ebbs and flows of recession fears, geopolitical tensions, and lingering trade concerns post-US election, which may dampen risk appetite in EM.

In terms of demand and supply, local bond issuances are expected to remain robust. Economic activity is projected to stay strong, but this has yet to translate into a significant rise in issuances, despite favorable funding conditions, with tight credit spreads and ample real-money liquidity. Looking ahead, we expect broadly stable credit conditions and credit spreads, barring a sudden surge in supply or external shocks. We will continue to maintain a constructive view on mid-end corporate credits over government bonds ("govvies").

Regarding duration exposure, we plan to keep it neutral. We will look for attractive entry points for government bonds to capitalize on trading opportunities, but we continue to overweight corporate bonds over sovereign bonds to anchor income. Corporate bond coupons tend to be less volatile and offer higher yields, which could help buffer against potential mark-to-market losses in the event of a turnaround in sovereign bond yields.

We prefer strong AA1-rated corporate bonds for yield pickup and carry, as well as for their potential long-term upgrades as economic activity accelerates. We will continue to trade opportunistically, focusing on new primary issuances that offer higher yields and bonds in the secondary market that have been oversold.

#### **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 from 1 July 2024 to 31 December 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  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024**

**TO THE UNITHOLDERS OF MAYBANK MALAYSIA INCOME FUND**

We have acted as Trustee for Maybank Malaysia Income Fund (the "Fund") for the financial period from 1 July 2024 to 31 December 2024. In our opinion and to the best of our Knowledge, Maybank Asset Management Sdn Bhd (the "Manager"), has operated and managed the Fund in accordance with the following:

- (a) Limitations imposed on the investment powers of the Manager and the Trustee under the Deeds, the Securities Commission Malaysia's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 ("CMSA") and other applicable laws;
- (b) Valuation/ Pricing has been carried out in accordance with the Deeds and any regulatory requirements; and
- (c) Creation and cancellation of units have been carried out in accordance with the Deeds and relevant regulatory requirements.

For and on behalf of the Trustee

**UNIVERSAL TRUSTEE (MALAYSIA) BERHAD (197401000629) (17540-D)**

**ONG TEE VANN**

Chief Executive Officer

Kuala Lumpur, Malaysia

13 February 2025

**STATEMENT BY MANAGER**

**TO THE UNITHOLDERS OF  
MAYBANK MALAYSIA INCOME FUND  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024**

I, Muhammad Hishamudin Bin Hamzah, being the Director of Maybank Asset Management Sdn Bhd (the "Manager") do hereby state that, in the opinion of the Manager, the accompanying unaudited financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134 Interim Financial Reporting and International Accounting Standards 34 Interim Financial Reporting so as to give a true and fair view of the financial position of Maybank Malaysia Income Fund as at 31 December 2024 and of its results, changes in net assets attributable to unitholders and cash flows for the financial period from 1 July 2024 to 31 December 2024 and comply with the requirements of the Deeds.

For and on behalf of the Manager

**Muhammad Hishamudin Bin Hamzah**  
Director

Kuala Lumpur, Malaysia  
13 February 2025

## MAYBANK MALAYSIA INCOME FUND

### UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024

		01.07.2024 to 31.12.2024 RM	01.07.2023 to 31.12.2023 RM
<b>INCOME</b>			
Profit/ Interest income	3	966,779	1,178,325
Net gain on fair value changes of fair value through profit or loss ("FVTPL") investments			
- Realised gain/ (loss)		9,203	(224,159)
- Unrealised gain		315,288	419,418
		<u>1,291,270</u>	<u>1,373,584</u>
<b>EXPENSES</b>			
Manager's fee	4	236,889	267,091
Trustee's fee	5	8,291	9,348
Auditors' remuneration		4,674	5,049
Tax agent's fee		2,318	2,770
Administrative expenses		1,574	1,547
		<u>253,746</u>	<u>285,805</u>
<b>Net income before tax</b>		1,037,524	1,087,779
Taxation	6	-	-
<b>Net income after taxation, representing total comprehensive income for the financial period</b>		<u>1,037,524</u>	<u>1,087,779</u>
<b>Net income after tax is made up of the following:</b>			
Net realised income		722,236	668,361
Net unrealised income		315,288	419,418
		<u>1,037,524</u>	<u>1,087,779</u>

## MAYBANK MALAYSIA INCOME FUND

### UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	31.12.2024 RM	30.06.2024 RM
<b>ASSETS</b>			
Financial assets at FVTPL	7	44,320,987	42,557,223
Deposit with a licensed financial institution	8	2,165,000	2,455,000
Profit/ Interest receivables		466,102	442,959
Amount due from Manager	9	11,000	14,516
Amount due from financial institutions		-	1,226,710
Cash at bank		1,087	134,853
<b>TOTAL ASSETS</b>		<b>46,964,176</b>	<b>46,831,261</b>
<b>LIABILITIES</b>			
Amount due to Manager	9	39,979	37,926
Amount due to Trustee	10	1,399	1,327
Distribution payable		-	1,426,298
Other payables and accruals		21,676	24,604
<b>TOTAL LIABILITIES</b>		<b>63,054</b>	<b>1,490,155</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<b>46,901,122</b>	<b>45,341,106</b>
<b>NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS OF THE FUND COMPRISE:</b>			
Unitholders' capital	11(a)	59,358,261	58,835,769
Accumulated losses	11(b) & (c)	(12,457,139)	(13,494,663)
		<b>46,901,122</b>	<b>45,341,106</b>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>	11(a)	<b>42,456,204</b>	<b>41,961,448</b>
<b>NAV PER UNIT (RM)</b>		<b>1.1047</b>	<b>1.0805</b>

**MAYBANK MALAYSIA INCOME FUND****UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS  
FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024**

	<b>Unitholders' capital Note 11(a) RM</b>	<b>Accumulated losses Note 11(b) &amp; (c) RM</b>	<b>Net assets attributable to unitholders RM</b>
At 1 July 2024	58,835,769	(13,494,663)	45,341,106
Total comprehensive income for the financial period	-	1,037,524	1,037,524
Creation of units	3,588,670	-	3,588,670
Cancellation of units	(3,066,178)	-	(3,066,178)
At 31 December 2024	<u>59,358,261</u>	<u>(12,457,139)</u>	<u>46,901,122</u>
At 1 July 2023	68,513,015	(14,476,565)	54,036,450
Total comprehensive income for the financial period	-	1,087,779	1,087,779
Creation of units	6,193,578	-	6,193,578
Cancellation of units	(7,220,020)	-	(7,220,020)
At 31 December 2023	<u>67,486,573</u>	<u>(13,388,786)</u>	<u>54,097,787</u>

**MAYBANK MALAYSIA INCOME FUND****UNAUDITED STATEMENT OF CASH FLOWS****FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024**

	<b>01.07.2024</b>	<b>01.07.2023</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2024</b>	<b>31.12.2023</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Net proceeds from sales or redemptions of financial assets at FVTPL	3,810,252	7,463,131
Net payments for purchase of financial assets at FVTPL	(4,069,101)	-
Profit/ Interest received	989,922	1,271,624
Manager's fee paid	(234,836)	(269,380)
Trustee's fee paid	(8,219)	(9,429)
Payment of other fees and expenses	(11,494)	(11,294)
Net cash generated from operating and investing activities	<u>476,524</u>	<u>8,444,652</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	3,592,186	2,762,205
Payments for cancellation of units	(3,066,178)	(7,220,815)
Distribution to unitholders	(1,426,298)	(1,586,035)
Net cash used in financing activities	<u>(900,290)</u>	<u>(6,044,645)</u>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL PERIOD</b>		
	(423,766)	2,400,007
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>		
	<u>2,589,853</u>	<u>1,330,285</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>		
	<u>2,166,087</u>	<u>3,730,292</u>
<b>Cash and cash equivalents comprises:</b>		
Cash at bank	1,087	122,292
Deposit with a licensed financial institution with original maturity of less than 3 months (Note 8)	2,165,000	3,608,000
	<u>2,166,087</u>	<u>3,730,292</u>

## **MAYBANK MALAYSIA INCOME FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 JULY 2024 TO 31 DECEMBER 2024**

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

Maybank Malaysia Income Fund ("the Fund") was constituted pursuant to the execution of a Deed dated 15 May 1996 ("Principal Deed") between Amanah Mutual Berhad ("AMB") as the previous Manager and Universal Trustee (Malaysia) Berhad as the Trustee. The Fund commenced operations on 19 June 1996 and will continue to be in operations until terminated by the Trustee as provided under the Deeds. The following supplemental deeds has been issued between AMB and the Trustee:

- First supplemental deed dated 16 April 1999;
- Second supplemental deed dated 18 August 1999;
- Third supplemental deed dated 23 March 2000;
- Fourth supplemental deed dated 13 February 2001;
- Fifth supplemental deed dated 8 February 2002;
- Sixth supplemental deed dated 12 September 2003;
- Seventh supplemental deed dated 26 May 2005; and
- Eighth supplemental deed dated 26 July 2016.

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

Subsequently MAM and Universal Trustee (Malaysia) Berhad as the Trustee had entered into a Ninth Supplemental Deed dated 4 September 2018, to appoint MAM as the replacement Manager of the Fund effective 1 November 2018, Tenth Supplemental Deed dated 11 July 2019 to change the name of the Fund, Eleventh Supplemental Deed dated 3 August 2022 and Twelfth Supplemental deed dated 8 August 2023. The Principal Deed and Supplemental Deeds are collectively referred to as 'Deeds'.

The Fund commenced operations on 19 June 1996 and will continue to be in operations until terminated by the Trustee as provided under the Deeds. The principal activity of the Fund is to invest a minimum of 70% of the Fund's assets in fixed income securities, and a maximum of 30% of the Fund's assets in liquid assets.

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 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 Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), the Deeds and any regulatory requirements.

## MAYBANK MALAYSIA INCOME FUND

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

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

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

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies in Note 2.3 to Note 2.13 to the financial statements.

All amounts are stated in Ringgit Malaysia ("RM").

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

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

<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.



## **MAYBANK MALAYSIA INCOME FUND**

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

#### **2.3 Financial instruments (cont'd)**

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.

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

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

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

The Fund classifies cash and cash equivalents, amount due from Manager, amount due from financial institutions and profit/ interest receivables as financing and receivables, and are subsequently measured 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 profit income in profit or loss over the relevant period.

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

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

A financial asset is recognised at FVTPL if:

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

## MAYBANK MALAYSIA INCOME FUND

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

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

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

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

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.

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

##### (iii) Impairment of financial assets

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

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

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

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

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

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

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

## **MAYBANK MALAYSIA INCOME FUND**

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

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

##### **(iv) Derecognition of financial assets**

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

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

On derecognition of financial asset at amortised cost, the cumulative unrealised gain or loss previously recognised is transferred to realised gain or loss on disposal in profit or loss.

#### **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/ EIR method.

The EPR/ EIR 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 of financial liabilities**

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.

## **MAYBANK MALAYSIA INCOME FUND**

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

#### **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*. Those criteria include:

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

The outstanding units are carried at the redemption amount that is payable at each financial period if unitholder exercises the right to put the unit back to the Fund. Units are created and cancelled at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

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

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

Profit/ Interest income from unquoted fixed income securities and deposit with a licensed financial institution are recognised on the accruals basis using the EPR/ EIR method.

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

Other 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**

For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank, deposit at call and highly liquid instruments with maturities of 3 months or less, which have an insignificant risk of changes in value.

#### **2.9 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 tax rate based upon the taxable profit earned during the financial period.

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

## **MAYBANK MALAYSIA INCOME FUND**

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

#### **2.10 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:

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

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

#### **2.11 Distributions**

Any distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution 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 period/ year in which it is approved. Distribution is either reinvested or paid in cash to the unitholders on the income payment date. Reinvestment of units is based on the NAV per unit on the income payment date, which is also the time of creation.

## MAYBANK MALAYSIA INCOME FUND

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

#### 2.12 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.

#### 2.13 Critical accounting estimates and judgments

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

No major 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.

### 3. PROFIT/ INTEREST INCOME

	01.07.2024 to 31.12.2024 RM	01.07.2023 to 31.12.2023 RM
Profit/ Interest income from unquoted fixed income securities	1,032,186	1,199,585
Profit/ Interest income from licensed financial institution	-	36,874
Amortisation of premium, net accretion of discount	(105,860)	(58,134)
	<u>926,326</u>	<u>1,178,325</u>

### 4. MANAGER'S FEE

The Manager's fee is computed daily up to 1.50% (01.07.2023 to 31.12.2023: 1.50%) per annum ("p.a.") of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day.

### 5. TRUSTEE'S FEE

The Trustee's fee is computed daily based on the following table before deducting Manager's fee and Trustee's fee for that particular day:

NAV (RM)	Trustee fee rate (%) p.a.	
	2024	2023
Nil to 100 million	0.035	0.035
Above RM100 million	0.010	0.010

## MAYBANK MALAYSIA INCOME FUND

### 6. TAXATION

Income tax is calculated at the Malaysian statutory tax rate of 24% (01.07.2023 to 31.12.2023: 24%) of the estimated assessable income for the financial period.

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/interest income earned by the Fund is exempted from tax.

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>01.07.2024 to 31.12.2024 RM</b>	<b>01.07.2023 to 31.12.2023 RM</b>
Net income before taxation	<u>1,037,524</u>	<u>1,087,779</u>
Taxation at Malaysian statutory rate of 24% (01.07.2023 to 31.12.2023: 24%)	249,006	261,067
Income not subject to tax	(309,905)	(383,458)
Loss not deductible for tax purpose	-	53,798
Expenses not deductible for tax purposes	<u>60,899</u>	<u>68,593</u>
Tax expense for the financial period	<u>-</u>	<u>-</u>

### 7. FINANCIAL ASSETS AT FVTPL

	<b>31.12.2024 RM</b>	<b>30.06.2024 RM</b>
Unquoted fixed income securities	<u>44,320,987</u>	<u>42,557,223</u>

<b>31.12.2024</b>	<b>Quantity Units</b>	<b>Aggregate cost RM</b>	<b>Market Value RM</b>	<b>Percentage of NAV %</b>
<b>Construction</b>				
Gamuda Land Sdn Bhd - 3.75%/ 12.08.2027	1,400,000	1,399,972	1,394,106	2.97
Malaysian Resources Co. Bhd - 4.45%/ 14.08.2030	1,300,000	1,306,329	1,305,525	2.78
MMC Corporation Bhd - 5.95%/ 12.11.2027	<u>2,500,000</u>	<u>2,645,110</u>	<u>2,632,250</u>	<u>5.61</u>
	<u>5,200,000</u>	<u>5,351,411</u>	<u>5,331,881</u>	<u>11.36</u>

## MAYBANK MALAYSIA INCOME FUND

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

31.12.2024 (cont'd)	Quantity Units	Aggregate cost RM	Market Value RM	Percentage of NAV %
<b>Financial Services</b>				
Alliance Bank Malaysia Bhd - 4.06%/ 12.08.2031	400,000	399,986	399,160	0.85
MNRB Holdings Bhd - 4.46%/ 22.03.2034	600,000	599,964	608,448	1.30
CIMB Group Bhd - 4.31%/ Perpetual	600,000	599,999	601,572	1.28
GII Murabahah - 4.47%/ 15.09.2039	1,100,000	1,170,599	1,159,400	2.47
Hong Leong Bank Bhd - 4.25%/ Perpetual	1,500,000	1,499,917	1,505,685	3.21
Mercedes-Benz Services Malaysia - 3.80%/ 10.10.2028	800,000	800,040	796,936	1.70
Public Bank Bhd - 4.00%/ 11.12.2034	1,000,000	999,980	999,310	2.13
	<u>6,000,000</u>	<u>6,070,485</u>	<u>6,070,511</u>	<u>12.94</u>
<b>Plantation</b>				
Perbadanan Kemajuan Pertanian Negeri Pahang - 4.11%/ 30.10.2025	2,000,000	2,000,577	1,992,460	4.25
<b>Real Estate</b>				
Country Garden Real Estate Sdn Bhd - 5.25%/ 27.03.2025	900,000	899,926	864,828	1.84
- 4.90%/ 04.05.2026	1,200,000	1,199,925	953,652	2.03
IJM Land Bhd - 4.73%/ Perpetual	1,300,000	1,300,276	1,299,714	2.77
- 5.65%/ Perpetual	1,080,000	1,079,896	1,096,049	2.34
Malaysian Resources Co. Bhd - 5.09%/ 18.10.2028	800,000	801,296	823,088	1.75
Sime Darby Property Bhd - 3.64%/ 03.12.2030	900,000	899,980	882,036	1.88



**MAYBANK MALAYSIA INCOME FUND**

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

	Quantity Units	Aggregate cost RM	Market Value RM	Percentage of NAV %
<b>31.12.2024 (cont'd)</b>				
<b>Real Estate (cont'd)</b>				
UEM Sunrise Berhad - 4.30%/ 16.02.2026	500,000	500,585	502,660	1.07
	6,680,000	6,681,884	6,422,027	13.68
<b>Trading &amp; Services</b>				
Evyap Sabun Malaysia Sdn Bhd - 4.05%/ 30.12.2025	2,200,000	2,199,995	2,204,664	4.70
<b>Transportation &amp; Logistics</b>				
DRB-HICOM Bhd - 5.05%/ 06.08.2031	1,580,000	1,584,319	1,660,280	3.54
PONSB Capital Bhd - 4.64%/ 28.12.2026	700,000	699,996	710,808	1.52
- 4.10%/ 28.05.2031	600,000	599,981	600,450	1.28
APM Automotive Holdings - 4.82%/ 30.04.2031	500,000	502,675	507,675	1.08
	3,380,000	3,386,971	3,479,213	7.42
<b>Utilities</b>				
Cypark Ref Sdn Bhd - 5.32%/ 30.06.2031	2,380,000	2,411,836	2,443,784	5.21
Edra Energy Holdings Sdn Bhd - 6.51%/ 05.07.2035	1,700,000	2,005,764	2,028,066	4.32
Malaysia Airport Holdings Bhd - 3.87%/ 30.12.2026				
- 3.30%/ 05.11.2027	1,000,000	999,972	986,060	2.10
Pengurusan Air SPV Bhd - 3.32%/ 04.06.2027	500,000	499,998	494,365	1.05
- 3.90%/ 30.10.2029	2,500,000	2,560,892	2,498,150	5.33
Sarawak Energy Bhd - 3.30%/ 14.06.2030	900,000	900,008	873,540	1.86
Tanjung Bin Energy Sdn Bhd - 6.20%/ 16.03.2032	3,800,000	4,427,121	4,081,276	8.70

**MAYBANK MALAYSIA INCOME FUND**

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

31.12.2024 (cont'd)	Quantity Units	Aggregate cost RM	Market Value RM	Percentage of NAV %
<b>Utilities (cont'd)</b>				
Tenaga Nasional Bhd - 5.18%/ 03.08.2037	3,000,000	3,450,181	3,334,350	7.11
TNB Northern Energy Bhd - 4.62%/ 30.05.2033	2,000,000	2,126,150	2,080,640	4.47
	<u>17,780,000</u>	<u>19,381,922</u>	<u>18,820,231</u>	<u>40.15</u>
<b>Total unquoted fixed income securities</b>	<b><u>43,240,000</u></b>	<b><u>45,073,245</u></b>	<b><u>44,320,987</u></b>	<b><u>94.50</u></b>
<b>Unrealised loss on unquoted fixed income securities*</b>			<b><u>(752,258)</u></b>	
<b>30.06.2024</b>				
<b>Construction</b>				
Gamuda Land (T12) Sdn Bhd - 3.75%/ 12.08.2027	1,400,000	1,399,974	1,393,042	3.07
MMC Corporation Bhd - 5.95%/ 12.11.2027	2,500,000	2,669,031	2,655,475	5.86
Malaysian Resources Co. Bhd - 4.45%/ 14.08.2030	1,300,000	1,306,827	1,295,671	2.86
	<u>5,200,000</u>	<u>5,375,832</u>	<u>5,344,188</u>	<u>11.79</u>
<b>Financial Services</b>				
MNRB Holdings Bhd - 4.46%/ 22.03.2034	600,000	599,963	608,742	1.34
CIMB Group Bhd - 4.31%/ Perpetual	600,000	599,999	601,872	1.33
Hong Leong Bank Bhd - 4.25%/ Perpetual	1,500,000	1,499,917	1,507,200	3.32
	<u>2,700,000</u>	<u>2,699,879</u>	<u>2,717,814</u>	<u>5.99</u>
<b>Government Agency</b>				
Johor Corp. - 4.72% / 11.06.2027	1,000,000	1,018,462	1,020,720	2.25

## MAYBANK MALAYSIA INCOME FUND

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

30.06.2024 (cont'd)	Quantity Units	Aggregate cost RM	Market Value RM	Percentage of NAV %
<b>Plantation</b>				
Perbadanan Kemajuan Pertanian Negeri Pahang - 4.11%/ 30.10.2025	2,000,000	2,000,975	1,984,320	4.38
<b>Power Generation</b>				
Cypark Ref Sdn Bhd - 5.32%/ 30.06.2031	2,380,000	2,413,900	2,455,398	5.42
Edra Energy Sdn Bhd - 6.51%/ 05.07.2035	1,700,000	2,017,141	2,048,568	4.52
Sarawak Energy Bhd - 3.30%/ 14.06.2030	900,000	900,010	871,866	1.92
	<u>4,980,000</u>	<u>5,331,051</u>	<u>5,375,832</u>	<u>11.86</u>
<b>Real Estate</b>				
IJM Land Bhd - 4.73%/ Perpetual	1,300,000	1,300,337	1,296,581	2.86
- 5.65%/ Perpetual	1,080,000	1,079,896	1,098,932	2.42
Country Garden Real Estate Sdn Bhd - 5.25%/ 27.03.2025	900,000	899,928	796,374	1.76
- 4.90%/ 04.05.2026	1,200,000	1,199,925	870,720	1.92
Sime Darby Property Bhd - 3.64%/ 03.12.2030	900,000	899,981	880,686	1.94
UEM Sunrise Bhd - 4.30%/ 16.02.2026	500,000	500,843	503,325	1.11
Sunway Treasury Sukuk Sdn Bhd - 3.55%/ 10.09.2024	800,000	800,030	799,392	1.76
Malaysian Resources Co. Bhd - 5.09%/ 18.10.2028	800,000	801,458	820,464	1.81
	<u>7,480,000</u>	<u>7,482,398</u>	<u>7,066,474</u>	<u>15.58</u>
<b>Trading &amp; Services</b>				
Evyap Sabun Malaysia Sdn Bhd - 4.05%/ 30.12.2025	2,200,000	2,199,998	2,203,960	4.86

## MAYBANK MALAYSIA INCOME FUND

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

30.06.2024 (cont'd)	Quantity Units	Aggregate cost RM	Market Value RM	Percentage of NAV %
<b>Transportation &amp; Logistics</b>				
APM Automotive Holdings - 4.82%/ 30.04.2031	500,000	502,858	506,235	1.12
DRB-HICOM Bhd - 5.05%/ 06.08.2031	1,580,000	1,584,597	1,594,931	3.52
PONSB Capital Bhd - 4.64%/ 28.12.2026	700,000	699,997	713,902	1.57
- 4.10%/ 28.05.2031	600,000	599,981	604,326	1.33
	<u>3,380,000</u>	<u>3,387,433</u>	<u>3,419,394</u>	<u>7.54</u>
<b>Utilities</b>				
Malaysia Airport Holdings Bhd - 3.30%/ 05.11.2027	1,000,000	999,972	983,480	2.17
Pengurusan Air SPV Bhd - 3.32%/ 04.06.2027	500,000	500,000	492,545	1.09
- 3.90%/ 30.10.2029	2,500,000	2,566,711	2,496,075	5.51
Tanjung Bin Energy Sdn Bhd - 6.20%/ 16.03.2032	3,800,000	4,465,378	4,034,840	8.90
Tenaga Nasional Bhd - 5.18%/ 03.08.2037	3,000,000	3,464,173	3,328,500	7.34
TNB Northern Energy Bhd - 4.62%/ 30.05.2033	2,000,000	2,132,507	2,089,081	4.64
	<u>12,800,000</u>	<u>14,128,741</u>	<u>13,424,521</u>	<u>29.65</u>
<b>Total unquoted fixed income securities</b>	<b><u>41,740,000</u></b>	<b><u>43,624,769</u></b>	<b><u>42,557,223</u></b>	<b><u>93.90</u></b>
<b>Unrealised loss on unquoted fixed income securities*</b>			<b><u>(1,067,546)</u></b>	

\* The unrealised loss on unquoted fixed income securities comprise the amounts arising from changes in fair values.

## MAYBANK MALAYSIA INCOME FUND

### 8. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	31.12.2024 RM	30.06.2024 RM
Short-term placement with a maturity of less than 3 months	<u>2,165,000</u>	<u>2,455,000</u>

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

	31.12.2024		30.06.2024	
	WAEPR/ WAEIR % p.a.	Average maturity days	WAEPR/ WAEIR % p.a.	Average maturity days
Deposit with a licensed financial institution	<u>3.00</u>	<u>2</u>	<u>3.15</u>	<u>3</u>

### 9. AMOUNT DUE FROM/ TO MANAGER

	Note	31.12.2024 RM	30.06.2024 RM
Amount due from Manager is in respect of:			
- Creation of units	(i)	<u>11,000</u>	<u>14,516</u>
Amount due to Manager is in respect of:			
- Management fee	(ii)	<u>39,979</u>	<u>37,926</u>

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

(ii) The amount relates to the amount payable to the 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 (30.06.2024: 15 days).

### 10. 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 fee is 15 days (30.06.2024: 15 days).

## MAYBANK MALAYSIA INCOME FUND

### 11. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	Note	31.12.2024 RM	30.06.2024 RM
Unitholders' contribution	(a)	59,358,261	58,835,769
Accumulated realised losses	(b)	(12,867,177)	(13,589,413)
Accumulated unrealised income	(c)	410,038	94,750
		<u>46,901,122</u>	<u>45,341,106</u>

#### (a) Unitholders' contribution

	01.07.2024 to 31.12.2024		01.07.2023 to 30.06.2024	
	Units	RM	Units	RM
At the beginning of the financial period/ year	41,961,448	58,835,769	50,819,106	68,513,015
Creation of units	3,295,352	3,588,670	8,678,561	9,403,556
Cancellation of units	<u>(2,800,596)</u>	<u>(3,066,178)</u>	<u>(17,536,219)</u>	<u>(19,080,802)</u>
At the end of the financial period/ year	<u>42,456,204</u>	<u>59,358,261</u>	<u>41,961,448</u>	<u>58,835,769</u>

As at the end of the financial period/ year, there were no units held by the directors or parties related to the Manager (30.06.2024: Nil units).

#### (b) Accumulated realised losses

	01.07.2024 to 31.12.2024 RM	01.07.2023 to 30.06.2024 RM
At the beginning of the financial period/ year	(13,589,413)	(13,716,906)
Net realised income for the financial period/ year	722,236	1,553,791
Distribution	-	(1,426,298)
At the end of the financial period/ year	<u>(12,867,177)</u>	<u>(13,589,413)</u>

#### (c) Accumulated unrealised income

	01.07.2024 to 31.12.2024 RM	01.07.2023 to 30.06.2024 RM
At the beginning of the financial period/ year	94,750	(759,659)
Net unrealised income for the financial period/ year	315,288	854,409
At the end of the financial period/ year	<u>410,038</u>	<u>94,750</u>

## MAYBANK MALAYSIA INCOME FUND

### 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, there are no other significant related party transaction and balances of the Fund during the financial period/ year.

	01.07.2024 to 31.12.2024 RM	01.07.2023 to 30.06.2024 RM
(i) <u>Significant related party transaction</u>		
MBB:		
Interest income from deposit placement	40,453	106,246
	<u>31.12.2023</u>	<u>30.06.2024</u>
	RM	RM
(ii) <u>Significant related party balances</u>		
MBB:		
Deposit with a licensed financial institution	2,165,000	2,455,000
Interest income receivable	178	636
Cash at bank	1,087	134,853

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

### 13. TRANSACTIONS WITH BROKER/ DEALER/ FINANCIAL INSTITUTION

The transactions with broker/ dealer are as follows:

Broker/ Dealer	01.07.2024 to 31.12.2024		01.07.2023 to 31.12.2023	
	Value of trade RM	Percent of total trade %	Value of trade RM	Percent of total trade %
Public Investment Bank Bhd	2,000,000	26.83	-	-
Hong Leong Investment Bank Bhd	1,801,580	24.16	-	-
Malayan Banking Berhad	1,172,050	15.72	-	-
RHB Investment Bank Bhd	1,021,600	13.70	2,555,100	100.00
CIMB Investment Bank Bhd	928,100	12.45	-	-
CIMB Islamic Bank Bhd	532,000	7.14	-	-
	<u>7,455,330</u>	<u>100.00</u>	<u>2,555,100</u>	<u>100.00</u>

## MAYBANK MALAYSIA INCOME FUND

### 13. TRANSACTIONS WITH BROKERS/ DEALERS/ FINANCIAL INSTITUTION (CONT'D)

Details of transactions, primarily cash placements with financial institution are as follows:

Financial institution	01.07.2024 to 31.12.2024		01.07.2023 to 31.12.2023	
	Percentage of total placements %	Percentage of total placements %	Value of placements RM	Percentage of total placements %
MBB *	340,512,000	100.00	352,568,000	100.00

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

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

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund, and recovered expenses to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee and other administrative expenses. For the financial period from 1 July 2024 to 31 December 2024, the TER of the Fund stood at 0.54% (01.07.2023 to 31.12.2023: 0.54%).

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

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial period to the average NAV of the Fund calculated on a daily basis. For the financial period from 1 July 2024 to 31 December 2024, the PTR of the Fund stood at 0.08 times (01.07.2023 to 31.12.2023: 0.07 times).

### 16. SEGMENT INFORMATION

The Portfolio Management Committee (the "PMC") of the Manager, being the chief operating decision-maker of the Manager 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 to maximise returns over the Medium Term and while at the same time offering stability of capital and regular consistent income.

The chief operating decision-maker is responsible for the performance of the Fund by investing a minimum of 70% of the Fund's assets in fixed income securities, and a maximum of 30% of the Fund's assets 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.



## MAYBANK MALAYSIA INCOME FUND

### 16. SEGMENT INFORMATION (CONT'D)

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.

### 17. 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.

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
<b>31.12.2024</b>				
Financial assets at FVTPL	-	44,320,987	-	44,320,987
<b>30.06.2024</b>				
Financial assets at FVTPL	-	42,557,223	-	42,557,223

### 18. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund.

The Fund's objectives for managing capital are:

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

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