

# MAYBANK DIVIDEND TRUST FUND

Unaudited interim report  
For the financial period from 1 May 2019 to 31 October  
2019

## **CORPORATE INFORMATION**

### **MANAGER**

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### **TRUSTEE**

HSBC (Malaysia) Trustee Berhad (193701000084) (001281-T)  
13th Floor, Bangunan HSBC, South Tower  
No.2 Leboh Ampang  
50100 Kuala Lumpur

### **EXTERNAL INVESTMENT MANAGER**

Affin Hwang Asset Management Berhad (429786-T)  
Ground Floor, Menara Boustead,  
69, Jalan Raja Chulan,  
50200 Kuala Lumpur

## **MAYBANK DIVIDEND TRUST FUND**

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## **MAYBANK DIVIDEND TRUST FUND**

### **Manager's report**

**For the financial period from 1 May 2019 to 31 October 2019**

#### **A. Fund Information**

**1. Name of the Fund**

Maybank Dividend Trust Fund ("Fund")

**2. Type of Fund**

Income and Growth fund

**3. Category of Fund**

Equity fund

**4. Duration of the Fund**

The Fund is an open-ended Fund.

**5. Fund launch date / commencement date**

6 June 2006 / 5 July 2006

**6. Fund's investment objective**

The Fund aims is to provide investors with a regular income stream and to attain medium to long-term capital appreciation through investing in high (and potentially high) dividend yielding equities (including foreign equities).

**7. Fund distribution policy**

Income (if any) shall be distributed semi-annually or annually 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**

70% of FTSE Bursa Malaysia Kuala Lumpur Composite Index ("FBM KLCI") and 30% of MSCI Asia Pacific ex-Japan Index

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

The principal activity of the Fund is to invest between 70% to 99.80% of the Fund's NAV in high dividend yielding stocks both in Malaysia and in Asia ex-Japan markets, a maximum of 20% of the Fund's NAV in listed real estate investment trusts and between 0.20% to 30% of the Fund's NAV in fixed income securities and cash.

## MAYBANK DIVIDEND TRUST FUND

### Manager's report

For the financial period from 1 May 2019 to 31 October 2019 (cont'd)

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

##### 10. Net income distribution for the financial period ended 31 October 2019

The Fund declared an income distribution of RM12,463,305 the financial period ended 31 October 2019.

Below are details of distributions made during the financial period:

Distribution date	Gross distribution per unit (sen)	Net distribution per unit (sen)
10 May 2019	0.75	0.72

Below is the impact of the distributions to the Fund's NAV:

Distribution date	Before distribution (RM)	After distribution (RM)	Changes %
10 May 2019	0.2083	0.2011	0.72

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

###### Fund size

As at 31 October 2019, the size of the Fund was 1,601,960,007 units.

###### Breakdown of unitholdings as at 31 October 2019

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	234	3.26	828	0.05
5,001 to 10,000 units	328	4.56	2,461	0.15
10,001 to 50,000 units	1,912	26.60	60,785	3.79
50,001 to 500,000 units	4,145	57.67	742,852	46.37
500,001 units and above	569	7.91	795,034	49.64
<b>Total</b>	<b>7,188</b>	<b>100.00</b>	<b>*1,601,960</b>	<b>100.00</b>

\* Includes units held under Institutional Unit Trust Scheme Advisers ("IUTAs")

## MAYBANK DIVIDEND TRUST FUND

### Manager's report

For the financial period from 1 May 2019 to 31 October 2019 (cont'd)

#### B. Performance Review

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

Category	31.10.2019	30.04.2019	30.04.2018
<b>Portfolio</b>			
<b>Quoted equities - local</b>			
Construction	2.02	2.86	5.09
Consumer Products & Services	4.84	5.79	9.03
Energy	2.39	1.02	2.53
Financial Services	24.17	29.84	27.20
Industrial Products & Services	7.16	7.06	9.65
Plantations	2.63	1.38	3.30
Properties	3.37	4.04	6.18
Real Estate Investment Trust ("REITs")	5.39	6.23	4.45
Technology	1.74	1.92	0.66
Telecommunications & Media	7.14	2.91	-
Transportation & Logistics	1.74	2.00	-
Utilities	6.06	5.09	6.43
<b>Quoted equities - foreign</b>			
Hong Kong	17.72	17.55	18.63
Indonesia	1.14	5.14	3.81
Singapore	5.32	1.01	4.78
Korea	2.50	1.51	2.07
Thailand	1.04	-	-
Cash and other net assets	3.63	4.65	(3.81)
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## MAYBANK DIVIDEND TRUST FUND

### Manager's report

For the financial period from 1 May 2019 to 31 October 2019 (cont'd)

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

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

Category	31.10.2019	30.04.2019	30.04.2018
NAV (RM'000)	323,559	369,428	308,312
Units in circulation (units'000)	1,601,960	1,737,398	1,401,040
NAV per unit (RM)	0.2020	0.2126	0.2220
Highest NAV per unit (RM)	0.2129	0.2205	0.2448
Lowest NAV per unit (RM)	0.1975	0.1970	0.2160
Net income distributed (RM'000)	12,463	-	24,352
Distribution date	10/05/2019	-	30/04/2018
Gross distribution per unit (sen)	0.75	-	1.75
Net distribution per unit (sen)	0.72	-	1.73
Annual total return (%) <sup>(1)</sup>	(1.39)	(3.41)	9.04
Benchmark (%)	(2.44)	(8.26)	5.76
Management Expense Ratio ("MER") (%) <sup>(2)</sup>	0.83	1.64	1.73
Portfolio Turnover Ratio ("PTR") (times) <sup>(3)</sup>	0.44	0.66	1.23

#### Notes:

(1) Actual return of the Fund for the financial period is computed based on the daily average NAV per unit, net of Manager's and Trustee's fees.

(2) The Fund's MER increased to 0.83% due to the increase in NAV in the current financial period.

(3) The Fund's PTR decreased to 0.44 times due to decreased 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.*

#### 2. Performance of the Fund up to 31 October 2019

Category	6 months to 31.10.2019 %	1 year to 31.10.2019 %	3 years to 31.10.2019 %	5 years to 31.10.2019 %
Capital growth	(4.99)	0.35	(7.13)	(24.93)
Income distribution	3.79	3.79	19.05	58.34
Total return of the Fund	(1.39)	4.15	10.56	18.86
Benchmark	(2.44)	(1.00)	2.42	(2.79)
Average total return	-	4.15	3.40	3.51

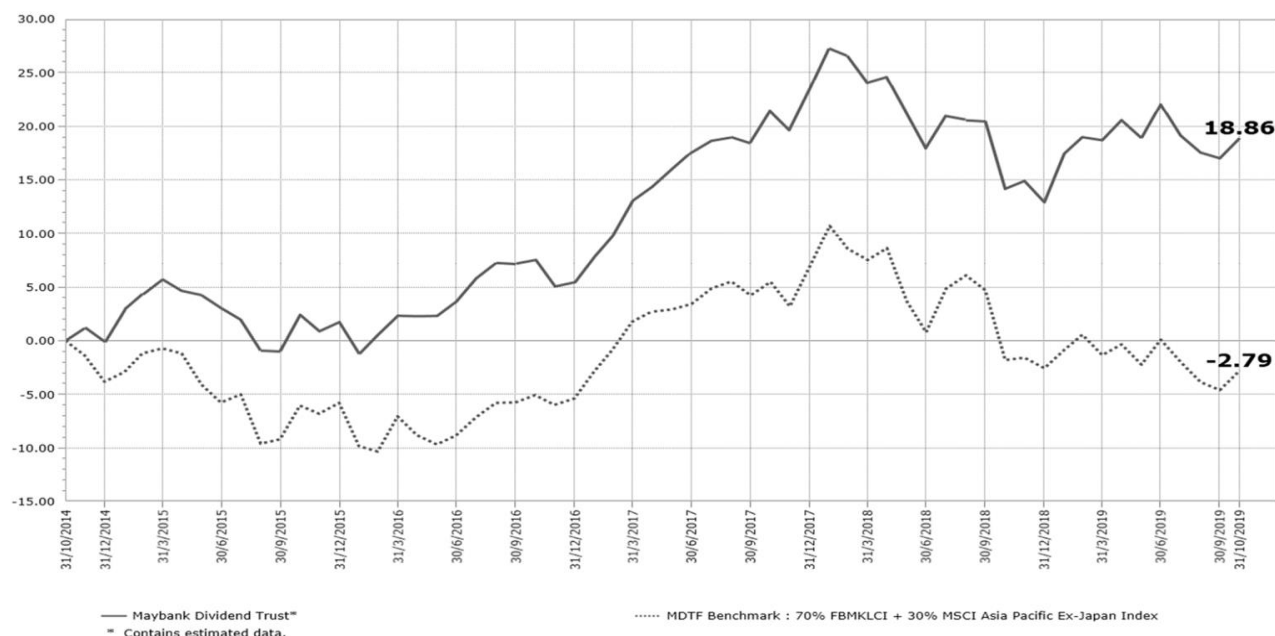
## MAYBANK DIVIDEND TRUST FUND

### Manager's report

For the financial period from 1 May 2019 to 31 October 2019 (cont'd)

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

#### 2. Performance of the Fund up to 31 October 2019 (cont'd)



Source: Novgni Analytics and Advisory Sdn Bhd, as at 31 October 2019

During the 6 months ended 31 October 2019, the Fund registered a return of -1.39%, outperforming the benchmark return of -2.44%.

Domestically, the strategy to hold a core position of high dividend yielding stocks such as REITs helped cushioned the Fund's performance. Stock wise, Tenaga Nasional Berhad was one of the main contributor, which rerated during the period, after being sold down due to regulatory concerns. Main drag to the performance were the banks as they continued to underperform on concerns of Net Interest Margin ("NIM") compression from Overnight Policy Rate ("OPR") cuts. On the regional front, the Fund's high dividend yielding names such as the REITs in Singapore and financials in the region contributed positively to the Fund. Technology companies like Samsung Electronics outperformed as 5G smartphone production ramped up. Bank Central Asia, a prudently managed bank, also contributed positively.

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

For the financial period/year ended	31.10.2019 %	30.04.2019 %	30.04.2018 %	30.04.2017 %	30.04.2016 %
Capital growth	(4.99)	(3.41)	1.01	5.06	(15.93)
Income distribution	3.79	-	8.03	6.51	13.78
Total return	(1.39)	(3.41)	9.04	11.57	(2.15)
Benchmark	(2.44)	(8.26)	5.76	12.64	(7.72)



## MAYBANK DIVIDEND TRUST FUND

### Manager's report

For the financial period from 1 May 2019 to 31 October 2019 (cont'd)

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

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

An illustration of the above would be as follows:

Capital return	=	(NAV per unit end / NAV per unit begin) - 1
Income return	=	Income distribution per unit / NAV per unit ex-date
Total return	=	(1+Capital return) x (1+Income return) - 1

### C. Market Review

During the period under review of 1 May 2019 to 31 October 2019, the emerging equity markets were broadly weak as investor weighed-in the on-going United States ("US")-China trade tensions and uncertainty on the global economic outlook. For the 6-month period, all Asean-5 countries registered negative returns (local currency terms), except for Philippines, which registered a marginally positive return of +0.3%. Elsewhere, returns were broadly mixed with China, Hong Kong and South Korea posted declines of 4.8%, 9.4% and 5.5% respectively. On the other hand, Taiwan, Japan and India gained 3.6%, 3.0% and 1.1% respectively. On the contrary, Developed Markets ("DM") performed well with most markets ending in positive territory. Over in the US, Dow Jones, S&P 500 and Nasdaq recorded gains of 1.7%, 3.1% and 2.4% respectively. Meanwhile in Europe, the Euro Stoxx 50 and the German Dax rose by 2.6% and 4.2% respectively for the period.

Although the equity markets movements snapshot were broadly mixed, markets were volatile as the trade deal between the US-China remains an impasse as any discussion on trade negotiations are subsequently followed by trade threats. In May 2019, the US announced its plan of increasing tariff on USD200 billion ("bn") worth of Chinese import from 10% to 25% from 10 May 2019 onwards and China retaliated by increasing the tariff range from 5-10% to 5-25% on USD60bn worth of US import. In June 2019, the US and China agreed to restart the trade negotiations whilst further tariff increases were put on hold temporarily. However, in August 2019, Donald Trump announced that he may potentially impose 10% tariff on the remaining USD300bn worth of Chinese import starting 1 September 2019 but backpedalled in mid-August 2019, by delaying 10% tariff on some holiday related Chinese imports to 15 December 2019. The persistent on-off tit-for-tat tariff translates to volatility and poor visibility on the trade progress.

Already, the US economic data has seen some poor showing, with the manufacturing survey in September 2019 the worst reading in a decade, exacerbated by the escalating trade war. The Institute for Supply Management ("ISM") US manufacturing purchases managers' index ("PMI") came in at 47.8, marking the second consecutive month of contraction. Seen as an effort to cushion the economy against the slowdown, the Federal Reserve ("Fed") has move to cut the interest rates for the 3rd time this year by 25 basis points ("bps") to 1.5%-1.75%. While the Fed has signalled a pause in further hikes, the committee indicated that it will assess and act appropriately to sustain the economic expansion, signalling that the committee would stay accommodative. Elsewhere, political and trade tensions also sparked in other nations, with Saudi Arabia oil plant being attacked by drones, Japan announcing that it has removed South Korea from the whitelist of trusted trade partners and anti-government protests happening in Hong Kong.

## **MAYBANK DIVIDEND TRUST FUND**

### **Manager's report**

**For the financial period from 1 May 2019 to 31 October 2019 (cont'd)**

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

Domestically, the large cap FTSE Bursa Malaysia ("FBM") KLCI Index closed lower by 2.7% for the period, while the broader market FBM Emas Index also posted a loss of 3.0%. Meanwhile, the small cap space performed relatively better, albeit a marginal gain, with the FBM SmallCap Index up by 0.4% for the period. The local market continue to be sold off by foreigners due to lack of catalyst and overhang on the political uncertainties as well as government policies. For the six-month period, foreign funds have taken out RM5.6bn net worth of equities with a strong outflow in the month of May 2019 (-RM2.0bn) and August 2019 (-RM2.6bn). Although Fund flow did reverse in June 2019 at +RM0.1bn, outflow persisted in the subsequent months, the magnitude has been lower of circa RM0.5m, both in September 2019 and October 2019.

Earnings continue to fall short following the release of second quarter 2019 corporate results in August 2019, with more disappointments. As compared to first quarter 2019 earnings season, disappointments came from similar sectors, construction (slower project flows albeit news flow has been fluid), financials (lower NIMs and loans growth), plantation (lower Crude Palm Oil ("CPO") and high operating costs), property (slower sales and margin compression from tougher competition), rubber gloves (higher-than-expected costs) and technology (semiconductors) (impacted by the trade war). While Malaysia should benefit from trade diversion, this has only reflected in pockets of sectors thus far e.g. port operators such as Westport Holdings Berhad & MMC Corporation Berhad.

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

With monetary stimulus, fiscal stimulus and a pause in trade conflict, we expect the global economy to stabilize after slowing down for 18 months. We are already seeing pockets of improvement with China Caixin PMI beating expectation in the recent two months. Asian currencies including Chinese Yuan ("CNY") have also strengthened against the USD in the past one month. In recent months, the US-China trade conflict has improved with talks of "Phase 1" deal. The pause from further tariff escalation and potential tariff rollback will help the global economy. We are optimistic that the "Phase 1" will be finalized in the coming months. However, we remain cautious with US-China relationships in the coming years. If trade war does not worsen, we expect global economy to improve in the next six months. Emerging market's currencies should strengthen further. In this scenario, the global equity market should be buoyant.

While we are optimistic, we are conscious of market risks. Key risks include trade war re-escalation, and higher-than-expected inflation in the US which will trigger monetary tightening. We are turning more constructive on the Malaysian market as we expect positive global developments to spill over to Malaysia. These developments include the passing of stage 1 in the US-China trade war and green shoots in certain economic data points such as global PMI. Malaysia has also been sold down this year, the second straight year of declines, which means a lot of the bad news is in the price.

We are turning more constructive on the Malaysian market as we expect positive global developments to spill over to Malaysia. The Fund has been positioning in banks via Hong Leong Bank as the Manager believes that this sector has been oversold and NIMs are unlikely to decline as much as expected. For the foreign exposure, the main countries focused are Singapore, Hong Kong and China. Singapore provides quality and high dividend yielding companies whereas Hong Kong and China provides exposure to companies which have access to the largest market in Asia.

## **MAYBANK DIVIDEND TRUST FUND**

### **Manager's report**

**For the financial period from 1 May 2019 to 31 October 2019 (cont'd)**

#### **D. Market Outlook & Strategy (cont'd)**

Generally, the Fund continues to focus on cash flow generative companies which can deliver consistent and growing dividends. Emphasis will be placed on the moat of the business, balance sheet and management capability. On the regional front, the fund will overweight Hong Kong, China and Singapore. Sector wise, we like insurance, certain undervalued banks and REITs. For Malaysia, themes we continue to like include the banks, REITs and other quality large caps like MISC.

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

## **TRUSTEE'S REPORT**

### **TO THE UNITHOLDERS OF MAYBANK DIVIDEND TRUST FUND FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2019**

We have acted as the Trustee of Maybank Dividend Trust Fund ("the Fund") for the financial period ended 31 October 2019. To the best of our knowledge, Maybank Asset Management Sdn Bhd ("the Management Company"), has operated and managed the Fund in accordance with the following:

- (a) limitations imposed on the investment powers of the Management Company and the Trustee under the Deeds, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) valuation/pricing is carried out in accordance with the Deeds and any regulatory requirements; and
- (c) creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirements.

During this financial period, the distribution of 0.72 sen per unit (net) has been distributed to the unitholders of the Fund. We are of the view that the distribution is not inconsistent with the objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Tan Bee Nie  
Manager, Investment Compliance Monitoring

Kuala Lumpur  
6 December 2019

**STATEMENT BY MANAGER**

**TO THE UNITHOLDERS OF  
MAYBANK DIVIDEND TRUST FUND  
FOR THE FINANCIAL PERIOD FROM 1 MAY 2019 TO 31 OCTOBER 2019**

I, Ahmad Najib Bin Nazlan, 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 Dividend Trust Fund as at 31 October 2019 and of its results, changes in equity and cash flows for the financial period then ended and comply with the requirements of the Deeds.

For and on behalf of the Manager

**Ahmad Najib Bin Nazlan**

Director

Kuala Lumpur, Malaysia

6 December 2019

## MAYBANK DIVIDEND TRUST FUND

### UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 MAY 2019 TO 31 OCTOBER 2019

		01.05.2019 to 31.10.2019 RM	01.05.2018 to 31.10.2018 RM
<b>INVESTMENT INCOME</b>			
Dividend income		7,434,909	6,678,487
Interest income		251,440	699,623
Net loss on fair value changes of fair value through profit or loss ("FVTPL") investments	7(c)		
- Unrealised gain/(loss)		589,615	(23,740,954)
- Realised loss		(10,870,682)	(13,363,598)
Net gain on forward foreign exchange contracts			
- Unrealised loss			
- Realised gain			
and forward currency contracts	6	722,606	4,462,082
		<u>(1,872,112)</u>	<u>(25,264,360)</u>
<b>EXPENSES</b>			
Manager's fee	3	2,607,684	2,644,184
Trustee's fee	4	121,694	123,395
Auditors' remuneration		6,025	6,050
Tax agent's fee		2,169	2,269
Transaction costs		790,096	2,617,001
Administrative expenses		140,033	115,843
		<u>3,667,701</u>	<u>5,508,742</u>
<b>Net loss before taxation</b>		(5,539,813)	(30,773,102)
Taxation	5	(207,574)	(131,684)
<b>Net loss after taxation, and total comprehensive loss for the financial period</b>		<u>(5,747,387)</u>	<u>(30,904,786)</u>
<b>Net loss after taxation is made up of the following:</b>			
Net realised loss		(8,338,723)	(11,968,444)
Net unrealised income/(loss)		2,591,336	(18,936,342)
		<u>(5,747,387)</u>	<u>(30,904,786)</u>
<b>Distributions for the financial period:</b>			
Net distributions	15	12,463,305	-
Gross distribution per unit (sen)	15	0.75	-
Net distribution per unit (sen)	15	0.72	-
Distribution date (ex-date)	15	10-May-19	-

**MAYBANK DIVIDEND TRUST FUND**

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 OCTOBER 2019**

	Note	31.10.2019 RM	30.04.2019 RM
<b>ASSETS</b>			
Financial assets at FVTPL	7	311,806,007	352,258,075
Deposit with licensed financial institution	8	264,381	8,553,444
Dividend receivables		648,497	-
Interest receivables		22	3,233
Amount due from Manager	9	133	600,992
Amount due from Brokers	10	2,399,129	-
Cash at bank	11	12,038,472	29,556,290
<b>TOTAL ASSETS</b>		<u>327,156,641</u>	<u>390,972,034</u>
<b>LIABILITIES</b>			
Amount due to Manager	9	2,162,928	4,481,521
Amount due to Brokers	10	1,378,703	16,442,484
Amount due to Trustee	12	19,297	21,374
Derivative liability	16	-	570,381
Other payables and accruals	13	36,953	28,732
<b>TOTAL LIABILITIES</b>		<u>3,597,881</u>	<u>21,544,492</u>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<u>323,558,760</u>	<u>369,427,542</u>
<b>EQUITY</b>			
Unitholders' capital	14 (a)	338,888,572	368,306,429
(Accumulated losses)/Retained earnings	14 (b) & (c)	(15,329,812)	1,121,113
<b>NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS</b>		<u>323,558,760</u>	<u>369,427,542</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNIT)</b>	14 (a)	<u>1,601,960,007</u>	<u>1,737,398,168</u>
<b>NAV PER UNIT (RM)</b>		<u>0.2020</u>	<u>0.2126</u>

**MAYBANK DIVIDEND TRUST FUND**

**UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD FROM 1 MAY 2019 TO 31 OCTOBER 2019**

	<b>Unitholders' capital Note 14(a) RM</b>	<b>Accumulated losses Note 14(b) &amp; 14(c) RM</b>	<b>Total equity RM</b>
At 1 May 2019	368,306,429	1,121,113	369,427,542
Total comprehensive loss for the financial period	-	(5,747,387)	(5,747,387)
Creation of units	12,591,517	-	12,591,517
Reinvestment of units	12,463,305	-	12,463,305
Cancellation of units	(52,712,912)	-	(52,712,912)
Distribution (Note 15)	(1,759,767)	(10,703,538)	(12,463,305)
At 31 October 2019	<u>338,888,572</u>	<u>(15,329,812)</u>	<u>323,558,760</u>
At 1 May 2018	295,962,812	12,348,725	308,311,537
Total comprehensive loss for the financial period	-	(30,904,786)	(30,904,786)
Creation of units	54,528,953	-	54,528,953
Reinvestment of units	24,351,772	-	24,351,772
Cancellation of units	(9,457,470)	-	(9,457,470)
At 31 October 2018	<u>365,386,067</u>	<u>(18,556,061)</u>	<u>346,830,006</u>



## MAYBANK DIVIDEND TRUST FUND

### UNAUDITED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 MAY 2019 TO 31 OCTOBER 2019

	01.05.2019 to 31.10.2019 RM	01.05.2018 to 31.10.2018 RM
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Net proceeds from disposal of investments	157,574,099	196,503,976
Net purchase of investments	(144,611,680)	(166,305,862)
Net realised loss on forward foreign exchange contracts	(906,935)	-
Interest income received	254,653	655,893
Dividend income received	6,573,756	6,501,376
Manager's fee paid	(2,652,189)	(2,549,834)
Trustee's fee paid	(123,770)	(122,338)
Payment of other fees and expenses	(116,399)	(161,423)
Increase in deposits with maturity of more than 3 months	-	(5,000,000)
Net cash generated from operating and investing activities	<u>15,991,535</u>	<u>29,521,788</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	13,190,608	54,472,178
Payments for cancellation of units	(54,986,994)	(9,845,196)
Net cash (used in)/generated from financing activities	<u>(41,796,386)</u>	<u>44,626,982</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(25,804,851)	74,148,770
<b>EFFECT OF FOREIGN EXCHANGE</b>	(2,030)	-
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	<u>38,109,734</u>	<u>15,969,726</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<u>12,302,853</u>	<u>90,118,496</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash at bank	12,038,472	41,173,691
Deposits with licensed financial institutions with maturity of less than 3 months	264,381	48,944,805
	<u>12,302,853</u>	<u>90,118,496</u>

## **MAYBANK DIVIDEND TRUST FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2019**

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

Maybank Dividend Trust Fund ("the Fund") was constituted pursuant to the execution of a Deed dated 2 May 2006 and the First Supplemental Deed dated 26 July 2016 between Amanah Mutual Berhad ("AMB") as the Manager and HSBC (Malaysia) Trustee Berhad as the Trustee.

The Fund commenced operations on 6 June 2006 and will continue to be in operations until terminated by the Trustee as provided under the Deed. The principal activity of the Fund is to invest in a well-diversified equity portfolio which will focus on high dividend yielding Malaysian and Asian ex-Japan equities, as well as in such other markets where approval has been obtained from the authorities from time to time. The portfolio is an actively managed defensive equity fund that may also invest in fixed income securities as a tactical defensive measure depending on market conditions.

The previous Manager, AMB, a company incorporated in Malaysia, is principally engaged in the management of unit trust funds. Amanah Saham Nasional Berhad ("ASNB") and Permodalan Nasional Berhad, companies incorporated in Malaysia, were the holding and ultimate holding company of the Manager until 16 May 2018.

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

Subsequently Maybank Asset Management Sdn Bhd ("MAM") and HSBC (Malaysia) Trustee Berhad as the Trustee had entered into a Second Supplemental Deeds dated 4 September 2018 to change the name of the Fund and to appoint MAM as the replacement Manager of the Fund effective 1 November 2018. The Deed and Supplemental Deeds are subsequently referred to as 'Deeds'.

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

##### **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 2019 to 31 October 2019. 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.

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

## MAYBANK DIVIDEND TRUST FUND

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

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

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

Description	Effective for annual periods beginning on or after
Amendments to MFRS 2: <i>Share-based Payment</i>	1 January 2020
Amendments to MFRS 3: <i>Business Combinations</i>	1 January 2020
Amendments to MFRS 3: <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 6: <i>Exploration for and Evaluation of Mineral Resources</i>	1 January 2020
Amendments to MFRS 14: <i>Regulatory Deferral Accounts</i>	1 January 2020
Amendments to MFRS 101: <i>Presentation of Financial Statements</i>	1 January 2020
Amendments to MFRS 108: <i>Accounting Policies, Changes in Accounting Estimates and Errors</i>	1 January 2020
Amendments to MFRS 101 & 108: <i>Definition of Material</i>	1 January 2020
Amendments to MFRS 134: <i>Interim Financial Reporting</i>	1 January 2020
Amendment to MFRS 137: <i>Provisions, Contingent Liabilities and Contingent Assets</i>	1 January 2020
Amendment to MFRS 138: <i>Intangible Assets</i>	1 January 2020
Amendments to IC Interpretation 12: <i>Service Concession Arrangements</i>	1 January 2020
Amendments to IC Interpretation 19: <i>Extinguishing Financial Liabilities with Equity Instruments</i>	1 January 2020
Amendments to IC Interpretation 20: <i>Stripping Costs in the Production Phase of a Surface Mine</i>	1 January 2020
Amendments to IC Interpretation 22: <i>Foreign Currency Transactions and Advance Consideration</i>	1 January 2020
Amendments to IC Interpretation 132: <i>Intangible Assets - Web Site Costs</i>	1 January 2020
MFRS 17: <i>Insurance Contracts</i>	1 January 2022
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be announced by MASB

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

## **MAYBANK DIVIDEND TRUST FUND**

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

#### **2.3 Financial instruments**

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

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

#### **2.4 Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place. All recognised financial assets are subsequently measured in their entirety at amortised cost or fair value, depending on the classification of the assets.

##### **(i) Classification of financial assets**

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.

The Fund classifies cash and cash equivalents, deposit with licensed financial institution, interest receivables, dividend receivables, amount due from brokers and amount due from Manager as loan and receivables, and are subsequently measured at amortised cost. Quoted equities are classified as FVTPL.

## MAYBANK DIVIDEND TRUST FUND

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

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

##### (ii) Financial assets at fair value through profit or loss ("FVTPL")

Investments in equity instruments 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.

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

Dividend income on investments in equity instruments 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 (financial assets that are debt instruments). The impairment model does not apply to equity investments.

ECL are a probability-weighted estimate of credit losses. They are measured as

- 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.

## **MAYBANK DIVIDEND TRUST FUND**

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

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

##### **(iii) Impairment of financial assets (cont'd)**

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

- 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 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 FVTOCI, the cumulative gain or loss previously accumulated in unrealised reserve is not reclassified to profit or loss, but is reclassified to distributable realised reserve.

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 DIVIDEND TRUST FUND

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

#### 2.5 Financial liabilities

##### (i) Classification

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

##### (ii) Recognition and measurement

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. The Fund's financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

##### (iii) Derecognition 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.

#### 2.6 Unitholders' capital

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

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

## **MAYBANK DIVIDEND TRUST FUND**

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

#### **2.7 Revenue**

Revenue is recognised when control of the goods or services are transferred at an amount that reflects the consideration to be entitled in exchange for the goods or services. Revenue is measured at the fair value of consideration received or receivable.

Dividend income is recognised when the right to receive is established.

Interest income is recognised using the effective interest rate method.

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

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

Cash and cash equivalents include cash at bank and deposits with licensed financial institutions with maturities of 3 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 from realised reserves except where distributions is sourced out of distribution equalisation which is accounted for as an adjustment to the unitholders' capital. A proposed distribution is recognised as a liability in the year in which it is approved. Distribution is either reinvested or paid in cash to the unitholders on the income payment date. Reinvestment of units is based on the NAV per unit on the income payment date, which is also the time of creation.

#### **2.10 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 equity.

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

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



## MAYBANK DIVIDEND TRUST FUND

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

#### 2.11 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

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.

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.

## **MAYBANK DIVIDEND TRUST FUND**

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

#### **2.12 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 year 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.

#### **2.13 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 the allocating resources and assessing performance of the operating segments.

#### **2.14 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 DIVIDEND TRUST FUND

### 3. MANAGER'S FEE

The Manager's fee is computed daily based on 1.50% (01.05.2018 to 31.10.2018: 1.50%) per annum ("p.a.") of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day.

### 4. TRUSTEE'S FEE

If the Fund is invested locally only, the Trustee's fee is computed based on 0.07% (01.05.2018 to 31.10.2018: 0.07%) p.a. (including local custodian fee) of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day, calculated on a daily basis, subject to a minimum fee of

If the Fund is invested locally and abroad, the Trustee's fee is computed based on 0.07% (01.05.2018 to 31.10.2018: 0.07%) p.a. (including local custodian fee) of the local NAV of the Fund and 0.07% (01.05.2018 to 31.10.2018: 0.07%) p.a. (excluding foreign custodian fee) of the foreign NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day, calculated on a daily basis, subject to a minimum fee of RM18,000 p.a.

### 5. TAXATION

	<b>01.05.2019</b> <b>to</b> <b>31.10.2019</b> <b>RM</b>	<b>01.05.2018</b> <b>to</b> <b>31.10.2018</b> <b>RM</b>
Current income tax expense		
- local	41,441	-
- foreign	166,133	131,684
	<u>207,574</u>	<u>131,684</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (01.05.2018 to 31.10.2018: 24%) of the estimated assessable income for the financial year. The tax expense 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, interest income and dividend income earned by the Fund is exempted from tax.

	<b>01.05.2019</b> <b>to</b> <b>31.10.2019</b> <b>RM</b>	<b>01.05.2018</b> <b>to</b> <b>31.10.2018</b> <b>RM</b>
Net loss before taxation	<u>(5,539,813)</u>	<u>(30,773,102)</u>
Taxation at Malaysian statutory rate of 24% (2018: 24%)	(1,329,555)	(7,385,544)
Effect of income tax at source	207,574	131,684
Income not subject to tax	449,307	6,063,446
Expenses not deductible for tax purposes	880,248	1,322,098
Tax expense for the financial period	<u>207,574</u>	<u>131,684</u>

## MAYBANK DIVIDEND TRUST FUND

### 6. NET GAIN ON FOREIGN EXCHANGE AND FORWARD CURRENCY CONTRACTS

	01.05.2019 to 31.10.2019 RM	01.05.2018 to 31.10.2018 RM
Net unrealised gain on foreign exchange	1,431,340	4,804,612
Net realised loss on foreign exchange	(372,397)	(342,530)
Net realised loss on forward foreign exchange contracts	(906,718)	-
Net unrealised gain on forward foreign exchange contracts	570,381	-
	<u>722,606</u>	<u>4,462,082</u>

### 7. FINANCIAL ASSETS AT FVTPL

	Note	31.10.2019 RM	30.04.2019 RM
Quoted equities - Local	(a)	222,150,360	259,116,013
Quoted equities - Foreign	(b)	89,655,647	93,142,062
		<u>311,806,007</u>	<u>352,258,075</u>

#### (a) Financial assets at FVTPL - Local

	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.10.2019</b>				
<b>Construction</b>				
Gamuda Bhd	458,400	1,651,327	1,714,417	0.53
IJM Corporation Bhd	2,246,900	5,313,842	4,830,836	1.49
	<u>2,705,300</u>	<u>6,965,169</u>	<u>6,545,253</u>	<u>2.02</u>
<b>Consumer Products &amp; Services</b>				
Hong Leong				
Industries Bhd	348,400	3,449,317	3,762,720	1.16
Petronas Dagangan Bhd	329,300	8,477,056	7,758,308	2.40
Fraser & Neave				
Holdings Bhd	120,000	4,174,770	4,149,600	1.28
	<u>797,700</u>	<u>16,101,143</u>	<u>15,670,628</u>	<u>4.84</u>
<b>Energy</b>				
Dialog Group Bhd	2,223,000	7,188,233	7,736,040	2.39

## MAYBANK DIVIDEND TRUST FUND

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

(a) Financial assets at FVTPL - Local (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.10.2019 (cont'd)</b>				
<b>Financial Services</b>				
AEON Credit				
Service (M) Bhd	360,826	5,019,501	5,520,638	1.71
Allianz Malaysia Bhd	517,000	6,162,243	7,134,600	2.21
Bursa Malaysia Bhd	745,800	5,183,746	4,512,090	1.39
CIMB Group Holdings Bhd	2,936,747	17,403,917	15,417,922	4.77
Hong Leong Bank Bhd	627,400	10,387,798	10,803,828	3.34
Hong Leong Financial Group Bhd	218,000	4,061,302	3,797,560	1.17
Malayan Banking Bhd	1,889,768	18,061,238	16,252,005	5.02
Public Bank Bhd	85,000	1,639,072	1,725,500	0.53
RHB Bank Bhd	1,224,000	7,168,111	7,038,000	2.18
Syarikat Takaful Malaysia Keluarga Bhd	954,900	4,355,006	6,006,321	1.86
	9,559,441	79,441,934	78,208,464	24.17
<b>Industrial Products &amp; Services</b>				
Petronas Chemicals				
Group Bhd	905,300	7,934,477	6,762,591	2.09
Scientex Bhd	928,400	7,717,069	8,541,280	2.64
Sunway Bhd	4,631,321	6,530,981	7,873,245	2.43
	6,465,021	22,182,527	23,177,116	7.16
<b>Plantations</b>				
Kuala Lumpur				
Kepong Bhd	258,000	5,440,916	5,588,280	1.73
Sarawak Oil Palms Bhd	1,241,900	5,075,638	2,918,465	0.90
	1,499,900	10,516,554	8,506,745	2.63
<b>Properties</b>				
S P Setia Bhd - PA	5,282,233	5,316,757	4,780,421	1.48
S P Setia Bhd - PB	330,352	290,710	264,282	0.08
UOA Development Bhd	2,931,600	7,369,703	5,863,200	1.81
	8,544,185	12,977,170	10,907,903	3.37

**MAYBANK DIVIDEND TRUST FUND**

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

(a) Financial assets at FVTPL - Local (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.10.2019 (cont'd)</b>				
<b>Real Estate Investment Trusts ("REITs")</b>				
AXIS REIT	3,148,590	4,148,984	5,415,575	1.67
Sunway REIT	4,595,500	8,047,184	8,317,855	2.57
YTL Hospitality REIT	2,886,100	3,426,457	3,694,208	1.14
	10,630,190	15,622,625	17,427,638	5.39
<b>Technology</b>				
Inari Amertron Bhd	2,851,000	5,293,902	5,616,470	1.74
<b>Telecommunications &amp; Media</b>				
Astro Malaysia Holdings Bhd	2,294,100	3,192,174	3,097,035	0.96
Axiata Group Bhd	1,380,000	6,306,695	5,934,000	1.83
DIGI.COM Bhd	1,387,800	6,881,633	6,522,660	2.02
TIME dotCom Bhd	828,000	7,388,968	7,559,640	2.34
	5,889,900	23,769,470	23,113,335	7.14
<b>Transportation &amp; Logistics</b>				
MISC Bhd	676,400	4,692,022	5,634,412	1.74
<b>Utilities</b>				
Tenaga Nasional Bhd	1,414,600	20,633,823	19,606,356	6.06
<b>Total investments at FVTPL - Local</b>	53,256,637	225,384,572	222,150,360	68.65

**MAYBANK DIVIDEND TRUST FUND**

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

(b) Financial assets at FVTPL - Foreign	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>31.10.2019</b>				
<b>Hong Kong</b>				
AIA Group Ltd	83,200	3,700,017	3,478,827	1.08
Anhui Conch Cement Co Ltd	294,500	7,588,780	7,369,491	2.28
China Mobile Ltd	148,000	5,740,306	5,032,676	1.56
HSBC Holdings Plc	104,800	3,379,730	3,323,494	1.03
Hong Kong Exchanges and Clearing Ltd	51,700	7,535,970	6,751,080	2.09
Ping An Insurance (Group) Co of China Ltd	337,000	16,823,510	16,300,208	5.04
Sinopharm Group Co Ltd	336,000	5,625,650	5,041,204	1.56
Tencent Holdings Ltd	58,700	11,689,145	10,036,657	3.10
	<u>1,413,900</u>	<u>62,083,108</u>	<u>57,333,637</u>	<u>17.72</u>
<b>Indonesia</b>				
Bank Central Asia Tbk Pt	392,800	3,415,757	3,675,184	1.14
<b>Singapore</b>				
CapitaLand Ltd	500,100	5,412,992	5,526,025	1.71
DBS Group Holdings Ltd	43,700	3,386,118	3,487,452	1.08
Singapore Telecommunications Ltd	524,100	5,491,712	5,308,619	1.64
United Overseas Bank Ltd	35,000	2,756,656	2,882,320	0.89
	<u>1,102,900</u>	<u>17,047,478</u>	<u>17,204,416</u>	<u>5.32</u>
<b>Korea</b>				
Samsung Electronics Co Ltd	44,899	7,724,792	8,084,018	2.50
<b>Thailand</b>				
Bangkok Bank Plc	70,100	1,631,054	1,692,653	0.52
PTT Exploration & Production Plc	99,900	1,646,353	1,665,739	0.51
	<u>170,000</u>	<u>3,277,407</u>	<u>3,358,392</u>	<u>1.04</u>

**MAYBANK DIVIDEND TRUST FUND****7. FINANCIAL ASSETS AT FVTPL (CONT'D)**

<b>(b) Financial assets at FVTPL - Foreign (cont'd)</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>31.10.2019 (cont'd)</b>				
<b>Total investments at FVTPL - Foreign</b>	<u>3,124,499</u>	<u>93,548,542</u>	<u>89,655,647</u>	<u>27.72</u>
<b>Total investments at FVTPL</b>	<u>56,381,136</u>	<u>318,933,114</u>	<u>311,806,007</u>	<u>96.37</u>
Unrealised loss on quoted equities *			<u>(7,127,107)</u>	



**MAYBANK DIVIDEND TRUST FUND**

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

(a) Financial assets at FVTPL - Local	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>30.04.2019</b>				
<b>Construction</b>				
Gamuda Bhd	231,000	773,264	808,500	0.22
IJM Corporation Bhd	4,173,200	9,869,475	9,765,288	2.64
	<u>4,404,200</u>	<u>10,642,739</u>	<u>10,573,788</u>	<u>2.86</u>
<b>Consumer Products &amp; Services</b>				
Hong Leong Industries Bhd	348,400	3,449,317	3,679,104	1.00
Petronas Dagangan Bhd	429,100	11,046,173	10,375,638	2.81
Sime Darby Bhd	3,158,000	7,391,174	7,326,560	1.98
	<u>3,935,500</u>	<u>21,886,664</u>	<u>21,381,302</u>	<u>5.79</u>
<b>Energy</b>				
Dialog Group Bhd	1,168,000	3,806,655	3,760,960	1.02
<b>Financial Services</b>				
AEON Credit Service (M) Bhd	661,726	9,205,362	10,786,134	2.92
Allianz Malaysia Bhd	517,000	6,162,243	7,031,200	1.90
BIMB Holdings Bhd	1,638,000	7,172,737	7,600,320	2.06
Bursa Malaysia Bhd	641,800	4,438,638	4,332,150	1.17
CIMB Group Holdings Bhd	3,750,747	22,227,890	19,766,437	5.35
Hong Leong Financial Group Bhd	589,000	10,972,968	11,320,580	3.06
Malayan Banking Bhd	2,116,787	20,340,633	19,580,280	5.30
Public Bank Bhd	311,000	7,549,839	6,997,500	1.89
RHB Bank Bhd	2,589,000	15,161,961	15,430,440	4.18
Syarikat Takaful Malaysia Keluarga Bhd	1,220,800	5,464,150	7,410,256	2.01
	<u>14,035,860</u>	<u>108,696,421</u>	<u>110,255,297</u>	<u>29.84</u>

**MAYBANK DIVIDEND TRUST FUND**

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

(a) Financial assets at FVTPL - Local (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>30.04.2019 (cont'd)</b>				
<b>Industrial Products &amp; Services</b>				
Petronas Chemicals Group Bhd	1,040,000	9,314,032	9,360,000	2.53
Scientex Bhd	1,097,100	9,119,341	9,380,205	2.54
Sunway Bhd	4,405,466	6,228,869	7,357,128	1.99
	<u>6,542,566</u>	<u>24,662,242</u>	<u>26,097,333</u>	<u>7.06</u>
<b>Plantations</b>				
FGV Holdings Bhd	1,444,000	1,841,506	1,805,000	0.49
Sarawak Oil Palms Bhd	1,261,900	5,157,378	3,306,178	0.89
	<u>2,705,900</u>	<u>6,998,884</u>	<u>5,111,178</u>	<u>1.38</u>
<b>Properties</b>				
S P Setia Bhd	1,407,781	4,626,625	3,195,663	0.87
S P Setia Bhd - PA	5,282,233	5,316,757	4,595,543	1.24
S P Setia Bhd - PB	330,352	290,710	254,371	0.07
UOA Development Bhd	3,042,600	7,760,855	6,876,276	1.86
	<u>10,062,966</u>	<u>17,994,947</u>	<u>14,921,853</u>	<u>4.04</u>
<b>Real Estate Investment Trusts ("REITs")</b>				
AXIS REIT	3,148,590	4,148,984	5,573,004	1.51
IGB REIT	2,730,000	4,573,586	5,077,800	1.37
Sunway REIT	4,595,500	8,047,184	8,593,585	2.33
YTL Hospitality REIT	2,886,100	3,426,457	3,780,791	1.02
	<u>13,360,190</u>	<u>20,196,211</u>	<u>23,025,180</u>	<u>6.23</u>
<b>Technology</b>				
Inari Amertron Bhd	4,095,000	7,468,213	7,084,350	1.92

**MAYBANK DIVIDEND TRUST FUND**

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

(a) Financial assets at FVTPL - Local (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>30.04.2019 (cont'd)</b>				
<b>Telecommunications &amp; Media</b>				
Astro Malaysia Holdings Bhd	2,294,100	3,192,174	3,326,444	0.90
TIME dotCom Bhd	828,000	7,388,968	7,410,600	2.01
	<u>3,122,100</u>	<u>10,581,142</u>	<u>10,737,044</u>	<u>2.91</u>
<b>Transportation &amp; Logistics</b>				
MISC Bhd	<u>1,068,400</u>	<u>7,132,598</u>	<u>7,371,960</u>	<u>2.00</u>
<b>Utilities</b>				
Tenaga Nasional Bhd	<u>1,530,600</u>	<u>22,404,187</u>	<u>18,795,768</u>	<u>5.09</u>
<b>Total investments at FVTPL - Local</b>	<u><b>66,031,282</b></u>	<u><b>262,470,903</b></u>	<u><b>259,116,013</b></u>	<u><b>70.14</b></u>
<b>(b) Financial assets at FVTPL - Foreign</b>				
<b>Hong Kong</b>				
AIA Group Ltd	355,400	14,958,284	14,964,780	4.05
Anhui Conch Cement Co Ltd	218,000	5,718,094	5,493,801	1.49
China Mobile Ltd	141,000	5,622,722	5,550,917	1.50
China Overseas Land & Investment Ltd	364,000	5,623,541	5,626,573	1.52
China State Construction International Holdings Lt	1,265,750	8,549,573	5,419,671	1.47
Guandong Investment Ltd	490,000	3,739,474	3,793,568	1.03
Hong Kong Exchanges and Clearing Ltd	51,700	7,535,970	7,406,174	2.00
Ping An Insurance (Group) Co of China Ltd	112,500	5,620,518	5,596,145	1.51
Sinopharm Group Co Ltd	336,000	5,625,650	5,450,351	1.48
Tencent Holdings Ltd	27,100	5,615,536	5,537,777	1.50
	<u>3,361,450</u>	<u>68,609,362</u>	<u>64,839,757</u>	<u>17.55</u>

## MAYBANK DIVIDEND TRUST FUND

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

(a) Financial assets at FVTPL - Local (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>30.04.2019 (cont'd)</b>				
<b>Indonesia</b>				
PT Bank Mandiri (Persero) Tbk	2,315,900	5,135,332	5,185,690	1.40
PT Pembangunan Perumahan (Persero) Tbk	4,229,475	4,686,857	2,942,294	0.80
PT Telekomunikasi Indonesia (Persero) Tbk	9,900,100	11,197,833	10,875,947	2.94
	<u>16,445,475</u>	<u>21,020,022</u>	<u>19,003,931</u>	<u>5.14</u>
<b>Singapore</b>				
CapitaLand Ltd	348,900	3,740,309	3,737,834	1.01
<b>Korea</b>				
Samsung Electronics Co Ltd	34,229	5,792,018	5,560,540	1.51
<b>Total investments at FVTPL - Foreign</b>	<u>20,190,054</u>	<u>99,161,711</u>	<u>93,142,062</u>	<u>25.21</u>
<b>Total investments at FVTPL</b>	<u>86,221,336</u>	<u>361,632,614</u>	<u>352,258,075</u>	<u>95.35</u>
Unrealised loss on quoted equities *			<u>(9,374,539)</u>	

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

(c) Changes in the fair value of FVTPL investments are recognised in 'unrealised (loss)/gain on FVTPL investments' in the profit or loss. Accumulated unrealised gains or losses are reclassified to 'realised gain on FVTPL investments' in the profit or loss when the associated assets are sold. See accounting policy Note 2(ii) for details.

## MAYBANK DIVIDEND TRUST FUND

### 8. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	31.10.2019 RM	30.04.2019 RM
Deposits with licensed financial institutions with maturity of:		
- less than 3 months	<u>264,381</u>	<u>8,553,444</u>

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

	31.10.2019		30.04.2019	
	WAEIR % p.a.	Average maturity Days	WAEIR % p.a.	Average maturity Days
Deposits with maturity of less than 3 months	<u>3.00</u>	<u>1</u>	<u>3.31</u>	<u>5</u>

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

		31.10.2019 RM	30.04.2019 RM
Amount due from Manager is in respect of:			
Creation of units	(i)	<u>133</u>	<u>600,992</u>
Amount due to Manager is in respect of:			
Manager's fee	(ii)	413,508	458,014
Cancellation of units	(iii)	<u>1,749,420</u>	<u>4,023,507</u>
		<u>2,162,928</u>	<u>4,481,521</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. The normal credit term for Manager's fee is 15 days (01.05.2018 to 31.10.2018: 15 days).

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

### 10. AMOUNT DUE FROM/(DUE TO) BROKERS

Amount due from/to brokers relates to the amount receivable/payable from/to brokers arising from the sales/purchase of investments. The settlement period for this payable is within 2 working days from the deal date.

## MAYBANK DIVIDEND TRUST FUND

### 11. CASH AT BANK

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

	<b>31.10.2019</b>	<b>30.04.2019</b>
	<b>RM</b>	<b>RM</b>
Hong Kong Dollar ("HKD")	11,879,136	5,806,178
Singapore dollar ("SGD")	23,531	21,961,933
US Dollar ("USD")	111,207	1,746,089
RM	24,598	42,090
	<u>12,038,472</u>	<u>29,556,290</u>

### 12. AMOUNT DUE TO TRUSTEE

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. The normal credit term for Trustee's fee is 15 days (01.05.2018 to 31.10.2018: 15 days).

### 13. OTHER PAYABLES AND ACCRUALS

Includes in other payables and accruals are :

	<b>31.10.2019</b>	<b>30.04.2019</b>
	<b>RM</b>	<b>RM</b>
Due to external auditors	4,525	9,500
Due to tax agent	3,619	3,500
Other payables and accruals	28,809	15,732
	<u>36,953</u>	<u>28,732</u>

### 14. TOTAL EQUITY

		<b>31.10.2019</b>	<b>30.04.2019</b>
	<b>Note</b>	<b>RM</b>	<b>RM</b>
Unitholders' capital	14 (a)	338,888,572	368,306,429
Accumulated realised (loss)/income	14 (b)	(7,648,001)	11,394,260
Accumulated unrealised loss	14 (c)	(7,681,811)	(10,273,147)
		<u>323,558,760</u>	<u>369,427,542</u>

## MAYBANK DIVIDEND TRUST FUND

### 14. TOTAL EQUITY (CONT'D)

#### (a) Unitholders' capital

	01.05.2019 to 31.10.2019		01.05.2018 to 30.04.2019	
	Units	RM	Units	RM
As at beginning of the financial year/period	1,737,398,168	368,306,429	1,401,040,000	295,962,812
Creation of units	124,025,137	12,591,517	380,137,654	80,476,440
Reinvestment of units	-	12,463,305	111,551,864	24,351,772
Cancellation of units	(259,463,298)	(52,712,912)	(155,331,350)	(32,484,595)
Distribution equalisation	-	(1,759,767)	-	-
As at end of the financial period/year	<u>1,601,960,007</u>	<u>338,888,572</u>	<u>1,737,398,168</u>	<u>368,306,429</u>

As at end of financial period/year, the total number and value of units held by the Manager are as

	31.10.2019		30.04.2019	
	No. of units	RM	No. of units	RM
Manager	<u>-</u>	<u>-</u>	<u>17,533</u>	<u>3,859</u>

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

#### (b) Accumulated realised (loss)/income

	01.05.2019 to 31.10.2019		01.05.2018 to 30.04.2019	
	RM	RM	RM	RM
At the beginning of the financial period/year	11,394,260		12,534,675	
Net realised loss for the financial period/year	(8,338,723)		(1,140,415)	
Distribution out of realised reserve (Note 15)	(10,703,538)		-	
At the end of the financial period/year	<u>(7,648,001)</u>		<u>11,394,260</u>	

#### (c) Accumulated unrealised loss

	01.05.2019 to 31.10.2019		01.05.2018 to 30.04.2019	
	RM	RM	RM	RM
At the beginning of the financial period/year	(10,273,147)		(185,950)	
Net unrealised income/(loss) for the financial period/year	2,591,336		(10,087,197)	
At the end of the financial period/year	<u>(7,681,811)</u>		<u>(10,273,147)</u>	

## MAYBANK DIVIDEND TRUST FUND

### 15. DISTRIBUTION

There is no distribution declared to the unitholders in the previous financial period.

The sources of distribution to the unitholders in the current financial period is as follows:

	<b>01.05.2019</b>
	<b>to</b>
	<b>31.10.2019</b>
	<b>RM</b>
Previous year's net realised income *	10,703,538
Less: Expense	-
Taxation	-
Distribution out of retained earnings	<u>10,703,538</u>
Effects of distribution equalisation	1,759,767
Distribution for the financial period	<u><u>12,463,305</u></u>

\* Part of the distributions in the current financial period were made from previous year's net realised income (net of tax).

The details of the distribution declared in the current financial period is as follows:

Distribution date	Gross distribution per unit (sen)	Net distribution per unit (sen)
<b>10/05/2019</b>	<u>0.75</u>	<u>0.72</u>

### 16. DERIVATIVE LIABILITY

As at the reporting date, there were no outstanding forward currency contracts (30.04.2019: 1 forward currency contracts). The notional principal amount of the outstanding forward currency contracts as at 30 April 2019 amounted to RM33,218,270.

The details of the forward foreign exchange contracts as at 30 April 2019 is shown below:

<u>Forward currency contracts</u>	Principal amount RM	<-----Fair Value----->	
		Assets RM	Liabilities RM
<b>30.04.2019</b>			
- Less than 1 year	<u>33,218,270</u>	-	<u>570,381</u>

The Fund entered into forward currency contracts to hedge the Fund's exposure to foreign currencies, arising mainly from investments in the USD-denominated equities. As the Fund did not adopt hedge accounting during the financial year, the change in the fair value of the forward currency contracts is recognised in the statement of comprehensive income.



## MAYBANK DIVIDEND TRUST FUND

### 17. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS

The 10 largest stockbroking companies / brokers / dealers in terms of trade value are as follows:

	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of brokerage fees %
<b>01.05.2019 to 31.10.2019</b>				
Affin Investment Bank Bhd	57,525,290	19.93	144,081	25.66
CLSA Ltd	57,508,999	19.92	39,610	7.05
Maybank Investment Bank Bhd ("MIBB")*	24,233,485	8.39	60,624	10.80
CLSA Hong Kong Ltd	15,282,428	5.29	7,629	1.36
CLSA Indonesia Ltd	14,797,660	5.13	19,364	3.45
CLSA Singapore	13,737,477	4.76	34,284	6.10
UOB Kay Kian (Securities) (M) Hong Kong	11,959,456	4.14	29,943	5.33
CLSA Securities (M) Bhd	10,373,717	3.59	23,541	4.19
Hong Leong Investment Bank Bhd	9,503,233	3.29	23,785	4.24
KAF-Seagroatt & Campbell Securities Sdn Bhd	7,904,433	2.74	19,755	3.52
Others	65,849,383	22.82	158,979	28.30
	<b>288,675,560</b>	<b>100.00</b>	<b>561,595</b>	<b>100.00</b>
<b>01.05.2018 to 31.10.2018</b>				
CLSA Ltd	113,446,759	30.87	286,079	31.87
Maybank Investment Bank Bhd ("MIBB")*	109,857,249	29.89	273,452	30.47
JP Morgan Securities (AsiaPac) Ltd	44,997,253	12.24	111,739	12.45
Affin Hwang Investment Bank Bhd	29,283,250	7.97	69,333	7.72
Credit Suisse First Boston Holdings (Hong Kong) Ltd	16,864,707	4.59	42,461	4.73
HLG Securities Sdn Bhd	16,135,838	4.39	24,506	2.73
CIMB Investment Bank Bhd	8,000,188	2.18	19,967	2.22
KAF-Seagroatt & Campbell Securities Sdn Bhd	7,697,612	2.09	17,014	1.90
RHB Investment Bank Bhd	6,382,236	1.74	15,975	1.78
JP Morgan Securities (M) Sdn Bhd	2,575,543	0.70	6,422	0.72
Others	12,247,381	3.33	30,609	3.41
	<b>367,488,016</b>	<b>100.00</b>	<b>897,557</b>	<b>100.00</b>

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

## MAYBANK DIVIDEND TRUST FUND

### 18. 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>01.05.2019</b>	<b>01.05.2018</b>
	<b>to</b>	<b>to</b>
	<b>31.10.2019</b>	<b>31.10.2018</b>
(i) <u>Significant related party transaction</u>		
<u>MBB:</u>		
Dividend income from investment in quoted equity	<u>1,143,564</u>	<u>-</u>
(ii) <u>Significant related party balances</u>		
<u>MBB:</u>		
Investment in quoted equity	<u>16,252,005</u>	<u>19,580,280</u>

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.

### 19. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee, auditors' remuneration, tax agent's fee and other administrative expenses. For the financial period from 1 May 2019 to 31 October 2019, the MER of the Fund stood at 0.83% (01.05.2018 to 31.10.2018: 0.82%).

### 20. 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 May 2019 to 31 October 2019, the PTR of the Fund stood at 0.44 times (01.05.2018 to 31.10.2018: 0.52

## MAYBANK DIVIDEND TRUST FUND

### 21. SEGMENT REPORTING

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

The PMC is responsible for the performance of the Fund by investing between 70% to 99.80% of the Fund's NAV in high dividend yielding stocks both in Malaysia and in Asia ex-Japan markets, a maximum of 20% of the Fund's NAV in listed real estate investment trusts and between 0.20% to 30% of the Fund's NAV in fixed income securities and cash.

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

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

### 22. 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>31.10.2019</b>			
Financial assets at FVTPL	311,806,007	-	-
<b>30.04.2019</b>			
Financial assets at FVTPL	352,258,075	-	-
Derivative liability	-	570,381	-

## **MAYBANK DIVIDEND TRUST FUND**

### **23. 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:

- (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 since the commencement date.