

MAYBANK MALAYSIA GROWTH FUND

(formerly known as *MAYBANK UNIT TRUST FUND*)

Annual report
For the financial year ended 30 June 2020

CORPORATE INFORMATION

MANAGER

Maybank Asset Management Sdn Bhd (199701006283) (421779-M)
Level 12 Tower C
Dataran Maybank
No.1 Jalan Maarof
59000 Kuala Lumpur, Malaysia
Telephone +603 2297 7888
Facsimile +603 2715 0071
www.maybank-am.com

TRUSTEE

Universal Trustee (Malaysia) Berhad (197401000629) (17540-D)
No. 1, 3rd Floor
Jalan Ampang
50450 Kuala Lumpur
Telephone +603 2070 8050
Facsimile +603 2031 8715 / +603 2032 3194

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**Manager's report
For the financial year ended 30 June 2020**

A. Fund Information

1. Name of the Fund

Maybank Malaysia Growth Fund (formerly known as Maybank Unit Trust Fund) (the "Fund")

2. Type of Fund

Growth

3. Category of Fund

Equity

4. Duration of the Fund

The Fund is an open-ended Fund.

5. Launch date / Commencement date

26 March 1992 / 16 April 1992

6. Fund's investment objective

The Fund aims to achieve a steady long term income and capital growth through a diversified portfolio of larger capitalisation equity investments.

7. Fund 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

A combination of:

- 90% of the FTSE Bursa Malaysia KLCI ("FBM KLCI")
- 10% of the Maybank 1-month fixed deposit rate

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

The Fund will invest a minimum of 70% of the Fund's assets in equities, and a minimum of 2% of the Fund's assets will be invested in liquid assets. The Fund may also invest up to 25% of its NAV in the Asia Pacific markets. Investments that derive the majority of their revenue from the Asia Pacific market would also be considered.

10. Net income distribution for the financial year ended 30 June 2020

The Fund did not declare any income distribution for the financial year ended 30 June 2020.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**Manager's report
For the financial year ended 30 June 2020 (cont'd)**

A. Fund Information (cont'd)

11. Breakdown of unitholdings as at 30 June 2020

As at 30 June 2020, the size of the Fund was 75,087,130 units.

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	2,181	47.32	4,746	6.32
5,001 to 10,000 units	779	16.90	5,721	7.62
10,001 to 50,000 units	1,335	28.97	28,831	38.40
50,001 to 500,000 units	310	6.73	31,670	42.17
500,001 units and above	4	0.09	4,119	5.49
Total	4,609	100.00	* 75,087	100.00

* Included 484,330 units held under Institutional Unit Trust Scheme Advisers

B. Performance Review

1. Key performance data of the Fund

Category	FY2020	FY2019	FY2018
Portfolio			
Quoted equities - local	74.60	79.72	70.81
- Consumer products and services	8.48	5.47	9.80
- Industrial products and services	4.45	4.45	7.22
- Construction	4.69	7.07	2.01
- Financial services	15.47	28.67	26.86
- Healthcare	6.45	4.68	4.60
- Plantation	3.99	1.92	6.93
- Property	-	0.37	0.40
- Technology	9.15	2.63	-
- Telecommunication and media	4.74	5.89	4.65
- Transportation and logistics	5.88	7.89	3.05
- Real Estate Investment Trusts ("REIT"s)	5.24	4.92	-
- Utilities	6.06	5.76	5.29
Quoted equities - foreign	4.93	8.57	10.40
- Singapore	4.93	2.59	2.03
- Hong Kong	-	5.98	8.37
Cash and other net assets (%)	20.47	11.71	18.79
Total (%)	100.00	100.00	100.00

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**Manager's report
For the financial year ended 30 June 2020 (cont'd)**

B. Performance Review (cont'd)

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

Category	FY2020	FY2019	FY2018
NAV (RM)	49,393,399	61,128,683	65,803,840
Units in circulation (units)	75,087,130	83,309,906	90,841,837
NAV per unit (RM)	0.6578	0.7338	0.7244
Highest NAV per unit (RM)	0.7429	0.7614	0.8107
Lowest NAV per unit (RM)	0.5225	0.6844	0.7161
Annual return (%) ⁽¹⁾			
- Capital growth (%)	(10.39)	1.33	(4.03)
- Income distribution (%)	-	-	-
Total return (%)	(10.39)	1.33	(4.03)
Benchmark (%)	(8.80)	(0.68)	(0.60)
Management Expense Ratio ("MER") (%)	1.69	1.77	1.80
Portfolio Turnover Ratio ("PTR") (times)	0.66	0.52	0.55

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.

Note:

- (1) Actual return of the Fund for the financial year is computed based on the daily average NAV per unit, net of Manager's and Trustee's fees.
(2) There have been no distribution declared in FY2018, FY2019 and FY2020.

2. Performance of the Fund up to 30 June 2020

Category	1 year to 30.06.2020 %	3 years to 30.06.2020 %	5 years to 30.06.2020 %
Capital growth	(10.39)	(18.86)	(7.27)
Income distribution	-	7.40	12.08
Total return of the Fund	(10.39)	(12.86)	3.93
Benchmark	(8.80)	(12.47)	(9.32)
Average total return	(10.39)	(4.48)	0.77

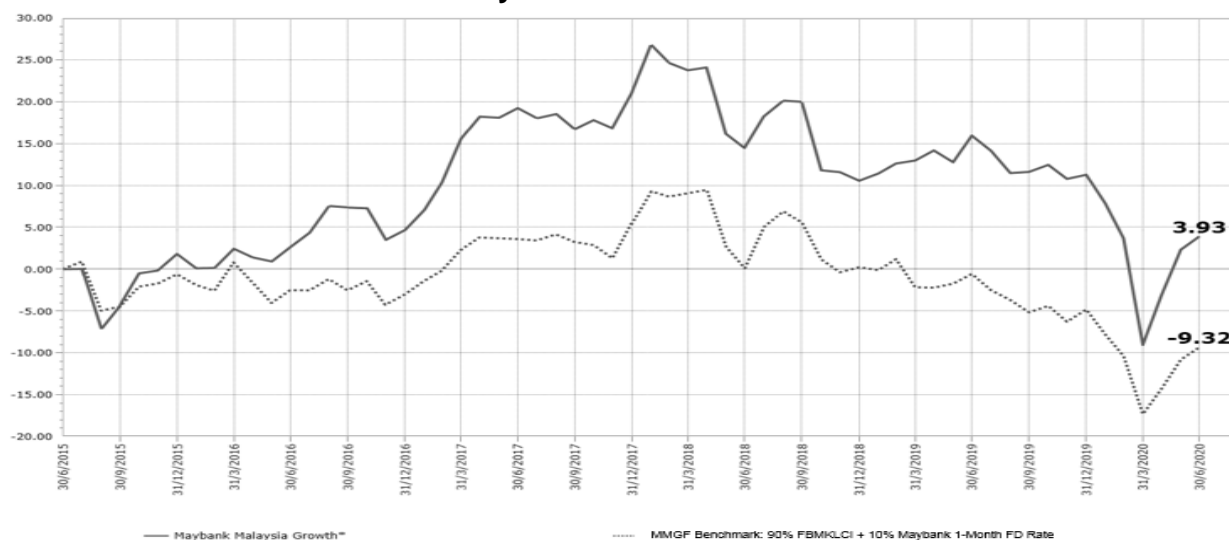
**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**Manager's report
For the financial year ended 30 June 2020 (cont'd)**

B. Performance Review (cont'd)

2. Performance of the Fund up to 30 June 2020 (cont'd)

Performance of the Fund for the 5 years to 30 June 2020



Source: Lipper

Has the Fund met its objective?

For the one year period under review, the Fund registered a total return of -10.4%, underperforming its benchmark which registered returns of -8.8%. This was mainly due to the overweighting of the energy, industrials and consumer discretionary sector which performed poorly on the back of the COVID-19 outbreak, slump in oil prices and lockdown in the country. Besides that, the underweight position in the health care sector also contributed to the underperformance. Meanwhile, the Fund's strategy to underweight financials and communication services as well as overweight in real estate (mainly REITs) contributed positively to the Fund's returns. For the period under review, the Fund did not meet its objective of steady long term income and capital growth due to the weak market conditions across the region whereby most countries registered negative absolute returns during the period.

3. Annual total return of the Fund

For the financial year	30.06.2020 %	30.06.2019 %	30.06.2018 %	30.06.2017 %	30.06.2016 %
Capital growth	(10.39)	1.33	(4.03)	8.21	2.59
Income distribution	-	7.40	-	8.00	-
Total return	(10.39)	1.33	(4.03)	16.21	2.59
Benchmark	(8.80)	0.68	(0.60)	6.27	(2.51)

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**Manager's report
For the financial year ended 30 June 2020 (cont'd)**

B. Performance Review (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 year.

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, most equity markets posted mixed performances. Despite hitting new highs in the beginning of 2020, the Dow Jones registered returns of -3.0% for the period. S&P500 on the other hand, managed to chalk a gain of 5.4%. Euro Stoxx 50 was in line with most of the other market as it registered a loss of 6.9% for the period. Regionally, China, Japan and Taiwan was up at 0.2%,4.8% and 8.3% respectively but the other markets were down with Indonesia being the biggest loser, down 22.9%, followed by Thailand -22.6%, Philippines -22.4%, Singapore -22.0% and Hong Kong -14.4%.

Markets were mainly volatile in the second half of 2019 as investors focused on developments of the trade deal between the US and China. Trade war/deals were going on and off, from US announcing its plan of increasing tariff on Chinese imports in May 2020 to restarting negotiations in June 2020. In August 2020, Donald Trump announced that he may potentially impose 10% tariff on the remaining USD300 billion 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. 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.

Entering into year 2020, markets started off with a bang, with momentum from end 2019 propelling equity markets up. The signing of the "Phase 1" United States ("US") -China trade deal proceeded as widely expected. In addition, better macroeconomic data helped with many manufacturing indicators showing signs of bottoming. Generally good results from technology companies also provided a boost. However, towards the end of the month there was a sharp reversal as a new strain of coronavirus originating from the city of Wuhan in China started spreading, causing a disease named COVID-19. By 11 March 2020, the COVID-19 outbreak has been declared a global pandemic, which led to massive global sell down across all asset classes globally. The market sell-off was remarkable in terms of velocity, magnitude and breadth with sharp declines triggering circuit breakers multiple times in many markets. Fears of a global recession deepened as travel restrictions, lockdowns and social distancing measures took a toll on supply chains, consumption and employment.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

Manager's report

For the financial year ended 30 June 2020 (cont'd)

C. Market Review (cont'd)

Following the sharpest decline since the Global Financial Crisis ("GFC") in March 2020 where equity markets dropped by 20-30%, subsequent months saw a strong recovery in the financial markets. The recovery was triggered by the massive fiscal stimulus by Governments around the world and the monetary measures by the US Federal Reserve ("Fed"). In addition, investors were relieved from reopening of the economy in several key countries as well as the enhanced stimulus measures by governments and central banks worldwide. The anticipation of easing lockdown measures buoyed market sentiment as did the news that an anti-viral drug, Remdesivir, appeared to be a viable treatment option for COVID-19.

Domestically, the large cap FTSE Bursa Malaysia Kuala Lumpur Composite Index ("FBM KLCI") Index closed -10.2% for the period, while the broader market FBM Emas Index also posted a loss of 10.4%. Meanwhile, the FBM SmallCap Index registered a smaller losses of 8.8% for the period. Malaysia began the Movement Control Order ("MCO") in March 2020 to stem the rising Covid-19 cases and announced a stimulus package worth RM250 billion (17% of Gross Domestic Product ("GDP")) to help cushion the blow from the pandemic. During the period under review, the Bank Negara Malaysia ("BNM") has cut the policy rate thrice (January 2020, March 2020 and May 2020) to 2.00% as well as other measures such as an automatic 6-month moratorium on loan repayments. In addition to the COVID-19 pandemic, the local market's sell down was exacerbated by a change in government at the end of February without going through an election, causing political uncertainties. This was achieved when several political parties joined forces to form a new government called Perikatan Nasional by claiming majority seats in the Dewan Rakyat, the lower chamber of the Parliament of Malaysia. For the period, foreign funds have taken out RM22.8 billion net worth of equities with a massive outflow in the month of March 2020 amounting to RM5.5 billion.

Earnings continue to see absolute downward revisions following the release of second quarter 2020 corporate results in May 2020, which was exacerbated by the closer of businesses due to the lockdown ("MCO") as well the poorer outlook of the economy. Not surprising, earnings disappointment came from consumer discretionary, oil & gas, transportation (e.g. AirAsia, Malaysia Airports), retails and Gaming. On the other hand, positive earnings came from the glove sector and telecommunication amidst the strong demand in for both sectors amidst the current climate.

D. Market Outlook and Strategy

Equities rebounded over the past 2 month buoyed by confidence in government and central bank stimulus measures and expectations of economies reopening. This is despite growth and corporate earnings expectations have been revised downwards. Hence, there appears to be a disconnect between financial markets and economic reality with markets rallying. Furthermore, we see the reigniting tension between US and China with Hong Kong's new security law providing fresh impetus. We see the near term rebound in Asian equities to be short-lived. For a more sustained rally, we would need to see not only aggressive fiscal policy response from governments but also a peak in COVID-19 cases worldwide. While governments have begun to rollout their fiscal stimulus, we still have limited visibility as to when the virus outbreak might peak as the situation remains fluid. That said, we would expect a better second half of 2020.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**Manager's report
For the financial year ended 30 June 2020 (cont'd)**

D. Market Outlook and Strategy (cont'd)

While we would still hold a high amount of cash (as a buffer amidst the uncertainty) at present, we are looking to position our portfolios for the eventual recovery by redeploying the cash opportunistically. With the recent rebound in markets, valuations are no longer compelling in light of deteriorating macroeconomic conditions and ongoing earnings downgrades. As such, we believe that another market drawdown is due and we would look to capitalize on that by deploying our cash into deep value stocks. We continue to have exposure in high yielding companies to anchor the portfolio to weather market volatility which includes stocks in the REITs sector that offer relative defensiveness in times of uncertainties. In addition, we have reduced our oil & gas exposure due to lower demand resulting from the pandemic whilst supply remain on the high side. Sectors that we are interested in with a longer term view are technology, electronic manufacturing services and selected construction companies. We continue to believe that Malaysia is well positioned to face volatility as market liquidity is ample, represented by the large pension funds, life insurance and other institutional investors.

E. Significant Changes in The State of Affairs of the Fund

The name of the Fund has been changed to Maybank Malaysia Growth Fund.

F. Soft Commissions and Rebates

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

During the financial year 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 MALAYSIA GROWTH FUND (FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

We have acted as Trustee of Maybank Malaysia Growth Fund (formerly known as Maybank Unit Trust Fund) (the "Fund") for the financial year ended 30 June 2020. 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 August 2020

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

We, Dr Hasnita Binti Dato' Hashim and Ahmad Najib Bin Nazlan, being two of the Directors of Maybank Asset Management Sdn Bhd (the "Manager") do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of Maybank Malaysia Growth Fund (formerly known as Maybank Unit Trust Fund) as at 30 June 2020 and of its results, changes in equity and cash flows for the financial year ended 30 June 2020 and comply with the requirements of the Deeds.

Dr Hasnita Binti Dato' Hashim
Director

Ahmad Najib Bin Nazlan
Director

Kuala Lumpur, Malaysia
13 August 2020

**Independent auditors' report to the Unitholders of
Maybank Malaysia Growth Fund
(formerly known as Maybank Unit Trust Fund)**

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Malaysia Growth Fund (formerly known as Maybank Unit Trust Fund) (the "Fund"), which comprise the statement of financial position as at 30 June 2020 of the Fund, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Fund for the period from 1 July 2019 to 30 June 2020, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 14 to 48.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2020, and of its financial performance and cash flows for the financial period from 1 July 2019 to 30 June 2020 then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

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

Information other than the financial statements and auditors' report thereon

Maybank Asset Management Sdn Bhd, (the "Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon which is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

**Independent auditors' report to the Unitholders of
Maybank Malaysia Growth Fund
(formerly known as Maybank Unit Trust Fund)**

Information other than the financial statements and auditors' report thereon (cont'd)

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and Trustee for the financial statements

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**Independent auditors' report to the Unitholders of
Maybank Malaysia Growth Fund
(formerly known as Maybank Unit Trust Fund)**

Auditors' responsibilities for the audit of the financial statements (cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent auditors' report to the Unitholders of
Maybank Malaysia Growth Fund
(formerly known as Maybank Unit Trust Fund)**

Other matters

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

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

Yeo Beng Yean
03013/10/2020 J
Chartered Accountant

Kuala Lumpur, Malaysia
13 August 2020

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

	Note	2020 RM	2019 RM
INCOME			
Dividend income		1,821,728	2,087,077
Interest income		179,453	219,651
Net loss on fair value through profit or loss ("FVTPL") investments:	7(c)		
- Realised (loss)/gain		(3,904,244)	1,922,558
- Unrealised loss		(3,008,492)	(1,931,888)
Net loss on foreign exchange and forward contracts	3	(18,644)	(222,155)
		<u>(4,930,199)</u>	<u>2,075,243</u>
EXPENSES			
Manager's fee	4	801,803	946,276
Trustee's fee	5	27,371	30,919
Auditors' remuneration		2,400	10,500
Tax agent's fee		7,588	5,500
Brokerage and other transaction fees		157,140	173,052
Administrative expenses		62,350	121,780
		<u>1,058,652</u>	<u>1,288,027</u>
NET (LOSS)/INCOME BEFORE TAXATION		(5,988,851)	787,216
TAXATION	6	(29,391)	(27,867)
NET (LOSS)/INCOME AFTER TAXATION			
REPRESENTING TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		<u>(6,018,242)</u>	<u>759,349</u>
Total comprehensive (loss)/income for the year is made up of the following:			
Net realised (loss)/gain		(3,027,206)	2,742,371
Net unrealised loss		(2,991,036)	(1,983,022)
		<u>(6,018,242)</u>	<u>759,349</u>

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

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020**

	Note	2020 RM	2019 RM
ASSETS			
Financial assets at FVTPL	7	41,113,651	54,009,320
Deposit with a licensed financial institution	8	7,529,000	7,160,000
Amount due from Manager	9	188	-
Amount due from Brokers	10	-	453,788
Interest receivable		402	1,854
Dividend receivable		55,032	68,266
Cash at bank	11	913,726	49,559
TOTAL ASSETS		<u>49,611,999</u>	<u>61,742,787</u>
LIABILITIES			
Amount due to Manager	9	113,924	195,596
Amount due to Trustee		2,126	2,475
Amount due to Brokers	10	-	306,540
Other payables and accruals	12	102,550	109,493
TOTAL LIABILITIES		<u>218,600</u>	<u>614,104</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>49,393,399</u>	<u>61,128,683</u>
EQUITY			
Unitholders' capital	13(a)	54,709,523	60,426,565
(Accumulated losses)/retained earnings	13(b) & (c)	(5,316,124)	702,118
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>49,393,399</u>	<u>61,128,683</u>
NUMBER OF UNITS IN CIRCULATION	13(a)	<u>75,087,130</u>	<u>83,309,906</u>
NAV PER UNIT		<u>0.6578</u>	<u>0.7338</u>

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

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

	Unitholders' capital Note 13 (a) RM	Retained earnings/ (Accumulated losses) Note 13 (b) & 13 (c) RM	Total equity RM
At 1 July 2018	65,861,071	(57,231)	65,803,840
Total comprehensive income for the financial year	-	759,349	759,349
Creation of units	17,089	-	17,089
Cancellation of units	(5,451,595)	-	(5,451,595)
At 30 June 2019	<u>60,426,565</u>	<u>702,118</u>	<u>61,128,683</u>
At 1 July 2019	60,426,565	702,118	61,128,683
Total comprehensive income for the financial year	-	(6,018,242)	(6,018,242)
Creation of units	214,289	-	214,289
Cancellation of units	(5,931,331)	-	(5,931,331)
At 30 June 2020	<u>54,709,523</u>	<u>(5,316,124)</u>	<u>49,393,399</u>

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

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

	2020	2019
	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from sale of investments	38,429,205	32,476,634
Net payment for purchase of investments	(32,502,564)	(32,927,502)
Net dividend received	1,806,225	2,181,783
Interest received	181,313	219,840
Manager's fee paid	(815,016)	(972,477)
Trustee's fee paid	(27,720)	(31,090)
Net realised loss on forward foreign exchange contracts	-	(46,595)
Payment for other fees and expenses	(73,552)	(146,365)
Tax refund	-	22,810
Net cash generated from operating and investing activities	<u>6,997,891</u>	<u>777,038</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	214,101	17,089
Payments for cancellation of units	(5,999,789)	(5,330,496)
Net cash used in financing activities	<u>(5,785,688)</u>	<u>(5,313,407)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS		
	1,212,203	(4,536,369)
Effects on foreign exchange	20,964	(84,586)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	<u>7,209,559</u>	<u>11,830,514</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u>8,442,726</u>	<u>7,209,559</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash at bank	913,726	49,559
Deposit with a licensed financial institution with original maturity of less than 3 months (Note 10)	7,529,000	7,160,000
	<u>8,442,726</u>	<u>7,209,559</u>

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

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank Unit Trust Fund ("the Fund") was constituted pursuant to the execution of a Deed dated 6 March 1992 ("Principal Deed") between Amanah Mutual Berhad ("AMB") as the Manager and AmanahRaya Trustees Berhad as the Trustee. The following supplemental deeds has been issued between AMB and the Trustee:

- First supplemental deed dated 23 August 1994
- Second supplemental deed dated 16 April 1999
- Third supplemental deed dated 7 June 1999
- Fourth supplemental deed dated 23 March 2000
- Fifth supplemental deed dated 8 February 2002
- Sixth supplemental deed dated 30 January 2003
- Seventh supplemental deed dated 12 September
- Eighth supplemental deed dated 26 May 2005
- Ninth supplemental deed dated 26 July 2016

AMB was 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 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 Tenth Supplemental Deed dated 4 September 2018, to appoint MAM as the replacement Manager of the Fund effective 1 November 2018 and Eleventh Supplemental Deed dated 11 July 2019 to change the name of the Fund. The Principal Deed and Supplemental Deeds are collectively referred to as 'Deeds'.

The Fund commenced operations on 26 March 1992 and will continue to be in operation until terminated by the Trustee as provided under the Deeds. The principal activity of the Trust is to invest a minimum of 70% of the Fund's assets in equities, and a minimum of 2% of the Fund's assets will be invested in liquid assets. The Fund may also invest up to 25% of its NAV in the Asia Pacific markets. Investments that derive the majority of their revenue from the Asia Pacific market would also be considered.

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

The financial statements were authorised for issue by the Board of Directors of the Manager (the "Directors") on 13 August 2020.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

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

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies in Note 2.3 to 2.14 to the financial statements.

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

2.2 Standards, amendments to standards and interpretations 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
Revised Conceptual Framework for Financial Reporting	1 January 2020
Amendments to MFRS 3: <i>Definition of a Business</i>	1 January 2020
Amendments to MFRS 101 and MFRS 108: <i>Definition of Material</i>	1 January 2020
Amendments to MFRS 7, MFRS 9 and MFRS 139: <i>Interest Rate Benchmark Reform</i>	1 January 2020
MFRS 17: <i>Insurance Contracts</i>	1 January 2021
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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

2.3 Financial instruments

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

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

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

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

Unless designated as at fair value through profit and loss ("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, interest receivables, dividend receivables and amount due from manager as financial assets at amortised cost, and are subsequently measured at amortised cost. These assets are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. The EIR is a method of calculating the amortised cost of the financial assets and of allocating and recognising the interest income in profit or loss over the relevant period.

(ii) Financial assets at FVTPL

Investments in equity instruments is classified as FVTPL, unless the Fund designates an investment that is not held for trading as FVTOCI on initial recognition.

A financial asset is recognised at FVTPL if:

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

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

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

2.4 Financial assets (cont'd)

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

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

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

Dividend income on quoted equities as at FVTPL is disclosed separately in the profit and 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 are 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 (e.g. interest receivable, dividend receivable and amount due from brokers), full impairment will be recognised on uncollected balances after the grace period.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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, gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2.5 Financial liabilities

(i) Classification

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

(ii) Recognition and measurement

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial 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

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

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

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.

2.7 Revenue/ Income

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

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

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

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

2.8 Cash and cash equivalents

Cash and cash equivalents include cash at bank and deposits with a licensed financial institution with maturities of 3 months or less, which have an insignificant risk of changes in value.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

2.9 Distribution

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 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 Income tax

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.

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

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 interest.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

2.11 Fair value measurement (cont'd)

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 year.

2.12 Functional and foreign currency

(a) 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.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions or valuations where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

2.13 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 allocating resources and assessing performance of the operating segments.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

2.14 Critical accounting estimates and judgements

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

No major judgements have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of asset and liability.

3. NET LOSS ON FOREIGN EXCHANGE AND FORWARD CONTRACTS

	2020	2019
	RM	RM
Realised foreign exchange loss	(36,100)	(124,426)
Unrealised foreign exchange gain/(loss)	17,456	(55,456)
Realised loss on forward contracts	-	(46,595)
Unrealised gain on forward contracts	-	4,322
	<u>(18,644)</u>	<u>(222,155)</u>

4. MANAGER'S FEE

The Manager's fee is computed daily based on 1.50% (2019: 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.	
	2020	2019
Nil to 20 million	0.06	0.06
20 million up to 40 million	0.05	0.05
40 million up to 60 million	0.04	0.04
60 million up to 80 million	0.03	0.03
80 million up to 100 million	0.02	0.02
Above 100 million	0.01	0.01

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

6. TAXATION

Income tax is calculated at the Malaysian statutory tax rate of 24% (2019: 24%) of the estimated assessable income for the financial year. Dividend income derived from sources outside Malaysia are exempted from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

The tax charge for the financial year 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, dividend income and interest income earned by the Fund is exempted from tax.

A reconciliation of income tax expense applicable to net (loss)/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:

	2020	2019
	RM	RM
Net (loss)/income before taxation	<u>(5,988,851)</u>	<u>787,216</u>
Taxation at Malaysian statutory rate of 24% (2019: 24%)	(1,437,324)	188,932
Income not subject to tax	456,735	(1,015,029)
Effect of income tax at source	29,391	27,867
Expenses not deductible for tax purposes	<u>980,589</u>	<u>826,097</u>
Tax expense for the financial year	<u>29,391</u>	<u>27,867</u>

7. FINANCIAL ASSETS AT FVTPL

The Fund designates quoted equities at FVTPL at inception.

	Note	2020	2019
		RM	RM
Quoted equities - local	(a)	38,676,790	48,764,063
Quoted equities - foreign	(b)	<u>2,436,861</u>	<u>5,245,257</u>
		<u>41,113,651</u>	<u>54,009,320</u>

2020

(a) Quoted equities - local	Quantity	Aggregate	Market	Percentage
	Unit	cost	value	of NAV
		RM	RM	%
Construction				
Gamuda Bhd	403,311	1,280,615	1,468,052	2.97
IJM Corporation Bhd	470,600	934,614	851,786	1.72
	<u>873,911</u>	<u>2,215,229</u>	<u>2,319,838</u>	<u>4.69</u>

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020 (cont'd)

(a) Quoted equities - local	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
Consumer Products & Services				
Ajinomoto (Malaysia) Bhd	19,700	316,999	334,900	0.68
DRB-Hicom Bhd	476,300	915,987	814,473	1.65
Dutch Lady Milk Industries Bhd	8,400	443,594	362,880	0.73
Fraser & Neave Holdings Bhd	33,200	1,134,443	1,078,336	2.18
Genting Malaysia Bhd	350,800	1,245,816	887,524	1.80
Heineken Malaysia Bhd	21,200	545,066	478,272	0.97
Magnum Bhd	104,800	268,305	230,560	0.47
	1,014,400	4,870,210	4,186,945	8.48
Energy				
Dialog Group Bhd	288,000	1,015,869	1,039,680	2.10
Serba Dinamik Holdings Bhd	118,600	274,476	195,690	0.40
Wah Seong Corporation Bhd	816,562	959,807	408,280	0.83
	1,223,162	2,250,152	1,643,650	3.33
Finance				
CIMB Group Holdings Bhd	323,329	1,695,740	1,151,051	2.33
Hone Leong Bank Bhd	100,100	1,828,880	1,409,408	2.85
Hong Leong Financial Group Bhd	26,600	489,440	348,460	0.71
Malayan Banking Bhd **	250,308	2,043,901	1,879,813	3.81
Public Bank Bhd	86,600	1,626,132	1,428,900	2.89
RHB Bank Bhd	296,800	1,627,023	1,421,672	2.88
	1,083,737	9,311,116	7,639,304	15.47
Healthcare				
Kossan Rubber Industries Bhd	198,300	833,417	1,687,533	3.42
Top Glove Corporation Bhd	93,000	538,972	1,497,300	3.03
	291,300	1,372,389	3,184,833	6.45
Industrial Product and Services				
Cahaya Mata Sarawak Bhd	259,300	993,840	404,508	0.82
Dufu Technology Corp Bhd	42,700	149,497	207,095	0.42
Sunway Bhd	395,000	677,963	541,150	1.10
Thong Guan Industries Bhd	188,500	721,620	718,185	1.45
VS Industry Bhd	538,200	668,488	522,054	1.06
	1,423,700	3,211,408	2,392,992	4.84

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020 (cont'd)

(a) Quoted equities - local	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
Plantation				
Kuala Lumpur Kepong Bhd	46,193	1,060,742	1,025,485	2.08
Sarawak Oil Palms Bhd	133,100	504,396	396,638	0.80
Sime Darby Plantations Bhd	111,200	568,688	547,104	1.11
	290,493	2,133,826	1,969,227	3.99
REIT's				
AXIS REIT	638,700	1,136,384	1,315,722	2.66
IGB REIT	253,000	464,451	452,870	0.92
KLCC Property Holdings Bhd	102,900	803,598	819,084	1.66
	994,600	2,404,433	2,587,676	5.24
Technology				
Frontken Corp Bhd	199,800	392,744	505,494	1.02
Globetronics Technology Bhd	434,000	1,016,940	928,760	1.88
Inari Amerton Bhd	455,300	767,642	769,457	1.56
Malaysian Pacific Industries Bhd	48,200	499,961	530,200	1.07
Pentamaster Corp Bhd	97,400	433,334	501,610	1.02
Vitrox Corp Bhd	140,400	1,286,280	1,283,256	2.60
	1,375,100	4,396,901	4,518,777	9.15
Telecommunications and Media				
Telekom Malaysia Bhd	247,800	807,372	1,028,370	2.08
Time dotCom Bhd	120,500	487,672	1,311,040	2.65
	368,300	1,295,044	2,339,410	4.74
Transportation and Logistics				
Lingkar Trans Kota Holdings Bhd	374,700	1,621,616	1,573,740	3.19
MISC Bhd	58,000	478,180	444,280	0.90
Westports Holdings Bhd	232,800	992,090	884,640	1.79
	665,500	3,091,886	2,902,660	5.88

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020 (cont'd)

	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(a) Quoted equities - local				
Utilities				
Taliworks Corp Bhd	1,269,100	1,173,463	1,066,044	2.16
Tenaga Nasional Bhd	165,700	2,002,613	1,925,434	3.90
	<u>1,434,800</u>	<u>3,176,076</u>	<u>2,991,478</u>	<u>6.06</u>
Total quoted equities - local	<u>11,039,003</u>	<u>39,728,670</u>	<u>38,676,790</u>	<u>78.32</u>
(b) Quoted equities - foreign				
Singapore				
Ascendas REIT	142,448	1,298,845	1,385,296	2.80
Fraser Logistics & Industrial Trust	220,063	774,120	803,380	1.63
Venture Corp Ltd	5,000	236,012	248,185	0.50
	<u>367,511</u>	<u>2,308,977</u>	<u>2,436,861</u>	<u>4.93</u>
Total quoted equities - foreign	<u>367,511</u>	<u>2,308,977</u>	<u>2,436,861</u>	<u>4.93</u>
Total quoted equities	<u>11,406,514</u>	<u>42,037,647</u>	<u>41,113,651</u>	<u>83.25</u>
Unrealised loss on quoted equities *			<u>(923,996)</u>	

2019

	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(a) Quoted equities - local				
Construction				
Gabungan AQRS Bhd	292,478	350,889	397,770	0.65
Gamuda Bhd	506,000	1,603,097	1,902,560	3.11
IJM Corporation Bhd	340,000	652,936	816,000	1.33
Muhibbah Engineering (M) Bhd	439,300	1,024,442	1,212,468	1.98
	<u>1,577,778</u>	<u>3,631,364</u>	<u>4,328,798</u>	<u>7.07</u>

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2019 (cont'd)

(a) Quoted equities - local (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
Consumer Products & Services				
DRB-Hicom Bhd	471,800	904,325	1,037,960	1.70
Fraser & Neave Holdings Bhd	27,500	939,444	950,400	1.55
Leong Hup International Bhd	870,000	957,000	887,400	1.45
Malayan Flour Mills Bhd	680,000	1,630,248	472,600	0.77
	2,049,300	4,431,017	3,348,360	5.47
Financial Services				
AEON Credit Service (M) Bhd	92,800	946,365	1,559,040	2.55
Alliance Bank (M) Bhd	330,000	1,447,332	1,240,800	2.03
CIMB Group Holdings Bhd	572,723	3,025,486	3,081,250	5.04
Hong Leong Bank Bhd	58,900	1,120,644	1,119,100	1.83
Hong Leong Financial Group Bhd	26,600	489,440	493,164	0.81
Malayan Banking Bhd **	508,108	4,148,978	4,511,999	7.38
Public Bank Bhd	168,000	3,154,621	3,864,000	6.32
RHB Bank Bhd	296,800	1,627,023	1,659,112	2.71
RHB Capital Bhd	268,000	-	-	-
	2,321,931	15,959,889	17,528,465	28.67
Healthcare				
Hartalega Holdings Bhd	170,400	878,104	892,896	1.46
Kossan Rubber Industries Bhd	147,600	586,518	588,924	0.96
KPJ Healthcare Bhd	1,480,000	1,550,741	1,383,800	2.26
	1,798,000	3,015,363	2,865,620	4.68
Industrial Products & Services				
Cahaya Mata Sarawak Bhd	520,000	1,993,045	1,570,400	2.57
Petronas Chemicals Group Bhd	137,000	1,204,747	1,150,800	1.88
	657,000	3,197,792	2,721,200	4.45
Property				
Eastern & Oriental Bhd - WB	132,380	-	662	-
S P Setia Bhd - PA	252,000	252,000	226,800	0.37
	384,380	252,000	227,462	0.37

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2019 (cont'd)

(a) Quoted equities - local (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
Plantation				
Genting Plantations Bhd	57,500	617,767	575,000	0.94
Kuala Lumpur Kepong Bhd	24,500	568,908	601,720	0.98
	82,000	1,186,675	1,176,720	1.92
Technology				
Inari Amerton Bhd	191,000	305,600	305,600	0.50
MY E.G. Services Bhd	880,000	1,211,320	1,302,400	2.13
	1,071,000	1,516,920	1,608,000	2.63
Telecommunications & Media				
Digi.Com Bhd	70,000	327,054	353,500	0.58
Telekom Malaysia Bhd	430,000	1,335,265	1,720,000	2.81
TIME dotCom Bhd	170,500	690,025	1,529,385	2.50
	670,500	2,352,344	3,602,885	5.89
Transportation & Logistics				
Lingkar Trans Kota Holdings Bhd	374,700	1,621,616	1,836,030	3.00
Malaysia Airports Holdings Bhd	188,000	1,273,297	1,603,639	2.62
MMC Corporation Bhd	1,218,700	1,246,783	1,389,318	2.27
	1,781,400	4,141,696	4,828,987	7.89
REITS				
Axis REIT	796,100	1,400,104	1,393,174	2.28
IGB REIT	413,700	739,516	790,167	1.29
KLCC Property Holdings Bhd	106,600	831,448	828,282	1.35
	1,316,400	2,971,068	3,011,623	4.92
Utilities				
Ranhill Holdings Bhd	36,800	41,584	46,000	0.08
Taliworks Corporation Bhd	194,500	180,885	176,023	0.29
Tenaga Nasional Bhd	238,000	2,788,526	3,293,920	5.39
	469,300	3,010,995	3,515,943	5.76
Total quoted equities - local	14,178,989	45,667,123	48,764,063	79.72

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2019 (cont'd)

(b) Quoted equities - foreign	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
Singapore				
Keppel Corp Ltd	78,000	1,793,761	1,585,713	2.59
Hong Kong				
China Construction Bank Corp Ltd	380,000	1,501,720	1,351,980	2.21
CNOOC Ltd	188,000	1,481,152	1,327,810	2.17
Petrochina Company Ltd	430,000	1,468,544	979,754	1.60
	<u>998,000</u>	<u>4,451,416</u>	<u>3,659,544</u>	<u>5.98</u>
Total quoted equities - foreign	<u>1,076,000</u>	<u>6,245,177</u>	<u>5,245,257</u>	<u>8.57</u>
Total quoted equities	<u>15,254,989</u>	<u>51,912,300</u>	<u>54,009,320</u>	<u>88.29</u>
Unrealised gain on quoted equities *			<u>2,097,020</u>	

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

** As at the reporting date, the Fund holds shares in RHB Capital Bhd, which has been delisted to facilitate the transfer of shares and listing status to RHB Bank Bhd. Following the spin-off event on 2 June 2016, there is no cost and market value for the said security as all assets and liabilities have been vested to RHB Bank Bhd.

** Malayan Banking Bhd is the ultimate holding company of the Manager.

(c) Changes in the fair value of FVTPL investments are recognised in 'unrealised (loss)/gain on FVTPL investments' in profit or loss. Accumulated unrealised gains or losses are reclassified to 'realised gain on FVTPL investments' in profit or loss when the associated assets are sold. See accounting policy Note 2.4 (ii) for details.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

8. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	2020	2019
	RM	RM
Short-term placement with maturity of less than 3 months	<u>7,529,000</u>	<u>7,160,000</u>

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

	2020		2019	
	WAEIR	Average	WAEIR	Average
	% p.a.	maturity	% p.a.	maturity
		Days		Days
Deposit with a licensed financial institution	<u>1.95</u>	<u>1</u>	<u>3.15</u>	<u>3</u>

9. AMOUNT DUE FROM/(TO) MANAGER

	Note	2020	2019
		RM	RM
Amount due from Manager is in respect of:			
Subscription of units	(i)	<u>188</u>	<u>-</u>
Amount due to Manager is in respect of:			
Cancellation of units	(ii)	52,641	121,100
Manager's fee	(iii)	<u>61,283</u>	<u>74,496</u>
		<u>113,924</u>	<u>195,596</u>

- (i) The amount represents amount receivable from the Manager for units subscribed.
- (ii) The amount represents amount payable to the Manager for units cancelled.
- (iii) The amount relates to the amount payable to the Manager arising from the accruals for Manager's fee at the end of the financial year. The normal credit term for Manager's fee is 15 days (2019: 15 days).

10. AMOUNT DUE FROM/(TO) BROKERS

Amount due from/(to) broker relates to the amount receivable from/(payable to) a broker arising from the sale/(purchase) of investments. The settlement period for these receivables/(payables) are within 3 working days from the deal date.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

11. CASH AT BANK

	2020	2019
	RM	RM
RM	2,177	14,796
United States Dollar ("USD")	893,375	34,763
Singapore Dollar ("SGD")	18,174	-
	<u>895,552</u>	<u>49,559</u>

12. OTHER PAYABLES AND ACCRUALS

	2020	2019
	RM	RM
Amount due to external auditors	11,554	19,684
Amount due to tax agents	5,247	7,380
Other accruals and payables	85,749	82,429
	<u>102,550</u>	<u>109,493</u>

13. TOTAL EQUITY

	Note	2020	2019
		RM	RM
Unitholders' capital	13 (a)	54,709,523	60,426,565
Accumulated realised loss	13 (b)	(4,422,108)	(1,394,902)
Accumulated unrealised (loss)/gain	13 (c)	(894,016)	2,097,020
		<u>49,393,399</u>	<u>61,128,683</u>

(a) Unitholders' capital

	2020		2019	
	Units	RM	Units	RM
As at beginning of the financial year	83,309,906	60,426,565	90,841,837	65,861,071
Creation of units	312,705	214,289	24,015	17,089
Cancellation of units	(8,535,481)	(5,931,331)	(7,555,946)	(5,451,595)
As at end of the financial year	<u>75,087,130</u>	<u>54,709,523</u>	<u>83,309,906</u>	<u>60,426,565</u>

As of end of the financial year, there were no units held by the Manager or parties related to the Manager (2019: Nil).

(b) Accumulated realised loss

	2020	2019
	RM	RM
At beginning of the financial year	(1,394,902)	(4,137,273)
Net realised (loss)/income for the financial year	(3,027,206)	2,742,371
At end of the financial year	<u>(4,422,108)</u>	<u>(1,394,902)</u>

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

13. TOTAL EQUITY (CONT'D)

(c) Accumulated unrealised gain

	2020	2019
	RM	RM
At beginning of the financial year	2,097,020	4,080,042
Net unrealised loss for the financial year	(2,991,036)	(1,983,022)
At end of the financial year	<u>(894,016)</u>	<u>2,097,020</u>

14. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS

The transactions with top 10 brokers/dealers for the current and previous financial year are as follows:

2020	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of brokerage fees %
TA Securities Holdings Bhd	9,052,581	13.17	9,127	8.25
Nomura Securities (M) Sdn Bhd	6,766,401	9.84	13,568	12.27
Hong Leong Investment Bank Bhd	6,074,714	8.83	11,123	10.06
Public Bank Investment Bank Bhd	5,854,391	8.51	11,709	10.59
Kenanga Investment Bank Bhd	5,040,582	7.33	10,091	9.13
Alliance Investment Bank Bhd	3,908,331	5.68	3,908	3.53
Maybank Investment Bank Bhd ("MIBB")*	3,805,519	5.53	4,567	4.13
CIMB Investment Bank Bhd	3,787,963	5.51	7,596	6.87
MIDF Amanah investment Bank Bhd	3,787,118	5.51	3,789	3.43
UOB Kay Hian Securities (M) Sdn. Bhd.	3,643,865	5.30	6,695	6.05
Others	17,038,597	24.79	28,401	25.69
	<u>68,760,062</u>	<u>100.00</u>	<u>110,574</u>	<u>100.00</u>

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

14. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS (CONT'D)

2019	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of Brokerage fees %
Affin Hwang Investment Bhd	12,191,636	18.97	23,163	19.86
Maybank Investment Bank Bhd ("MIBB")*	9,124,703	14.20	18,249	15.64
UOB Kay Hian Securities (M) Sdn. Bhd.	7,411,450	11.53	14,823	12.71
CIMB Investment Bank Bhd	7,299,028	11.36	14,598	12.51
Nomura Securities (M) Sdn Bhd	5,291,300	8.23	10,583	9.07
TA Securities Holdings Bhd	5,039,820	7.84	5,056	4.33
Hong Leong Investment Bank Bhd	3,741,380	5.82	6,673	5.72
JF Apex Securities Bhd	3,508,202	5.46	3,557	3.05
Kenanga Investment Bank Bhd	2,304,576	3.59	4,391	3.76
JP Morgan Chase Bank Bhd	2,084,942	3.24	4,170	3.57
Others	6,278,776	9.76	11,384	9.78
	64,275,813	100.00	116,647	100.00

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

	2020		2019	
	Value of placements RM	Percentage of total placements %	Value of placements RM	Percentage of total placements %
Affin Bank Bhd	-	-	711,125,480	43.19
MBB **	1,620,372,000	100.00	935,294,000	56.81
	1,620,372,000	100.00	1,646,419,480	100.00

* MIBB is a wholly owned subsidiary of Malayan Banking Bhd ("MBB"), the ultimate holding company of the Manager.

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

15. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

**MAYBANK MALAYSIA GROWTH FUND
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15. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES (CONT'D)

Other than those disclosed elsewhere in the financial statements, the significant related party transactions and balances as at the reporting date are as below.

	2020	2019
	RM	RM
(a) Significant related party transactions		
MBB:		
Interest income from deposits	178,641	124,865
Dividend income	195,272	294,212
	<u> </u>	<u> </u>
	2020	2019
	RM	RM
(b) Significant related party balances		
MBB:		
Deposit with a licensed financial institution	7,529,000	7,160,000
Interest income receivable	402	1,854
	<u> </u>	<u> </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.

16. MANAGEMENT EXPENSES RATIO

MER is calculated based on the ratio of the total fees and recovered expenses for the year, to the average daily NAV of the Fund. For the financial year ended 30 June 2020, the MER of the Fund stood at 1.69% (2019: 1.77%).

17. PORTFOLIO TURNOVER RATIO

The PTR of the Fund is the ratio of average of the total acquisitions and disposals of the investment in the Fund for the financial year to the daily average NAV of the Fund. For the financial year ended 30 June 2020, the PTR of the Fund stood at 0.66 times (2019: 0.52 times).

18. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The Fund's financial assets and financial liabilities were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The significant accounting policies in Note 2.3 to 2.14 to the financial statements describe how the classes of financial instruments are measured and how income and expenses are recognised.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

18. FINANCIAL INSTRUMENTS (CONT'D)

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

The following table analyses the financial assets and liabilities (excluding tax-related matters) of the Fund in the statement of financial position as at the reporting date by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

2020	Financial assets or liabilities at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Assets				
Investments at FVTPL	41,113,651	-	-	41,113,651
Deposit with a licensed financial institution	-	7,529,000	-	7,529,000
Dividend receivable	-	55,032	-	55,032
Interest receivable	-	402	-	402
Amount due from Brokers	-	188	-	188
Cash at bank	-	913,726	-	913,726
Total financial assets	41,113,651	8,498,348	-	49,611,999
Liabilities				
Amount due to Manager	-	-	113,924	113,924
Amount due to Trustee	-	-	2,126	2,126
Other payables and accruals	-	-	102,550	102,550
Total financial liabilities	-	-	218,600	218,600
2019				
Assets				
Investments at FVTPL	54,009,320	-	-	54,009,320
Deposit with a licensed financial institution	-	7,160,000	-	7,160,000
Dividend receivable	-	68,266	-	68,266
Interest receivable	-	1,854	-	1,854
Amount due from Brokers	-	453,788	-	453,788
Cash at bank	-	49,559	-	49,559
Total financial assets	54,009,320	7,733,467	-	61,742,787

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

18. FINANCIAL INSTRUMENTS (CONT'D)

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

2019	Financial assets or liabilities at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Liabilities				
Amount due to Manager	-	-	195,596	195,596
Amount due to Trustee	-	-	2,475	2,475
Amount due to Brokers	-	-	306,540	306,540
Other payables and accruals	-	-	109,493	109,493
Total financial liabilities	-	-	614,104	614,104

(b) Financial instruments that are carried at fair value

The fair value of quoted investments in shares, warrants and REITs are determined by reference to the last bid price on the Bursa Malaysia, Singapore Exchange and Hong Kong Exchanges as at the statement of financial position date.

(c) Fair value hierarchy

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

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.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

18. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy (cont'd)

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities measured at fair value:

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2020				
Investments at FVTPL	41,113,651	-	-	41,113,651
2019				
Investments at FVTPL	54,009,320	-	-	54,009,320

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

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

19. 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 return with an acceptable level of risk within the portfolio.

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 equities, and a minimum of 2% of the Fund's assets will be invested in liquid assets. The Fund may also invest up to 25% of its NAV in the Asia Pacific markets. Investments that derive the majority of their revenue from the Asia Pacific market would also be considered.

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 year.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

20. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

(a) Introduction

The Fund maintains investment portfolios in a variety of listed financial instruments as dictated by its Fund's Deeds and investment management strategy.

The Fund is exposed to a variety of risks including market risk (which includes price risk), liquidity risk and credit risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Fund.

(b) Market risk

Market risk is the risk that the fair value of future cash flows of financial instruments will fluctuate due to changes in market variables such as equity prices and exchange rate movements. The maximum risk resulting from financial instruments equals their fair value. The market risk is managed through consistent monitoring and swift response to various factors that may adversely affect the Fund.

(i) Equity price risk

Equity price risk is the risk of unfavourable changes in the fair values of equities as the result of changes in the levels of equity indices and the value of individual shares. The equity price risk exposure arises from the Fund's investments in quoted equity securities. This risk can be minimised through investing in a wide range of companies in different sectors, which function independently from one another.

Equity price risk sensitivity

The analysis calculated the effect of a reasonably possible movement of the equity prices against RM on equity and on profit/(loss) with all other variables held constant.

Management's best estimate of the effect on interest for the year due to a reasonable change in equity index, with all other variables held constant is indicated in the table below:

	2020		2019	
	Changes in equity price %	Effects on interest for the year Increase/ (decrease) RM	Changes in equity price %	Effects on interest for the year Increase/ (decrease) RM
Quoted equities	+ 5	2,055,683	+ 5	2,700,466
	- 5	(2,055,683)	- 5	(2,700,466)

Equity price risk concentration

The Fund's exposure to equity price risk based on its portfolio of investments as at the reporting date is disclosed in Note 10 to the financial statements.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

(b) Market risk (cont'd)

(ii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund invests in investments that are denominated in currencies other than RM. Accordingly, the value of the Fund's assets may be affected favourable or unfavourably by fluctuations in currency rates and therefore the Fund will necessarily be subject to foreign exchange risks.

2020	SGD RM	HKD RM	TOTAL RM
Financial assets			
Financial assets at FVTPL	2,436,861	-	2,436,861
Total financial assets	<u>2,436,861</u>	<u>-</u>	<u>2,436,861</u>
Net on-balance sheet open position			
	<u>2,436,861</u>	<u>-</u>	<u>2,436,861</u>

As at 30 June 2020, the Fund's net open position to USD is solely from the Fund's current account denominated in USD as disclosed in Note 7 to the financial statements. As the Fund's exposure to USD is insignificant, the sensitivity analysis is not disclosed.

2019

Financial assets			
Financial assets at FVTPL	1,585,713	3,659,544	5,245,257
Dividend receivable	-	56,722	56,722
Total financial assets	<u>1,585,713</u>	<u>3,716,266</u>	<u>5,301,979</u>
Net on-balance sheet open position			
	<u>1,585,713</u>	<u>3,716,266</u>	<u>5,301,979</u>

* In the previous financial year, the Fund has entered into forward currency contracts to hedge against its SGD and HKD exposure arising mainly from the Fund's investments in foreign denominated quoted equities.

The Fund did not enter into any forward currency contracts to hedge its exposure to foreign currency.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

(b) Market risk (cont'd)

(ii) Currency risk

Currency risk sensitivity

The following table indicates the currencies to which the Fund had significant exposure at the reporting date on its financial assets. The analysis calculated the effect of a reasonably possible movement of the currency rate against RM on equity and on profit/(loss) with all other variables held constant.

	2020		2019	
	Change in exchange rates %	Effects on NAV increase/ (decrease) RM	Change in exchange rates %	Effects on NAV increase/ (decrease) RM
SGD/RM	+5%	121,843	+5%	79,286
	-5%	(121,843)	-5%	(79,286)
HKD/RM	+5%	-	+5%	185,813
	-5%	-	-5%	(185,813)

(c) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected. The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unitholders by the Manager are redeemable at the unit holders' option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Deeds.

The Manager's policy is to always maintain a prudent and sufficient level of liquid assets so as to meet normal operating requirements and expected redemption requests by unit holders. Liquid assets comprise of cash, deposits with financial institutions and other instruments which are capable of being converted into cash within 7 days.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

(c) Liquidity risk (cont'd)

The following table summarises the maturity profile of the Fund's financial liabilities. Balances due within twelve months equal their carrying amounts, as the impact of discounting is insignificant.

2020	Less than 1 month RM	Total RM
Financial assets:		
Financial assets at FVTPL	41,113,651	41,113,651
Deposit with a licensed financial institution	7,529,000	7,529,000
Interest receivable	402	402
Dividend receivables	55,032	55,032
Amount due from Brokers	188	188
Cash at bank	913,726	913,726
Total undiscounted financial assets	<u>49,611,999</u>	<u>49,611,999</u>
Financial liabilities:		
Amount due to Manager	113,924	113,924
Amount due to Trustee	2,126	2,126
Other payables and accruals	102,550	102,550
Unitholders' equity	49,393,399	49,393,399
Total undiscounted financial and unitholders' equity	<u>49,611,999</u>	<u>49,611,999</u>
Liquidity surplus/(gap)	<u>-</u>	<u>-</u>

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

(c) Liquidity risk (cont'd)

2019	Less than 1 month RM	Total RM
Financial assets:		
Financial assets at FVTPL	54,009,320	54,009,320
Deposit with a licensed financial institution	7,160,000	7,160,000
Interest receivable	1,854	1,854
Dividend receivables	68,266	68,266
Amount due from Brokers	453,788	453,788
Cash at bank	49,559	49,559
Total undiscounted financial assets	<u>61,742,787</u>	<u>61,742,787</u>
Financial liabilities:		
Amount due to Manager	195,596	195,596
Amount due to Trustee	2,475	2,475
Amount due to Brokers	306,540	306,540
Other payables and accruals	109,493	109,493
Unitholders' equity	<u>61,128,683</u>	<u>61,128,683</u>
Total undiscounted financial and unitholders' equity	<u>61,742,787</u>	<u>61,742,787</u>
Liquidity surplus/(gap)	<u>-</u>	<u>-</u>

Notes:

(i) Financial assets

Analysis of financial assets at FVTPL and deposits into maturity groupings is based on the expected date on which these assets will be realised. The Fund's equity investments have been included in the "less than 1 month" category on the assumption that these are highly liquid investments which can be realised should all of the Fund's unitholders' capital be required to be redeemed. The other assets shall not comprise of tax recoverable in view that it is not a financial asset. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting year to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

(ii) Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

(c) Liquidity risk (cont'd)

(iii) Unitholders' capital

As unitholders could request for redemption of their units within ten calendar days from transaction date, unitholders' equity has been categorised as having a maturity of "less than 1 month".

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

(d) Credit risk

Credit risk is the risk that the issuer/counterparty to a financial instrument will default on its contractual obligation resulting in a financial loss to the Fund. The Fund is exposed to the risk of credit-related losses that can occur as a result of an issuer/counterparty's inability or unwillingness to honour its contractual obligations to make timely repayments of interest, principal and proceeds from realisation of investments. These credit exposures exist within financing relationships and other transactions.

The Manager manages the Fund's credit risk by undertaking credit evaluation and close monitoring of any changes to the issuer/counterparty's credit profile to minimise such risk. It is the Fund's policy to enter into financial instruments with reputable counterparties. The Manager also closely monitors the creditworthiness of the Fund's other counterparties (e.g. brokers, custodian, banks, etc.) by reviewing their credit ratings and credit profile on a regular basis.

(i) Credit risk exposure

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

(ii) Credit quality of financial assets

The following table analyses the Fund's deposit with a licensed financial institution, cash at bank and interest receivables from financial institutions by rating categories. The rating is obtained from RAM Holdings Bhd's official website.

**MAYBANK MALAYSIA GROWTH FUND
(FORMERLY KNOWN AS MAYBANK UNIT TRUST FUND)**

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

(d) Credit risk (cont'd)

Financial assets	2020		2019	
	RM	As a percentage of NAV %	RM	As a percentage of NAV %
AAA	8,443,128	17.09	7,211,413	11.80

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

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