

# MAYBANK MALAYSIA GROWTH FUND

Annual report  
For the financial year ended 30 June 2021

## **CORPORATE INFORMATION**

### **MANAGER**

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Level 12 Tower C  
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No.1 Jalan Maarof  
59000 Kuala Lumpur, Malaysia  
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### **TRUSTEE**

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50450 Kuala Lumpur  
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## **MAYBANK MALAYSIA GROWTH FUND**

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## **MAYBANK MALAYSIA GROWTH FUND**

### **Manager's report**

**For the financial year ended 30 June 2021**

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

**1. Name of the Fund**

Maybank Malaysia Growth 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 2021**

The Fund did not declare any income distribution for the financial year ended 30 June 2021.

## MAYBANK MALAYSIA GROWTH FUND

### Manager's report

For the financial year ended 30 June 2021 (cont'd)

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

##### 11. Breakdown of unitholdings as at 30 June 2021

As at 30 June 2021, the size of the Fund was 65,410,978 units.

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	2,089	48.88	4,496	6.87
5,001 to 10,000 units	711	16.64	5,209	7.96
10,001 to 50,000 units	1,199	28.05	26,013	39.77
50,001 to 500,000 units	272	6.36	27,687	42.33
500,001 units and above	3	0.07	2,006	3.07
<b>Total</b>	<b>4,274</b>	<b>100.00</b>	<b>65,411</b>	<b>100.00</b>

#### B. Performance Review

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

Category	FY2021	FY2020	FY2019
<b>Portfolio</b>			
<b>Quoted equities - local</b>	84.20	74.60	79.72
- Construction	3.75	4.69	7.07
- Consumer products and services	4.19	8.48	5.47
- Industrial products and services	13.99	4.45	4.45
- Energy	4.24	-	-
- Financial services	20.71	15.47	28.67
- Healthcare	-	6.45	4.68
- Plantation	4.32	3.99	1.92
- Property	-	-	0.37
- Technology	15.49	9.15	2.63
- Telecommunication and media	6.84	4.74	5.89
- Transportation and logistics	2.24	5.88	7.89
- Real Estate Investment Trusts ("REIT"s)	4.61	5.24	4.92
- Utilities	3.83	6.06	5.76
<b>Quoted equities - foreign</b>	5.01	4.93	8.57
- Singapore	5.01	4.93	2.59
- Hong Kong	-	-	5.98
<b>Cash and other net assets (%)</b>	10.79	20.47	11.71
<b>Total (%)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## MAYBANK MALAYSIA GROWTH FUND

### Manager's report

For the financial year ended 30 June 2021 (cont'd)

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

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

Category	FY2021	FY2020	FY2019
NAV (RM)	50,420,628	49,393,399	61,128,683
Units in circulation (units)	65,410,978	75,087,130	83,309,906
NAV per unit (RM)	0.7708	0.6578	0.7338
Highest NAV per unit (RM)	0.8172	0.7429	0.7614
Lowest NAV per unit (RM)	0.6637	0.5225	0.6844
Annual return (%) <sup>(1)</sup>			
- Capital growth (%)	17.18	(10.39)	1.33
- Income distribution (%)	-	-	-
Total return (%)	17.18	(10.39)	1.33
Benchmark (%)	2.04	(8.80)	(0.68)
Management Expense Ratio ("MER") (%) <sup>(2)</sup>	1.81	1.69	1.77
Portfolio Turnover Ratio ("PTR") (times) <sup>(3)</sup>	0.52	0.66	0.52

*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) The Fund's MER increased to 1.81% due to the increase in expenses during the current financial year.
- (3) The Fund's PTR decreased to 0.52 times due to the decrease in investing activities during the current financial year.

##### 2. Performance of the Fund up to 30 June 2021

Category	1 year to 30.06.2021 %	3 years to 30.06.2021 %	5 years to 30.06.2021 %
Capital growth	17.18	6.39	10.49
Income distribution	-	-	7.40
Total return of the Fund	17.18	6.39	18.66
Benchmark	2.04	(7.58)	(5.09)
Average total return	17.18	2.08	3.48

## MAYBANK MALAYSIA GROWTH FUND

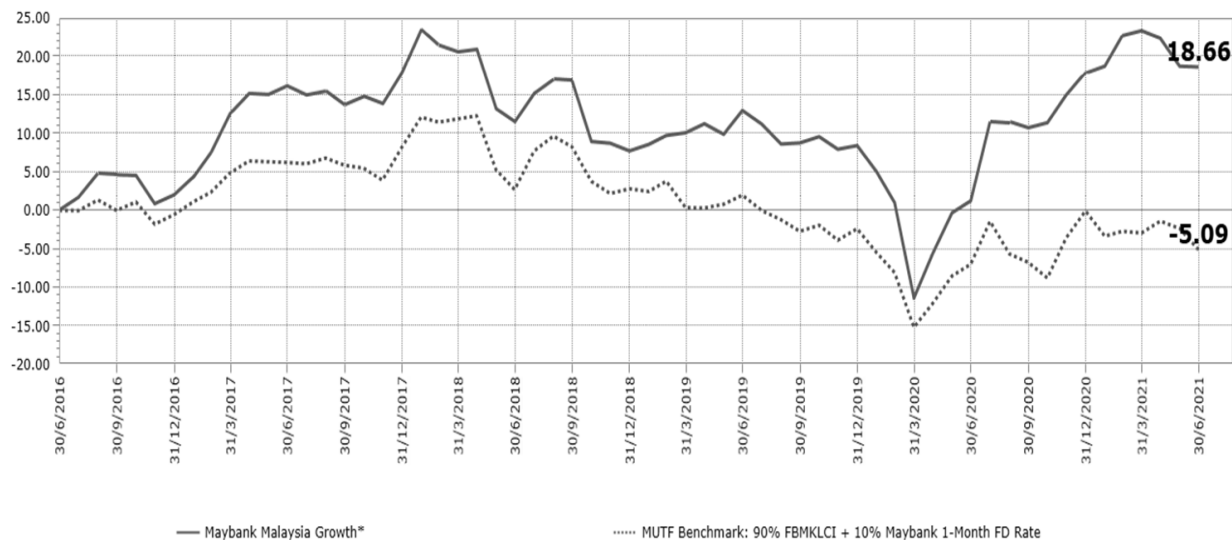
### Manager's report

For the financial year ended 30 June 2021 (cont'd)

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

#### 2. Performance of the Fund up to 30 June 2021 (cont'd)

##### Performance of the Fund for the 5 years to 30 June 2021



Source: Lipper

#### Has the Fund met its objective?

For the twelve-month period under review, the fund registered a total return of 17.2%, outperforming its benchmark which gain of 2.0%. The outperformance was mainly due to strategy of overweighting of the fund in the technology sector and the better selection of names in the telecommunication sector. We are still quite positive on the longer-term outlook of these technology companies backed by new product launches including electric and autonomous vehicles, internet of things, artificial intelligence as well as the play on 5G. Besides that, the move to underweight the healthcare (gloves) sector also helped contribute to the outperformance.

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

For the financial year	30.06.2021 %	30.06.2020 %	30.06.2019 %	30.06.2018 %	30.06.2017 %
Capital growth	17.18	(10.39)	1.33	(4.03)	8.21
Income distribution	-	-	-	-	8.00
Total return	17.18	(10.39)	1.33	(4.03)	16.21
Benchmark	2.04	8.80	0.68	(0.60)	6.27

## MAYBANK MALAYSIA GROWTH FUND

### Manager's report

For the financial year ended 30 June 2021 (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, equity markets posted remarkable performances. With the United States ("US") markets hitting new highs, the Dow Jones and Standard & Poor's ("S&P") 500 registered stellar returns of 33.7% and 38.6% respectively for the period. Euro Stoxx 50 also did well, registering a gain of 25.7% for the period. Regionally, North Asian markets were also up, with South Korea, Taiwan, Japan, Hong Kong and China (Shanghai) markets registering returns of 56.4%, 52.8%, 29.2%, 18.0% and 20.3% respectively. Association of South East Asian Nations ("ASEAN") markets also recorded positive returns with Indonesia, Singapore and Thailand being the biggest gainer, up 22.0%, 20.9%, and 18.6% respectively while Malaysia gained 2.1% and Philippines gained 11.2%.

Markets saw a strong gain in the second half of 2020 despite a slight pullback in the month of September 2020 and October 2020. Massive fiscal stimulus by Governments around the world and the monetary measures by the US Federal Reserve ("Fed") continue to lift markets, coupled with the positive development on the Coronavirus 2019 ("COVID-19") vaccines. With a number of vaccines posting positive trial results and high efficacy, the prospect of activities returning more rapidly to pre-pandemic level boosted investors sentiment, making November 2020 the best month for the year 2020 in most markets.

January 2021 started a softer note going into 2021 with some developed markets closing lower for the month, but this was short-lived as most market started strong in the early weeks of February 2021. Value sectors, such as the financials, energy and travel related names outperformed, with the rapid vaccine rollouts boosting hopes on the reopening of economies and return to normalcy. For the second quarter of 2021, most markets closed positively, despite most of them posting a loss in June, as global bond yields rose on higher inflation expectations and concerns due to the surge in COVID-19 cases.

Domestically, Malaysia underperformed the other markets, with FTSE Bursa Malaysia ("FBM") Kuala Lumpur Composite Index ("KLCI") and the broader market FBM Emas Index posting gains of 2.1% and 5.7% for the one-year period ending 30 June 2021. Meanwhile, the FBM SmallCap Index managed to register a stellar gain of 30.1% for the period as retail participation continue to high amidst the low interest rate environment, supporting the performance for smaller cap companies. For the period, foreign funds have taken out RM12.5 billion net worth of equities despite a massive outflow of RM24.6 billion for the year 2020.



## MAYBANK MALAYSIA GROWTH FUND

### Manager's report

For the financial year ended 30 June 2021 (cont'd)

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

First quarter 2021 earnings (extended to end-June 2021) was fairly decent with “beats and inline” improving slightly. Not surprising, key earnings below expectations were gaming (interstate travel ban), media (lower adex spending), oil & gas (workforce disruption), construction (low work progress), REITs (lower traffic in malls/hotels), consumer (lower demand) and transportation (lower traffic) as the movement control order ("MCO") resumed early part of the year. Positively, financials (earnings recovered on lower provisions and net interest margins ("NIM") expansion, plantation (higher CPO), petrochemicals (higher prices) and property (lower base) reported better if not within expectations.

#### D. Market Outlook and Strategy

The roll-out of mass COVID-19 vaccinations, albeit slow in certain countries has brought light to the economic and market outlook. The progress has been particularly swift in countries such as Israel and the UK. However, in many European countries as well as in Asia this has been considerably slower and infection rates have now started to rise. This has led to fears of another wave e.g. India registered high infection rates and prompted the re-imposition of lockdowns. Along with inflation concerns driven partly by the rising commodity prices, we remain optimistic as the recovery trajectory is still intact.

Strong recovery, fiscal stimulus and accommodative central banks should drive the economic growth in the near-term and hence result in improving fundamentals for equity. As evidenced by the recent reporting season, corporate earnings are recovering, albeit some sectors are still in the doldrums. The ongoing rollout of COVID-19 vaccinations worldwide, albeit patchy, will also allow further economic reopening. That said, we may still see bouts of volatility on tapering fears or surging COVID-19 cases (given more virulent variants) continue to undermine the speed of the recovery and investor sentiment. Already, the country has been hit with the reinstatement of MCO beginning June 2021 due to the surge in COVID-19 cases. If not contained, this may lead to lower earnings forecast while the reopening plays themes likely to be shifted. Having said that, the recovery trajectory should remain intact, as inoculation initiatives hit a significant level for herd

As we expect the market to be volatile in 2021, we may hold higher cash from time to time and will have some trading positions to take opportunity of the market volatility. Sector-wise, we are now more selective on cyclicals as these names have largely priced in a full recovery. We like banks, technology and electronic manufacturing services for a longer-term view.

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

Subsequent to the issuance of the First Supplementary Master Prospectus dated 22 February 2021, the following changes were updated in the Master Prospectus dated 17 January 2020:

No.	Items	Previous Prospectus	Latest Prospectus
1.	EPF Disclosures	- Disclosed under Chapters 1, 4 and 5 (Investments via EPF MIS)	Removed

## MAYBANK MALAYSIA GROWTH FUND

### Manager's report

For the financial year ended 30 June 2021 (cont'd)

#### E. Significant Changes in The State of Affairs of the Fund (cont'd)

No.	Items	Previous Prospectus	Latest Prospectus
2.	Manager's discretion to lower the minimum investment amounts and the minimum holdings	- Nil	Included
3.	Change of Board of Directors	- Dr Hasnita binti Dato' Hashim (chairman/ independent non-executive director) - Goh Ching Yin (independent non-executive director) - Badrul Hisyam bin Abu Bakar (non-independent non-executive director) - Ahmad Najib bin Nazlan (non-independent executive director / chief executive)	- Dato Idris Kechot (chairman / independent non-executive director) - Goh Ching Yin (independent non-executive director) - Loh Lee Soon (independent non-executive director) - Badrul Hisyam bin Abu Bakar (non-independent non-executive director) - Ahmad Najib bin Nazlan (non-independent executive director / chief executive)
4.	Different cut-off times between distributors for switching and dealing of units	- Nil	Included
5.	Illustration for sales charge	- Disclosed under Chapter 5	- Amended as to be consistent with the standard disclosure adopted by MAM for all prospectuses and for clarity purpose.
6.	Illustration for sale of units with sales charge	- Disclosed under Chapter 5	- Amended as to be consistent with the standard disclosure adopted by MAM for all prospectuses and for clarity purpose.
7.	Information on switching	- Disclosed under Chapter 5	- Amended as to be consistent with the standard disclosure adopted by MAM for all prospectuses and for clarity purpose.
8.	Illustration on computation for purchase of Units	- Disclosed under Chapter 5	- Amended as to be consistent with the standard disclosure adopted by MAM for all prospectuses and for clarity purpose.

## **MAYBANK MALAYSIA GROWTH FUND**

### **Manager's report**

**For the financial year ended 30 June 2021 (cont'd)**

#### **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 FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

We have acted as Trustee of Maybank Malaysia Growth Fund (the "Fund") for the financial year ended 30 June 2021. 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

11 August 2021

**STATEMENT BY MANAGER**

**TO THE UNITHOLDERS OF  
MAYBANK MALAYSIA GROWTH FUND  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

We, Dato' Idris Bin Kechot 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 as at 30 June 2021 and of its results, changes in equity and cash flows for the financial year ended 30 June 2021 and comply with the requirements of the Deeds.

**Dato' Idris Bin Kechot**  
Chairman

**Ahmad Najib Bin Nazlan**  
Director

Kuala Lumpur, Malaysia  
11 August 2021

## **Independent auditors' report to the Unitholders of Maybank Malaysia Growth Fund**

### **Report on the audit of the financial statements**

#### *Opinion*

We have audited the financial statements of Maybank Malaysia Growth Fund (the "Fund"), which comprise the statement of financial position as at 30 June 2021 of the Fund, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Fund for the financial year ended 30 June 2021, 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 2021, and of its financial performance and cash flows for the financial year ended 30 June 2021 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**

### *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**

### *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**

**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  
03013/10/2022 J  
Chartered Accountant

Kuala Lumpur, Malaysia  
11 August 2021

**MAYBANK MALAYSIA GROWTH FUND****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	<b>Note</b>	<b>2021 RM</b>	<b>2020 RM</b>
<b>INCOME</b>			
Dividend income		1,370,297	1,821,728
Interest income		65,136	179,453
Net gain/(loss) on fair value through profit or loss ("FVTPL") investments:			
- Realised gain/(loss)		3,914,664	(3,904,244)
- Unrealised gain/(loss)		4,161,469	(3,008,492)
Net loss on foreign exchange	3	<u>(72,809)</u>	<u>(18,644)</u>
		<u>9,438,757</u>	<u>(4,930,199)</u>
<b>EXPENSES</b>			
Manager's fee	4	791,831	801,803
Trustee's fee	5	27,115	27,371
Auditors' remuneration		10,000	2,400
Tax agent's fee		5,777	7,588
Brokerage and other transaction fees		131,729	157,140
Administrative expenses		<u>92,523</u>	<u>62,350</u>
		<u>1,058,975</u>	<u>1,058,652</u>
<b>NET INCOME/(LOSS) BEFORE TAXATION</b>		8,379,782	(5,988,851)
<b>TAXATION</b>	6	<u>(15,619)</u>	<u>(29,391)</u>
<b>NET INCOME/(LOSS) AFTER TAXATION</b>			
<b>REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>		<u>8,364,163</u>	<u>(6,018,242)</u>
Total comprehensive income/(loss) for the year is made up of the following:			
Net realised gain/(loss)		4,239,627	(3,027,206)
Net unrealised gain/(loss)		<u>4,124,536</u>	<u>(2,991,036)</u>
		<u>8,364,163</u>	<u>(6,018,242)</u>

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

**MAYBANK MALAYSIA GROWTH FUND**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2021**

	Note	2021 RM	2020 RM
<b>ASSETS</b>			
Financial assets at FVTPL	7	44,978,359	41,113,651
Deposit with a licensed financial institution	8	4,394,000	7,529,000
Amount due from Manager	9	469	188
Interest receivable		199	402
Dividend receivable		67,274	55,032
Cash at bank	10	1,105,310	913,726
<b>TOTAL ASSETS</b>		<u>50,545,611</u>	<u>49,611,999</u>
<b>LIABILITIES</b>			
Amount due to Manager	9	71,274	113,924
Amount due to Trustee	11	2,174	2,126
Other payables and accruals		51,535	102,550
<b>TOTAL LIABILITIES</b>		<u>124,983</u>	<u>218,600</u>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<u><b>50,420,628</b></u>	<u><b>49,393,399</b></u>
<b>EQUITY</b>			
Unitholders' capital	12(a)	47,372,589	54,709,523
Retained earnings/(accumulated losses)	12(b) & (c)	3,048,039	(5,316,124)
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u><b>50,420,628</b></u>	<u><b>49,393,399</b></u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	12(a)	<u><b>65,410,978</b></u>	<u><b>75,087,130</b></u>
<b>NAV PER UNIT</b>		<u><b>0.7708</b></u>	<u><b>0.6578</b></u>

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

**MAYBANK MALAYSIA GROWTH FUND**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	<b>Unitholders' capital Note 12 (a) RM</b>	<b>Retained earnings/ (accumulated losses) Notes 12 (b) &amp; 12 (c) RM</b>	<b>Total equity RM</b>
<b>At 1 July 2020</b>	54,709,523	(5,316,124)	49,393,399
Total comprehensive income for the financial year	-	8,364,163	8,364,163
Creation of units	281,247	-	281,247
Cancellation of units	(7,618,181)	-	(7,618,181)
<b>At 30 June 2021</b>	<u>47,372,589</u>	<u>3,048,039</u>	<u>50,420,628</u>
<b>At 1 July 2019</b>	60,426,565	702,118	61,128,683
Total comprehensive loss 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)
<b>At 30 June 2020</b>	<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****STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	<b>2021</b>	<b>2020</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Net proceeds from sale of investments	32,314,622	38,429,205
Net payments for purchase of investments	(28,276,948)	(32,502,564)
Net dividend received	1,341,693	1,806,225
Interest received	65,339	181,313
Manager's fee paid	(790,095)	(815,016)
Trustee's fee paid	(27,067)	(27,720)
Payment for other fees and expenses	(152,636)	(73,552)
Net cash generated from operating and investing activities	<u>4,474,908</u>	<u>6,997,891</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	280,966	214,101
Payments for cancellation of units	(7,662,569)	(5,999,789)
Net cash used in financing activities	<u>(7,381,603)</u>	<u>(5,785,688)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		
	(2,906,695)	1,212,203
Effects on foreign exchange	(36,721)	20,964
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<u>8,442,726</u>	<u>7,209,559</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<u>5,499,310</u>	<u>8,442,726</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash at bank	1,105,310	913,726
Deposit with a licensed financial institution with original maturity of less than 3 months (Note 8)	4,394,000	7,529,000
	<u>5,499,310</u>	<u>8,442,726</u>

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

## **MAYBANK MALAYSIA GROWTH FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

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

Maybank Malaysia Growth 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 11 August 2021.

## MAYBANK MALAYSIA GROWTH 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") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), the Deeds and any other 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 Notes 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
Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: <i>Interest Rate Benchmark Reform Phase 2</i>	1 January 2021
Amendment to MFRS 16: <i>Covid-19-Related Rent Concessions beyond 30 June 2021</i>	1 April 2021
Amendments to MFRS 3: <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116: <i>Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137: <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Annual Improvements to MFRS Standards 2018-2020 Cycle	1 January 2022
MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
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.

## MAYBANK MALAYSIA GROWTH FUND

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

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

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

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.



## MAYBANK MALAYSIA GROWTH FUND

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

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

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

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.

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.

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

Changes in the fair value of FVTPL investments are recognised in 'unrealised 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.

##### (iii) Impairment

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

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

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

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

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

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

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

## **MAYBANK MALAYSIA GROWTH FUND**

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

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

##### **(iv) Derecognition**

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

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

### 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**

### **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.

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 tax rate based upon the taxable profit earned during the financial year.

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

#### **2.11 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Fund.

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

## **MAYBANK MALAYSIA GROWTH 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

### 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

	2021 RM	2020 RM
Realised foreign exchange loss	(35,876)	(36,100)
Unrealised foreign exchange (loss)/gain	(36,933)	17,456
	<u>(72,809)</u>	<u>(18,644)</u>

### 4. MANAGER'S FEE

The Manager's fee is computed daily based on 1.50% (2020: 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.	
	2021	2020
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

### 6. TAXATION

Income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 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 income/(loss) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	2021 RM	2020 RM
Net income/(loss) before taxation	8,379,782	(5,988,851)
Taxation at Malaysian statutory rate of 24% (2020: 24%)	2,011,148	(1,437,324)
Income not subject to tax	(2,282,776)	(480,283)
Loss not deductible for tax purposes	17,474	1,663,531
Income tax at source	15,619	29,391
Expenses not deductible for tax purposes	254,154	254,076
Tax expense for the financial year	15,619	29,391

### 7. FINANCIAL ASSETS AT FVTPL

	Note	2021 RM	2020 RM
Quoted equities - local	(a)	42,452,634	38,676,790
Quoted equities - foreign	(b)	2,525,725	2,436,861
		44,978,359	41,113,651

#### 2021

(a) Quoted equities - local	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>Construction</b>				
Econpile Holdings Bhd	2,417,700	1,326,232	991,257	1.97
Gamuda Bhd	286,611	910,063	897,092	1.78
	2,704,311	2,236,295	1,888,349	3.75

## MAYBANK MALAYSIA GROWTH FUND

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

2021 (cont'd)

(a) Quoted equities - local	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>Consumer Products &amp; Services</b>				
Fraser & Neave Holdings Bhd	29,000	990,929	765,600	1.52
Genting Malaysia Bhd	485,600	1,624,806	1,345,112	2.67
	514,600	2,615,735	2,110,712	4.19
<b>Energy</b>				
Dayang Enterprise Holdings Bhd	591,900	824,221	775,389	1.54
Dialog Group Bhd	471,400	1,645,188	1,362,346	2.70
	1,063,300	2,469,409	2,137,735	4.24
<b>Finance</b>				
CIMB Group Holdings Bhd	503,886	2,466,655	2,322,914	4.61
Hong Leong Bank Bhd	113,000	2,071,855	2,115,360	4.20
Hong Leong Financial Group Bhd	26,600	489,440	473,480	0.94
Malayan Banking Bhd **	261,791	2,131,169	2,123,125	4.21
Public Bank Bhd	439,000	1,754,444	1,804,290	3.58
RHB Bank Bhd	296,800	1,627,023	1,602,720	3.18
	1,641,077	10,540,586	10,441,889	20.71
<b>Industrial Product and Services</b>				
Ann Joo Resources Bhd	168,600	395,940	323,712	0.64
ATA IMS Bhd	302,200	528,442	740,390	1.47
Cahaya Mata Sarawak Bhd	408,200	797,518	465,348	0.92
Dufu Technology Corp Bhd	320,300	1,050,033	1,454,162	2.88
Hiap Teck Venture Bhd	792,200	399,506	404,022	0.80
Press Metal Aluminium Holdings Bhd	124,600	317,428	595,588	1.18
Sam Engineering & Equipment Bhd	14,400	102,365	102,384	0.20
Scientex Bhd	92,500	383,452	386,650	0.77
SKP Resources Bhd	274,625	508,474	447,639	0.89
SKP Resources Bhd - Warrant	43,940	-	7,470	0.01
Sunway Bhd	529,100	871,550	920,634	1.83
Sunway Bhd - Preference Shares	105,820	105,820	144,973	0.29
Thong Guan Industries Bhd	64,100	125,053	164,737	0.33
VS Industry Bhd	624,800	388,026	862,224	1.71
VS Industry Bhd - Warrant	124,960	-	33,114	0.07
	3,990,345	5,973,607	7,053,047	13.99



**MAYBANK MALAYSIA GROWTH FUND**

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

2021 (cont'd)

(a) Quoted equities - local	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>Plantation</b>				
Kuala Lumpur Kepong Bhd	34,493	792,072	702,277	1.39
Sarawak Oil Palms Bhd	165,600	626,533	571,320	1.13
Sime Darby Plantations Bhd	111,777	571,054	444,872	0.88
TSH Resources Bhd	452,300	496,114	461,346	0.91
	764,170	2,485,773	2,179,815	4.32
<b>REIT's</b>				
AXIS REIT	632,488	1,150,273	1,208,052	2.40
IGB REIT	651,500	1,164,889	1,114,065	2.21
	1,283,988	2,315,162	2,322,117	4.61
<b>Technology</b>				
Frontken Corporation Bhd	200,250	262,419	574,718	1.14
Frontken Corporation Bhd - Warrant	66,750	-	18,690	0.04
Globetronics Technology Bhd	371,600	870,725	854,680	1.70
Inari Amerton Bhd	539,900	964,825	1,711,483	3.39
Malaysian Pacific Industries Bhd	37,800	426,130	1,466,640	2.91
Pentamaster Corporation Bhd	146,100	433,334	676,443	1.34
Unisem (M) Bhd	154,100	847,550	1,131,094	2.24
Vitrox Corporation Bhd	93,900	860,268	1,374,696	2.73
	1,610,400	4,665,251	7,808,444	15.49
<b>Telecommunications and Media</b>				
Axiata Group Bhd	281,400	1,071,620	1,052,436	2.09
Telekom Malaysia Bhd	193,900	1,040,408	1,176,973	2.33
Time dotCom Bhd	86,600	350,476	1,217,596	2.41
	561,900	2,462,504	3,447,005	6.84
<b>Transportation and Logistics</b>				
Lingkar Trans Kota Holdings Bhd	174,100	753,465	644,170	1.28
MISC Bhd	71,800	479,087	486,804	0.97
	245,900	1,232,552	1,130,974	2.24

**MAYBANK MALAYSIA GROWTH FUND**

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

2021 (cont'd)

	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - local</b>				
<b>Utilities</b>				
Tenaga Nasional Bhd	197,400	2,342,811	1,932,547	3.83
<b>Total quoted equities - local</b>	<b>14,577,391</b>	<b>39,339,685</b>	<b>42,452,634</b>	<b>84.20</b>
<b>(b) Quoted equities - foreign</b>				
<b>Singapore</b>				
Ascendas REIT	147,718	1,346,256	1,344,388	2.67
AEM Holdings Ltd	74,900	808,321	885,013	1.76
Venture Corporation Ltd	5,000	236,012	296,324	0.59
	<u>227,618</u>	<u>2,390,589</u>	<u>2,525,725</u>	<u>5.01</u>
Total quoted equities	<u>14,805,009</u>	<u>41,730,274</u>	<u>44,978,359</u>	<u>89.21</u>
<b>Unrealised gain on quoted equities *</b>			<u>3,248,085</u>	

2020

**(a) Quoted equities - local**

**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>

**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
	<u>1,014,400</u>	<u>4,870,210</u>	<u>4,186,945</u>	<u>8.48</u>

## MAYBANK MALAYSIA GROWTH 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 %
<b>Energy</b>				
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
<b>Finance</b>				
CIMB Group Holdings Bhd	323,329	1,695,740	1,151,051	2.33
Hong 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
<b>Healthcare</b>				
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
<b>Industrial Product and Services</b>				
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
<b>Plantation</b>				
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

**MAYBANK MALAYSIA GROWTH 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 %
<b>REIT's</b>				
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
	<u>994,600</u>	<u>2,404,433</u>	<u>2,587,676</u>	<u>5.24</u>
<b>Technology</b>				
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
	<u>1,375,100</u>	<u>4,396,901</u>	<u>4,518,777</u>	<u>9.15</u>
<b>Telecommunications and Media</b>				
Telekom Malaysia Bhd	247,800	807,372	1,028,370	2.08
Time dotCom Bhd	120,500	487,672	1,311,040	2.65
	<u>368,300</u>	<u>1,295,044</u>	<u>2,339,410</u>	<u>4.74</u>
<b>Transportation and Logistics</b>				
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
	<u>665,500</u>	<u>3,091,886</u>	<u>2,902,660</u>	<u>5.88</u>
<b>Utilities</b>				
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>
<b>Total quoted equities - local</b>	<u>11,039,003</u>	<u>39,728,670</u>	<u>38,676,790</u>	<u>78.32</u>

**MAYBANK MALAYSIA GROWTH FUND**

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

2020 (cont'd)

<b>(b) Quoted equities - foreign</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>Singapore</b>				
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>
<b>Total quoted equities - foreign</b>	<u>367,511</u>	<u>2,308,977</u>	<u>2,436,861</u>	<u>4.93</u>
<b>Total quoted equities</b>	<u><b>11,406,514</b></u>	<u><b>42,037,647</b></u>	<u><b>41,113,651</b></u>	<u><b>83.25</b></u>
<b>Unrealised loss on quoted equities *</b>			<u><b>(923,996)</b></u>	

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

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

## MAYBANK MALAYSIA GROWTH FUND

### 8. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	2021 RM	2020 RM
Short-term placement with maturity of less than 3 months	4,394,000	7,529,000

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

	2021		2020	
	WAEIR % p.a.	Average maturity Days	WAEIR % p.a.	Average maturity Days
Deposit with a licensed financial institution	1.65	1	1.95	1

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

	Note	2021 RM	2020 RM
Amount due from Manager is in respect of:			
Subscription of units	(i)	469	188
Amount due to Manager is in respect of:			
Cancellation of units	(ii)	8,255	52,641
Manager's fee	(iii)	63,019	61,283
		<u>71,274</u>	<u>113,924</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 (2020: 15 days).

## MAYBANK MALAYSIA GROWTH FUND

### 10. CASH AT BANK

	2021 RM	2020 RM
RM	9,025	2,177
United States Dollar ("USD")	1,047,280	893,375
Singapore Dollar ("SGD")	49,005	18,174
	<u>1,105,310</u>	<u>895,552</u>

### 11. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable to the Trustee arising from the accruals for Trustee's fee at the end of the financial year, The normal credit term for Trustee's fee is 15 days (2020: 15 days).

### 12. TOTAL EQUITY

	Note	2021 RM	2020 RM
Unitholders' capital	12 (a)	47,372,589	54,709,523
Accumulated realised loss	12 (b)	(182,481)	(4,422,108)
Accumulated unrealised gain/(loss)	12 (c)	3,230,520	(894,016)
		<u>50,420,628</u>	<u>49,393,399</u>

#### (a) Unitholders' capital

	2021		2020	
	Units	RM	Units	RM
As at beginning of the financial year	75,087,130	54,709,523	83,309,906	60,426,565
Creation of units	380,720	281,247	312,705	214,289
Cancellation of units	(10,056,872)	(7,618,181)	(8,535,481)	(5,931,331)
As at end of the financial year	<u>65,410,978</u>	<u>47,372,589</u>	<u>75,087,130</u>	<u>54,709,523</u>

As of end of the financial year, there were no units held by the Manager or parties related to the Manager (2020: Nil).

#### (b) Accumulated realised loss

	2021 RM	2020 RM
At beginning of the financial year	(4,422,108)	(1,394,902)
Net realised income/(loss) for the financial year	4,239,627	(3,027,206)
At end of the financial year	<u>(182,481)</u>	<u>(4,422,108)</u>

## MAYBANK MALAYSIA GROWTH FUND

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

#### (c) Accumulated unrealised gain

	2021 RM	2020 RM
At beginning of the financial year	(894,016)	2,097,020
Net unrealised gain/(loss) for the financial year	4,124,536	(2,991,036)
At end of the financial year	<u>3,230,520</u>	<u>(894,016)</u>

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

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

2021	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of brokerage fees %
Alliance Investment Bank Bhd	25,760,345	26.12	25,955	17.05
MIDF Amanah investment Bank Bhd	11,486,937	11.65	11,623	7.63
Hong Leong Investment Bank Bhd	11,407,305	11.57	21,753	14.29
UOB Kay Hian Securities (M) Sdn. Bhd.	10,234,868	10.38	20,470	13.44
TA Securities Holdings Bhd	10,154,822	10.30	10,155	6.67
CIMB Investment Bank Bhd	8,906,548	9.03	19,592	12.87
Affin Hwang Investment Bank Bhd	8,395,246	8.51	16,790	11.03
Public Bank Investment Bank Bhd	4,917,796	4.99	9,836	6.46
Kenanga Investment Bank Bhd	3,426,195	3.47	8,372	5.50
Maybank Investment Bank Bhd ("MIBB")*	2,300,943	2.33	4,810	3.16
Others	1,618,404	1.65	2,905	1.90
	<u>98,609,409</u>	<u>100.00</u>	<u>152,261</u>	<u>100.00</u>



## MAYBANK MALAYSIA GROWTH FUND

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

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>

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

	2021	2020		
	Value of placements RM	Percentage of total placements %	Value of placements RM	Percentage of total placements %
MBB **	814,486,000	87.72	1,620,372,000	100.00
MIB ***	114,056,000	12.28	-	-
	<u>928,542,000</u>	<u>100.00</u>	<u>1,620,372,000</u>	<u>100.00</u>

\* 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.

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

### 14. 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

### 14. 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.

	2021 RM	2020 RM
(a) Significant related party transactions		
MBB:		
Interest income from deposits	57,395	178,641
Dividend income	131,854	195,272
	<hr/>	<hr/>
	2021 RM	2020 RM
(b) Significant related party balances		
MBB:		
Deposit with a licensed financial institution	4,394,000	7,529,000
Interest income receivable	199	402
	<hr/>	<hr/>

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

### 15. 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 2021, the MER of the Fund stood at 1.81% (2020: 1.69%).

### 16. 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 2021, the PTR of the Fund stood at 0.52 times (2020: 0.66 times).

### 17. 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

### 17. 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.

2021	Financial assets or liabilities at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>Assets</b>				
Investments at FVTPL	44,978,359	-	-	44,978,359
Deposit with a licensed financial institution	-	4,394,000	-	4,394,000
Dividend receivable	-	67,274	-	67,274
Interest receivable	-	199	-	199
Amount due from Manager	-	469	-	469
Cash at bank	-	1,105,310	-	1,105,310
<b>Total financial assets</b>	<b>44,978,359</b>	<b>5,567,252</b>	<b>-</b>	<b>50,545,611</b>
<b>Liabilities</b>				
Amount due to Manager	-	-	71,274	71,274
Amount due to Trustee	-	-	2,174	2,174
Other payables and accruals	-	-	51,535	51,535
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>124,983</b>	<b>124,983</b>
<b>2020</b>				
<b>Assets</b>				
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 Manager	-	188	-	188
Cash at bank	-	913,726	-	913,726
<b>Total financial assets</b>	<b>41,113,651</b>	<b>8,498,348</b>	<b>-</b>	<b>49,611,999</b>

## MAYBANK MALAYSIA GROWTH FUND

### 17. FINANCIAL INSTRUMENTS (CONT'D)

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

2020	Financial assets or liabilities at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
<b>Liabilities</b>				
Amount due to Manager	-	-	113,924	113,924
Amount due to Trustee	-	-	2,126	2,126
Other payables and accruals	-	-	102,550	102,550
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>218,600</b>	<b>218,600</b>

#### (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 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

### 17. 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
<b>2021</b>				
Investments at FVTPL	44,978,359	-	-	44,978,359
<b>2020</b>				
Investments at FVTPL	41,113,651	-	-	41,113,651

#### (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.

### 18. 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

### 19. 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:

	2021		2020	
	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	2,248,918	+ 5	2,055,683
	- 5	(2,248,918)	- 5	(2,055,683)

##### 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 7 to the financial statements.

## MAYBANK MALAYSIA GROWTH FUND

### 19. 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.

	<b>SGD</b>	<b>TOTAL</b>
	<b>RM</b>	<b>RM</b>
<b>2021</b>		
<b>Financial assets</b>		
Financial assets at FVTPL	<u>2,525,725</u>	<u>2,525,725</u>
<b>Total financial assets</b>	<u>2,525,725</u>	<u>2,525,725</u>
<b>Net on-balance sheet open position</b>	<u>2,525,725</u>	<u>2,525,725</u>
<b>2020</b>		
<b>Financial assets</b>		
Financial assets at FVTPL	<u>2,436,861</u>	<u>2,436,861</u>
<b>Total financial assets</b>	<u>2,436,861</u>	<u>2,436,861</u>
<b>Net on-balance sheet open position</b>	<u>2,436,861</u>	<u>2,436,861</u>

As at 30 June 2021, the Fund's net open position to USD and SGD are solely from the Fund's current account denominated in USD and SGD as disclosed in Note 10 to the financial statements. As the Fund's exposure to USD is insignificant, the sensitivity analysis is not disclosed.

## MAYBANK MALAYSIA GROWTH FUND

### 19. 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.

	2021		2020	
	Change in exchange rates %	Effects on NAV increase/ (decrease) RM	Change in exchange rates %	Effects on NAV increase/ (decrease) RM
SGD/RM	+5%	126,286	+5%	121,843
	-5%	(126,286)	-5%	(121,843)

#### (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

### 19. 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.

<b>2021</b>	<b>Less than 1 month RM</b>	<b>Total RM</b>
<b>Financial assets:</b>		
Financial assets at FVTPL	44,978,359	44,978,359
Deposit with a licensed financial institution	4,394,000	4,394,000
Amount due from Manager	469	469
Interest receivable	199	199
Dividend receivables	67,274	67,274
Cash at bank	1,105,310	1,105,310
Total undiscounted financial assets	<u>50,545,611</u>	<u>50,545,611</u>
<b>Financial liabilities:</b>		
Amount due to Manager	71,274	71,274
Amount due to Trustee	2,174	2,174
Other payables and accruals	51,535	51,535
Unitholders' equity	50,420,628	50,420,628
Total undiscounted financial and unitholders' equity	<u>50,545,611</u>	<u>50,545,611</u>
<b>Liquidity surplus</b>	<u>-</u>	<u>-</u>

## MAYBANK MALAYSIA GROWTH FUND

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

#### (c) Liquidity risk (cont'd)

2020	Less than 1 month RM	Total RM
<b>Financial assets:</b>		
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 Manager	188	188
Cash at bank	913,726	913,726
Total undiscounted financial assets	<u>49,611,999</u>	<u>49,611,999</u>
<b>Financial liabilities:</b>		
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>
<b>Liquidity surplus</b>	<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.

**19. 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

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

#### (d) Credit risk (cont'd)

Financial assets	2021		2020	
	RM	As a percentage of NAV %	RM	As a percentage of NAV %
AAA	5,499,509	10.91	8,443,128	17.09

### 20. CAPITAL MANAGEMENT

The capital of the Fund can vary depending on the demand for redemptions and subscriptions to the Fund. The Fund's objectives for managing capital are:

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

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