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MAYBANK MALAYSIA VALUE FUND

Annual report
For the financial year ended 31 August 2021

CORPORATE INFORMATION

MANAGER

Maybank Asset Management Sdn Bhd (199701006283) (421779-M)

Level 12 Tower C

Dataran Maybank

59000 Kuala Lumpur, Malaysia

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TRUSTEE

HSBC (Malaysia) Trustee Berhad (193701000084) (001281T)

13th Floor, HSBC South Tower

No. 2, Leboh Ampang

50100, Kuala Lumpur, Malaysia

MAYBANK MALAYSIA VALUE FUND

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MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021

A. Fund Information

1. Name of the Fund

Maybank Malaysia Value Fund ("the Fund")

2. Type of Fund

Growth

3. Category of Fund

Equity

4. Classes of Units

Classes of units	Currency Denomination	Categories of Investors	Distribution Policy
Class A-MYR	RM (Ringgit Malaysia)	Retail	Distribution of income
Class C-MYR	RM (Ringgit Malaysia)	Institutional	Distribution of income
Class B-USD	USD (United States Dollar)	Retail	Accumulation of units
Class C-USD	USD (United States Dollar)	Institutional	Distribution of income

5. Duration of the Fund

The Fund is an open-ended fund.

6. Launch date / commencement date / termination date

Classes of units	Launch date	Commencement date
Class A-MYR	7 January 2003	28 January 2003
Class C-MYR	21 August 2013	11 September 2013
Class B-USD	21 August 2013	11 September 2013
Class C-USD	21 August 2013	11 September 2013

7. Fund's investment objective

The Fund seeks to provide investors with capital growth through investments in securities that are trading at a discount to their intrinsic values, while minimising the risk in the medium to long term.

8. Fund distribution policy

It is not the main objective of the Fund to distribute income as the main focus of the Fund is to secure capital growth in line with the performance of the Fund's benchmark.

- For Classes with distribution of income policy, income distribution (if any) is declared at the end of the financial year of the Fund or for any other specified period at the Manager's discretion, subject to Trustee's approval. Upon declaring the income distribution, the NAV per unit will reduce accordingly.
- For Classes with accumulation of units policy, no income distribution will be made. However, the value of the unitholders' investment may increase/decrease as reflected in the increase/decrease in the NAV per unit.

Distribution will be made from realised income and realised gains of the Fund.

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

A. Fund Information (cont'd)

9. Fund's performance benchmark

FTSE Bursa Malaysia Kuala Lumpur Composite Index ("FBM KLCI")

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

The principal activity of the Fund is to invest between 70% to 98% of the Fund's NAV in equities, and between 2% to 30% of the Fund's assets in cash or fixed income instruments (or a combination of both).

The Fund may also invest up to 25% of its NAV in Asia Pacific markets. The Fund may also invest in stocks that derive the majority of their revenue from the Asia Pacific markets.

11. Net income distribution for the financial year ended 31 August 2021

The Fund distributed a net income of RM1,836,247 from Class A-MYR and RM4,621,849 from Class C-MYR during the financial year ended 31 August 2021.

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

Entitlement date	Before distribution	After distribution	Gross/net distribution (sen)	Changes %
Class A-MYR				
26 August 2021	0.3316	0.3231	0.85	2.63
Class C-MYR				
26 August 2021	0.3790	0.3695	0.95	2.57

12. Breakdown of unitholdings by size

Fund size

As at 31 August 2021, the size of the Fund was 720,246,058 units.

Units in circulation by Class of Units (units)	2021 Units	2020 Units
Class A-MYR	221,202,507	455,160,826
Class C-MYR	499,018,782	486,510,396
Class B-USD	4,269	4,269
Class C-USD	20,500	20,500
Total	720,246,058	941,695,991

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

A. Fund Information (cont'd)

12. Breakdown of unitholdings by size (cont'd)

Breakdown of unitholdings by Class of Units as at 31 August 2021

Class A-MYR

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	415	16.05	1,230	0.56
5,001 to 10,000 units	292	11.29	2,210	1.00
10,001 to 50,000 units	982	37.97	26,939	12.18
50,001 to 500,000 units	854	33.02	117,858	53.28
500,001 units and above	43	1.66	72,966	32.99
Total	2,586	100.00	** 221,203	100.00

** Comprise units held under Institutional Unit Trust Scheme Advisers ("IUTA")

Class C-MYR

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	-	-	-	-
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	-	-	-	-
500,001 units and above	4	100.00	499,019	100.00
Total	4	100.00	499,019	100.00

Class B-USD

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	100.00	4	100.00
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	-	-	-	-
50,001 to 500,000 units	-	-	-	-
500,001 units and above	-	-	-	-
Total	1	100.00	4	100.00

Class C-USD

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	-	-	-	-
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	1	100.00	* 21	100.00
50,001 to 500,000 units	-	-	-	-
500,001 units and above	-	-	-	-
Total	1	100.00	21	100.00

* Comprise of 20,500 units held by the Manager

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

B. Performance Review

1. Key performance data of the Fund

Category	FY 2021	FY 2020	FY 2019
Portfolio composition			
Quoted equities - local			
- Construction	2.46	3.95	5.90
- Consumer Products	6.46	6.34	12.04
- Energy	0.91	3.23	6.23
- Finance	18.90	8.48	13.62
- Healthcare	8.57	4.08	4.48
- Industrial Products	2.06	14.02	6.42
- Plantation	2.06	4.17	-
- Properties	0.39	1.02	0.68
- Real Estate Investment Trusts ("REITs")	-	-	6.25
- Technology	13.66	16.12	5.26
- Telecommunications and Media	4.14	2.09	5.86
- Transport	4.34	2.10	2.14
- Utilities	4.45	6.72	5.57
Quoted equities - foreign			
- Hong Kong	4.22	-	1.02
- Singapore	16.21	11.77	10.22
Cash and other net assets	11.17	15.91	14.32
Total (%)	100.00	100.00	100.00
Class A-MYR			
NAV (RM'000)	71,475	132,233	162,472
Units in circulation (units'000)	221,203	455,161	572,569
NAV per unit (RM)	0.3231	0.2905	0.2838
Highest NAV per unit (RM)	0.3387	0.2949	0.3251
Lowest NAV per unit (RM)	0.3165	0.2053	0.2753
Net income distributed (RM'000)	1,836	-	12,885
Distribution date	26/8/2021	-	30/9/2018
Gross distribution per unit (sen)	0.85	-	2.00
Net distribution per unit (sen)	0.85	-	1.99
Annual return (%) ⁽¹⁾			
- Capital growth (%)	11.18	2.40	(12.41)
- Income distribution (%)	2.63	-	6.56
Total return (%)	14.11	2.40	(6.66)
Benchmark (%)	4.99	(5.39)	(11.40)

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

B. Performance Review (cont'd)

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

Category	FY 2021	FY 2020	FY 2019
Class C-MYR			
NAV (RM'000)	184,400	161,258	157,191
Units in circulation (units'000)	499,019	486,510	486,510
NAV per unit (RM)	0.3695	0.3315	0.3231
Highest NAV per unit (RM)	0.3869	0.3364	0.3721
Lowest NAV per unit (RM)	0.3616	0.2340	0.3132
Net income distributed (RM'000)	4,622	-	11,288
Distribution date	26/8/2021	-	30/9/2018
Gross distribution per unit (sen)	0.95	-	2.50
Net distribution per unit (sen)	0.95	-	2.49
Annual return (%) ⁽¹⁾			
- Capital growth (%)	11.46	2.60	(12.84)
- Income distribution (%)	2.57	-	7.20
Total return (%)	14.33	2.60	(6.56)
Benchmark (%)	4.99	(5.39)	(11.40)
Class B-USD			
NAV (RM)	15,462	13,550	13,237
Units in circulation (units)	4,269	4,269	4,269
NAV per unit (USD)	0.8721	0.7624	0.7377
Highest NAV per unit (USD)	0.8958	0.7754	0.8047
Lowest NAV per unit (USD)	0.8300	0.5086	0.7211
Annual return (%) ⁽¹⁾			
- Capital growth (%)	14.39	3.36	(8.50)
- Income distribution (%)	-	-	-
Total return (%)	14.39	3.36	(8.50)
Benchmark (%)	5.21	(4.48)	(13.43)

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

B. Performance Review (cont'd)

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

Category	FY 2021	FY 2020	FY 2019
Class C-USD			
NAV (RM)	80,550	70,440	68,667
Units in circulation (units)	20,500	20,500	20,500
NAV per unit (USD)	0.9462	0.8254	0.7970
Highest NAV per unit (USD)	0.9711	0.8383	0.8715
Lowest NAV per unit (USD)	0.9002	0.5501	0.7779
Annual return (%) ⁽¹⁾			
- Capital growth (%)	14.63	3.58	(8.71)
- Income distribution (%)	-	-	-
Total return (%)	14.63	3.58	(8.71)
Benchmark (%)	5.21	(4.48)	(13.43)
Management Expense Ratio ("MER") (%) ⁽²⁾	1.56	1.61	1.54
Portfolio Turnover Ratio ("PTR") (times) ⁽³⁾	0.82	1.04	0.80

Investors are reminded that past performance of the Fund is not necessarily indicative of its future performance and that unit prices and investment returns may fluctuate.

Notes:

- (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 decreased to 1.56% due to lower administrative expenses in the current financial year ended 31 August 2021.
- (3) The Fund's PTR decreased to 0.82 times which was mainly due to lower investing activities during the financial year ended 31 August 2021.

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

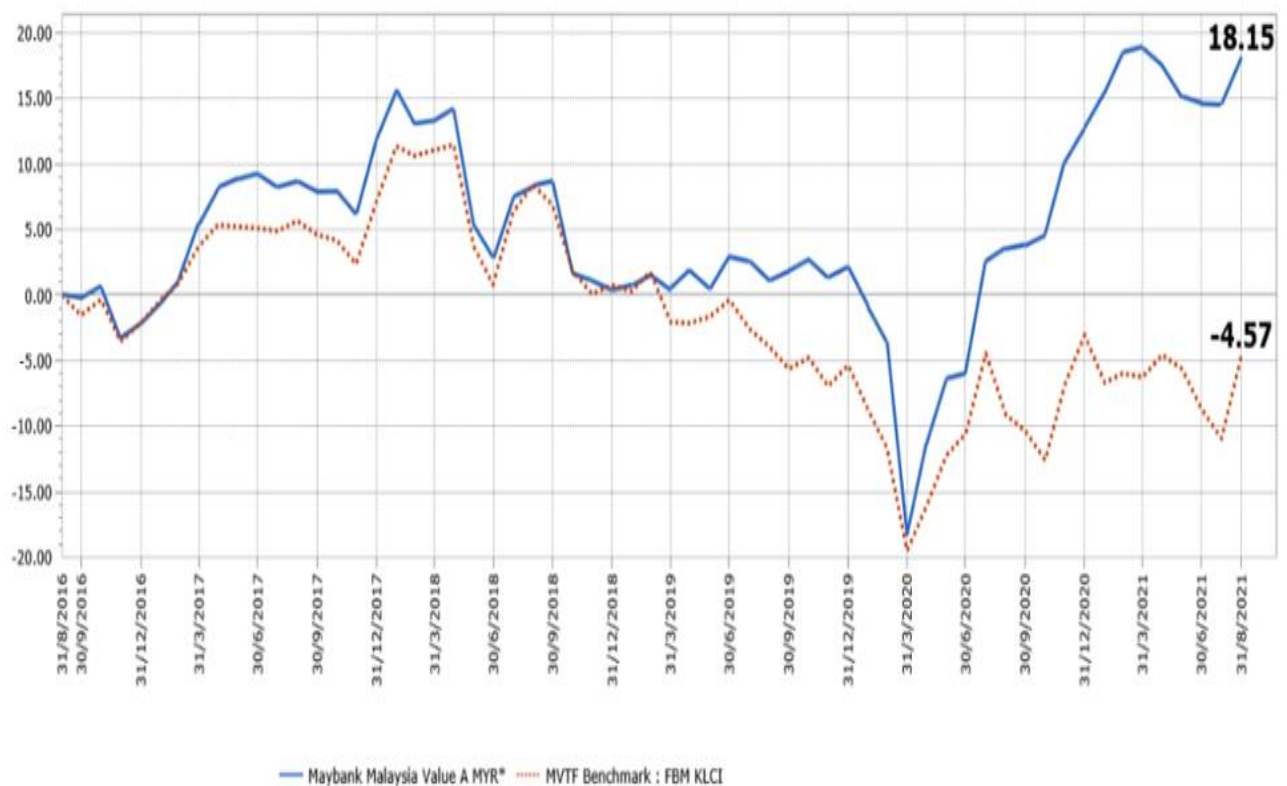
B. Performance Review (cont'd)

2. Performance of the Fund up to 31 August 2021

Class A-MYR

Category	1 year to 31.08.2021 %	3 years to 31.08.2021 %	5 years to 31.08.2021 %
Capital growth	11.18	(0.28)	(12.13)
Income distribution	2.63	9.36	34.46
Total return of the Class	14.11	9.06	18.15
Benchmark	4.99	(12.00)	(4.57)
Average total return	14.11	2.93	3.39

Performance of Class A-MYR up to 31 August 2021



Source: Lipper

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

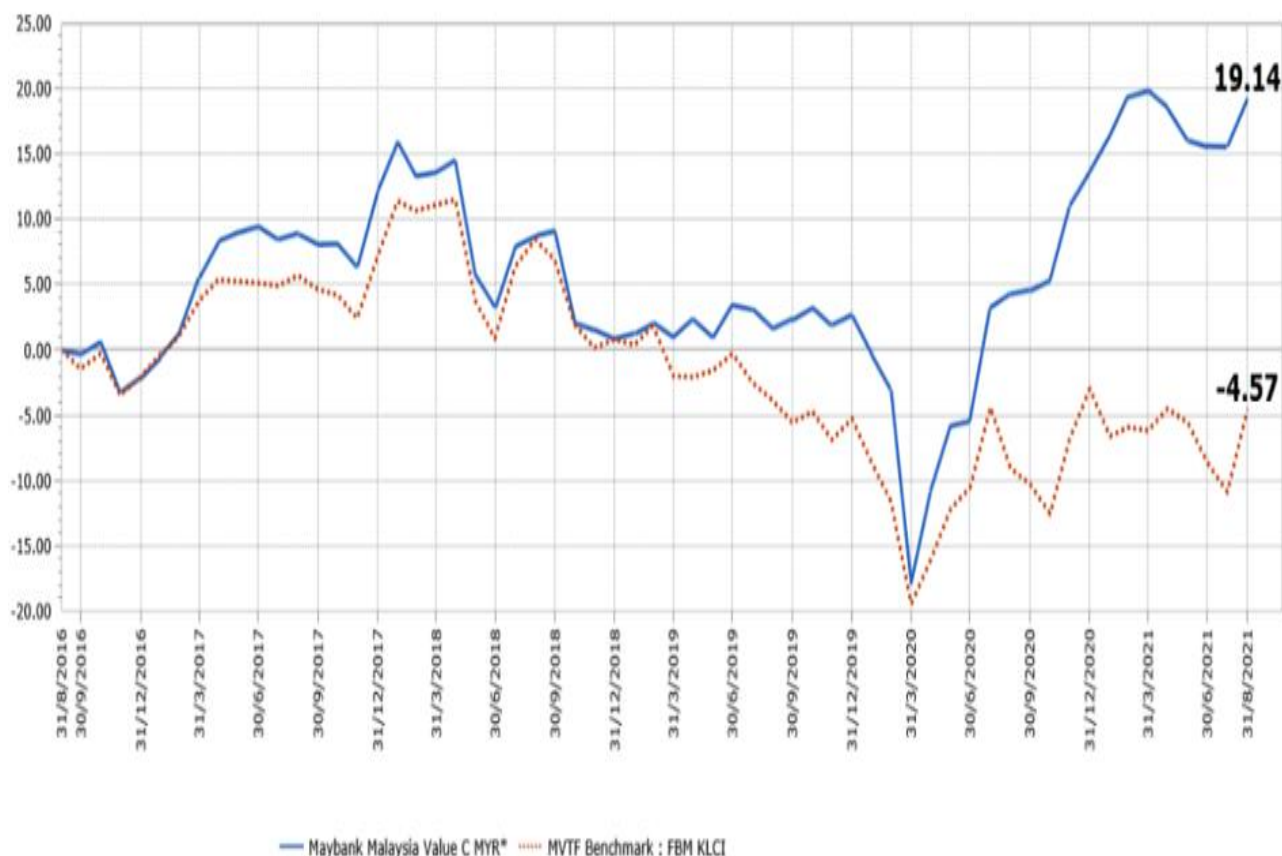
B. Performance Review (cont'd)

2. Performance of the Fund up to 31 August 2021 (cont'd)

Class C-MYR

Category	1 year to 31.08.2021 %	3 years to 31.08.2021 %	5 years to 31.08.2021 %
Capital growth	11.46	(0.32)	1.51
Income distribution	2.57	9.96	17.36
Total return of the Class	14.33	9.60	19.14
Benchmark	4.99	(12.00)	(4.57)
Average total return	14.33	3.10	3.56

Performance of Class C-MYR up to 31 August 2021



Source: Lipper

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

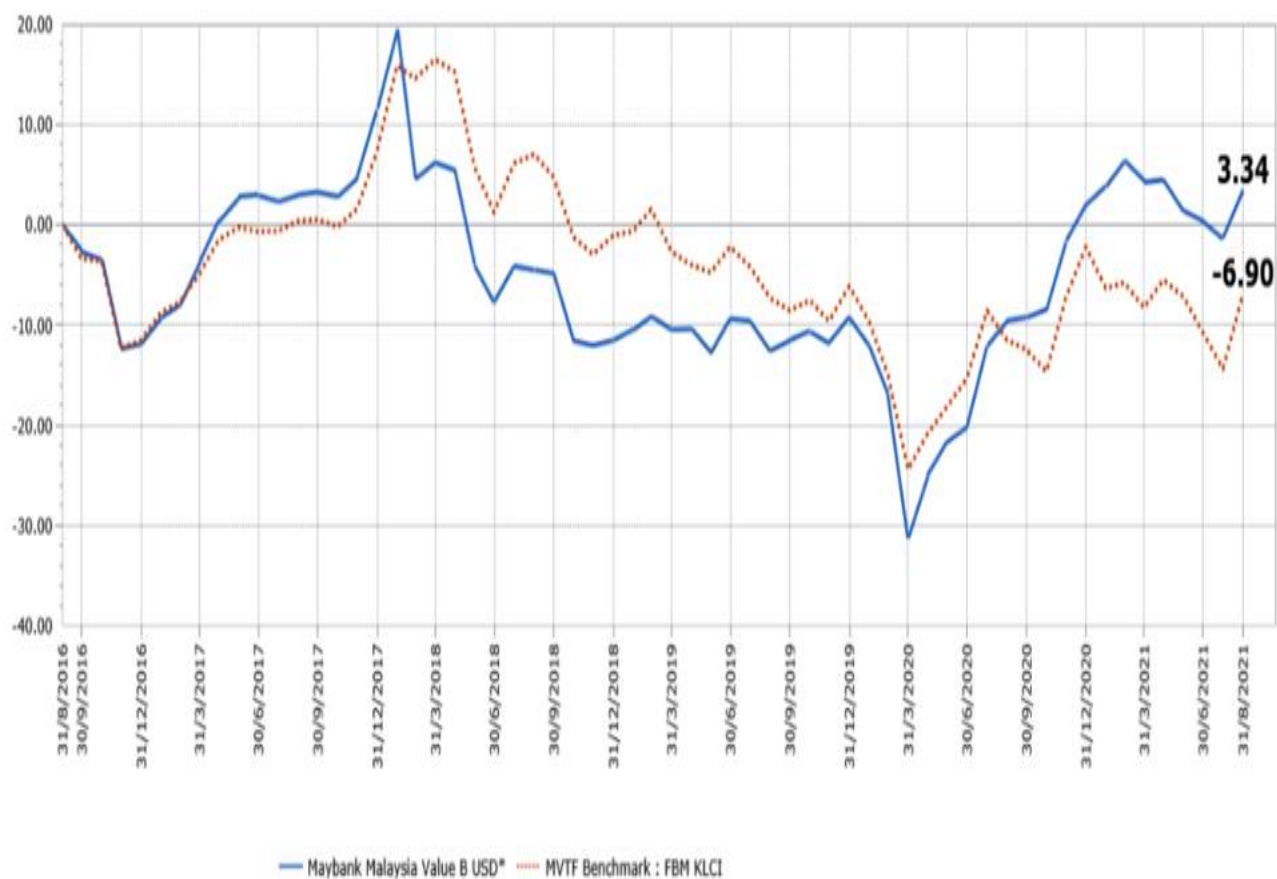
B. Performance Review (cont'd)

2. Performance of the Fund up to 31 August 2021 (cont'd)

Class B-USD

Category	1 year to 31.08.2021 %	3 years to 31.08.2021 %	5 years to 31.08.2021 %
Capital growth	14.39	8.19	3.34
Income distribution	-	-	-
Total return of the Class	14.39	8.19	3.34
Benchmark	5.21	(13.00)	(6.90)
Average total return	14.39	2.66	0.66

Performance of Class B-USD up to 31 August 2021



Source: Lipper

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

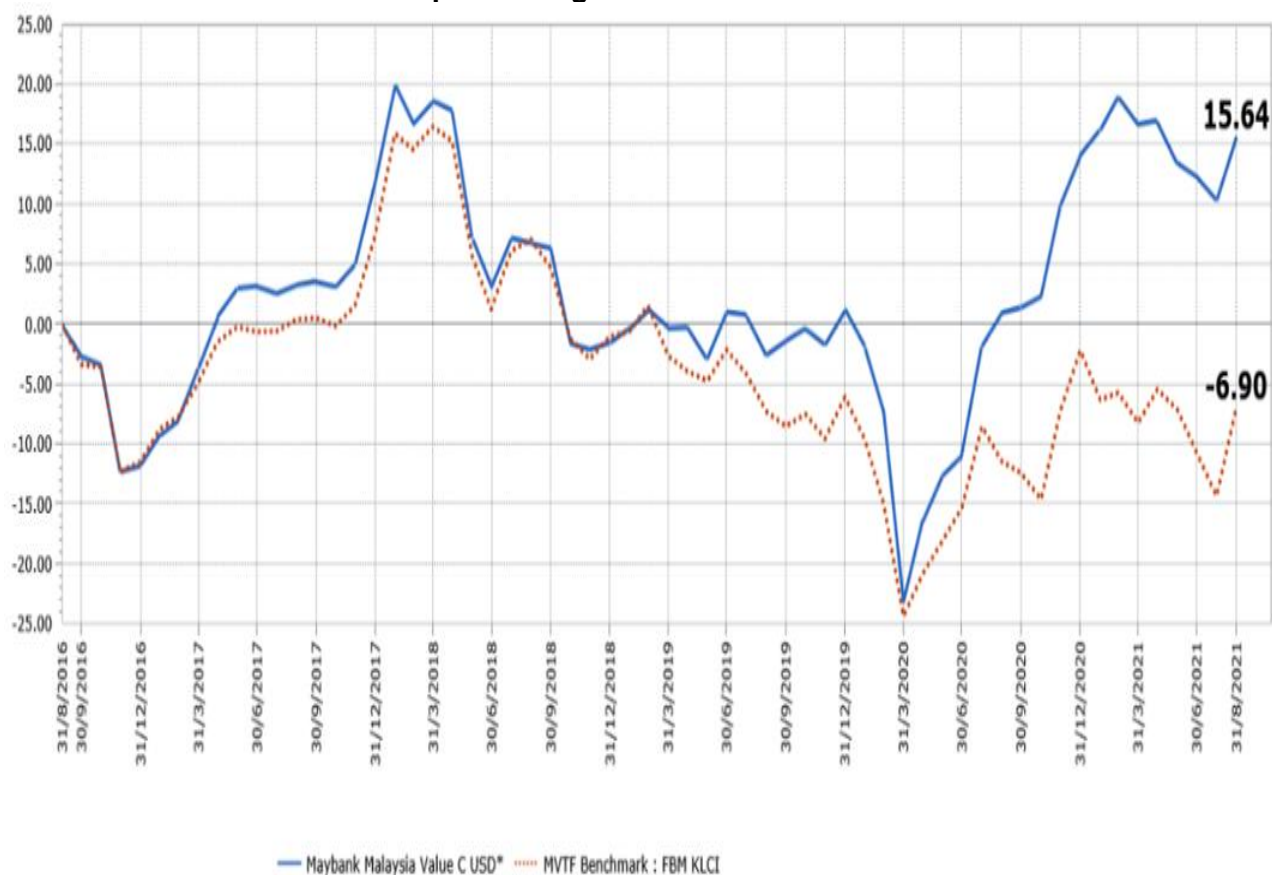
B. Performance Review (cont'd)

2. Performance of the Fund up to 31 August 2021 (cont'd)

Class C-USD

Category	1 year to 31.08.2021 %	3 years to 31.08.2021 %	5 years to 31.08.2021 %
Capital growth	14.63	8.40	12.96
Income distribution	-	-	2.37
Total return of the Class	14.63	8.40	15.64
Benchmark	5.21	(13.00)	(6.90)
Average total return	14.63	2.72	2.95

Performance of Class C-USD up to 31 August 2021



Source: Lipper

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund up to 31 August 2021 (cont'd)

For the twelve-month period under review, the Fund registered a total return of 14.11% (Class A-MYR), outperforming its benchmark which gain of 4.99%. The outperformance was mainly due to the Fund's strategy of overweighting the technology sector and better selection of names in the consumer staples (mid-size plantation companies). We are still 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.

Has the Fund met its objective?

The Fund seeks to provide investors with capital growth through investments in securities that are trading at discount to their intrinsic values, while minimising the risk in the medium to long term.

The Fund posted a gain of 14.11% for the period under review compared to its benchmark which posted a gain of 4.99%. Therefore, the fund has met its objective of achieving capital growth. The Fund also declared distributions for Class A-MYR and C-MYR during the period under review.

3. Annual total return of Class of Units

Class A-MYR

For the financial year ended	2021 %	2020 %	2019 %	2018 %	2017 %
Capital growth	11.18	2.40	(12.41)	(0.37)	(4.99)
Income distribution	2.63	-	6.56	-	14.95
Total return	14.11	2.40	(6.66)	(0.37)	9.96
Benchmark	4.99	(5.39)	(11.40)	2.62	4.05

Class C-MYR

For the financial year ended	2021 %	2020 %	2019 %	2018 %	2017 %
Capital growth	11.46	2.60	(12.84)	(0.16)	2.00
Income distribution	2.57	-	7.20	-	6.87
Total return	14.33	2.60	(6.56)	(0.16)	8.87
Benchmark	4.99	(5.39)	(11.40)	2.62	5.67

Class B-USD

For the financial year ended	2021 %	2020 %	2019 %	2018 %	2017 %
Capital growth	14.39	3.36	(8.50)	(7.24)	2.97
Income distribution	-	-	-	-	-
Total return	14.39	3.36	(8.50)	(7.24)	2.97
Benchmark	5.21	(4.48)	(13.43)	6.64	0.35

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

B. Performance Review (cont'd)

3. Annual total return of Class of Units (cont'd)

Class C-USD

For the financial year ended	2021 %	2020 %	2019 %	2018 %	2017 %
Capital growth	14.63	3.58	(8.71)	3.39	0.80
Income distribution	-	-	-	-	2.39
Total return	14.63	3.58	(8.71)	3.39	3.19
Benchmark	5.21	(4.48)	(13.43)	6.64	0.35

Investors are reminded that past performance of the Fund is not necessarily indicative of its future performance and that unit prices and investment returns may fluctuate.

4. Basis of calculation made in calculating the returns:

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

An illustration of the above would be as follows:

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

C. Market Review

During the period under review, equity markets posted remarkable performances. With the United States ("US") markets hitting new highs, the Dow Jones and Standard and Poor's 500 ("S&P500") registered stellar returns of 24.4% and 29.2% respectively for the period. Euro Stoxx 50 also did well, registering a gain of 28.2% for the period. Regionally, North Asian markets were also up, with South Korea, Taiwan, Japan, Hong Kong and China (Shanghai) markets registering returns of 37.5%, 38.9%, 21.4%, 2.8% and 4.4% respectively. Association of Southeast Asian Nations ("ASEAN") markets also recorded positive returns with Thailand, Singapore and Indonesia being the biggest gainer, up 25.0%, 20.6%, and 17.4% respectively while Malaysia gained 5.0% and Philippines gained 16.5%.

Markets saw a strong gain in 2H2020 despite a slight pullback in the month of September 2021 and October 2021. Massive fiscal stimulus by Governments around the world and the monetary measures by the US Federal Reserve continue to lift markets, coupled with the positive development on the Coronavirus Disease 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 the best month for the year 2020 in most markets.

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

C. Market Review (cont'd)

Going into 2021, January 2021 started on a softer note 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. Markets were mixed in March, but most markets continue to post positive returns in April 2021 and May 2021. In June 2021 and July 2021, Asian markets took a turn and gave up some of their gains. This was mainly due to rising global bond yields on higher inflation expectations, concerns over the surge in COVID-19 cases and increasing policy risk/uncertainty in China after a series of regulatory tightening measures (targeting the Internet, healthcare, property and education sectors) were announced. In addition, the continued spread of the more infectious Delta variant remained a concern, especially in countries with slower vaccination rollout. However, most markets managed to close positively in August.

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 5.0% and 4.9% for the one-year period ending 31 August 2021. Meanwhile, the FBM SmallCap Index managed to register a stellar gain of 16.4% for the period as retail participation continue to be high amidst the low interest rate environment, supporting the performance for smaller cap companies. Year to date, foreign funds have taken out RM4.5bln net worth of equities despite a massive outflow of RM24.6 billion ("bln") for the year 2020.

2Q2021 earnings were largely within expectations. Not surprising, weak earnings were from the gaming (interstate travel ban), construction (low work progress), Real estate investment trust ("REITs") (lower traffic in malls/hotels), consumer (lower demand) and transportation (lower traffic) given that the country is still battling the COVID-19 pandemic and lockdown measures were imposed in June 2021. Positively, financials (earnings recovered on lower provisions and strong net interest margins ("NIM")), plantation (higher Crude Palm Oil ("CPO") prices) and petrochemicals (higher prices) reported better if not within expectations.

D. Market Outlook & Strategy

In the medium term, we remain positive on Asian equities. We expect inflationary pressures to ease and the interest rate environment to remain relatively benign. We also expect the COVID-19 situation to improve as vaccination levels rise. 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. In terms of policy risk, the Chinese government has historically been pragmatic about balancing the interests of society and business, and we remain hopeful that they will continue as such.

Strategy wise, as we expect the market to be trending higher towards year end, we are looking to deploy our cash holding. However, we may hold higher cash from time to time and will have some trading positions to take opportunity of the market volatility. In terms of positioning, we will continue to have exposure in high yielding companies to anchor the portfolio to weather market volatility while building positions in sectors that we are interested in. We favour banks, technology, electronic manufacturing services and selected recovery plays for a longer-term view.

MAYBANK MALAYSIA VALUE FUND

Manager's report

For the financial year ended 31 August 2021 (cont'd)

E. Significant financial risk of the Fund

As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between the base currency and the currencies in which the investments are denominated may have an impact on the value of these investments. Investors should be aware that if the currencies in which the investments are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Investors should note that any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment.

The Fund is a multi-class fund. The Fund's currency risk at portfolio level means the impact of the exchange rate movement between the base currency of the Fund and the currency of the underlying investments may result in a depreciation of the value of the investments as expressed in the base currency of the Fund. Meanwhile at Class level, the impact of the exchange rate movement between the base currency of the Fund and the currency of the respective Classes may result in a depreciation of the investor's holdings as expressed in the base currency of the Fund.

F. Soft Commissions and Rebates

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

During the financial year ended 31 August 2021, 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 VALUE FUND

We have acted as Trustee of Maybank Malaysia Value Fund ("the Fund") for the financial year ended 31 August 2021. To the best of our knowledge, Maybank Asset Management Sdn Bhd ("the Management Company"), has operated and managed the Fund in accordance with the following:-

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

During this financial year, the distribution of 0.85 sen per unit (gross) for Class A-MYR and 0.95 sen per unit (gross) for Class C-MYR have been distributed to the unitholders of the Fund respectively. We are of view that the distributions are not inconsistent with the objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring
Kuala Lumpur
20 October 2021

STATEMENT BY MANAGER

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

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 Value Fund as at 31 August 2021 and of its results, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 August 2021 and comply with the requirements of the Deeds.

For and on behalf of the Manager

Dato Idris Bin Kechot
Chairman

Ahmad Najib bin Nazlan
Director

Kuala Lumpur, Malaysia
20 October 2021

Independent auditors' report to the Unitholders of Maybank Malaysia Value Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Malaysia Value Fund (the "Fund"), which comprise the statement of financial position as at 31 August 2021 of the Fund, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows of the Fund for the financial year ended 31 August 2021, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 21 to 61.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 August 2021, and of its financial performance and cash flows for the financial year 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 Value Fund (cont'd)

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. As disclosed in Note 2.1 to the financial statements, the financial statements have been prepared on a basis other than of a going concern.

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 Value Fund (cont'd)

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.
- 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 Value Fund (cont'd)**

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
20 October 2021

MAYBANK MALAYSIA VALUE FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

	Note	2021 RM	2020 RM
INVESTMENT INCOME			
Dividend income		5,899,172	8,225,308
Interest income		528,851	912,050
Net gain from investments on financial assets at fair value through profit or loss ("FVTPL"):			
- Realised gain/(loss)		28,243,173	(12,983,311)
- Unrealised gain		6,409,744	16,896,771
Net gain/(loss) on foreign exchange	3	<u>667,812</u>	<u>(270,714)</u>
		<u>41,748,752</u>	<u>12,780,104</u>
EXPENSES			
Manager's fee	4	3,626,886	4,017,962
Trustee's fee	5	212,323	230,442
Auditor's remuneration		9,000	16,728
Tax agent's fee		3,860	4,271
Brokerage and other transaction fees		652,763	1,149,240
Administrative expenses		<u>293,036</u>	<u>367,384</u>
		<u>4,797,868</u>	<u>5,786,027</u>
Net income before distribution and taxation		36,950,884	6,994,077
Distribution to unitholders	2.8		
Class A-MYR	14(a)	(1,836,247)	-
Class C-MYR	14(b)	<u>(4,621,849)</u>	-
		<u>(6,458,096)</u>	-
Net results before tax		30,492,788	6,994,077
Taxation	6	<u>(1,559)</u>	<u>(49,073)</u>
Net results after tax, which is the total comprehensive income for the financial year		<u>30,491,229</u>	<u>6,945,004</u>
Net income after tax is made up of the following:			
Realised income/(loss)		23,616,605	(10,048,329)
Unrealised income		<u>6,874,624</u>	<u>16,993,333</u>
		<u>30,491,229</u>	<u>6,945,004</u>

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

MAYBANK MALAYSIA VALUE FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021 (CONT'D)

	Note	2021 RM	2020 RM
Distributions for the financial year:			
Class A-MYR			
Net distribution for the year	14	<u>1,836,247</u>	-
Gross/Net distribution per unit (sen)	14	<u>0.85</u>	-
Distribution date (ex-date)	14	<u>26 August 2021</u>	-
Class C-MYR			
Net distribution for the year	14	<u>4,621,849</u>	-
Gross/Net distribution per unit (sen)	14	<u>0.95</u>	-
Distribution date (ex-date)	14	<u>26 August 2021</u>	-

The Fund did not declare any distribution for Class B-USD and Class C-USD during the current and previous financial year.

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

MAYBANK MALAYSIA VALUE FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021**

	Note	2021 RM	2020 RM
ASSETS			
Financial assets at FVTPL	7	222,336,242	249,817,384
Deposits with licensed financial institutions	8	28,752,086	33,411,040
Dividend receivable		96,648	206,157
Interest receivable		2,521	6,161
Amount due from brokers	9	-	11,939,895
Amount due from Manager	10	-	188
Cash at banks	11	5,384,126	3,228,829
TOTAL ASSETS		<u>256,571,623</u>	<u>298,609,654</u>
LIABILITIES			
Amount due to Manager	10	523,960	1,804,683
Amount due to Trustee	12	17,109	19,893
Amount due to brokers	9	27,795	3,198,544
Other payables and accruals		32,052	14,703
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		<u>600,916</u>	<u>5,037,823</u>
NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNITHOLDERS		<u>255,970,707</u>	<u>293,571,831</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:			
Unitholders' contribution	13 (a)	217,304,468	285,396,821
Retained earnings	13 (b) & (c)	38,666,239	8,175,010
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>255,970,707</u>	<u>293,571,831</u>

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

MAYBANK MALAYSIA VALUE FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021 (CONT'D)**

	Note	2021 RM	2020 RM
NAV BY CLASS	13(a)		
Class A-MYR		71,474,597	132,232,066
Class C-MYR		184,400,098	161,255,775
Class B-USD		15,462	13,550
Class C-USD		80,550	70,440
		<u>255,970,707</u>	<u>293,571,831</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)	13(a)	No of units	No of units
Class A-MYR		221,202,507	455,160,826
Class C-MYR		499,018,782	486,510,396
Class B-USD		4,269	4,269
Class C-USD		20,500	20,500
		<u>720,246,058</u>	<u>941,695,991</u>
NAV PER UNIT			
Class A-MYR		RM 0.3231	RM 0.2905
Class C-MYR		RM 0.3695	RM 0.3315
Class B-USD		USD 0.8721	USD 0.7624
Class C-USD		USD 0.9462	USD 0.8254

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

MAYBANK MALAYSIA VALUE FUND

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

	Unitholders' contribution Note 13 (a) RM	Retained earnings Note 13 (b) & 13 (c) RM	Net assets attributable to unitholders RM
At 1 September 2020	285,396,821	8,175,010	293,571,831
Total comprehensive income for the financial year	-	30,491,229	30,491,229
Creation of units	69,617	-	69,617
Reinvestment of units	6,458,096	-	6,458,096
Cancellation of units	(74,620,066)	-	(74,620,066)
At 31 August 2021	<u>217,304,468</u>	<u>38,666,239</u>	<u>255,970,707</u>
At 1 September 2019	318,813,497	1,205,371	320,018,868
Total comprehensive income for the financial year	-	6,945,004	6,945,004
Creation of units	493,140	-	493,140
Cancellation of units	(33,885,181)	-	(33,885,181)
Transferred from retained earnings to unitholders contribution upon termination of Class B-SGD, Class A-JPY and Class B-JPY	(24,635)	24,635	-
At 31 August 2020	<u>285,396,821</u>	<u>8,175,010</u>	<u>293,571,831</u>

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

MAYBANK MALAYSIA VALUE FUND**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021**

	2021	2020
	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from disposal of investments at FVTPL	254,133,214	306,798,517
Net payment for purchase of investments at FVTPL	(183,681,242)	(290,013,015)
Dividends received	6,004,642	8,217,623
Interest income received	531,692	913,107
Manager's fee paid	(3,682,667)	(4,057,189)
Trustee's fee paid	(215,107)	(232,512)
Payment of other fees and expenses	(137,751)	(408,154)
Net tax refund	-	47,629
Net cash generated from operating and investing activities	<u>72,952,781</u>	<u>21,266,006</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	69,805	493,236
Cash paid on units cancelled	(75,845,007)	(32,986,256)
Net cash used in financing activities	<u>(75,775,202)</u>	<u>(32,493,020)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR	(2,822,421)	(11,227,014)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	36,639,869	47,972,033
Effects of foreign exchange	318,764	(105,150)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>34,136,212</u>	<u>36,639,869</u>
Cash and cash equivalents comprise :		
Cash at banks (Note 11)	5,384,126	3,228,829
Deposit with licensed financial institutions with maturity of less than 3 months (Note 8)	28,752,086	33,411,040
	<u>34,136,212</u>	<u>36,639,869</u>

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

MAYBANK MALAYSIA VALUE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2021

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank Malaysia Value Fund ("Fund") was constituted pursuant to the executed Deed dated 4 December 2002 between Amanah Mutual Berhad as the Manager and HSBC (Malaysia) Trustee Berhad as the Trustee and the Registered Holders of the Fund. The following Supplemental Deeds have been issued between AMB and the Trustee:

- First supplemental deed dated 12 March 2012
- Second supplemental deed dated 20 June 2012
- Third supplemental deed dated 27 January 2016

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

Subsequently, MAM and the Trustee has entered into the Fourth supplemental deed dated 4 September 2018 and Fifth supplemental deed dated 11 July 2019. The Deed and Supplemental Deeds are subsequently referred to as 'Deeds'.

Prior to 23 December 2019, the Fund had 7 Classes of Units namely Class A-MYR, C-MYR, B-USD, C-USD, B-SGD, A-JPY and B-JPY. Effective 23 December 2019, Class B-SGD, Class A-JPY and Class B-JPY were terminated and removed from the Replacement Master Prospectus dated 17 January 2020.

The Fund seeks to provide investors with capital growth through investments in securities that are trading at a discount to their intrinsic values, while minimising the risk in the medium to long term. Up to 25% of the Fund's NAV may also be invested in the Asia Pacific markets. The Fund may also invest in stocks that derive the majority of their revenue from the Asia Pacific markets.

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

The financial statements were authorised for issue by the Board of Directors of the Manager (the "Directors") in accordance with a resolution of the Directors on 20 October 2021.

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 regulatory requirements.

MAYBANK MALAYSIA VALUE FUND

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

2.1 Basis of preparation (cont'd)

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

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

All amounts are stated in Ringgit Malaysia ("RM") except for the NAV per unit for non-MYR classes which are stated in Singapore Dollar ("SGD"), United States Dollar ("USD") or Japanese Yen ("JPY").

2.2 Standards and amendments 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
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 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 financial liabilities are recognised when the Fund becomes a party to the contractual provision of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) 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 FVTPL are recognised immediately in profit or loss.

MAYBANK MALAYSIA VALUE 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) Financial assets at amortised cost

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

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

Debt instruments that do not meet the criteria above are classified as either fair value through other comprehensive income ("FVTOCI") or FVTPL.

The Fund classifies cash and cash equivalents, interest receivable, dividend receivable, amounts due from brokers and Manager, financial assets 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 asset and of allocating and recognising the interest income in profit or loss over the relevant period.

(ii) Financial assets at FVTPL

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

A financial asset is recognised at FVTPL if:

- it has been acquired principally for the purpose of selling it in the near term; 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.

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.

MAYBANK MALAYSIA VALUE FUND

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

2.4 Financial assets (cont'd)

(ii) Financial assets at FVTPL

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

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

Dividend income on investments in equity instruments at FVTPL is recognised in profit and loss when the Fund's right to receive the dividends is established in accordance with MFRS 9 and is disclosed separately in the profit and loss.

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

(iii) Impairment of financial assets

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

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

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

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

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

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

For balances with short-term nature (e.g. interest receivable and dividend receivable), full impairment will be recognised on uncollected balances after the grace period.

MAYBANK MALAYSIA VALUE 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 liabilities. The Fund classifies amount due to Trustee, amount due to Manager, amount due to brokers, and other payables and accruals as other financial liabilities.

(ii) Recognition and measurement

Financial liabilities 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.

(ii) Derecognition of financial liabilities

The Fund derecognises financial liabilities when, and only when, the Fund's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

2.6 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 the asset or transfer the liability takes place either:

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

MAYBANK MALAYSIA VALUE FUND

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

2.6 Fair value measurement (cont'd)

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

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

All assets and liabilities 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:

- (i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- (ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- (iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

2.7 Unitholders' contribution

The unitholders' contribution to the Fund are classified as liabilities under MFRS 132 *Financial Instruments: Presentation* as they are puttable instruments whereby the unitholders have the right to redeem their units in the Fund at their option.

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

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

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

MAYBANK MALAYSIA VALUE FUND

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

2.8 Distributions

Any distribution to the Fund's unitholders is accounted for as a deduction from profit or loss and recognised in the statement of comprehensive income except where dividend is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' contribution. A proposed dividend is recognised as a liability in the period in which it is approved. Distribution is declared at the discretion of the Fund Manager based on the availability of distributable income.

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.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and deposit with licensed financial institutions with original maturity of three months or less, which have an insignificant risk of changes in value.

2.10 Revenue / Income

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

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

Interest income is recognised using the effective interest rate method.

Realised gain or loss on disposal of investments is accounted for as the difference between net disposal proceeds and the carrying amounts of the investments.

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.

2.11 Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date. Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

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

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

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

MAYBANK MALAYSIA VALUE FUND

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

2.12 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

2.13 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) Foreign currency transactions

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.

2.14 Critical accounting estimates and judgments

The preparation of the Fund's financial statements requires the Manager to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in the future.

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 reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. NET GAIN/(LOSS) ON FOREIGN EXCHANGE

	2021 RM	2020 RM
Realised foreign exchange gain/(loss)	202,932	(367,276)
Unrealised foreign exchange gain	464,880	96,562
	<u>667,812</u>	<u>(270,714)</u>

MAYBANK MALAYSIA VALUE FUND

4. MANAGER'S FEE

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

Share Class	Rate	
	2021	2020
Class A-MYR	1.50%	1.50%
Class C-MYR	1.30%	1.30%
Class B-USD	1.50%	1.50%
Class C-USD	1.30%	1.30%

The annual management fee is calculated as a percentage of the NAV of the respective Classes, and accrued on a daily basis.

5. TRUSTEE'S FEE

The Trustee's fee is computed based on 0.08% (2020: 0.08%) p.a. of the NAV of the respective Classes of Units, before deducting Manager's fee and Trustee's fee for the day, subject to a minimum of RM18,000 p.a.

6. TAXATION

	2021 RM	2020 RM
Current income tax expense		
- foreign	13,582	96,702
- local	3,964	-
Over provision in prior years	(15,987)	(47,629)
	<u>1,559</u>	<u>49,073</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2020: 24%) of the estimated assessable income for the financial year. The tax expense 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, interest income and dividend income earned by the Fund is exempted from Malaysian tax. Dividend income derived from sources outside Malaysia are exempted from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

MAYBANK MALAYSIA VALUE FUND

6. TAXATION (CONT'D)

A reconciliation of income tax expense applicable to net results before tax at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	2021 RM	2020 RM
Net results before tax	30,492,788	6,994,077
Tax at Malaysian statutory rate of 24% (2020:24%)	7,318,269	1,678,578
Income not subject to tax	(10,019,700)	(6,183,220)
Income taxed at source	17,546	96,702
Loss not deductible for tax purpose	-	3,115,995
Expenses not deductible for tax purposes	2,701,431	1,388,647
Over provision in prior years	(15,987)	(47,629)
Tax expense for the financial year	1,559	49,073

7. FINANCIAL ASSETS AT FVTPL

	Note	2021 RM	2020 RM
Quoted equities - foreign	(a)	52,269,900	34,558,232
Quoted equities - local	(b)	170,066,342	215,259,152
		<u>222,336,242</u>	<u>249,817,384</u>

2021	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(a) Foreign				
Hong Kong				
Alibaba Group Holding Ltd	74,000	8,446,774	6,243,235	2.44
Tencent Holdings Ltd	13,000	3,692,750	3,229,345	1.26
Xiaomi Corp	100,000	1,356,290	1,325,251	0.52
	<u>187,000</u>	<u>13,495,814</u>	<u>10,797,831</u>	<u>4.22</u>
Singapore				
AEM Holdings Ltd	458,100	5,122,911	5,660,833	2.21
DBS Group Holdings Ltd	60,741	5,371,128	5,704,474	2.23
Frecken Group Ltd	1,180,000	4,330,743	8,675,990	3.39
Oversea China Banking Corp Ltd	150,000	5,644,297	5,393,918	2.11

MAYBANK MALAYSIA VALUE FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2021	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(a) Foreign				
Singapore				
UMS Holdings Ltd	971,600	3,198,744	5,192,706	2.03
United Overseas Bank Ltd	70,000	5,740,690	5,583,601	2.18
Venture Corporation Ltd	89,200	4,365,514	5,260,547	2.06
	<u>2,979,641</u>	<u>33,774,027</u>	<u>41,472,069</u>	<u>16.21</u>
Total quoted equities - Foreign	<u>3,166,641</u>	<u>47,269,841</u>	<u>52,269,900</u>	<u>20.43</u>
(b) Local				
Construction				
Gabungan AQRS Bhd	4,592,300	4,791,685	2,342,073	0.91
Gamuda Bhd	427,900	1,554,668	1,287,979	0.50
IJM Corporation Bhd	1,432,000	2,799,033	2,692,160	1.05
Sunway Construction Group Bhd	200,000	330,000	336,000	0.13
	<u>6,652,200</u>	<u>9,475,386</u>	<u>6,658,212</u>	<u>2.46</u>
Consumer products				
Carlsberg Brewery Malaysia Bhd	123,100	2,777,662	2,757,440	1.08
Fraser and Neave Holdings Bhd	1,000	27,700	27,880	0.01
Genting Malaysia Bhd	1,050,000	2,742,150	3,118,500	1.22
Heineken Malaysia Bhd	120,000	2,871,948	2,736,000	1.07
Magnum Bhd	1,957,623	4,610,813	3,973,975	1.55
MBM Resources Bhd	1,186,300	3,979,346	3,914,790	1.53
	<u>4,438,023</u>	<u>17,009,619</u>	<u>16,528,585</u>	<u>6.46</u>
Energy				
Dayang Enterprise Holdings Bhd	2,100,000	2,949,260	2,331,000	0.91

MAYBANK MALAYSIA VALUE FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2021	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Local				
Finance				
CIMB Group Holdings Bhd	1,877,107	8,819,094	9,216,595	3.60
Hong Leong Group Bhd	419,000	7,775,262	8,036,420	3.14
Hong Leong Financial Group Bhd	345,000	5,815,815	6,292,800	2.46
Malayan Banking Bhd *	1,036,812	8,491,125	8,709,221	3.40
Public Bank Bhd	1,828,000	7,104,536	7,641,040	2.99
RHB Bank Bhd	1,514,522	8,109,510	8,466,178	3.31
	7,020,441	46,115,342	48,362,254	18.90
Industrial Products				
ATA IMS Bhd	1,400,000	2,784,708	3,780,000	1.48
Press Metal Aluminium Holdings Bhd	581,000	1,488,989	3,137,400	1.23
SKP Resources Bhd	3,704,000	4,356,774	6,815,360	2.66
Thong Guan Industries Bhd	945,000	2,404,321	2,579,850	1.01
VS Industry Bhd	3,700,000	3,648,675	5,328,000	2.08
SKP Resources Bhd - Warrants	592,640	-	112,602	0.04
VS Industry Bhd - Warrants	400,000	-	176,000	0.07
	11,322,640	14,683,467	21,929,212	8.57
Plantation				
Sarawak Oils Bhd	771,300	2,671,493	2,884,662	1.13
TSH Resources Bhd	2,186,800	2,349,061	2,383,612	0.93
	2,958,100	5,020,554	5,268,274	2.06
Property				
Matrix Concepts Holdings Bhd	483,500	991,175	1,005,680	0.39

MAYBANK MALAYSIA VALUE FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2021	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Local				
Technology				
Globetronics Technology Bhd	1,237,600	2,796,420	2,574,208	1.01
Inari Amerton Bhd	1,150,800	1,907,068	3,958,752	1.55
Malaysian Pacific Industries Bhd	131,500	1,463,973	5,788,630	2.26
My E.G. Services Bhd	3,039,062	4,853,508	5,652,655	2.21
Pentamaster Corporation Bhd	949,525	4,024,728	5,022,987	1.96
Unisem Malaysia Bhd	499,200	1,914,188	4,288,128	1.68
UWC Bhd	422,400	2,237,890	2,323,200	0.91
Vitrox Corp Bhd	283,700	3,487,693	5,316,538	2.08
	<u>7,713,787</u>	<u>22,685,468</u>	<u>34,925,098</u>	<u>13.66</u>
Telecommunications				
Time dotCom Bhd	1,323,000	5,812,932	6,085,800	2.38
Telekom Malaysia Bhd	739,400	4,331,641	4,517,734	1.76
	<u>2,062,400</u>	<u>10,144,573</u>	<u>10,603,534</u>	<u>4.14</u>
Transportation and Logistics				
Lingkar Trans Kota Holdings Bhd	1,075,900	4,531,743	4,142,215	1.62
MISC Bhd	500,000	3,254,750	3,600,000	1.41
Westports Holdings Bhd	760,200	3,303,858	3,344,880	1.31
	<u>2,336,100</u>	<u>11,090,351</u>	<u>11,087,095</u>	<u>4.34</u>

MAYBANK MALAYSIA VALUE FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2021	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Local				
Utilities				
Malakoff Corporation Bhd	4,044,600	3,924,426	3,559,248	1.39
Mega First Corporation Bhd	1,345,000	3,487,758	4,774,750	1.87
Tenaga Nasional Bhd	290,000	3,583,097	3,033,400	1.19
	<u>5,679,600</u>	<u>10,995,281</u>	<u>11,367,398</u>	<u>4.45</u>
Total quoted equities - Local	<u>52,766,791</u>	<u>151,160,476</u>	<u>170,066,342</u>	<u>66.34</u>
Total quoted equities	<u>55,933,432</u>	<u>198,430,317</u>	<u>222,336,242</u>	<u>86.77</u>
Unrealised gain on quoted equities **			<u>23,905,925</u>	
2020	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(a) Foreign				
Singapore				
AEM Holdings Ltd	588,100	4,971,992	7,368,244	2.51
Ascendas Real Estate Investment Trust	299,400	2,624,039	3,035,773	1.03
Frasers Logistics and Industrial Trust	806,134	3,002,240	3,333,731	1.14
Frencken Group Ltd	1,740,000	5,711,543	5,010,333	1.71
Mapletree Logistics Trust	520,000	2,372,332	3,281,407	1.12
UMS Holdings Ltd	1,630,000	5,015,357	4,943,247	1.68
Venture Corp Ltd	125,000	6,117,593	7,585,497	2.58

MAYBANK MALAYSIA VALUE FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(a) Foreign				
	5,708,634	29,815,096	34,558,232	11.77
Total quoted equities - foreign	5,708,634	29,815,096	34,558,232	11.77
(b) Local				
Construction				
Gabungan AQRS Bhd	4,294,400	4,600,742	3,113,440	1.06
Gamuda Bhd	1,777,900	6,459,555	6,044,860	2.06
IJM Corporation Bhd	2,027,000	4,605,170	2,432,400	0.83
	8,099,300	15,665,467	11,590,700	3.95
Consumer products				
DKSH Holdings Bhd	1,322,900	8,531,786	4,153,906	1.41
Guan Chong Bhd	516,700	1,172,775	1,829,118	0.62
Magnum Bhd	3,452,500	8,219,930	7,699,075	2.62
Power Root Bhd	2,225,600	4,836,097	4,963,088	1.69
	7,517,700	22,760,588	18,645,187	6.34
Energy				
Dialog Group Bhd	750,000	2,416,536	2,692,500	0.92
Serba Dinamik Holdings Bhd	1,992,030	3,599,675	3,605,574	1.23
Yinson Holdings Bhd	500,000	3,131,550	3,160,000	1.08
	3,242,030	9,147,761	9,458,074	3.23
Finance				
CIMB Group Holdings Bhd	1,184,913	5,968,809	3,910,213	1.33
Hong Leong Group Bhd	350,000	5,900,102	4,319,000	1.47

MAYBANK MALAYSIA VALUE FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Local (cont'd)				
Finance (cont'd)				
Malayan Banking Bhd *	651,693	5,507,768	4,776,910	1.63
Public Bank Bhd	316,400	5,822,656	5,195,288	1.77
RHB Bank Bhd	1,458,800	7,684,425	6,681,304	2.28
	<u>3,961,806</u>	<u>30,883,760</u>	<u>24,882,715</u>	<u>8.48</u>
Healthcare				
Kossan Rubber Industries Bhd	<u>749,200</u>	<u>3,684,948</u>	<u>11,972,216</u>	<u>4.08</u>
Industrial Products				
ATA IMS Bhd	2,000,000	3,194,000	3,020,000	1.03
Press Metal Aluminium Holdings Bhd	1,085,000	5,474,693	5,652,850	1.93
SAM Engineering & Equipment (M) Bhd	539,900	4,046,774	3,725,310	1.27
Scientex Bhd	681,700	6,395,199	6,407,980	2.18
SKP Resources Bhd	3,665,900	5,050,743	5,902,099	2.01
Thong Guan Industries Bhd	940,000	4,294,340	5,066,600	1.73
Uchi Technologies Bhd	2,368,900	6,521,612	6,514,475	2.22
VS Industry Bhd	4,189,300	4,675,321	7,875,884	2.68
	<u>13,470,700</u>	<u>39,652,682</u>	<u>44,165,198</u>	<u>14.02</u>
Plantation				
Sarawak Oils Bhd	1,669,000	5,780,788	6,058,470	2.06
TSH Resources Bhd	6,000,000	6,445,200	6,180,000	2.11
	<u>7,669,000</u>	<u>12,225,988</u>	<u>12,238,470</u>	<u>4.17</u>

MAYBANK MALAYSIA VALUE FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Local (cont'd)				
Property				
Matrix Concepts Holdings Bhd	1,696,600	3,203,858	2,986,016	1.02
Technology				
Datasonic Group Bhd	2,000,000	2,980,000	2,640,000	0.90
Globetronics Technology Bhd	3,562,500	8,049,649	9,796,875	3.34
Inari Amerton Bhd	4,880,800	8,088,302	10,981,800	3.74
Malaysian Pacific Industries Bhd	586,200	6,526,090	9,203,340	3.13
My E.G. Services Bhd	2,000,000	3,051,600	2,980,000	1.02
Pentamaster Corporation Bhd	1,391,925	3,875,213	6,639,482	2.26
Vitrox Corp Bhd	420,000	3,817,691	5,082,000	1.73
	<u>14,841,425</u>	<u>36,388,545</u>	<u>47,323,497</u>	<u>16.12</u>
Telecommunications				
Time dotCom Bhd	530,000	5,236,043	6,126,800	2.09
Transportation and Logistics				
Lingkar Trans Kota Holdings Bhd	1,471,100	6,196,344	6,163,909	2.10
Utilities				
Malakoff Corporation Bhd	3,544,600	3,473,426	3,509,154	1.20
Mega First Corporation Bhd	1,191,600	6,179,945	9,246,816	3.15
Tenaga Nasional Bhd	640,000	7,907,525	6,950,400	2.37
	<u>5,376,200</u>	<u>17,560,896</u>	<u>19,706,370</u>	<u>6.72</u>
Total quoted equities - Local	<u>68,625,061</u>	<u>202,606,880</u>	<u>215,259,152</u>	<u>72.32</u>

MAYBANK MALAYSIA VALUE FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2020	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
Total quoted equities	74,333,695	232,421,976	249,817,384	84.09
Unrealised gain on quoted equities **			17,395,408	

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

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

8. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	2021 RM	2020 RM
Short-term placement with licensed financial institutions with maturity of:		
- Less than 3 months	28,752,086	33,411,040
Deposits with related parties:		
- MBB	28,752,086	21,854,681

The weighted average effective interest rates ("WAEIR") of deposit and average maturity of deposit with licensed financial institutions as at the reporting date were as follows:

	2021		2020	
	WAEIR % p.a.	Average Maturity Days	WAEIR % p.a.	Average Maturity Days
Deposit with licensed financial institutions	1.60	2	1.68	4

9. AMOUNT DUE FROM/(TO) BROKERS

The amount due from/(due to) brokers relates to the amount receivables/(payable) to brokers arising from the sales/(purchase) of investments. The settlement period for this receivables/(payable) is within 2-3 working days from the deal date.

MAYBANK MALAYSIA VALUE FUND

10. AMOUNT DUE FROM/(TO) MANAGER

	Note	2021 RM	2020 RM
Amount due from Manager is in respect of:			
Creation of units	(i)	-	188
Amount due to Manager is in respect of:			
Cancellation of units	(ii)	233,945	1,458,887
Manager's fee	(iii)	290,015	345,796
		<u>523,960</u>	<u>1,804,683</u>

Notes:

- (i) The amount represents amount receivable from Manager for units created.
- (ii) The amount represents amount payable to the Manager for units redeemed or cancelled.
- (iii) The amount due to Manager relates to the amount payable to the Fund 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).

11. CASH AT BANKS

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

	2021 RM	2020 RM
USD	5,377,040	3,156,514
RM	7,086	72,315
	<u>5,384,126</u>	<u>3,228,829</u>

12. AMOUNT DUE TO TRUSTEE

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

MAYBANK MALAYSIA VALUE FUND

13. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND

	Note	2021 RM	2020 RM
Unitholders' contribution	(a)	217,304,468	285,396,821
Accumulated realised income/(loss)	(b)	13,958,369	(9,658,236)
Accumulated unrealised income	(c)	24,707,870	17,833,246
		<u>255,970,707</u>	<u>293,571,831</u>

(a) Unitholders' contribution

The units are distributed based on the following classes:

		2021		2020	
		No. of units	RM	No. of units	RM
Class A-MYR	(i)	221,202,507	40,154,049	455,160,826	112,868,251
Class C-MYR	(ii)	499,018,782	176,916,086	486,510,396	172,294,237
Class B-USD	(iii)	4,269	167,262	4,269	167,262
Class C-USD	(iv)	20,500	67,071	20,500	67,071
		<u>720,246,058</u>	<u>217,304,468</u>	<u>941,695,991</u>	<u>285,396,821</u>

(i) Class A-MYR	No. of units	RM	No. of units	RM
At the beginning of the financial year	455,160,826	112,868,251	572,568,769	145,984,334
Creation of units	217,992	69,617	1,812,238	483,706
Reinvestment of units	5,683,214	1,836,247	-	-
Cancellation of units	<u>(239,859,525)</u>	<u>(74,620,066)</u>	<u>(119,220,181)</u>	<u>(33,599,789)</u>
At the end of the financial year	<u>221,202,507</u>	<u>40,154,049</u>	<u>455,160,826</u>	<u>112,868,251</u>

(ii) Class C-MYR	No. of units	RM	No. of units	RM
At the beginning of the financial year	486,510,396	172,294,237	486,510,396	172,294,237
Reinvestment of units	<u>12,508,386</u>	<u>4,621,849</u>	<u>-</u>	<u>-</u>
At the end of the financial year	<u>499,018,782</u>	<u>176,916,086</u>	<u>486,510,396</u>	<u>172,294,237</u>

MAYBANK MALAYSIA VALUE FUND

13. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution (cont'd)

	2021		2020	
	No. of units	RM	No. of units	RM
(iii) Class B-USD				
At the beginning/end of the financial year	4,269	167,262	4,269	167,262
(iv) Class C-USD				
At the beginning/end of the financial year	20,500	67,071	20,500	67,071

As at the reporting date, the total number and value of units held legally or beneficially by the Manager is as follows:

	2021		2020	
	No of units	Valued at NAV	No of units	Valued at NAV
Class C-USD	20,500	USD 19,766	20,500	USD 16,921

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

(b) Accumulated realised income/(loss)

	2021 RM	2020 RM
At the beginning of the financial year	(9,658,236)	365,458
Net realised gain/(loss) for the financial year	23,616,605	(10,048,329)
Transferred to unitholders capital upon termination of Class B-SGD, Class A-JPY and Class B-JPY	-	24,635
At the end of the financial year	13,958,369	(9,658,236)

(c) Accumulated unrealised income

	2021 RM	2020 RM
At the beginning of the financial year	17,833,246	839,913
Net unrealised gain for the financial year	6,874,624	16,993,333
At the end of the financial year	24,707,870	17,833,246

MAYBANK MALAYSIA VALUE FUND

13. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(d) Classes of shares

(i) Types of classes of units

Classes of units	Currency Denomination	Categories of Investors	Distribution Policy
Class A-MYR	RM	Retail	Distribution of income
Class C-MYR	RM	Institutional	Distribution of income
Class B-USD	USD	Retail	Accumulation of units
Class C-USD	USD	Institutional	Distribution of income

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

- (a) Management fees (as disclosed in Note 4 to the financial statements)
- (b) Initial investments for each class
- (c) Additional minimum investment
- (d) Minimum holdings for each class
- (e) Income distribution policy

(ii) NAV computation

The computation of NAV of the Fund is based on the Fund's functional currency, RM, irrespective of the multiple classes of units (denominated in other currencies). Due to multiple classes in this Fund, the expenses of the Fund are apportioned based on the multi-class ratio, which is the size of the respective class relative to the whole Fund. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to members of respective classes with the total number of outstanding units of respective classes.

(iii) Redemption/cancellation of units by Unitholders

These units are cancellable at the unitholder's option. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unitholder exercises the right to put back the unit to the Fund.

There is no restriction on the putting of the units back to the Fund (i.e. redemption), subject to the minimum redemption amount of units of each class and the minimum unit holding for each class. If the unit holdings of a unitholder are, after a redemption request, falls below the minimum unit holdings for the Fund, a request for full redemption is deemed to have been made.

MAYBANK MALAYSIA VALUE FUND

14. DISTRIBUTION

The sources of distribution in the current financial year ended 31 August 2021 is as follows:

	2021 RM
Class A-MYR	
Dividend income	361,063
Interest income	32,369
Net realised gain on sale of investments	1,741,064
Less : Expenses	<u>(298,249)</u>
Net distribution	<u>1,836,247</u>
Gross/Net distribution per unit (sen)	<u>0.85</u>
Distribution date (ex-date)	<u>26 August 2021</u>

	2021 RM
Class C-MYR	
Dividend income	903,139
Interest income	80,965
Net realised gain on sale of investments	4,354,979
Less : Expenses	<u>(717,234)</u>
Net distribution	<u>4,621,849</u>
Gross/Net distribution per unit (sen)	<u>0.95</u>
Distribution date (ex-date)	<u>26 August 2021</u>

The Fund did not declare any distribution for any of the classes in the previous financial year.

The distribution declared are settled in the forms of units and presented as 'reinvestment of units' in Note 13(a) on payment date.

MAYBANK MALAYSIA VALUE FUND

15. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS

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

Brokers/dealers	Value of trade RM	Percentage of total trade %	Brokerage fees RM	Percentage of brokerage fees %
2021				
Maybank Investment Bank Bhd ("MIBB") *	94,778,960	23.20	131,467	22.61
TA Securities Sdn Bhd	67,184,960	16.45	67,264	11.57
MIDF Amanah Investment Bank Bhd	55,569,781	13.60	55,611	9.56
United Overseas Bank (M) Bhd	39,063,582	9.56	78,127	13.44
Nomura Securities (M) Sdn Bhd	30,101,477	7.37	60,203	10.35
JF Apex Securities Bhd	30,056,965	7.36	30,098	5.18
Alliance Investment Bank Bhd	25,481,916	6.24	25,530	4.39
Public Investment Bank Bhd	17,744,037	4.34	35,519	6.11
Hong Leong Investment Bank Bhd	17,657,629	4.32	35,315	6.07
Affin Hwang Investment Bank	16,175,540	3.96	32,351	5.56
Others	14,659,037	3.59	29,940	5.15
	408,473,884	100.00	581,425	100.00
2020				
TA Securities Sdn Bhd	110,200,234	18.31	110,276	12.19
Maybank Investment Bank Bhd ("MIBB") *	77,556,386	12.89	104,253	11.53
JF Apex Securities Bhd	68,213,328	11.34	68,289	7.55
Nomura Securities (M) Sdn Bhd	67,587,761	11.23	135,182	14.95
MIDF Amanah Investment Bank Bhd	58,079,598	9.65	58,105	6.43
UOB Kay Hian Securities (M) Sdn Bhd	46,890,593	7.79	93,781	10.37
Hong Leong Investment Bank Bhd	46,181,683	7.67	86,334	9.55
CIMB Investment Bank Bhd	25,543,370	4.24	51,087	5.65
Public Investment Bank Bhd	23,345,099	3.88	46,690	5.16
Affin Hwang Investment Bank Bhd	21,617,317	3.59	43,248	4.78
Others	56,566,093	9.40	107,086	11.84
	601,781,462	100.00	904,331	100.00

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

MAYBANK MALAYSIA VALUE FUND

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

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

Financial institutions	2021		2020	
	Value of placements RM	Percentage of total placements %	Value of placements RM	Percentage of total placements %
CIMB Bank Bhd	149,756,334	1.97	5,986,922,683	65.81
MBB *	7,454,221,824	98.03	3,110,545,977	34.19
	<u>7,603,978,158</u>	<u>100.00</u>	<u>9,097,468,660</u>	<u>100.00</u>

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

16. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

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
(i) <u>Significant related party transactions</u>		
MBB:		
Dividend income	442,599	567,200
Interest income	515,334	4,072
(ii) <u>Significant related party balances</u>		
MBB:		
Investment in quoted equities	8,709,221	4,776,910

17. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee, auditors remuneration and other administrative expenses. For the financial year ended 31 August 2021, the MER of the Fund stood at 1.56% (2020: 1.61%)

MAYBANK MALAYSIA VALUE FUND

18. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial period to the average NAV of the Fund calculated on a daily basis. For the financial year ended 31 August 2021, the PTR of the Fund stood at 0.82 times (2020: 1.04 times)

19. SEGMENT INFORMATION

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

The PMC is responsible for the performance of the Fund by investing between 70% to 98% of the Fund's assets in shares, and between 2% to 30% of the Fund's assets in cash or fixed income securities (or a combination of both). The Fund may also invest up to 25% of its NAV in Asia Pacific markets, or in stocks that derive the majority of their revenue from the Asia Pacific markets.

On this basis, the PMC considers the business of the Fund to have a single operating segment located in Malaysia. Asset allocation decisions are based on a single, integrated investments strategy and the Fund's performance is evaluated on an overall basis.

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

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

20. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES

(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 to the financial statements describe how the classes of financial instruments are measured and how income and expenses are recognised.

The following table analyses the financial assets and liabilities (excluding 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.

MAYBANK MALAYSIA VALUE FUND

20. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (CONT'D)

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

	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2021				
Assets				
Financial assets at FVTPL	222,336,242	-	-	222,336,242
Deposits with licensed financial institutions	-	28,752,086	-	28,752,086
Dividend receivable	-	96,648	-	96,648
Interest receivable	-	2,521	-	2,521
Cash at banks	-	5,384,126	-	5,384,126
Total financial assets	222,336,242	34,235,381	-	256,571,623
Liabilities				
Amount due to Manager	-	-	523,960	523,960
Amount due to Trustee	-	-	17,109	17,109
Amount due to brokers	-	-	27,795	27,795
Other payables and accruals	-	-	32,052	32,052
Total financial liabilities	-	-	600,916	600,916
2020				
Assets				
Financial assets at FVTPL	249,817,384	-	-	249,817,384
Deposits with licensed financial institutions	-	33,411,040	-	33,411,040
Dividend receivable	-	206,157	-	206,157
Interest receivable	-	6,161	-	6,161
Amount due from brokers	-	11,939,895	-	11,939,895
Amount due from Manager	-	188	-	188
Cash at banks	-	3,228,829	-	3,228,829
Total financial assets	249,817,384	48,792,270	-	298,609,654

MAYBANK MALAYSIA VALUE FUND

20. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (CONT'D)

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

	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2020 (cont'd)				
Liabilities				
Amount due to Manager	-	-	1,804,683	1,804,683
Amount due to Trustee	-	-	19,893	19,893
Amount due to brokers	-	-	3,198,544	3,198,544
Other payables and accruals	-	-	14,703	14,703
Total financial liabilities	-	-	5,037,823	5,037,823

(b) Financial instruments that are carried at fair value

The Fund's financial asset at FVTPL consists of quoted equities and is measured 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 relevant stock exchanges (e.g. Bursa Malaysia, Singapore Exchange, Hong Kong 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:

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
2021				
Financial assets at FVTPL	222,336,242	-	-	222,336,242
2020				
Financial assets at FVTPL	249,817,384	-	-	249,817,384

MAYBANK MALAYSIA VALUE FUND

20. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURES (CONT'D)

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

Other than its financial assets 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.

21. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

(a) Introduction

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks.

Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Deeds, SC's Guidelines on Unit Trust Funds and CMSA.

(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. 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 equities. 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

Management's best estimate of the effect on the Fund's NAV due to a reasonable change in equity index, with all other variables held constant is indicated in the table below. The impact to NAV and net loss after taxation is expected to be the same.

MAYBANK MALAYSIA VALUE FUND

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

(b) Market risk (cont'd)

(i) Equity price risk (cont'd)

	2021		2020	
	Changes in equity price %	Effects on NAV for the year Increase/ (decrease) RM	Changes in equity price %	Effects on NAV for the year Increase/ (decrease) RM
Quoted equities	+ 5	11,116,812	+ 5	12,490,869
	- 5	(11,116,812)	- 5	(12,490,869)

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.

(ii) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The table below analyses the net position of the Fund's financial assets and financial liability (excluding derivative assets/liabilities) which are exposed to foreign exchange risks as at the reporting date. As the Fund's functional currency is RM, the financial assets and financial liability (excluding derivative assets/liabilities) denominated in other currencies are exposed to the movement of foreign exchange rates. The exposure might lead to the appreciation or depreciation of the financial assets and financial liability of the Fund that may affect the value of the NAV attributable to unitholders.

2021	SGD RM	USD RM	TOTAL RM
Financial assets			
Financial assets at FVTPL	52,269,900	10,797,831	63,067,731
Cash at bank	-	5,377,040	5,377,040
Total financial assets	52,269,900	16,174,871	68,444,771
Liabilities			
Amount due to Manager	-	105	105
Amount due to Trustee	-	6	6
Total financial liabilities	-	111	111
Net on-balance sheet open position	52,269,900	16,174,760	68,444,660

MAYBANK MALAYSIA VALUE FUND

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

(b) Market risk (cont'd)

(ii) Foreign exchange risk (cont'd)

2020

Financial assets

Financial assets at FVTPL	34,558,232	-	34,558,232
Dividend receivable	121,557	-	121,557
Amount due from brokers	6,758,774	-	6,758,774
Cash at bank	-	3,156,514	3,156,514
Total financial assets	41,438,563	3,156,514	44,595,077

Liabilities

Amount due to Manager	-	94	94
Amount due to Trustee	-	7	7
Total financial liabilities	-	101	101

Net on-balance sheet open position **41,438,563** **3,156,413** **44,594,976**

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

Foreign exchange 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 the Fund's NAV with all other variables held constant. The impact to the NAV and net income/(loss) after tax is expected to be the same.

	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%	2,613,495	+5%	2,071,928
	-5%	(2,613,495)	-5%	(2,071,928)
USD/RM	+5%	808,738	+5%	157,821
	-5%	(808,738)	-5%	(157,821)

MAYBANK MALAYSIA VALUE FUND

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

(b) Market risk (cont'd)

(iii) Interest rate risk

Cash and money market placements are particularly sensitive to movements in interest rates. When interest rates rise, the return on cash and money market placements will rise, thus affecting the NAV of the Fund. The sensitivity to interest rate changes are normally greater for longer tenured securities when compared to shorter tenured securities.

The Fund deposits with licensed financial institutions carry a fixed rate and therefore is not affected by movements in market interest rates.

(c) Credit risk

Credit risk is the risk that the issuer/counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. 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 payments of interest and dividends, 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 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 assets 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

Besides investing in quoted equities, the Manager is also eligible to invest in liquid assets including money market instruments issued by Malaysian issuers and Malaysian financial institutions and placement in licensed financial institutions. There will be no minimum rating stipulated for the licensed financial institutions on the placement in deposits.

MAYBANK MALAYSIA VALUE FUND

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

(c) Credit risk (cont'd)

(iii) Credit risk concentration

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

	2021		2020	
	RM	Percentage of NAV %	RM	Percentage of NAV %
Deposits with licensed financial institutions, cash at banks and interest receivable				
AAA	34,138,733	13.34	36,646,030	12.48

(d) 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 other 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 unitholders' option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Deeds. It is the Fund's policy that the Manager monitors the Fund's liquidity position on a daily basis. The Fund also manages its obligation to redeem units when required to do so.

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 unitholders. Liquid assets comprise cash, deposits with financial institutions and other instruments which are capable of being converted into cash within 7 days.

The following table summarises the maturity profile of the Fund's financial assets, liabilities and unitholders' contribution to provide a complete view of the Fund's contractual commitments and liquidity. The Fund's financial assets and financial liabilities have been included in the "less than 1 month" category and the impact of discounting is insignificant.

MAYBANK MALAYSIA VALUE FUND

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

(d) Liquidity risk (cont'd)

2021	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial assets at FVTPL	222,336,242	-	222,336,242
Deposits with licensed financial institutions	28,752,086	-	28,752,086
Dividend receivable	96,648	-	96,648
Interest receivable	2,521	-	2,521
Cash at banks	5,384,126	-	5,384,126
Total undiscounted financial assets	<u>256,571,623</u>	<u>-</u>	<u>256,571,623</u>
Financial liabilities and unitholders' contribution			
Amount due to Manager	523,960	-	523,960
Amount due to Trustee	17,109	-	17,109
Amount due to brokers	27,795	-	27,795
Other payables and accruals	32,052	-	32,052
Net assets attributable to unitholders of the Fund	<u>255,970,707</u>	<u>-</u>	<u>255,970,707</u>
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	<u>256,571,623</u>	<u>-</u>	<u>256,571,623</u>
Liquidity gap	<u>-</u>	<u>-</u>	<u>-</u>
2020	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial assets at FVTPL	249,817,384	-	249,817,384
Deposits with licensed financial institutions	33,411,040	-	33,411,040
Dividend receivable	206,157	-	206,157
Interest receivable	6,161	-	6,161
Amount due from brokers	11,939,895	-	11,939,895
Amount due from Manager	188	-	188
Cash at banks	3,228,829	-	3,228,829
Total undiscounted financial assets	<u>298,609,654</u>	<u>-</u>	<u>298,609,654</u>
Financial liabilities and unitholders' contribution			
Amount due to Manager	1,804,683	-	1,804,683
Amount due to Trustee	19,893	-	19,893
Amount due to brokers	3,198,544	-	3,198,544
Other payables and accruals	14,703	-	14,703
Net assets attributable to unitholders of the Fund	<u>293,571,831</u>	<u>-</u>	<u>293,571,831</u>
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	<u>298,609,654</u>	<u>-</u>	<u>298,609,654</u>
Liquidity gap	<u>-</u>	<u>-</u>	<u>-</u>

MAYBANK MALAYSIA VALUE FUND

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

(d) Liquidity risk (cont'd)

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 investment in quoted equities 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' contribution 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 period 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.

(iii) Unitholders' contribution

The unitholders can request for redemption on their units by giving the Manager a T + 10 calendar day notice period, the unitholders' contribution have been categorised as having a maturity of "less than 1 month".

22. UNITHOLDERS' CONTRIBUTION MANAGEMENT

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

The Fund's objectives for managing capital are:

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

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