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MAYBANK MALAYSIA DIVIDEND FUND

Unaudited interim report
For the financial period from 1 May 2021 to 31 October
2021

CORPORATE INFORMATION

MANAGER

Maybank Asset Management Sdn Bhd (199701006283) (421779-M)
Level 12 Tower C
Dataran Maybank
No.1 Jalan Maarof
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Telephone +603 2297 7888
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TRUSTEE

HSBC (Malaysia) Trustee Berhad (193701000084) (1281-T)
13th Floor, Bangunan HSBC, South Tower
No.2 Leboh Ampang
50100 Kuala Lumpur

EXTERNAL INVESTMENT MANAGER

Affin Hwang Asset Management Berhad (199701014290) (429786-T)
Ground Floor, Menara Boustead,
69, Jalan Raja Chulan,
50200 Kuala Lumpur

MAYBANK MALAYSIA DIVIDEND FUND

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MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2021 to 31 October 2021

A. Fund Information

1. Name of the Fund

Maybank Malaysia Dividend Fund ("Fund")

2. Type of Fund

Income and Growth fund

3. Category of Fund

Equity fund

4. Duration of the Fund

The Fund is an open-ended Fund.

5. Fund launch date / commencement date

6 June 2006 / 5 July 2006

6. Fund's investment objective

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

7. Fund distribution policy

Income (if any) shall be distributed semi-annually or annually at the discretion of the Manager, subject to Trustee's approval. Distribution will be made from realised income and realised gains of the Fund.

8. Fund's performance benchmark

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2021 to 31 October 2021 (cont'd)

A. Fund Information (cont'd)

10. Net income distribution for the financial period ended 31 October 2021

The Fund declared an income distribution of RM2,411,478 the financial period ended 31 October 2021.

Below are details of distributions made during the financial period:

| Distribution date | Gross distribution per unit (sen) | Net distribution per unit (sen) |
|-------------------|-----------------------------------|---------------------------------|
| 27 October 2021 | 0.44 | 0.44 |

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

| Distribution date | Before distribution (RM) | After distribution (RM) | Changes % |
|-------------------|--------------------------|-------------------------|-----------|
| 27 October 2021 | 0.2217 | 0.2173 | 0.44 |

11. Breakdown of unitholdings by size

Fund size

As at 31 October 2021, the size of the Fund was 557,341,884 units.

Breakdown of unitholdings as at 31 October 2021

| Unitholdings | No. of unitholders | % | No. of units ('000) | % |
|-------------------------|--------------------|---------------|---------------------|---------------|
| 5,000 units and below | 182 | 5.98 | 585 | 0.10 |
| 5,001 to 10,000 units | 242 | 7.95 | 1,754 | 0.31 |
| 10,001 to 50,000 units | 651 | 21.39 | 18,790 | 3.37 |
| 50,001 to 500,000 units | 1,728 | 56.77 | 265,862 | 47.70 |
| 500,001 units and above | 241 | 7.91 | 270,351 | 48.52 |
| Total | 3,044 | 100.00 | * 557,342 | 100.00 |

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

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2021 to 31 October 2021 (cont'd)

B. Performance Review

1. Key performance data of the Fund

| Category | 31.10.2021 | 30.04.2021 | 30.04.2020 |
|--|---------------|---------------|---------------|
| Portfolio Composition (%) | | | |
| Quoted equities - local | | | |
| Construction | - | - | 1.51 |
| Consumer Products & Services | 4.66 | 4.37 | 1.16 |
| Energy | 0.90 | 1.10 | - |
| Financial Services | 17.61 | 15.14 | 13.56 |
| Healthcare | 3.24 | 2.27 | 1.01 |
| Industrial Products & Services | 13.32 | 15.62 | 4.98 |
| Plantations | 2.03 | 2.21 | 1.16 |
| Properties | 3.65 | 2.98 | 3.38 |
| Real Estate Investment Trust ("REITs") | 6.52 | 5.74 | 5.40 |
| Technology | 7.59 | 5.97 | 1.65 |
| Telecommunications & Media | 8.25 | 8.84 | 7.08 |
| Transportation & Logistics | 2.20 | 3.70 | - |
| Utilities | - | - | 5.86 |
| Quoted equities - foreign | | | |
| Australia | 2.34 | - | - |
| China | 0.93 | - | - |
| Hong Kong | 14.33 | 14.30 | 19.96 |
| India | 2.25 | 2.38 | - |
| Indonesia | 0.55 | - | - |
| Singapore | 0.93 | 1.29 | 4.38 |
| South Korea | 1.59 | 5.44 | 2.00 |
| Taiwan | 4.45 | 5.71 | - |
| United States | 1.07 | - | - |
| Cash and other net assets | 1.59 | 2.94 | 26.91 |
| Total | 100.00 | 100.00 | 100.00 |

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2021 to 31 October 2021 (cont'd)

B. Performance Review (cont'd)

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

| Category | 31.10.2020 | 30.04.2021 | 30.04.2020 |
|---|------------|----------------------------|------------|
| NAV (RM'000) | 120,156 | 141,075 | 248,826 |
| Units in circulation (units'000) | 557,342 | 655,068 | 1,338,278 |
| NAV per unit (RM) | 0.2156 | 0.2154 | 0.1859 |
| Highest NAV per unit (RM) | 0.2233 | 0.2279 | 0.2129 |
| Lowest NAV per unit (RM) | 0.2075 | 0.1837 | 0.1672 |
| Net income distributed (RM'000) | 2,411 | 7,335 | 12,463 |
| Distribution date | 27/10/2021 | 28/10/2020 & 27/04/2021 | 10/05/2019 |
| Gross distribution per unit (sen) | 0.440 | 0.902 | 0.750 |
| Net distribution per unit (sen) | 0.440 | 0.902 | 0.720 |
| Annual total return (%) ⁽¹⁾ | | | |
| - Capital growth (%) | 0.09 | 15.87 | (12.56) |
| - Income distribution (%) | 2.02 | 4.24 | 3.79 |
| Total return (%) | 2.12 | 20.78 | (9.25) |
| Benchmark (%) | (3.46) | 23.11 | (11.83) |
| Management Expense Ratio ("MER") (%) ⁽²⁾ | 0.86 | 1.67 | 1.67 |
| Portfolio Turnover Ratio ("PTR") (times) ⁽³⁾ | 0.38 | 1.32 | 1.04 |

Notes:

- (1) Actual return of the Fund for the financial period is computed based on the daily average NAV per unit, net of Manager's and Trustee's fees.
- (2) The Fund's MER decreased to 0.86% due to the lower expenses in the current financial period.
- (3) The Fund's PTR decreased to 0.38 times due to decreased investing activities during the current financial period.

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

MAYBANK MALAYSIA DIVIDEND FUND

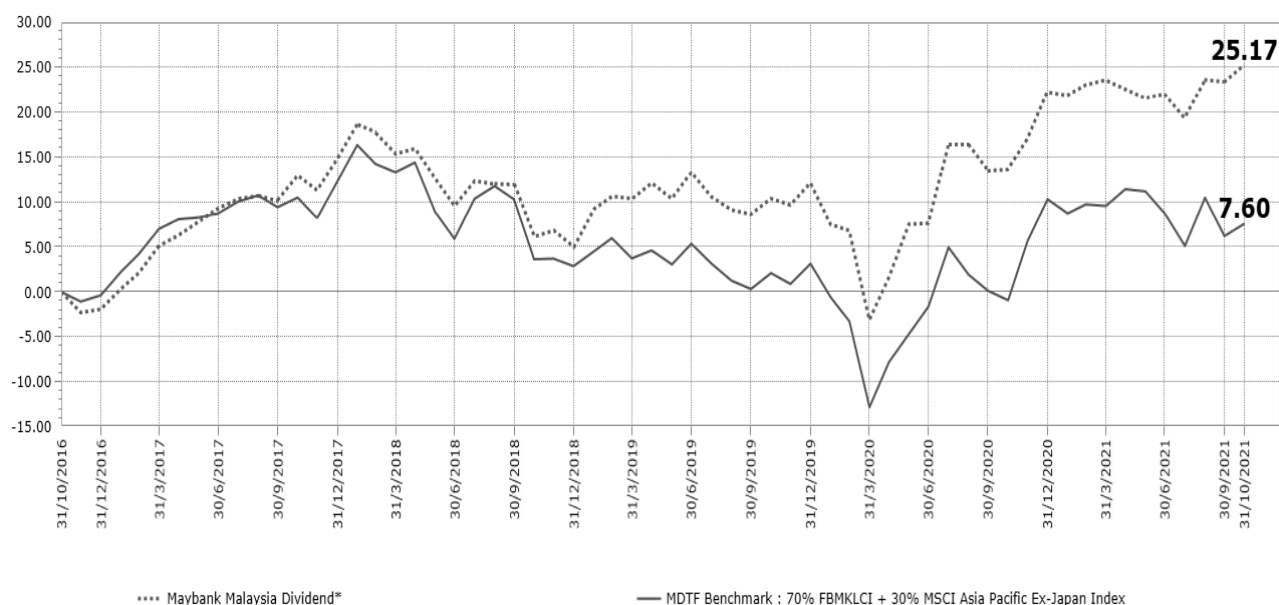
Manager's report

For the financial period from 1 May 2021 to 31 October 2021 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund up to 31 October 2021

| Category | 6 months to 31.10.2021 % | 1 year to 31.10.2021 % | 3 years to 31.10.2021 % | 5 years to 31.10.2021 % |
|--------------------------|-----------------------------------|---------------------------------|----------------------------------|----------------------------------|
| Capital growth | 0.09 | 5.79 | 7.10 | (0.87) |
| Income distribution | 2.02 | 4.15 | 10.20 | 26.27 |
| Total return of the Fund | 2.12 | 10.18 | 18.02 | 25.17 |
| Benchmark | (3.46) | 8.60 | 3.82 | 7.60 |
| Average total return | - | 10.18 | 5.67 | 4.59 |



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 October 2021

During the 6 months ended 31 October 2021, the Fund registered a return of 2.12%, outperforming the benchmark return of negative 3.46%.

Domestically, the FBM KLCI declined by 2.46% as the country suffered from political instability and Covid-19 mitigation measures over the period. Nonetheless, the fund's Malaysian holdings led by exporters and reopening beneficiaries led to its performance.

On the regional front, Asian markets fell by 5.87% primarily dragged down by the Chinese stock market. The Chinese stock market, particularly the Internet sector, was severely dragged down by various regulatory tightening. A few bond payment defaults among Chinese property developers also dampened economic activity in the country.

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2021 to 31 October 2021 (cont'd)

3. Annual total return of the Fund

| For the financial period/year ended | 31.10.2021 % | 30.04.2021 % | 30.04.2020 % | 30.04.2019 % | 30.04.2018 % |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Capital growth | 0.09 | 15.87 | (12.56) | (3.41) | 1.01 |
| Income distribution | 2.02 | 4.24 | 3.79 | - | 8.03 |
| Total return | 2.12 | 20.78 | (9.25) | (3.41) | 9.04 |
| Benchmark | (3.46) | 23.11 | (11.83) | (8.26) | 5.76 |

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

The MSCI Asia ex-Japan index ended October 2021 lower by 6.0% over the past 6 months, dragged by the Chinese / Hong Kong market amidst regulatory crackdowns on various sectors, including their internet and education sector. Growth stocks also saw further headwinds amidst a rising yield environment, as investors looser policies with higher inflation expectations seen. Supply chain disruptions was also another issue faced by companies, which will add further inflationary pressures in the near term. The rest of Asia such as ASEAN and India held up relatively better, particularly towards October 2021, as the number of Coronavirus Disease 2019 ("COVID-19") cases has come off its peak and vaccination rates have ramped-up significantly.

On the domestic front, The FTSE Bursa Malaysia Top 100 index ended October 2021 higher by 3.5% over the past 6 months. While the local equity market has been weak for most of the year, one of worst performer in the region, a rebound was seen in August following the appointment of a new Prime Minister and the signing of a Memorandum of Understanding with the opposition, which eased some of the prevailing political risks. Furthermore, the ramp up of vaccination efforts led to a gradual easing of movement restrictions and allowed for more businesses to normalise operations, which was positive for the economy. As a result, we also saw foreign funds turn net buyers in August 2021.

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2021 to 31 October 2021 (cont'd)

C. Market Review (cont'd)

The Budget 2022 was also announced towards end October 2021, Malaysia's largest budget to date. The government plans to spend RM332.2 billion in 2022 and expects Growth Domestic Product ("GDP") to grow between 5.5-6.5% as the country recovers from the prolonged effects of the pandemic. Though, markets were jolted when the government announced a one-off prosperity tax (Cukai Makmur) for companies that earned super profits in 2022. The newly announced prosperity tax will raise the corporate tax for companies earning above RM100million in pre-tax profit from 24%

D. Market Outlook & Strategy

In a boost to the list of treatment arsenals against COVID-19, Pfizer announced that its experimental antiviral pill to treat COVID-19 could reduce the chance of hospitalisation or death for adults at risk of severe disease by 89%. This is on top of Merck's own COVID-19 antiviral pill which has also shown success in reducing hospitalisation rates. This will help the world move on from a COVID-19 pandemic to an endemic situation.

Meanwhile, China's power crunch show signs of easing after months of outages which crippled supply chains. In an announcement, the State Grid Corporation of China said that the supply and demand of power in areas operated by the company have returned to normal. The thermal coal inventory in the company's operating area has rebounded, while the available days of consumption has risen to more normalised levels.

The newly announced Cukai Makmur will raise the corporate tax for companies earning above RM100 million in pre-tax profit from 24% to 33%. The government has projected that the prosperity tax would raise up to RM4.9 billion. In our view, the wealth destruction via the capital markets could be greater than the potential income raised. This 37% spike in tax rate effectively reduces most of the already modest earnings growth of 2022. Markets are priced-off future growth, the lack of which leads to potential derating as well as immediate kneejerk sell-down to account for this impact.

This prosperity tax also potentially mutes the growth outlook for 2022, leading to a flat market if there is no derating. It also introduces future policy risk for corporate Malaysia, i.e. that it is okay to socialise profits in times of need. Corporates might also be incentivised to report lower profits in 2022 to minimise the tax burden.

Nevertheless, we are still cautiously optimistic as the high vaccination rate bodes well for economic re-opening - corporate earnings should begin to improve gradually. The overhang on the political front has also eased. Additionally, Kuala Lumpur Composite Index ("KLCI") has been the worst performing market in the region after Hong Kong/China, hence we see limited downside at current levels.

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2021 to 31 October 2021 (cont'd)

D. Market Outlook & Strategy (cont'd)

Moving forward, for the Malaysian market we remain cautiously optimistic with a focus on beneficiaries of a continued economic recovery, exporters, and digitization trend. The proposed Cukai Makmur is expected to reduce some of the earnings growth for 2022 with the increased tax rate, though it is only one off.

The Fund's foreign allocation will continue to focus on companies with strong business moat and long-term growth prospect. The Fund has reduced exposure to the Chinese market. Within China, we prefer companies that are aligned with the government's policies such as renewable plays and domestic brands. The Fund has increased exposure in the Australian financial sector as well an Australian packaging company. Going forward, companies with strong execution track record and ability to maintain decent earnings growth are expected to outperform.

The Fund continues to focus on cash flow generative companies which can deliver consistent and growing dividends. Emphasis will be placed on the moat of the business, balance sheet and management capability. The strategy employed is an evergreen strategy and has proven to outperform the general market over time with lower volatility.

E. Soft Commissions and Rebates

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

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

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF MAYBANK MALAYSIA DIVIDEND FUND

We have acted as Trustee of Maybank Malaysia Dividend Fund ("the Fund") for the financial period ended 31 October 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; and
- c) creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirements.

During this financial period, the distribution of 0.44 sen per unit (gross) has been distributed to the unit holders of the Fund. We are of view that the distribution is consistent with the objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
10 December 2021

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAYBANK MALAYSIA DIVIDEND FUND
FOR THE FINANCIAL PERIOD FROM 1 MAY 2021 TO 31 OCTOBER 2021**

I, Ahmad Najib Bin Nazlan, being a Director of Maybank Asset Management Sdn Bhd (the "Manager") do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134 Interim Financial Reporting and International Accounting Standards 34 Interim Financial Reporting so as to give a true and fair view of the financial position of the Maybank Malaysia Dividend Fund as at 31 October 2021 and of its results, changes in equity and cash flows for the financial period then ended and comply with the requirements of the Deeds.

For and on behalf of the Manager

Ahmad Najib Bin Nazlan
Director

Kuala Lumpur, Malaysia
10 December 2021

MAYBANK MALAYSIA DIVIDEND FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 MAY 2021 TO 31 OCTOBER 2021

| | | 01.05.2021 to 31.10.2021 RM | 01.05.2020 to 31.10.2020 RM |
|---|----|--------------------------------------|--------------------------------------|
| INVESTMENT INCOME | | | |
| Dividend income | | 2,046,222 | 2,470,648 |
| Interest income | | 14,488 | 110,955 |
| Net gain on fair value through profit or loss ("FVTPL") | | | |
| - Unrealised gain | | 6,836,886 | 17,540,747 |
| - Realised (loss)/gain | | (5,149,874) | 15,183,162 |
| Net gain/(loss) on foreign exchange | 3 | 381,218 | (2,204,113) |
| Other income | | - | 197 |
| | | <u>4,128,940</u> | <u>33,101,596</u> |
| EXPENSES | | | |
| Manager's fee | 4 | 998,112 | 1,813,377 |
| Trustee's fee | 5 | 46,584 | 84,624 |
| Auditors' remuneration | | 4,537 | 4,537 |
| Tax agent's fee | | 1,765 | 1,765 |
| Brokerage and other transaction fees | | 312,968 | 816,544 |
| Administrative expenses | | 81,589 | 144,582 |
| | | <u>1,445,555</u> | <u>2,865,429</u> |
| Net income before taxation | | 2,683,385 | 30,236,167 |
| Taxation | 6 | (39,286) | (60,219) |
| Net income after taxation, and total comprehensive income for the financial period | | <u>2,644,099</u> | <u>30,175,948</u> |
| Net income after taxation is made up of the following: | | | |
| Net realised (loss)/income | | (4,192,787) | 12,635,201 |
| Net unrealised income | | 6,836,886 | 17,540,747 |
| | | <u>2,644,099</u> | <u>30,175,948</u> |
| Distributions for the financial period: | | | |
| Net distributions | 14 | <u>2,411,478</u> | <u>4,418,554</u> |
| Gross/net distribution per unit (sen) | 14 | <u>0.44</u> | <u>0.45</u> |
| Distribution date (ex-date) | 14 | <u>27-Oct-21</u> | <u>28-Oct-20</u> |

MAYBANK MALAYSIA DIVIDEND FUND

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2021**

| | Note | 31.10.2021 RM | 30.04.2021 RM |
|--|--------------|--------------------|--------------------|
| ASSETS | | | |
| Financial assets at FVTPL | 7 | 118,159,523 | 136,902,976 |
| Deposit with a licensed financial institution | 8 | 200,730 | 2,296,872 |
| Dividend receivables | | 122,219 | 189,092 |
| Interest receivables | | 29 | 110 |
| Amount due from Manager | 9 | 493 | 493 |
| Amount due from brokers | 10 | 3,064,275 | - |
| Cash at bank | 11 | 805,916 | 3,450,330 |
| TOTAL ASSETS | | <u>122,353,185</u> | <u>142,839,873</u> |
| LIABILITIES | | | |
| Amount due to Manager | 9 | 896,127 | 1,685,321 |
| Amount due to brokers | 10 | 1,170,617 | - |
| Amount due to Trustee | 12 | 7,331 | 8,390 |
| Other payables and accruals | | 122,781 | 71,260 |
| TOTAL LIABILITIES | | <u>2,196,856</u> | <u>1,764,971</u> |
| NET ASSET VALUE ("NAV") OF THE FUND | | <u>120,156,329</u> | <u>141,074,902</u> |
| EQUITY | | | |
| Unitholders' capital | 13 (a) | 120,641,751 | 141,792,945 |
| Accumulated losses | 13 (b) & (c) | (485,422) | (718,043) |
| NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS | | <u>120,156,329</u> | <u>141,074,902</u> |
| NUMBER OF UNITS IN CIRCULATION (UNIT) | 13 (a) | <u>557,341,884</u> | <u>655,068,407</u> |
| NAV PER UNIT (RM) | | <u>0.2156</u> | <u>0.2154</u> |

MAYBANK MALAYSIA DIVIDEND FUND

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD FROM 1 MAY 2021 TO 31 OCTOBER 2021**

| | Unitholders' capital Note 13(a) RM | Accumulated losses Note 13(b) & 13(c) RM | Total equity RM |
|--|---|---|--------------------------------|
| At 1 May 2021 | 141,792,945 | (718,043) | 141,074,902 |
| Total comprehensive income for the financial period | - | 2,644,099 | 2,644,099 |
| Creation of units | 604,352 | - | 604,352 |
| Reinvestment of units | 2,411,478 | - | 2,411,478 |
| Cancellation of units | (24,167,024) | - | (24,167,024) |
| Distribution (Note 14) | - | (2,411,478) | (2,411,478) |
| At 31 October 2021 | <u>120,641,751</u> | <u>(485,422)</u> | <u>120,156,329</u> |
| At 1 May 2020 | 287,164,781 | (38,338,454) | 248,826,327 |
| Total comprehensive income for the financial period | - | 30,175,948 | 30,175,948 |
| Creation of units | 664,359 | - | 664,359 |
| Reinvestment of units | 4,418,554 | - | 4,418,554 |
| Cancellation of units | (76,030,969) | - | (76,030,969) |
| Distribution (Note 14) | - | (4,418,554) | (4,418,554) |
| At 31 October 2020 | <u>216,216,725</u> | <u>(12,581,060)</u> | <u>203,635,665</u> |

MAYBANK MALAYSIA DIVIDEND FUND**UNAUDITED STATEMENT OF CASH FLOWS****FOR THE FINANCIAL PERIOD FROM 1 MAY 2021 TO 31 OCTOBER 2021**

| | 01.05.2021 to 31.10.2021 RM | 01.05.2020 to 31.10.2020 RM |
|---|--|--|
| CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES | | |
| Net proceeds from disposal of investments | 57,401,381 | 163,646,742 |
| Net purchase of investments | (38,880,652) | (136,680,907) |
| Interest income received | 2,170,870 | 113,019 |
| Dividend income received | 2,072,999 | 2,852,531 |
| Manager's fee paid | (1,020,740) | (1,841,316) |
| Trustee's fee paid | (47,643) | (85,928) |
| Payment of other fees and expenses | (30,506) | (4,715,862) |
| Net cash generated from operating and investing activities | <u>21,665,709</u> | <u>23,288,279</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from creation of units | 605,352 | 667,355 |
| Payments for cancellation of units | (26,381,367) | (74,932,365) |
| Net cash used in financing activities | <u>(25,776,015)</u> | <u>(74,265,010)</u> |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | | |
| | (4,110,306) | (50,976,731) |
| EFFECT OF FOREIGN EXCHANGE | | |
| | (630,250) | (460,544) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD | | |
| | <u>5,747,202</u> | <u>65,652,781</u> |
| CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD | | |
| | <u>1,006,646</u> | <u>14,215,506</u> |
| CASH AND CASH EQUIVALENTS COMPRISE: | | |
| Cash at bank (Note 11) | 805,916 | 7,486,320 |
| Deposits with a licensed financial institutions with maturity of less than 3 months (Note 8) | 200,730 | 6,729,186 |
| | <u>1,006,646</u> | <u>14,215,506</u> |

MAYBANK MALAYSIA DIVIDEND FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 MAY 2021 TO 31 OCTOBER 2021

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank Malaysia Dividend Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 2 May 2006 between Amanah Mutual Berhad ("AMB") 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 26 July 2016
- Second supplemental deed dated 4 September 2018

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

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

Maybank Asset Management Sdn Bhd ("MAM"), the replacement Manager, and HSBC (Malaysia) Trustee Berhad as the Trustee had entered into a Third Supplemental Deed dated 11 July 2019 to change the name of the Fund. The Deed and Supplemental Deeds are subsequently referred to as 'Deeds'.

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

MAM is a company incorporated in Malaysia. It is a holder of the Capital Markets Services License ("CMSL") with fund management as its regulated activity under the Capital Market and Services Act 2007 ("CSMA"). 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 ("MAMG"), which in turn is a subsidiary of MBB.

MAYBANK MALAYSIA DIVIDEND FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standard 134: Interim Financial Reporting ("MFRS 134") and International Accounting Standards 34 Interim Financial Reporting.

The Fund has adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") which have become effective during the financial period from 1 May 2021 to 31 October 2021. The adoption of the above did not result in material impact to the financial statements.

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

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

2.2 Standards and amendments to standards issued but not yet effective

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

| Description | Effective for annual periods beginning on or after |
|--|---|
| Amendments to MFRS 3: <i>Reference to the Conceptual Framework</i> | 1 January 2022 |
| Amendments to MFRS 116: <i>Proceeds before Intended Use</i> | 1 January 2022 |
| Amendments to MFRS 137: <i>Onerous Contracts - Cost of Fulfilling a Contract</i> | 1 January 2022 |
| Annual Improvements to MFRS Standards 2018-2020 Cycle | 1 January 2022 |
| MFRS 17: <i>Insurance Contracts</i> | 1 January 2023 |
| Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i> | 1 January 2023 |
| Amendments to MFRS 108: <i>Definition of Accounting Estimates</i> | 1 January 2023 |
| Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | Deferred |

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

MAYBANK MALAYSIA DIVIDEND FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.3 Financial instruments

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

2.4 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at amortised cost or fair value, depending on the classification of the assets.

(i) Financial assets at amortised cost

The Fund classifies cash and cash equivalents, interest receivables, dividend receivables, amount due from brokers and amount due from Manager as 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 assets and of allocating and recognising the interest income in profit or loss over the relevant period.

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

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

2.4 Financial assets (cont'd)

(ii) Financial assets at FVTPL

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

A financial asset is recognised at FVTPL if:

- it has been acquired principally for the purpose of selling it in the near term; 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 (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. Accumulated unrealised gains or losses are reclassified to realised gains or losses when the associated assets are sold.

Interest income on debt instruments and dividend income on equity securities classified as FVTPL are disclosed separately in the profit or loss.

(iii) Impairment

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

ECL is 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.

MAYBANK MALAYSIA DIVIDEND FUND

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

2.4 Financial assets (cont'd)

(iii) Impairment (cont'd)

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

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

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

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

(iv) Derecognition

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

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

On derecognition of financial asset at amortised cost, gains and losses previously are recognised in profit or loss when the asset is derecognised, modified or impaired.

MAYBANK MALAYSIA DIVIDEND FUND

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

2.5 Financial liabilities

(i) Classification

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

(ii) Recognition and measurement

Financial liabilities, 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.

The EIR is a method of calculating the amortised cost of the financial liability and of allocating and recognising the interest expense in profit or loss over the relevant period.

(iii) Derecognition

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

2.6 Unitholders' capital

The unitholders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "*Financial Instruments: Presentation*". Those criteria include:

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

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

2.7 Revenue / Income

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

Interest income from unquoted fixed income securities includes amortisation of premium and accretion of discount, and is recognised using the effective interest method.

Interest income from short-term deposits is recognised on the accruals basis using the effective interest rate method.

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

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

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

2.8 Cash and cash equivalents

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

2.9 Distributions

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

2.10 Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax expense is determined according to Malaysian tax laws at the current rate based upon the taxable income earned during the financial year. Tax on dividend income from foreign quoted securities is based on the tax regime of the respective countries that the Fund invests in.

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

MAYBANK MALAYSIA DIVIDEND FUND

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

2.10 Taxation (cont'd)

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.

2.11 Fair value measurement

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

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

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

2.12 Functional and foreign currency

(i) Functional and presentation currency

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Fund's functional currency.

(ii) Transactions and balances

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

2.13 Segment reporting

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

2.14 Significant accounting estimates and judgements

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

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

MAYBANK MALAYSIA DIVIDEND FUND

3. NET GAIN/(LOSS) ON FOREIGN EXCHANGE AND FORWARD CURRENCY CONTRACTS

| | 01.05.2021 to 31.10.2021 RM | 01.05.2020 to 31.10.2020 RM |
|--|--------------------------------------|--------------------------------------|
| Net unrealised gain/(loss) on foreign exchange | 391,853 | (1,936,453) |
| Net realised loss on foreign exchange | (10,635) | (267,660) |
| | <u>381,218</u> | <u>(2,204,113)</u> |

4. MANAGER'S FEE

The Manager's fee is computed daily based on 1.50% (01.05.2020 to 31.10.2020: 1.50%) per annum ("p.a.") of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day.

5. TRUSTEE'S FEE

If the Fund is invested locally only, the Trustee's fee is computed based on 0.07% (01.05.2020 to 31.10.2020: 0.07%) p.a. (including local custodian fee) of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day, calculated on a daily basis, subject to a minimum fee of

If the Fund is invested locally and abroad, the Trustee's fee is computed based on 0.07% (01.05.2020 to 31.10.2020: 0.07%) p.a. (including local custodian fee) of the local NAV of the Fund and 0.07% (01.05.2020 to 31.10.2020: 0.07%) p.a. (excluding foreign custodian fee) of the foreign NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day, calculated on a daily basis, subject to a minimum fee of RM18,000 p.a.

6. TAXATION

| | 01.05.2021 to 31.10.2021 RM | 01.05.2020 to 31.10.2020 RM |
|----------------------------|--------------------------------------|--------------------------------------|
| Current income tax expense | | |
| - local | 29,154 | 19,403 |
| - foreign | 10,132 | 40,816 |
| | <u>39,286</u> | <u>60,219</u> |

Income tax is calculated at the Malaysian statutory tax rate of 24% (01.05.2020 to 31.10.2020: 24%) of the estimated assessable income for the financial period. The tax expense for the financial period is in relation to the taxable income earned by the Fund after deducting tax allowable expenses.

In accordance with Schedule 6 of the Income Tax Act 1967, interest income and dividend income earned by the Fund is exempted from tax.

MAYBANK MALAYSIA DIVIDEND FUND

6. TAXATION (CONT'D)

| | 01.05.2021 to 31.10.2021 RM | 01.05.2020 to 31.10.2020 RM |
|--|--------------------------------------|--------------------------------------|
| Net income before taxation | 2,683,385 | 30,236,167 |
| Taxation at Malaysian statutory rate of 24% (01.05.2020 to 31.10.2020: 24%) | 644,012 | 7,256,680 |
| Income tax at source | 39,286 | 60,219 |
| Income not subject to tax | (2,226,915) | (8,473,370) |
| Loss not subject to tax | 1,235,970 | 528,987 |
| Expenses not deductible for tax purposes | 346,933 | 687,703 |
| Tax expense for the financial period | 39,286 | 60,219 |

7. FINANCIAL ASSETS AT FVTPL

| | Note | 31.10.2021 RM | 30.04.2021 RM |
|---------------------------|------|------------------|------------------|
| Quoted equities - Local | (a) | 84,083,448 | 95,833,484 |
| Quoted equities - Foreign | (b) | 34,076,075 | 41,069,492 |
| | | 118,159,523 | 136,902,976 |

| (a) Financial assets at FVTPL - Local | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|---|------------------|-------------------------|-----------------------|---------------------------|
| 31.10.2021 | | | | |
| Consumer Products & Services | | | | |
| Genting Bhd | 469,600 | 2,482,212 | 2,432,528 | 2.02 |
| Hong Leong Industries Bhd | 348,400 | 3,449,317 | 3,177,408 | 2.64 |
| | 818,000 | 5,931,528 | 5,609,936 | 4.66 |
| Energy | | | | |
| Dayang Enterprise Holdings Bhd | 1,100,200 | 1,508,374 | 1,083,697 | 0.90 |

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

| (a) Financial assets at FVTPL - Local (cont'd) | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|---|------------------|-------------------------|-----------------------|---------------------------|
| 31.10.2021 (cont'd) | | | | |
| Financial Services | | | | |
| AMMB Holdings Bhd | 985,800 | 3,067,247 | 3,312,288 | 2.76 |
| CIMB Group Holdings Bhd | 583,973 | 2,467,465 | 3,048,339 | 2.54 |
| Hong Leong Bank Bhd | 208,900 | 3,343,246 | 3,931,498 | 3.27 |
| Malayan Banking Bhd (Note 16) | 496,087 | 4,519,434 | 3,993,500 | 3.32 |
| Public Bank Bhd | 645,900 | 2,642,764 | 2,693,403 | 2.24 |
| RHB Bank Bhd | 750,047 | 4,053,406 | 4,185,262 | 3.48 |
| | 3,670,707 | 20,093,564 | 21,164,291 | 17.61 |
| Healthcare | | | | |
| IHH Healthcare Bhd | 595,800 | 3,179,971 | 3,896,532 | 3.24 |
| Industrial Products & Services | | | | |
| Scientex Bhd | 845,500 | 2,308,061 | 3,940,030 | 3.28 |
| SKP Resources Bhd | 2,195,950 | 3,698,254 | 3,996,629 | 3.33 |
| Sunway Bhd | 1,570,320 | 2,214,429 | 2,795,170 | 2.33 |
| VS Industry Bhd | 3,103,100 | 3,568,255 | 4,902,898 | 4.08 |
| VS Industry Bhd - Warrant | 715,900 | - | 361,530 | 0.30 |
| | 8,430,770 | 11,789,000 | 15,996,256 | 13.32 |
| Plantations | | | | |
| Kuala Lumpur Kepong Bhd | 112,700 | 2,696,610 | 2,436,574 | 2.03 |

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

| (a) Financial assets at FVTPL - Local (cont'd) | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|--|-------------------|-------------------------|-----------------------|---------------------------|
| 31.10.2021 (cont'd) | | | | |
| Properties | | | | |
| S P Setia Bhd -PA | 5,282,233 | 5,316,757 | 4,384,253 | 3.65 |
| Real Estate Investment Trusts ("REITs") | | | | |
| AXIS REIT | 771,968 | 1,054,730 | 1,474,459 | 1.23 |
| IGB REIT | 1,721,600 | 2,940,796 | 2,892,288 | 2.41 |
| Sunway REIT | 2,371,800 | 4,126,589 | 3,462,828 | 2.88 |
| | 4,865,368 | 8,122,115 | 7,829,575 | 6.52 |
| Technology | | | | |
| Greatech Technology Bhd | 357,700 | 2,503,900 | 2,564,709 | 2.13 |
| Inari Amertron Bhd | 983,500 | 2,567,499 | 3,806,145 | 3.17 |
| Malaysian Pacific Industries Bhd | 57,700 | 765,383 | 2,751,136 | 2.29 |
| | 1,398,900 | 5,836,782 | 9,121,990 | 7.59 |
| Telecommunications & Media | | | | |
| Telekom (M) Bhd | 1,046,200 | 6,457,115 | 6,057,498 | 5.04 |
| Time Dotcom Bhd | 854,000 | 2,540,070 | 3,860,080 | 3.21 |
| | 1,900,200 | 8,997,185 | 9,917,578 | 8.25 |
| Transportation & Logistics | | | | |
| MISC Bhd | 373,800 | 2,446,225 | 2,642,766 | 2.20 |
| Total investments at FVTPL - Local | 28,548,678 | 75,918,110 | 84,083,448 | 69.97 |

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

| (b) Financial assets at FVTPL - Foreign | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|--|------------------|-------------------------|-----------------------|---------------------------|
| 31.10.2021 (cont'd) | | | | |
| Australia | | | | |
| Ancor Plc | 19,305 | 947,379 | 959,461 | 0.80 |
| CSL Ltd | 392 | 341,519 | 366,121 | 0.30 |
| Macquarie Group Ltd | 2,421 | 1,331,283 | 1,488,661 | 1.24 |
| | 22,118 | 2,620,181 | 2,814,243 | 2.34 |
| China | | | | |
| Nari Technology Co Ltd | 44,300 | 913,754 | 1,114,108 | 0.93 |
| Hong Kong | | | | |
| AIA Group Ltd | 76,400 | 3,386,273 | 3,570,646 | 2.97 |
| Alibaba Group Holding Ltd | 13,500 | 1,508,837 | 1,170,666 | 0.97 |
| Baidu Inc | 13,450 | 1,515,073 | 1,159,175 | 0.96 |
| BYD Inc | 3,500 | 551,280 | 552,269 | 0.46 |
| China Mengniu Dairy Co Ltd | 101,000 | 2,403,509 | 2,662,421 | 2.22 |
| Haier Smart Home Co Ltd | 177,600.00 | 2,996,443 | 2,749,461.12 | 2.29 |
| Hangzhou Tigermed Consulting Co Ltd | 11,700 | 1,111,761 | 944,241 | 0.79 |
| Li Ning Co Ltd | 19,000 | 893,048 | 874,342 | 0.73 |
| Longfor Group Holdings Ltd | 28,500 | 605,145 | 573,124 | 0.48 |
| Prudential Plc | 15,650 | 1,210,528 | 1,315,476 | 1.09 |
| Tencent Holdings Ltd | 4,900 | 1,108,070 | 1,253,871 | 1.04 |
| Yum China Holdings Inc | 1,650 | 429,360 | 400,277 | 0.33 |
| | 466,850 | 17,719,327 | 17,225,968 | 14.33 |
| India | | | | |
| HDFC Bank Ltd | 16,065 | 1,243,384 | 1,406,195 | 1.17 |
| SBI Cards & Payment Services | 22,339 | 1,106,964 | 1,303,414 | 1.08 |
| | 38,404 | 2,350,348 | 2,709,610 | 2.25 |

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

| (b) Financial assets at FVTPL - Foreign | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|---|-------------------|-------------------------|-----------------------|---------------------------|
| 31.10.2021 (cont'd) | | | | |
| Indonesia | | | | |
| Astra International Tbk Pt | 372,500 | 650,272 | 655,339 | 0.55 |
| Singapore | | | | |
| DBS Group Holdings Ltd | 6,400 | 620,505 | 619,279 | 0.52 |
| CapitaLand Ltd | 130,000 | 537,466 | 486,728 | 0.41 |
| | <u>136,400</u> | <u>1,157,971</u> | <u>1,106,007</u> | <u>0.93</u> |
| South Korea | | | | |
| Naver Corp | 464 | 638,802 | 668,711 | 0.56 |
| Samsung Electronics Co Ltd | 2,699 | 623,794 | 611,658 | 0.51 |
| SK Hynix Inc | 1,638 | 617,864 | 597,416 | 0.52 |
| | <u>4,801</u> | <u>1,880,461</u> | <u>1,877,785</u> | <u>1.59</u> |
| Taiwan | | | | |
| Ase Technology Holding Co Ltd | 49,000 | 934,900 | 727,662 | 0.63 |
| Taiwan Semiconductor Manufacturing Co Ltd | 52,000 | 3,811,538 | 4,565,184 | 3.82 |
| | <u>101,000</u> | <u>4,746,438</u> | <u>5,292,846</u> | <u>4.45</u> |
| United States | | | | |
| Yum China Holdings Inc | 5,419 | 1,313,381 | 1,280,168 | 1.07 |
| Total investments at FVTPL - Foreign | <u>1,191,792</u> | <u>33,352,133</u> | <u>34,076,075</u> | <u>28.44</u> |
| Total investments at FVTPL | <u>29,740,470</u> | <u>109,270,242</u> | <u>118,159,523</u> | <u>98.41</u> |
| Unrealised loss on quoted equities * | | | <u>8,889,281</u> | |

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

| (a) Financial assets at FVTPL - Local | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|---|------------------|-------------------------|-----------------------|---------------------------|
| 30.04.2021 | | | | |
| Consumer Products & Services | | | | |
| Genting Bhd | 577,500 | 3,052,550 | 2,875,950 | 2.04 |
| Hong Leong Industries Bhd | 348,400 | 3,449,317 | 3,292,380 | 2.33 |
| | 925,900 | 6,501,867 | 6,168,330 | 4.37 |
| Energy | | | | |
| Dayang Enterprise Holdings Bhd | 1,100,200 | 1,508,374 | 1,551,282 | 1.10 |
| Financial Services | | | | |
| Allianz Malaysia Bhd | 109,600 | 1,306,348 | 1,446,720 | 1.03 |
| AMMB Holdings Bhd | 985,800 | 3,067,247 | 2,937,684 | 2.08 |
| Bursa Malaysia Bhd | 331,700 | 3,114,513 | 2,796,231 | 1.98 |
| Hong Leong Bank Bhd | 247,200 | 3,956,202 | 4,405,104 | 3.12 |
| Malayan Banking Bhd (Note 16) | 613,769 | 5,633,005 | 5,051,319 | 3.58 |
| RHB Bank Bhd | 906,800 | 4,912,481 | 4,724,428 | 3.35 |
| | 3,194,869 | 21,989,796 | 21,361,486 | 15.14 |
| Healthcare | | | | |
| IHH Healthcare Bhd | 595,800 | 3,179,971 | 3,205,404 | 2.27 |
| Industrial Products & Services | | | | |
| Petronas Chemicals Group Bhd | 71,400 | 426,137 | 585,480 | 0.42 |
| Press Metal Aluminium Holdings Bhd | 616,200 | 2,901,050 | 3,204,240 | 2.27 |
| Scientex Bhd | 1,108,500 | 3,026,004 | 4,644,615 | 3.29 |
| SKP Resources Bhd | 2,425,750 | 4,085,266 | 4,026,745 | 2.85 |
| Sunway Bhd | 2,815,320 | 3,970,100 | 4,560,818 | 3.23 |
| VS Industry Bhd | 1,804,500 | 4,149,989 | 5,016,510 | 3.56 |
| | 8,841,670 | 18,558,546 | 22,038,408 | 15.62 |
| Plantations | | | | |
| Kuala Lumpur Kepong Bhd | 141,700 | 3,390,503 | 3,117,400 | 2.21 |
| Properties | | | | |
| S P Setia Bhd | 5,282,233 | 5,316,757 | 4,199,375 | 2.98 |

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

| (a) Financial assets at FVTPL - Local (cont'd) | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|--|------------------|-------------------------|-----------------------|---------------------------|
| 30.04.2021 (cont'd) | | | | |
| Real Estate Investment Trusts ("REITs") | | | | |
| AXIS REIT | 771,968 | 1,054,730 | 1,520,777 | 1.08 |
| IGB REIT | 1,721,600 | 2,940,796 | 3,012,800 | 2.14 |
| Sunway REIT | 2,371,800 | 4,126,589 | 3,557,700 | 2.52 |
| | 4,865,368 | 8,122,115 | 8,091,277 | 5.74 |
| Technology | | | | |
| Inari Amertron Bhd | 706,700 | 1,303,774 | 2,438,115 | 1.73 |
| Malaysian Pacific Industries Bhd | 116,400 | 1,544,031 | 4,516,320 | 3.20 |
| Unisem (M) Bhd | 190,100 | 1,159,752 | 1,469,473 | 1.04 |
| | 1,013,200 | 4,007,557 | 8,423,908 | 5.97 |
| Telecommunications & Media | | | | |
| Telekom (M) Bhd | 1,402,500 | 8,656,187 | 8,008,275 | 5.68 |
| Time Dotcom Bhd | 320,700 | 2,861,594 | 4,451,316 | 3.16 |
| | 1,723,200 | 11,517,781 | 12,459,591 | 8.84 |
| Transportation & Logistics | | | | |
| Malaysia Airports Holdings Bhd | 298,900 | 1,639,987 | 1,790,411 | 1.27 |
| MISC Bhd | 505,400 | 3,307,442 | 3,426,612 | 2.43 |
| | 804,300 | 4,947,429 | 5,217,023 | 3.70 |
| Total investments at FVTPL - Local | 28,488,440 | 89,040,696 | 95,833,484 | 67.94 |
| (b) Financial assets at FVTPL - Foreign | | | | |
| Hong Kong | | | | |
| AIA Group Ltd | 90,600 | 4,015,658 | 4,714,035 | 3.34 |
| Alibaba Group Holding Ltd | 24100 | 2693554 | 2852777 | 2.02 |
| Baidu Inc | 13,450 | 1,515,073 | 1,456,250 | 1.03 |
| BOC Hong Kong Holdings Ltd | 114,500 | 1,682,751 | 1,650,534 | 1.17 |

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

| (b) Financial assets at FVTPL - Foreign (cont'd) | Quantity Unit | Aggregate cost RM | Market value RM | Percentage of NAV % |
|---|-------------------|-------------------------|-----------------------|---------------------------|
| 30.04.2021 (cont'd) | | | | |
| Hong Kong (cont'd) | | | | |
| China Mengniu Dairy Co Ltd | 61,000 | 1,473,065 | 1,335,031 | 0.95 |
| Haier Smart Home Co Ltd | 177,600 | 2,996,443 | 3,139,428 | 2.23 |
| Sands China Ltd | 76,400 | 1,613,861 | 1,483,160 | 1.05 |
| Tencent Holdings Ltd | 10,800 | 2,150,643 | 3,539,811 | 2.51 |
| | <u>568,450</u> | <u>18,141,048</u> | <u>20,171,026</u> | <u>14.30</u> |
| India | | | | |
| HDFC Bank Ltd | 22,346 | 1,729,515 | 1,742,071 | 1.23 |
| SBI Cards & Payment Services | 29,827 | 1,478,016 | 1,620,436 | 1.15 |
| | <u>52,173</u> | <u>3,207,531</u> | <u>3,362,507</u> | <u>2.38</u> |
| Singapore | | | | |
| CapitaLand Ltd | 427,800 | 1,768,675 | 1,813,185 | 1.29 |
| South Korea | | | | |
| Samsung Electronics Co Ltd | 18,123 | 3,026,072 | 4,879,272 | 3.46 |
| SK Hynix Inc | 5,950 | 1,835,404 | 2,797,357 | 1.98 |
| | <u>24,073</u> | <u>4,861,476</u> | <u>7,676,629</u> | <u>5.44</u> |
| Taiwan | | | | |
| Mediatek Inc | 16,000 | 1,599,209 | 2,775,745 | 1.97 |
| Taiwan Semiconductor Manufacturing Co Ltd | 60,000 | 4,234,551 | 5,270,400 | 3.74 |
| | <u>76,000</u> | <u>5,833,760</u> | <u>8,046,145</u> | <u>5.71</u> |
| Total investments at FVTPL - Foreign | <u>1,148,496</u> | <u>33,812,490</u> | <u>41,069,492</u> | <u>29.12</u> |
| Total investments at FVTPL | <u>29,636,936</u> | <u>122,853,186</u> | <u>136,902,976</u> | <u>97.06</u> |
| Unrealised loss on quoted equities * | | | <u>14,049,790</u> | |

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

MAYBANK MALAYSIA DIVIDEND FUND

8. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

| | 31.10.2021 RM | 30.04.2021 RM |
|--|------------------|------------------|
| Deposits with a licensed financial institution with maturity of: | | |
| - less than 3 months | 200,730 | 2,296,872 |

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

| | 31.10.2021 | | 30.04.2021 | |
|---|-----------------|-----------------------------|-----------------|-----------------------------|
| | WAEIR % p.a. | Average maturity Days | WAEIR % p.a. | Average maturity Days |
| Deposits with maturity of less than 3 months | 1.75 | 3 | 1.75 | 3 |

9. AMOUNT DUE FROM/(DUE TO) MANAGER

| | | 31.10.2021 RM | 30.04.2021 RM |
|---|-------|------------------|------------------|
| Amount due from Manager is in respect of: | | | |
| Creation of units | (i) | 493 | 493 |
| Amount due to Manager is in respect of: | | | |
| Manager's fee | (ii) | 157,161 | 179,789 |
| Cancellation of units | (iii) | 738,966 | 1,505,532 |
| | | 896,127 | 1,685,321 |

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

(ii) The amount relates to the amount payable to the Fund Manager arising from the accruals for Manager's fee at the end of the financial period/year. The normal credit term for Manager's fee is 15 days (30.04.2021: 15 days).

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

10. AMOUNT DUE FROM/(DUE TO) BROKERS

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

MAYBANK MALAYSIA DIVIDEND FUND

11. CASH AT BANK

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

| | 31.10.2021 | 30.04.2021 |
|--------------------------|-------------------|-------------------|
| | RM | RM |
| Australia Dollar ("AUD") | 2,809 | - |
| China Yen ("CNY") | 53 | - |
| Hong Kong Dollar ("HKD") | 8,235 | 1,460,748 |
| Singapore dollar ("SGD") | 14,655 | 29,063 |
| US Dollar ("USD") | 625,119 | 1,857,863 |
| RM | 155,045 | 102,656 |
| | <u>805,916</u> | <u>3,450,330</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 period/year. The normal credit term for Trustee's fee is 15 days (30.04.2021: 15 days).

13. TOTAL EQUITY

| | Note | 31.10.2021 | 30.04.2021 |
|-------------------------------|-------------|--------------------|--------------------|
| | | RM | RM |
| Unitholders' capital | 13 (a) | 120,641,751 | 141,792,945 |
| Accumulated realised loss | 13 (b) | (21,382,617) | (14,778,352) |
| Accumulated unrealised income | 13 (c) | 20,897,195 | 14,060,309 |
| | | <u>120,156,329</u> | <u>141,074,902</u> |

MAYBANK MALAYSIA DIVIDEND FUND

13. TOTAL EQUITY (CONT'D)

(a) Unitholders' capital

| | 01.05.2021 to 31.10.2021 | | 01.05.2020 to 30.04.2021 | |
|--|---|--------------------|---|--------------------|
| | Units | RM | Units | RM |
| As at beginning of the period/year | 655,068,407 | 141,792,945 | 1,338,278,126 | 287,164,781 |
| Creation of units | 2,821,824 | 604,352 | 10,101,053 | 2,146,009 |
| Reinvestment of units | 11,184,960 | 2,411,478 | 35,221,601 | 7,335,235 |
| Cancellation of units | (111,733,307) | (24,167,024) | (728,532,373) | (154,853,080) |
| As at end of the financial period/year | <u>557,341,885</u> | <u>120,641,751</u> | <u>655,068,407</u> | <u>141,792,945</u> |

As at end of financial period/year, there were no units held by the Manager or parties related to the Manager (01.05.2020 to 30.04.2021: nil units).

(b) Accumulated realised loss

| | 01.05.2021 to 31.10.2021 RM | 01.05.2020 to 30.04.2021 RM |
|--|--|--|
| At the beginning of the financial period/year | (14,778,352) | (24,353,784) |
| Net realised (loss)/income for the financial period/year | (4,192,787) | 16,910,667 |
| Distribution out of realised reserve (Note 14) | (2,411,478) | (7,335,235) |
| At the end of the financial period/year | <u>(21,382,617)</u> | <u>(14,778,352)</u> |

(c) Accumulated unrealised income

| | 01.05.2021 to 31.10.2021 RM | 01.05.2020 to 30.04.2021 RM |
|---|--|--|
| At the beginning of the financial period/year | 14,060,309 | (13,984,670) |
| Net unrealised income for the financial period/year | 6,836,886 | 28,044,979 |
| At the end of the financial period/year | <u>20,897,195</u> | <u>14,060,309</u> |

MAYBANK MALAYSIA DIVIDEND FUND

14. DISTRIBUTION

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

| | 01.05.2021 to 31.10.2021 RM | 01.05.2020 to 31.10.2020 RM |
|---------------------------------------|--|--|
| Distribution out of retained earnings | 2,411,478 | 4,418,554 |
| Distribution for the financial period | <u>2,411,478</u> | <u>4,418,554</u> |

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

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

| Distribution date (ex-date) | Gross distribution per unit (sen) | Net distribution per unit (sen) |
|------------------------------------|--|--|
| 01.05.2021 to 31.10.2021 | | |
| 27 October 2021 | <u>0.44</u> | <u>0.44</u> |
| 01.05.2020 to 31.10.2020 | | |
| 28 October 2020 | <u>0.45</u> | <u>0.45</u> |

MAYBANK MALAYSIA DIVIDEND FUND

15. TRANSACTIONS WITH BROKERS/DEALERS/FINANCIAL INSTITUTIONS

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

| 01.05.2021 to 31.10.2021 | Value of trade RM | Percent of total trade % | Brokerage fees RM | Percent of brokerage fees % |
|---------------------------------------|------------------------------|-------------------------------------|------------------------------|--|
| Maybank Investment Bank Bhd ("MIBB")* | 13,201,414 | 13.15 | 33,004 | 14.69 |
| Affin Investment Bank Bhd | 12,813,933 | 12.76 | 32,035 | 14.26 |
| CLSA Securities(M) Sdn Bhd | 9,912,497 | 9.87 | 19,468 | 8.66 |
| CIMB Investment Bank Bhd | 9,321,035 | 9.28 | 19,047 | 8.48 |
| Macquarie Bank Ltd | 7,603,717 | 7.57 | 21,051 | 9.37 |
| Alliance Investment Bank Bhd | 5,398,566 | 5.38 | 20,704 | 9.21 |
| Bank of America Securities Inc | 4,886,587 | 4.87 | 19,424 | 8.64 |
| CLSA Limited | 4,086,157 | 4.07 | 5,055 | 2.25 |
| Public Investment Bank Bhd | 2,813,944 | 2.80 | 7,035 | 3.13 |
| Kenanga Investment Bank Bhd | 2,234,516 | 2.23 | 5,586 | 2.49 |
| JP Morgan Securities Inc | 795,912 | 0.79 | 1,734 | 0.77 |
| Others | 27,351,262 | 27.23 | 40,565 | 18.05 |
| | 100,419,540 | 100.00 | 224,706 | 100.00 |
| 01.05.2020 to 31.10.2020 | | | | |
| Affin Investment Bank Bhd | 89,837,924 | 30.46 | 219,624 | 33.39 |
| Maybank Investment Bank Bhd ("MIBB")* | 70,914,857 | 24.04 | 177,583 | 27.00 |
| CLSA Limited | 26,654,093 | 9.04 | 27,713 | 4.21 |
| CIMB Investment Bank Bhd | 15,180,253 | 5.15 | 55,120 | 8.38 |
| Kenanga Investment Bank Bhd | 13,277,161 | 4.50 | 33,171 | 5.04 |
| Public Investment Bank Bhd | 12,419,277 | 4.21 | 31,006 | 4.71 |
| Macquarie Bank Ltd | 10,877,736 | 3.69 | 12,389 | 1.88 |
| CLSA Securities(M) Sdn Bhd | 9,847,945 | 3.34 | 9,983 | 1.52 |
| Hong Leong Investment Bank Bhd | 7,353,470 | 2.49 | 18,351 | 2.79 |
| Alliance Investment Bank Bhd | 5,754,712 | 1.95 | 14,397 | 2.19 |
| Others | 32,849,758 | 11.13 | 58,392 | 8.89 |
| | 294,967,186 | 100.00 | 657,729 | 100.00 |

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

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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 may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the financial statements, there are no other significant related party transaction and balances of the Fund during the financial period.

| | 01.05.2021 | 01.05.2020 |
|--|-------------------|-------------------|
| | to | to |
| | 31.10.2021 | 31.10.2020 |
| | RM | RM |
| (i) <u>Significant related party transaction</u> | | |
| <u>MBB:</u> | | |
| Dividend income from investment in quoted equity | 372,756 | - |
| | 31.10.2021 | 31.10.2020 |
| (ii) <u>Significant related party balances</u> | | |
| <u>MBB:</u> | | |
| Investment in quoted equity | 3,993,500 | 6,969,676 |

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

17. MANAGEMENT EXPENSE RATIO ("MER")

The MER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee, auditors' remuneration, tax agent's fee and other administrative expenses. For the financial period from 1 May 2021 to 31 October 2021, the MER of the Fund stood at 0.86% (01.05.2020 to 31.10.2020: 0.85%).

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 period from 1 May 2021 to 31 October 2021, the PTR of the Fund stood at 0.38 times (01.05.2020 to 31.10.2020: 0.63 times).

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19. SEGMENT REPORTING

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

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

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

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

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

20. FAIR VALUE HIERARCHY

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

| | Level 1 RM | Level 2 RM | Level 3 RM |
|---------------------------|---------------|---------------|---------------|
| 31.10.2021 | | | |
| Financial assets at FVTPL | 118,159,523 | - | - |
| 30.04.2021 | | | |
| Financial assets at FVTPL | 136,902,976 | - | - |

MAYBANK MALAYSIA DIVIDEND FUND

21. CAPITAL MANAGEMENT

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

The Fund's objectives for managing capital are:

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

No changes were made to the capital management objectives, policies or processes since the commencement date.