



Asset Management

Maybank Asset Management Sdn Bhd

199701006283

Level 12 Tower C

Dataran Maybank

No.1 Jalan Maarof

59000 Kuala Lumpur, Malaysia

Telephone +603 2297 7888

Facsimile +603 2715 0071

www.maybank-am.com.my

MAYBANK MALAYSIA DIVIDEND FUND

**Annual report
For the financial year ended 30 April 2023**

CORPORATE INFORMATION

MANAGER

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

BUSINESS OFFICE

Level 12 Tower C

Dataran Maybank

No.1 Jalan Maarof

59000 Kuala Lumpur, Malaysia

Telephone +603 2297 7888

Facsimile +603 2297 7998

www.maybank-am.com.my

TRUSTEE

HSBC (Malaysia) Trustee Berhad (193701000084) (1281-T)

Level 19, Menara IQ, Lingkaran TRX,

Tun Razak Exchange,

55188 Kuala Lumpur, Malaysia

EXTERNAL INVESTMENT MANAGER

AHAM Asset Management Berhad (199701014290) (429786-T)

Ground Floor, Menara Boustead,

69, Jalan Raja Chulan,

50200 Kuala Lumpur

MAYBANK MALAYSIA DIVIDEND FUND

CONTENTS	PAGE
Manager's report	1 - 8
Trustee's report	9
Statement by Manager	10
Independent auditors' report	11 - 14
Statement of comprehensive income	15
Statement of financial position	16
Statement of changes in net assets attributable to unitholders	17
Statement of cash flows	18
Notes to the financial statements	19 - 47

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial year ended 30 April 2023

A. Fund Information

1. Name of the Fund

Maybank Malaysia Dividend Fund (the "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 year ended 30 April 2023 (cont'd)

A. Fund Information (cont'd)

10. Net income distribution for the financial year ended 30 April 2023

The Fund declared an income distribution of RM1,337,468 for the financial year ended 30 April 2023.

Below are details of distributions made during the financial year:

Distribution dates (ex-date)	Gross/ Net distribution per unit (sen)
27 October 2022	0.27

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

Distribution dates (ex-date)	Before distribution (RM)	After distribution (RM)	Changes %
27 October 2022	0.1750	0.1723	(1.54)

B. Performance Review

1. Key performance data of the Fund

Category	FY2023	FY2022	FY2021
----------	--------	--------	--------

Portfolio Composition (%)

Quoted equities - local

Consumer Products and Services	7.41	5.13	4.37
Energy	1.97	-	1.10
Financial Services	10.35	16.14	15.14
Healthcare	2.63	3.46	2.27
Industrial Products and Services	12.31	13.81	15.62
Plantations	2.13	8.93	2.21
Properties	5.56	4.64	2.98
Real Estate Investment Trust ("REITs")	5.89	5.86	5.74
Technology	4.04	3.91	5.97
Telecommunications and Media	7.50	6.81	8.84
Transportation and Logistics	-	0.16	3.70
Utilities	2.08	-	-

Quoted equities - foreign

Australia	0.41	5.99	-
China	-	1.06	-
Hong Kong	11.55	8.22	14.30
India	1.08	-	2.38
Indonesia	5.67	2.21	-
Singapore	2.15	2.14	1.29

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial year ended 30 April 2023 (cont'd)

B. Performance Review (cont'd)

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

Category	FY2023	FY2022	FY2021
Portfolio Composition (%) (cont'd)			
Quoted equities - foreign (cont'd)			
Korea	4.05	-	5.44
Taiwan	2.46	2.92	5.71
Thailand	1.04	-	-
Cash and other net assets	9.72	8.61	2.94
Total	100.00	100.00	100.00
NAV (RM'000)	85,566	103,602	141,075
Units in circulation (units '000)	468,641	528,686	655,068
NAV per unit (RM)	0.1826	0.1960	0.2154
Highest NAV per unit (RM)	0.1960	0.2233	0.2279
Lowest NAV per unit (RM)	0.1716	0.1882	0.1837
Net income distributed (RM'000)	1,337	4,688	7,335
Distribution dates (ex-date)	27/10/2022	27/10/2021 & 27/04/2022	28/10/2020 & 27/04/2021
Gross distribution per unit (sen)	0.270	0.880	0.902
Net distribution per unit (sen)	0.270	0.880	0.902
Annual total return (%) ⁽¹⁾			
- Capital growth (%)	(6.84)	(9.01)	15.87
- Income distribution (%)	1.55	4.35	4.24
Total return (%)	(5.39)	(5.05)	20.78
Benchmark (%)	(9.67)	(4.53)	23.11
Total Expense Ratio ("TER") (%) ⁽²⁾	1.63	1.62	1.86
Portfolio Turnover Ratio ("PTR") (times) ⁽³⁾	0.80	0.78	1.33

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 TER increased to 1.63% due to lower daily average NAV during the current financial year under review.

(3) The Fund's PTR increased to 0.80 times due to lower daily average NAV during the current financial year.

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

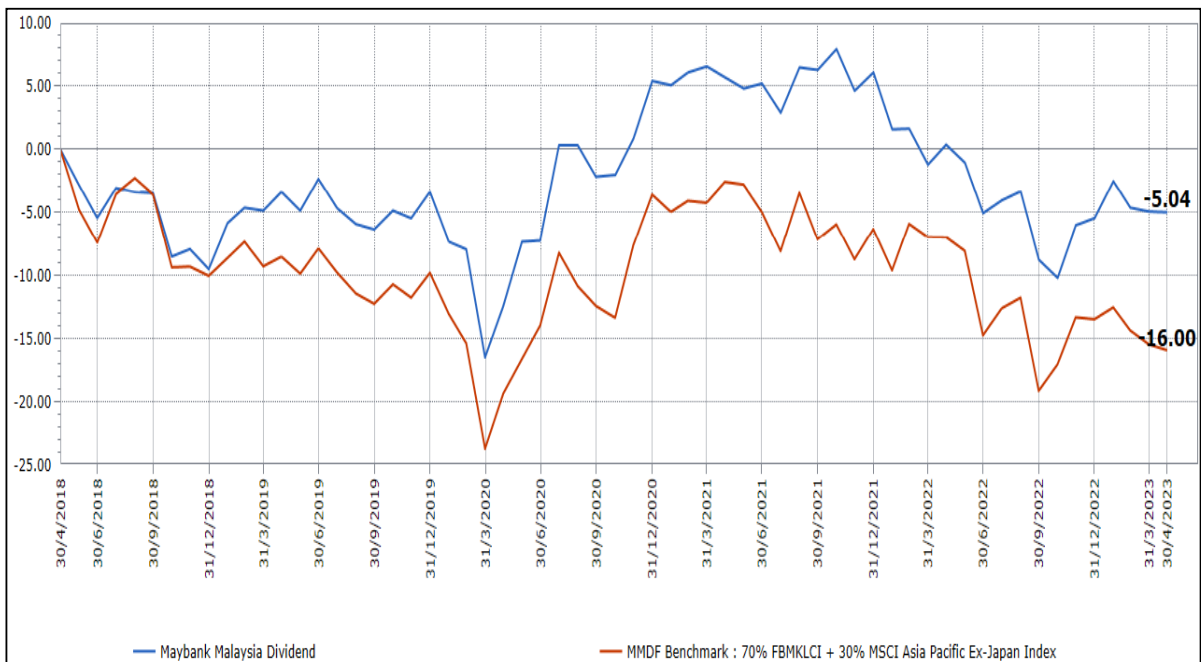
Manager's report

For the financial year ended 30 April 2023 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund 5 years to 30 April 2023

Category	1 year to 30.04.2023 %	3 years to 30.04.2023 %	5 years to 30.04.2023 %
Capital growth	(6.84)	(1.78)	(17.04)
Income distribution	1.55	10.47	14.46
Total return of the Fund	(5.39)	8.51	(5.04)
Benchmark	(9.67)	4.26	(16.00)
Average total return	(5.39)	2.76	(1.03)



Source: Novagni Analytics and Advisory Sdn Bhd, as at 30 April 2023

Has the Fund met its objective?

During the year ended 30 April 2023, the Fund registered a return of -5.39%, outperforming the benchmark return of -9.67%. While equity market has been struggling in recent years, the Fund has delivered positive total return of 8.51% and outperforming the benchmark by 4.25% over the past three years. The Fund has met its mid and long-term capital appreciation objective. The 5-year total return, however, is negative in spite of a 10.96% outperformance against benchmark.

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial year ended 30 April 2023 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund 5 years to 30 April 2023 (cont'd)

Has the Fund met its objective? (cont'd)

The domestic contributors to the Fund's performance during the year under review were:

a) Telecommunications and Media ("Telco"): Time dotCom performed well on the back of strong results delivery. Company also unlocked value by selling partial stake data centre at attractive valuation.

b) Real Estate Investment Trusts ("REITs"): Business recovered strongly after the relaxation of Covid policies. There will be valuation support, as bond yields is expected to stabilise as we move closer to end of rate hike cycle.

In the foreign segment, the biggest detractors are from Chinese stocks. The country's on-and-off Coronavirus Disease ("COVID") lockdowns have put on significant pressure on the economy and business profitability. On the bright side, these lockdowns have been ended from November 2022 and the Chinese economy is expected to gradually recover.

3. Annual total return of the Fund

For the financial year ended	FY2023 %	FY2022 %	FY2021 %	FY2020 %	FY2019 %
Capital growth	(6.84)	(9.01)	15.87	(12.56)	(3.41)
Income distribution	1.55	4.35	4.24	3.79	-
Total return	(5.39)	(5.05)	20.78	(9.25)	(3.41)
Benchmark	(9.67)	(4.53)	23.11	(11.83)	(8.26)

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

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial year ended 30 April 2023 (cont'd)

C. Market Review

The year 2022 was challenging for the market, with concerns including inflation, geopolitical risks, slowing economic growth, and uncertain earnings. The United States Federal Reserve ("US Fed") adopted a hawkish stance to combat inflation, raising the US Fed funds rate to 4.50% in December 2022.

United States ("US") equities saw a rebound in January 2023 due to favourable economic data and easing inflationary pressures. However, volatility increased in March 2023 due to higher interest rates, resulting in a brief banking crisis.

The Morgan Stanley Capital Index ("MSCI") Asia ex-Japan index saw growth due to China's reopening, but tensions between the US and China weakened sentiment in April 2023.

In Malaysia, the Kuala Lumpur Capital Index ("KLCI") edged higher due to optimism surrounding the economic reopening, and the dissolution of Parliament was announced to pave the way for the 15th general election. The new government implemented several policy measures, including a reduction in energy subsidies for high voltage users. Bank Negara Malaysia ("BNM") raised the Overnight Policy Rate ("OPR") in November 2022 and is expected to continue normalizing monetary policy in the future. Inflation in Malaysia eased in March 2023, but core Consumer Price Index ("CPI") remained sticky, and BNM's Annual Report 2022 was perceived as hawkish by bond investors.

D. Market Outlook and Strategy

Despite strong returns over recent months, global equity markets remain susceptible to shifting sentiment towards geopolitical tensions, inflation, economic growth and ultimately corporate earnings. Valuations have already significantly adjusted to reflect a change in the market environment, and we believe reflect realistic expectations for inflation, rates and risk premia. Consequently, the source of risk has now shifted from valuation to earnings in light of the softer growth and prospects for a recession, which appears increasingly likely. Broadly, economic data suggests that inflation pressure persists and economic data, though slowing, is not that bad as feared in the near term.

Within Asia, we continue to believe that China is expected to be a strong source of growth and returns for Asia. The Chinese equities as well as credit market took a breather in February 2023 after strong rally in the past months. Market sentiment was dampened by the re-intensifying geopolitical tensions between US-China. On the other hand, macro and economic front continued to deliver encouraging data. Consumption continued to recover in February 2023, stronger and at a faster pace than expected. Signs of the rebound were evident over the Chinese New Year holiday, and domestic tourism recorded the strongest visitor and revenue levels since the pandemic. Manufacturing activity also picked up. The supportive stance continued into 2023 and was recently validated by the 2 sessions that took place in early March 2023. The general positive tone on economic recovery and consumption stimulus remains, alongside with the announcement of the new cabinet and securing of President Xi's third term.

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial year ended 30 April 2023 (cont'd)

D. Market Outlook and Strategy (cont'd)

Domestically, the KLCI was weak in 2022 affected by both macro and domestic factors. Inflation spike and US Fed tightening throughout the year led to severe market sell-down. On top of that, political uncertainty ahead of election also kept investors on the sideline. The Fund was defensively positioned mainly into large cap with strong balance sheet. It was also underweight in Glove sector which performed badly amid heightened competition from Chinese players.

The foreign portion was focused on Quality Growth companies in 2022. However, our positions in China particularly Chinese Consumer Discretionary have been a significant detractor. Domestically, the Fund benefitted from bottom-up picks within the Telco (Time dotcom and Telekom Malaysia) and REIT (Sunway REIT and IGB REIT) sectors. The Fund also had minimal exposure to gloves which were the major detractors.

For domestic stocks, Telco, REITs and Food and Beverage ("F&B") contributed positively. In terms of overseas stocks, AIA and Resmed contributed positively. For domestic stocks, KLK and Press Metal were the large negative contributors while China Mengniu, JD.com and Shenzhou International dragged performance on the foreign side.

Given heightened market volatility, the Fund will hold higher cash levels to protect capital while looking for trading opportunities. The Manager is constantly on the lookout for bottom-up picks i.e. companies with solid management, strong balance sheets and resilient earnings/ cashflows at undemanding valuation. The Manager will maintain a barbell strategy, with exposure to both value and growth stocks.

In Malaysia, the Manager will continue to hold on to Financial Services (attractive dividend yield and strong asset quality) & REITs (stable and recurring dividends). The Manager is also adding position into Healthcare sector due to attractive valuation supported by improving earnings outlook.

Regionally, the Fund is overweight in China Consumer stocks that are expected to benefit from the country's recovery. Besides that, the Fund has also increased positions in Semiconductor sector that should benefit from a recovery in the second half of 2023.

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.

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial year ended 30 April 2023 (cont'd)

E. Soft Commissions and Rebates (cont'd)

During the financial year ended 30 April 2023, 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. The soft commissions received were for the benefit of the Fund and there was no churning of trades.

F. Declaration on the soft commission/ rebates received from brokers/ dealers

The soft commissions received are in the form of Bloomberg annual subscriptions and terminals. These are retained by the company as it is of demonstrable benefit to unitholders of the Funds as per requirements by the Securities Commission ("SC") under clause 11.25 of the SC's Guidelines On Unit Trust Funds.

G. Securities Financing Transactions and Cross Trade Transactions

The Fund has not undertaken any securities lending or repurchase transaction ("securities financing transactions") in FY2023. No cross trade transactions have been carried out in FY2023.

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF MAYBANK MALAYSIA DIVIDEND FUND ("Fund")

We have acted as Trustee of the Fund for the financial year ended 30 April 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Maybank Asset Management Sdn Bhd has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company under the Deeds, securities laws and the Guidelines of Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring
Kuala Lumpur
16 June 2023

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAYBANK MALAYSIA DIVIDEND FUND
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023**

We, Dr Hasnita Binti Dato' Hashim and Ahmed Muzni Bin Mohamed, 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 the Maybank Malaysia Dividend Fund as at 30 April 2023 and of its results, changes in net assets attributable to unitholders and cash flows for the financial year ended 30 April 2023 and comply with the requirements of the Deeds.

For and on behalf of the Manager

Dr Hasnita Binti Dato' Hashim
Chairman

Ahmed Muzni Bin Mohamed
Director

Kuala Lumpur, Malaysia
16 June 2023

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Maybank Malaysia Dividend Fund (the "Fund"), which comprise the statement of financial position as at 30 April 2023 of the Fund, and statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows of the Fund for the year 30 April 2023 then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 15 to 47.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the as at 30 April 2023, and of its financial performance and cash flows for the 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

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.

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 Dividend 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.

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 Dividend 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. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Independent auditors' report to the Unitholders of
Maybank Malaysia Dividend Fund (cont'd)**

Other matters

This report is made solely to the unitholders 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
03013/10/2024J
Chartered Accountant

Kuala Lumpur, Malaysia
16 June 2023

MAYBANK MALAYSIA DIVIDEND FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023**

	Note	2023 RM	2022 RM
INVESTMENT LOSS			
Dividend income		3,080,404	3,592,690
Profit/ Interest income		103,003	24,684
Net loss on financial assets at fair value through profit or loss ("FVTPL")			
- Unrealised loss		(5,604,926)	(11,461,550)
- Realised (loss)/ gain		(1,172,112)	3,678,146
Net gain on foreign exchange	3	138,572	1,070,616
Other income		-	28
		<u>(3,455,059)</u>	<u>(3,095,386)</u>
EXPENSES			
Manager's fee	4	1,376,256	1,811,010
Trustee's fee	5	64,228	84,520
Auditors' remuneration		9,000	9,000
Tax agent's fee		4,294	3,900
Brokerage and other transaction fees		302,776	381,920
Administrative expenses		206,856	232,186
		<u>1,963,410</u>	<u>2,522,536</u>
Net loss before taxation		(5,418,469)	(5,617,922)
Taxation	6	(106,675)	(78,369)
Net loss after taxation, and total comprehensive loss for the financial year		<u>(5,525,144)</u>	<u>(5,696,291)</u>
Net loss after taxation is made up of the following:			
Net realised (loss)/ income		(15,854)	5,245,992
Net unrealised loss		(5,509,290)	(10,942,283)
		<u>(5,525,144)</u>	<u>(5,696,291)</u>
Distributions for the financial year:			
Net distributions	13	<u>1,337,468</u>	<u>4,688,003</u>
Gross/ Net distribution per unit (sen)	13	<u>0.27</u>	<u>0.88</u>
			27/10/2021 &
Distribution dates (ex-date)	13	<u>27/10/2022</u>	<u>27/4/2022</u>

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

MAYBANK MALAYSIA DIVIDEND FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 30 APRIL 2023**

	Note	2023 RM	2022 RM
ASSETS			
Financial assets at FVTPL	7	77,220,776	97,439,609
Deposit with a licensed financial institution	8	2,989,215	-
Tax recoverable		338,045	-
Dividend receivables		132,223	82,505
Profit/ Interest receivables		676	-
Amount due from Manager	9	118,045	493
Cash at bank	10	6,441,086	6,323,228
TOTAL ASSETS		<u>87,240,066</u>	<u>103,845,835</u>
LIABILITIES			
Amount due to Manager	9	1,643,324	189,255
Amount due to Trustee	11	4,962	5,884
Other payables and accruals		25,707	48,302
TOTAL LIABILITIES		<u>1,673,993</u>	<u>243,441</u>
NET ASSETS VALUE ("NAV") OF THE FUND		<u>85,566,073</u>	<u>103,602,394</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:			
Unitholders' capital	12(a)	103,531,022	114,704,731
Accumulated losses	12(b) & (c)	(17,964,949)	(11,102,337)
		<u>85,566,073</u>	<u>103,602,394</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)	12(a)	<u>468,641,399</u>	<u>528,685,590</u>
NAV PER UNIT (RM)		<u>0.1826</u>	<u>0.1960</u>

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

MAYBANK MALAYSIA DIVIDEND FUND

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023**

	Unitholders' capital Note 12(a) RM	Accumulated losses Note 12(b) & 12(c) RM	Net assets attributable to unitholders RM
At 1 May 2022	114,704,731	(11,102,337)	103,602,394
Total comprehensive loss for the financial year	-	(5,525,144)	(5,525,144)
Creation of units	407,204	-	407,204
Reinvestment of units	1,337,468	-	1,337,468
Cancellation of units	(12,918,381)	-	(12,918,381)
Distributions (Note 13)	-	(1,337,468)	(1,337,468)
At 30 April 2023	<u>103,531,022</u>	<u>(17,964,949)</u>	<u>85,566,073</u>
At 1 May 2021	141,792,945	(718,043)	141,074,902
Total comprehensive loss for the financial year	-	(5,696,291)	(5,696,291)
Creation of units	3,915,280	-	3,915,280
Reinvestment of units	4,688,003	-	4,688,003
Cancellation of units	(35,691,497)	-	(35,691,497)
Distributions (Note 13)	-	(4,688,003)	(4,688,003)
At 30 April 2022	<u>114,704,731</u>	<u>(11,102,337)</u>	<u>103,602,394</u>

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

MAYBANK MALAYSIA DIVIDEND FUND

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023**

	2023	2022
	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from disposal of investments	80,500,762	110,187,913
Net purchase of investments	(65,900,178)	(78,233,460)
Profit/ Interest income received	102,328	24,794
Dividend income received	2,981,266	3,625,938
Manager's fee paid	(1,396,093)	(1,864,640)
Trustee's fee paid	(65,093)	(87,026)
Payment of other fees and expenses	(474,006)	(92,632)
Net cash generated from operating and investing activities	<u>15,748,986</u>	<u>33,560,887</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	407,400	3,915,280
Payments for cancellation of units	(12,912,836)	(37,133,933)
Net cash used in from financing activities	<u>(12,505,436)</u>	<u>(33,218,653)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR	3,243,550	342,234
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	6,323,228	5,747,202
Effect of foreign exchange	(136,477)	233,792
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u>9,430,301</u>	<u>6,323,228</u>
Cash and cash equivalents comprise of:		
Cash at bank (Note 10)	6,441,086	6,323,228
Deposit with a licensed financial institution with maturity of less than 3 months (Note 8)	2,989,215	-
	<u>9,430,301</u>	<u>6,323,228</u>

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

MAYBANK MALAYSIA DIVIDEND FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2023

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.

MAM, the replacement Manager, and HSBC (Malaysia) Trustee Berhad as the Trustee had entered into a Third Supplemental Deed dated 11 July 2019. Subsequently, MAM and the trustee have entered into Fourth Supplemental Deed dated 5 August 2022. 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 Berhad ("MAMG"), which in turn is a subsidiary of 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 16 June 2023.

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 DIVIDEND 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 Interpretation Committee ("IC") Interpretations which have become effective during the financial year ended 30 April 2023. 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 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
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 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112: <i>Deferred Tax Related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to IFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
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 fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

MAYBANK MALAYSIA DIVIDEND 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 as at fair value through profit or loss ("FVTPL") on initial recognition, debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- the assets are held within a business model whose objectives is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and profit/ 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, profit/ interest receivables, dividend receivables and amount due from Manager as financial assets at amortised cost. These assets are subsequently measured using the effective profit rate ("EPR")/ effective interest rate ("EIR") method and are subject to impairment. The EPR/ EIR is a method of calculating the amortised cost of the financial assets and of allocating and recognising the profit/ interest income in profit or loss over the relevant period.

(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;
- 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 or FVTOCI 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.

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.

MAYBANK MALAYSIA DIVIDEND FUND

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

2.4 Financial assets (cont'd)

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

Dividend income on investments in equity instruments at FVTPL is disclosed separately in the profit or loss.

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

(iii) Impairment

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

ECL 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.

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 profit/ 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.

MAYBANK MALAYSIA DIVIDEND FUND

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

2.4 Financial assets (cont'd)

(iv) Derecognition (cont'd)

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

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

2.5 Financial liabilities

(i) Classification

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. The Fund classifies amount due to 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 EPR/ EIR method.

(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.

MAYBANK MALAYSIA DIVIDEND FUND

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

2.6 Unitholders' capital (cont'd)

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

2.7 Revenue/ Income

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

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

Profit/ Interest income from short-term deposits is recognised on the accruals basis using the EPR/ EIR method.

Realised gain or loss 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 in profit and loss 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.

MAYBANK MALAYSIA DIVIDEND FUND

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

2.10 Taxation (cont'd)

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

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 interest.

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.

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.

3. NET GAIN ON FOREIGN EXCHANGE

	2023	2022
	RM	RM
Net unrealised gain on foreign exchange	95,636	519,267
Net realised gain on foreign exchange	42,936	551,349
	<u>138,572</u>	<u>1,070,616</u>

MAYBANK MALAYSIA DIVIDEND FUND

4. MANAGER'S FEE

The Manager's fee is computed daily based on 1.50% (2022: 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% (2022: 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 RM18,000 p.a.

If the Fund is invested locally and abroad, the Trustee's fee is computed based on 0.07% (2022: 0.07%) p.a. (including local custodian fee) of the local NAV of the Fund and 0.07% (2022: 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

	2023	2022
	RM	RM
Current income tax expense		
- Local	22,660	30,155
- Foreign	84,015	48,214
	<u>106,675</u>	<u>78,369</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable income for the financial year.

The tax charge for the financial year is in relation to the taxable income earned by the Fund after deducting tax allowable expenses. In accordance with Schedule 6 of the Income Tax Act 1967, dividend income and profit/ interest income earned by the Fund is exempted from tax. With effect from 1 January 2022, the current income tax exemption on foreign-sourced income ("FSI") received in Malaysia by Malaysian residents has been removed.

Income derived from sources outside Malaysia may be subject to tax in the country from which it is derived. Tax on dividend income from foreign quoted equities is based on the tax regime of the respective countries that the Fund invests in.

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:

	2023	2022
	RM	RM
Net loss before taxation	<u>(5,418,469)</u>	<u>(5,617,922)</u>
Taxation at Malaysian statutory rate of 24% (2022: 24%)	(1,300,433)	(1,348,301)
Income not subject to tax	(766,384)	(2,007,873)
Loss not deductible for tax purposes	1,626,489	2,750,772
Expenses not deductible for tax purposes	471,219	605,402
Income taxed at source	75,784	78,369
Tax expense for the financial year	<u>106,675</u>	<u>78,369</u>

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL

	Note	2023 RM	2022 RM
Quoted equities - Local	(a)	52,916,826	74,080,995
Quoted equities - Foreign	(b)	24,303,950	23,358,614
		<u>77,220,776</u>	<u>97,439,609</u>

2023	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
-------------	--------------------------	----------------------------------	--------------------------------	------------------------------------

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

**Consumer Products and
Services**

Fraser & Neave Holdings Bhd	53,500	1,200,121	1,418,820	1.66
Hong Leong Industries Bhd	348,400	3,449,317	3,173,924	3.71
Sime Darby Bhd	803,000	1,894,019	1,742,510	2.04
	<u>1,204,900</u>	<u>6,543,457</u>	<u>6,335,254</u>	<u>7.41</u>

Energy

Dialog Group Bhd	730,900	1,824,521	1,673,761	1.97
------------------	---------	-----------	-----------	------

Financial Services

CIMB Group Holding Bhd	363,984	1,568,795	1,841,759	2.15
Hong Leong Bank Bhd	85,000	1,631,108	1,711,900	2.00
MBB*	405,666	3,579,420	3,513,068	4.11
RHB Bank Bhd	326,608	1,843,476	1,789,812	2.09
	<u>1,181,258</u>	<u>8,622,799</u>	<u>8,856,539</u>	<u>10.35</u>

Healthcare

KPJ Healthcare Bhd	2,007,000	2,235,740	2,247,840	2.63
--------------------	-----------	-----------	-----------	------

**Industrial Products and
Services**

Press Metal Aluminium Holdings Bhd	728,800	4,278,854	3,753,320	4.39
Scientex Bhd	531,100	1,468,830	1,811,051	2.12
SKP Resources Bhd	1,087,550	1,831,570	1,413,815	1.65
Sunway Bhd	1,121,220	1,581,119	1,760,315	2.06
V.S. Industry Bhd	2,197,600	2,527,020	1,791,044	2.09
	<u>5,666,270</u>	<u>11,687,393</u>	<u>10,529,545</u>	<u>12.31</u>

Plantations

Kuala Lumpur Kepong Bhd	84,700	2,140,183	1,821,050	2.13
-------------------------	--------	-----------	-----------	------

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2023 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(a) Financial assets at FVTPL - Local (cont'd)				
Properties				
S P Setia Bhd	5,282,233	5,316,757	4,754,010	5.56
Real Estate Investment Trusts ("REITs")				
IGB REIT	700,300	1,196,236	1,225,525	1.43
Sunway REIT	2,371,800	4,126,589	3,818,598	4.46
	<u>3,072,100</u>	<u>5,322,825</u>	<u>5,044,123</u>	<u>5.89</u>
Technology				
Greatech Technology Bhd	377,200	2,224,883	1,803,016	2.11
Malaysian Pacific Industries Bhd	58,400	1,735,584	1,652,720	1.93
	<u>435,600</u>	<u>3,960,467</u>	<u>3,455,736</u>	<u>4.04</u>
Telecommunications and Media				
Telekom (M) Bhd	358,026	2,205,262	1,775,809	2.08
TIME dotCom Bhd	845,100	3,437,528	4,639,599	5.42
	<u>1,203,126</u>	<u>5,642,790</u>	<u>6,415,408</u>	<u>7.50</u>
Utilities				
Tenaga Nasional Bhd	200,400	1,840,555	1,783,560	2.08
Total investments at FVTPL - Local	<u>21,068,487</u>	<u>55,137,487</u>	<u>52,916,826</u>	<u>61.87</u>
(b) Financial assets at FVTPL - Foreign				
Australia				
Sonic Healthcare Ltd	3,377	348,911	352,592	0.41
Hong Kong				
AIA Group Ltd	43,200	1,914,751	2,085,203	2.44
Alibaba Group Holdings Ltd	10,963	1,858,852	1,624,638	1.90
Baidu Inc	5,600	445,222	368,148	0.43
China Mengniu Dairy Co Ltd	48,000	1,153,879	860,482	1.01
Chow Tai Fook Jewellery Group Ltd	150,000	1,259,594	1,338,111	1.56
Hang Lung Properties Ltd	54,000	475,802	439,378	0.51
Hong Kong Exchanges and Clearing Ltd	2,300	462,667	423,423	0.49
Li Ning Co Ltd	34,000	1,371,566	1,078,955	1.26

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2023 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Financial assets at FVTPL - Foreign (cont'd)				
Hong Kong (cont'd)				
Shenzhou International Group Holdings Ltd	17,100	861,631	727,259	0.85
Tencent Holdings Ltd	4,800	979,043	939,303	1.10
	369,963	10,783,007	9,884,900	11.55
India				
HDFC Bank Ltd	10,048	886,589	924,157	1.08
Indonesia				
PT Astra International Tbk	387,000	643,047	794,124	0.93
PT Bank Central Asia Tbk	543,700	1,365,106	1,495,827	1.75
PT Bank Mandiri (Persero) Tbk	333,100	519,644	524,033	0.61
PT Telekomunikasi Indonesia (Persero) Tbk	1,203,800	1,380,837	1,555,310	1.82
PT Unilever Indonesia Tbk	355,500	472,252	475,517	0.56
	2,823,100	4,380,886	4,844,811	5.67
Singapore				
Genting Singapore Ltd	145,500	377,627	549,590	0.64
Keppel Corporation Ltd	13,300	182,170	274,305	0.32
CapitaLand Intergrated Commercial	150,400	1,036,060	1,020,566	1.19
	309,200	1,595,857	1,844,461	2.15
South Korea				
Samsung Electro-Mechanics Co Ltd	1,730	876,388	829,242	0.97
SK Hynix Inc	4,454	1,309,673	1,327,847	1.55
Samsung Electronics Co Ltd	7,045	1,323,207	1,307,106	1.53
	13,229	3,509,268	3,464,195	4.05
Taiwan				
Taiwan Semiconductor Manufacturing Co Ltd	26,000	1,905,769	1,892,540	2.21
Unimicron Technology Corporation	10,000	265,476	210,250	0.25
	36,000	2,171,245	2,102,790	2.46
Thailand				
CPP All Pcl	104,700	895,045	886,044	1.04

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2023 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Financial assets at FVTPL - Foreign (cont'd)				
Total investments at FVTPL - Foreign	3,669,617	24,570,808	24,303,950	28.41
Total investments at FVTPL	24,738,104	79,708,295	77,220,776	90.28
Unrealised loss on quoted equities **			(2,487,519)	
2022				
(a) Financial assets at FVTPL - Local				
Consumer Products and Services				
Genting Bhd	469,600	2,482,212	2,174,248	2.10
Hong Leong Industries Bhd	348,400	3,449,317	3,139,084	3.03
	818,000	5,931,529	5,313,332	5.13
Financial Services				
AMMB Holdings Bhd	661,700	2,058,833	2,441,673	2.36
CIMB Group Holding Bhd	601,056	2,540,751	3,125,491	3.02
Hong Leong Bank Bhd	153,600	2,458,222	3,222,528	3.11
MBB*	500,580	4,556,637	4,540,261	4.38
RHB Bank Bhd	541,639	2,919,051	3,385,244	3.27
	2,458,575	14,533,494	16,715,197	16.14
Healthcare				
IHH Healthcare Bhd	541,700	2,891,222	3,580,637	3.46
Industrial Products and Services				
Press Metal Aluminium Holdings Bhd	629,700	4,025,101	3,771,903	3.64
Scientex Bhd	506,400	1,382,380	1,929,384	1.86
SKP Resources Bhd	1,949,250	3,282,780	2,923,875	2.82
Sunway Bhd	1,328,820	1,873,872	2,418,452	2.33
V.S. Industry Bhd	3,103,100	3,568,255	3,103,100	3.00
V.S. Industry Bhd - Warrant B	715,900	-	164,657	0.16
	8,233,170	14,132,388	14,311,371	13.81

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2022 (cont'd)	Quantitv Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(a) Financial assets at FVTPL - Local				
Plantations				
Kuala Lumpur Kepong Bhd	203,900	5,152,105	6,006,894	5.80
Sime Darby Plantation Bhd	619,100	3,195,268	3,244,084	3.13
	<u>823,000</u>	<u>8,347,373</u>	<u>9,250,978</u>	<u>8.93</u>
Properties				
S P Setia Bhd	5,282,233	5,316,757	4,806,832	4.64
Real Estate Investment Trusts ("REITs")				
AXIS REIT	771,968	1,054,730	1,474,459	1.42
IGB REIT	700,300	1,196,236	1,141,489	1.10
Sunway REIT	2,371,800	4,126,589	3,462,828	3.34
	<u>3,844,068</u>	<u>6,377,555</u>	<u>6,078,776</u>	<u>5.86</u>
Technology				
Greatech Technology Bhd	496,200	3,109,376	1,999,686	1.93
Inari Amertron Bhd	352,300	919,705	1,000,532	0.97
Malaysian Pacific Industries Bhd	33,100	439,067	1,049,270	1.01
	<u>881,600</u>	<u>4,468,148</u>	<u>4,049,488</u>	<u>3.91</u>
Telecommunications and Media				
Telekom (M) Bhd	716,900	4,424,685	3,577,331	3.45
TIME dotCom Bhd	781,500	2,324,432	3,477,675	3.36
	<u>1,498,400</u>	<u>6,749,117</u>	<u>7,055,006</u>	<u>6.81</u>
Transportation and Logistics				
MISC Bhd	373,800	2,446,225	2,919,378	0.16
Total investments at FVTPL - Local				
	<u>24,754,546</u>	<u>71,193,808</u>	<u>74,080,995</u>	<u>68.85</u>
(b) Financial assets at FVTPL - Foreign				
Australia				
Santos Ltd	44,847	1,066,103	1,109,587	1.07
ResMed Inc	11,500	1,138,696	1,036,395	1.00
Sonic Healthcare Ltd	20,483	2,116,300	2,326,764	2.25
Amcor PLC	10,794	529,708	564,166	0.54
Goodman Group	15,769	1,138,897	1,169,476	1.13
	<u>103,393</u>	<u>5,989,704</u>	<u>6,206,388</u>	<u>5.99</u>

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

2022 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
(b) Financial assets at FVTPL - Foreign				
China				
China Tourism Group Duty Free Corporation Ltd	9,200	1,277,345	1,102,281	1.06
Hong Kong				
AIA Group Ltd	51,000	2,260,470	2,198,731	2.12
China Mengniu Dairy Co Ltd	86,000	2,067,366	2,031,466	1.96
JD.com, Inc.	8,631	1,329,626	1,271,132	1.23
Li Ning Co Ltd	33,000	1,452,921	1,144,571	1.10
Shenzhou International Group Holdings Ltd	17,800	1,073,101	1,074,854	1.04
Tencent Holdings Ltd	3,800	833,730	795,220	0.77
	<u>200,231</u>	<u>9,017,214</u>	<u>8,515,974</u>	<u>8.22</u>
Indonesia				
PT Bank Mandiri (Persero) Tbk	422,000	1,045,713	1,133,070	1.09
PT Bank Negara Indonesia (Persero) Tbk	419,800	1,033,930	1,161,797	1.12
	<u>841,800</u>	<u>2,079,643</u>	<u>2,294,867</u>	<u>2.21</u>
Singapore				
Singapore Exchange Ltd	36,100	1,109,796	1,113,446	1.07
CapitaLand Ltd	150,400	1,036,060	1,104,035	1.07
	<u>186,500</u>	<u>2,145,856</u>	<u>2,217,481</u>	<u>2.14</u>
Taiwan				
Taiwan Semiconductor Manufacturing Co Ltd	38,000	2,785,355	3,021,623	2.92
Total investments at FVTPL - Foreign	<u>1,379,124</u>	<u>23,295,117</u>	<u>23,358,614</u>	<u>22.54</u>
Total investments at FVTPL	<u>26,133,670</u>	<u>94,488,925</u>	<u>97,439,609</u>	<u>91.39</u>
Unrealised gain on quoted equities **			<u>2,950,684</u>	

* MBB is the ultimate holding company of the manager.

** The unrealised (loss)/ gain on financial assets at FVTPL investment 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

	2023 RM	2022 RM
Deposit with a licensed financial institution with maturity of:		
- less than 3 months	2,989,215	-

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

	2023 WAEPR/ WAEIR % p.a.	Average maturity Days	2022 WAEPR/ WAEIR % p.a.	Average maturity Days
Deposit with maturity of less than 3 months	2.75	4	-	-

9. AMOUNT DUE FROM/ (DUE TO) MANAGER

		2023 RM	2022 RM
Amount due from Manager is in respect of:			
Creation of units	(i)	118,045	493
Amount due to Manager is in respect of:			
Manager's fee	(ii)	106,321	126,159
Cancellation of units	(iii)	1,537,003	63,096
		1,643,324	189,255

(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 year. The normal credit term for Manager's fee is 15 days (2022: 15 days).

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

10. CASH AT BANK

	2023 RM	2022 RM
Australian Dollar ("AUD")	5,003,898	143,385
Chinese Yuan ("CNY")	142,349	422,225
Hong Kong Dollar ("HKD")	270,420	1,692,767
Indian Rupee ("INR")	44	-
Singapore dollar ("SGD")	183,968	955,448
US Dollar ("USD")	673,800	2,951,785
RM	166,607	157,618
	6,441,086	6,323,228

MAYBANK MALAYSIA DIVIDEND FUND

11. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable to the Trustee arising from the accruals for Trustee's fee at the end of the financial year. The normal credit term for Trustee's fee is 15 days (2022: 15 days).

12. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

	Note	2023 RM	2022 RM
Unitholders' capital	(a)	103,531,022	114,704,731
Accumulated realised loss	(b)	(15,573,685)	(14,220,363)
Accumulated unrealised (loss)/ income	(c)	(2,391,264)	3,118,026
		<u>85,566,073</u>	<u>103,602,394</u>

(a) Unitholders' capital

	2023		2022	
	No. of units	RM	No. of units	RM
As at beginning of the financial year	528,685,590	114,704,731	655,068,407	141,792,945
Creation of units	2,258,302	407,204	18,464,143	3,915,280
Reinvestment of units	7,748,942	1,337,468	22,799,888	4,688,003
Cancellation of units	(70,051,435)	(12,918,381)	(167,646,848)	(35,691,497)
As at end of the financial year	<u>468,641,399</u>	<u>103,531,022</u>	<u>528,685,590</u>	<u>114,704,731</u>

As at end of financial year, there were no units held by the Manager or parties related to the Manager (2022: Nil units)

(b) Accumulated realised loss

	2023 RM	2022 RM
At the beginning of the financial year	(14,220,363)	(14,778,352)
Net realised (loss)/ income for the financial year	(15,854)	5,245,992
Distribution out of realised reserve (Note 13)	(1,337,468)	(4,688,003)
At the end of the financial year	<u>(15,573,685)</u>	<u>(14,220,363)</u>

(c) Accumulated unrealised (loss)/ income

	2023 RM	2022 RM
At the beginning of the financial year	3,118,026	14,060,309
Net unrealised loss for the financial year	(5,509,290)	(10,942,283)
At the end of the financial year	<u>(2,391,264)</u>	<u>3,118,026</u>

MAYBANK MALAYSIA DIVIDEND FUND

13. DISTRIBUTIONS

The sources of distribution to the unitholders in the current and previous financial year are as follows:

	2023	2022
	RM	RM
Dividend income	1,948,775	3,099,079
Profit/ Interest income	65,163	21,293
Net realised gains on sale of investments	-	3,172,794
Other income	-	24
Less: Expenses	(676,471)	(1,605,187)
Distributions out of realised income	<u>1,337,468</u>	<u>4,688,003</u>

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

Distribution dates (ex-date)	Gross/ Net distribution per unit (sen)
2023	
27 October 2022	<u>0.27</u>
2022	
27 October 2021	0.44
27 April 2022	<u>0.44</u>
	<u>0.88</u>

The distributions declared were settled in the form of units and presented as 'reinvestment of units' in Note 12(a) on payment date.

14. TRANSACTIONS WITH BROKERS/ DEALERS/ FINANCIAL INSTITUTIONS

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

	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of brokerage fees %
2023				
CLSA Securities Sdn Bhd	22,553,349	15.24	34,963	11.59
Affin Investment Bank Bhd	13,500,658	9.12	33,752	11.19
Credit Suisse Ltd	13,339,078	9.02	22,271	7.38
Macquarie Capital Securities Sdn Bhd	10,821,264	7.32	14,618	4.85
Morgans Financial Ltd	10,469,781	7.08	26,041	8.63
CIMB Bank Berhad	9,608,109	6.50	18,802	6.23
Maybank Investment Bank Bhd ("MIBB")*	9,439,418	6.38	22,717	7.53
Instinet DMA	7,254,960	4.90	10,028	3.32
Public Investment Bank Bhd	5,981,614	4.04	14,960	4.96

MAYBANK MALAYSIA DIVIDEND FUND

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

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

	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of brokerage fees %
2023 (cont'd)				
Kenanga Investment Bank Bhd	5,053,365	3.42	12,633	4.19
Others	39,903,362	26.98	90,946	30.14
	<u>147,924,958</u>	<u>100.00</u>	<u>301,731</u>	<u>100.00</u>
2022				
CLSA Securities Sdn Bhd	31,500,733	16.69	48,714	12.95
Macquarie Capital Securities Sdn Bhd	22,012,316	11.66	28,503	7.57
Affin Investment Bank Bhd	20,569,165	10.90	51,423	13.67
MIBB*	19,079,164	10.11	47,698	12.67
Credit Suisse Ltd	12,766,446	6.76	11,785	3.13
Bank of America Merrill Lynch London	7,809,479	4.14	27,311	7.26
J.P. Morgan Securities Ltd	7,634,446	4.04	20,811	5.53
Morgans Financial Ltd	6,251,395	3.31	15,628	4.15
Public Investment Bank Bhd	6,099,003	3.23	15,248	4.05
Jefferies International Ltd	5,782,140	3.06	11,349	3.02
Others	49,276,189	26.10	97,830	26.00
	<u>188,780,476</u>	<u>100.00</u>	<u>376,300</u>	<u>100.00</u>

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

Details of transactions, primarily cash placements with financial institutions including rollover during the current and previous financial year are as follows:

Financial institutions	2023		2022	
	Value of placements RM	Percentage of total placements %	Value of placements RM	Percentage of total placements %
Public Bank Bhd	907,768,265	53.30	339,071,922	100.00
Maybank Islamic Bhd ("MIB")**	321,803,000	18.90	-	-
Hong Leong Islamic Bank Bhd	303,245,118	17.80	-	-
MBB*	171,091,815	10.00	-	-
	<u>1,703,908,198</u>	<u>100.00</u>	<u>339,071,922</u>	<u>100.00</u>

* MBB is the ultimate holding company of the Manager.

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

MAYBANK MALAYSIA DIVIDEND FUND

15. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

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

	2023	2022
	RM	RM
(i) <u>Significant related party transactions</u>		
<u>MBB:</u>		
Profit/ Interest income from deposit	17,542	-
Dividend income from investment in quoted equity	215,102	521,582
	<hr/>	<hr/>
<u>MIB</u>		
Profit income from deposit	30,163	-
	<hr/>	<hr/>
(ii) <u>Significant related party balances</u>		
<u>MBB:</u>		
Investment in quoted equity	3,513,068	4,540,261
	<hr/>	<hr/>

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

16. TOTAL EXPENSE RATIO ("TER")

The TER 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 year ended 30 April 2023, the TER of the Fund stood at 1.63% (2022: 1.62%).

17. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial year to the average NAV of the Fund calculated on a daily basis. For the financial year ended 30 April 2023, the PTR of the Fund stood at 0.80 times (2022: 0.78 times).

MAYBANK MALAYSIA DIVIDEND FUND

18. SEGMENT REPORTING

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 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 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.

19. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

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

2023	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial assets at FVTPL RM	Total RM
Financial Assets				
Financial asset at FVTPL	77,220,776	-	-	77,220,776
Deposit with a licensed financial institution	-	2,989,215	-	2,989,215
Dividend receivables	-	132,223	-	132,223
Profit/ Interest receivables	-	676	-	676
Amount due from Manager	-	118,045	-	118,045
Cash at bank	-	6,441,086	-	6,441,086
Total financial assets	<u>77,220,776</u>	<u>9,681,245</u>	<u>-</u>	<u>86,902,021</u>

MAYBANK MALAYSIA DIVIDEND FUND

19. FINANCIAL INSTRUMENTS (CONT'D)

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

2023 (cont'd)	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial assets at FVTPL RM	Total RM
Financial Liabilities				
Amount due to Manager	-	-	1,643,324	1,643,324
Amount due to Trustee	-	-	4,962	4,962
Other payables and accruals	-	-	25,707	25,707
Total financial liabilities	-	-	1,673,993	1,673,993
2022	RM	RM	RM	RM
Financial Assets				
Financial asset at FVTPL	97,439,609	-	-	97,439,609
Dividend receivables	-	82,505	-	82,505
Amount due from Manager	-	493	-	493
Cash at bank	-	6,323,228	-	6,323,228
Total financial assets	97,439,609	6,406,226	-	103,845,835
Financial Liabilities				
Amount due to Manager	-	-	189,255	189,255
Amount due to Trustee	-	-	5,884	5,884
Other payables and accruals	-	-	48,302	48,302
Total financial liabilities	-	-	243,441	243,441

(b) Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL are carried at fair value.

Quoted equities

Fair value is determined by reference to their published price at the reporting date. For equities quoted on Bursa Malaysia, the market prices are determined by reference to the theoretical closing market price as published by Bursa Malaysia. For equities quoted other than Bursa Malaysia, the market prices are determined by reference to the theoretical closing market price as quoted by the respective foreign stock exchanges of the respective countries.

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

Other than its securities, the Fund's financial instruments are not carried at fair value but their carrying amounts are reasonable approximations of fair value due to their short term nature. There were no financial instruments which are not carried at fair value and whose carrying amounts are not reasonable approximations of their respective fair values.

MAYBANK MALAYSIA DIVIDEND FUND

19. FINANCIAL INSTRUMENTS (CONT'D)

(d) 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
2023			
Financial assets at FVTPL	77,220,776	-	-
2022			
Financial assets at FVTPL	97,439,609	-	-

20. FINANCIAL RISK 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, the Securities Commission's Guidelines on Unit Trust Funds and the CMSA.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Fund is exposed to foreign currency risk arising from the Fund's investments in quoted equities denominated in foreign currencies, and other financial assets and liabilities denominated in foreign currencies. The Fund is also exposed to profit/ interest rate risk arising from its deposit placed with a licensed financial institution.

(i) 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. As at 30 April 2023, besides RM, the Fund also invested in equities denominated in Australian Dollar ("AUD"), Chinese Yuan ("CNY"), Hong Kong Dollar ("HKD"), Indian Rupee ("INR"), Indonesian Rupiah ("IDR"), Korean Won ("KRW"), Singapore Dollar ("SGD"), United States Dollar ("USD"), Thailand Baht ("THB") and Taiwan Dollar ("TWD").

However, The Fund's exposures to fluctuations in Chinese Yuan ("CNY") and Thailand Baht ("THB") exchange rates are not significant for the financial year ended 30 April 2023.

MAYBANK MALAYSIA DIVIDEND FUND

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

(b) Market risk (cont'd)

(i) Foreign exchange risk (cont'd)

The table below analyses the net position of the Fund's financial assets and financial liability 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 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.

2023	AUD RM	HKD RM	INR RM	IDR RM	KRW RM	SGD RM	USD RM	TWD RM	TOTAL RM
Assets									
Financial assets									
at FVTPL	352,592	9,884,900	924,157	4,844,811	3,464,195	1,844,461	-	2,102,790	23,417,906
Dividend receivables	1,325	-	1,351	3,751	6,218	4,708	-	10,812	28,164
Cash at bank	5,003,898	270,420	44	-	-	183,968	673,800	-	6,132,130
Net on-balance sheet open position	5,357,815	10,155,320	925,552	4,848,562	3,470,413	2,033,137	673,800	2,113,602	29,578,200
2022	AUD RM	CNY RM	HKD RM	INR RM	KRW RM	SGD RM	USD RM	TWD RM	TOTAL RM
Assets									
Financial assets									
at FVTPL	6,206,388	1,102,281	8,515,974	2,294,867	-	2,217,481	-	3,021,623	23,358,614
Dividend receivables	-	-	-	-	6,920	-	-	-	6,920
Cash at bank	143,385	422,225	1,692,767	-	-	955,448	2,951,785	-	6,165,610
Net on-balance sheet open position	6,349,773	1,524,506	10,208,741	2,294,867	6,920	3,172,929	2,951,785	3,021,623	29,531,144

The Fund did not hedge its exposure to financial assets denominated in foreign currencies.

MAYBANK MALAYSIA DIVIDEND FUND

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

(b) Market risk (cont'd)

(i) Foreign exchange risk (cont'd)

The table below summarises the sensitivity of the Fund's NAV to movements in exchange rates. The analysis is based on the assumptions that the exchange rate will increase or decrease by 5% with all other variables held constant.

Currencies	2023		2022	
	Changes in exchange rates %	Impact on NAV increase/ (decrease) RM	Changes in exchange rates %	Impact on NAV increase/ (decrease) RM
AUD	+5%	267,891	+5%	317,489
	-5%	(267,891)	-5%	(317,489)
CNY	-	-	+5%	76,225
	-	-	-5%	(76,225)
HKD	+5%	507,766	+5%	510,437
	-5%	(507,766)	-5%	(510,437)
INR	+5%	46,278	+5%	114,743
	-5%	(46,278)	-5%	(114,743)
IDR	+5%	242,241	-	-
	-5%	(242,241)	-	-
KRW	+5%	173,521	+5%	346
	-5%	(173,521)	-5%	(346)
SGD	+5%	101,657	+5%	158,646
	-5%	(101,657)	-5%	(158,646)
USD	+5%	33,690	+5%	147,589
	-5%	(33,690)	-5%	(147,589)
TWD	+5%	105,680	+5%	151,081
	-5%	(105,680)	-5%	(151,081)

The impact to net loss after tax is expected to be the same as the effects on NAV.

(ii) Profit/ Interest rate risk

The Fund's deposit with a licensed financial institution carry a fixed rate and therefore is not affected by movements in market interest rates.

MAYBANK MALAYSIA DIVIDEND FUND

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

(b) Market risk (cont'd)

(iii) Price risk

Price risk is the risk of unfavourable changes in the fair values of investments as the result of changes in the levels of equity indices and the value of individual shares. The price risk exposure arises from the Fund's investments in quoted equities.

Price risk sensitivity

Management's best estimate of the effect on the income for the year due to a reasonably possible change in price, with all other variables held constant is indicated in the table below:

	2023		2022	
	Changes in price %	Effects on NAV Increase/ (decrease) RM	Changes in price %	Effects on NAV Increase/ (decrease) RM
Financial assets at FVTPL	+5%	3,861,039	+5%	4,871,980
	-5%	(3,861,039)	-5%	(4,871,980)

The impact to net loss after tax is expected to be the same as the effects on NAV.

Price risk concentration

The Fund's exposure to price risk based on its portfolio of investments as at the reporting date is disclosed in Note 7 to the financial statements.

(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 repayments of profit/ interest, principal and proceeds from realisation of investments. These credit exposures exist within financing relationships, and other transactions.

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

MAYBANK MALAYSIA DIVIDEND FUND

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

(c) Credit risk (cont'd)

(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 within Malaysia and in Asia ex-Japan markets, the Manager also eligible to invest in Malaysian fixed income securities and liquid assets. The fixed income securities must have a minimum credit rating of AA3/ P1 by RAM or equivalent rating by other rating agencies.

(iii) Credit risk concentration

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

	2023		2022	
	RM	Percentage of NAV	RM	Percentage of NAV
Financial assets				
AAA	9,430,977	11.02	6,323,228	6.10

(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 another financial asset. 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 10 days.

MAYBANK MALAYSIA DIVIDEND FUND

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

(d) Liquidity risk (cont'd)

The following table summarises the maturity profile of the Fund's financial assets, liabilities and Unitholders' capital 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.

2023	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial assets at FVTPL	77,220,776	-	77,220,776
Deposit with a licensed financial institution	2,989,215	-	2,989,215
Dividend receivables	132,223	-	132,223
Profit/ Interest receivables	676	-	676
Amount due from Manager	118,045	-	118,045
Cash at bank	6,441,086	-	6,441,086
Total undiscounted financial assets	<u>86,902,021</u>	<u>-</u>	<u>86,902,021</u>
Financial liabilities and Unitholders' capital			
Amount due to Manager	1,643,324	-	1,643,324
Amount due to Trustee	4,962	-	4,962
Other payables and accruals	25,707	-	25,707
Unitholders' capital	85,566,073	-	85,566,073
Total undiscounted financial liabilities and unitholders' capital	<u>87,240,066</u>	<u>-</u>	<u>87,240,066</u>
Liquidity gap	<u>(338,045)</u>	<u>-</u>	<u>(338,045)</u>
2022			
Financial assets			
Financial assets at FVTPL	97,439,609	-	97,439,609
Dividend receivables	82,505	-	82,505
Amount due from Manager	493	-	493
Cash at bank	6,323,228	-	6,323,228
Total undiscounted financial assets	<u>103,845,835</u>	<u>-</u>	<u>103,845,835</u>
Financial liabilities and Unitholders' capital			
Amount due to Manager	189,255	-	189,255
Amount due to Trustee	5,884	-	5,884
Other payables and accruals	48,302	-	48,302
Unitholders' capital	103,602,394	-	103,602,394
Total undiscounted financial liabilities and unitholders' capital	<u>103,845,835</u>	<u>-</u>	<u>103,845,835</u>
Liquidity (gap)/ surplus	<u>-</u>	<u>-</u>	<u>-</u>

MAYBANK MALAYSIA DIVIDEND FUND

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

Financial assets exclude tax-related matters such as tax recoverable.

(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.

Financial liabilities exclude tax-related matters such as tax payable.

(iii) Unitholders' capital

The unitholders can request for redemption on their units by giving the Manager a 10 days notice period, the unitholders' capital have been categorised as having a maturity of "less than 1 month".

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

21. CAPITAL MANAGEMENT

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

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 during the current financial year.