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MAYBANK MALAYSIA DIVIDEND FUND

**Unaudited semi-annual report
For the financial period from 1 May 2022 to 31 October
2022**

CORPORATE INFORMATION

MANAGER

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TRUSTEE

HSBC (Malaysia) Trustee Berhad (193701000084) (1281-T)
Level 19, Menara IQ, Lingkaran TRX,
Tun Razak Exchange,
55188 Kuala Lumpur, Malaysia

EXTERNAL INVESTMENT MANAGER

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

MAYBANK MALAYSIA DIVIDEND FUND

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MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2022 to 31 October 2022

A. Fund Information

1. Name of the Fund

Maybank Malaysia Dividend Fund ("Fund")

2. Type of Fund

Income and Growth fund

3. Category of Fund

Equity fund

4. Duration of the Fund

The Fund is an open-ended Fund.

5. Fund launch date / commencement date

6 June 2006 / 5 July 2006

6. Fund's investment objective

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

7. Fund distribution policy

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

8. Fund's performance benchmark

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2022 to 31 October 2022 (cont'd)

A. Fund Information (cont'd)

10. Net income distribution for the financial period ended 31 October 2022

The Fund declared an income distribution of RM1,337,467 the financial period ended 31 October 2022.

Below are details of distribution made during the financial period:

Distribution date	Gross distribution per unit (sen)	Net distribution per unit (sen)
27 October 2022	0.27	0.27

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

Distribution date	Before distribution (RM)	After distribution (RM)	Changes %
27 October 2022	0.1765	0.1738	(1.53)

There is no unit split declared for the financial period under review.

11. Breakdown of Unitholdings by size

Fund size

As at 31 October 2022, the size of the Fund was 502,213,811 units.

Breakdown of Unitholdings as at 31 October 2022

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	161	5.98	483	0.10
5,001 to 10,000 units	229	7.95	1,640	0.31
10,001 to 50,000 units	527	21.39	13,869	3.37
50,001 to 500,000 units	1,515	56.77	229,338	47.70
500,001 units and above	220	7.91	256,884	48.52
Total	2,652	100.00	*502,214	100.00

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

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2022 to 31 October 2022 (cont'd)

B. Performance Review

1. Key performance data of the Fund

Category	31.10.2022	30.04.2022	30.04.2021
Portfolio Composition (%)			
Quoted equities - local			
Consumer Products and Services	7.42	5.13	4.37
Energy	-	-	1.10
Financial Services	12.76	16.14	15.14
Healthcare	3.10	3.46	2.27
Industrial Products and Services	15.40	13.81	15.62
Plantations	8.24	8.93	2.21
Properties	5.33	4.64	2.98
Real Estate Investment Trust ("REITs")	5.10	5.86	5.74
Technology	1.00	3.91	5.97
Telecommunications and Media	7.82	6.81	8.84
Transportation and Logistics	2.08	0.16	3.70
Quoted equities - foreign			
Australia	5.24	5.99	-
China	-	1.06	-
Hong Kong	8.01	8.22	14.30
India	2.22	-	2.38
Indonesia	-	2.21	-
Singapore	5.23	2.14	1.29
Korea	1.50	-	5.44
Taiwan	2.71	2.92	5.71
Cash and other net assets	6.84	8.61	2.94
Total	100.00	100.00	100.00

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2022 to 31 October 2022 (cont'd)

B. Performance Review (cont'd)

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

Category	31.10.2022	30.04.2022	30.04.2021
NAV (RM'000)	86,682	103,602	141,075
Units in circulation (units'000)	502,214	528,686	655,068
NAV per unit (RM)	0.1726	0.1960	0.2154
Highest NAV per unit (RM)	0.1960	0.2233	0.2279
Lowest NAV per unit (RM)	0.1723	0.1882	0.1837
Net income distributed (RM'000)	1,337	4,688	7,335
Distribution 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 (%)	(11.94)	(9.01)	15.87
- Income distribution (%)	1.55	4.35	4.24
Total return (%)	(10.57)	(5.05)	20.78
Benchmark (%)	(10.88)	(4.53)	23.11
Total Expense Ratio ("TER") (%) ⁽²⁾	0.82	1.62	1.86
Portfolio Turnover Ratio ("PTR") (times) ⁽³⁾	0.70	0.78	1.33

Notes:

(1) Actual return of the Fund for the financial period is computed based on the daily average NAV per unit, net of Manager's and Trustee's fees.

(2) The Fund's TER decreased to 0.82% due to the lower expenses in the current financial period.

(3) The Fund's PTR decreased to 0.70 times due to decreased investing activities during the current financial period.

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

MAYBANK MALAYSIA DIVIDEND FUND

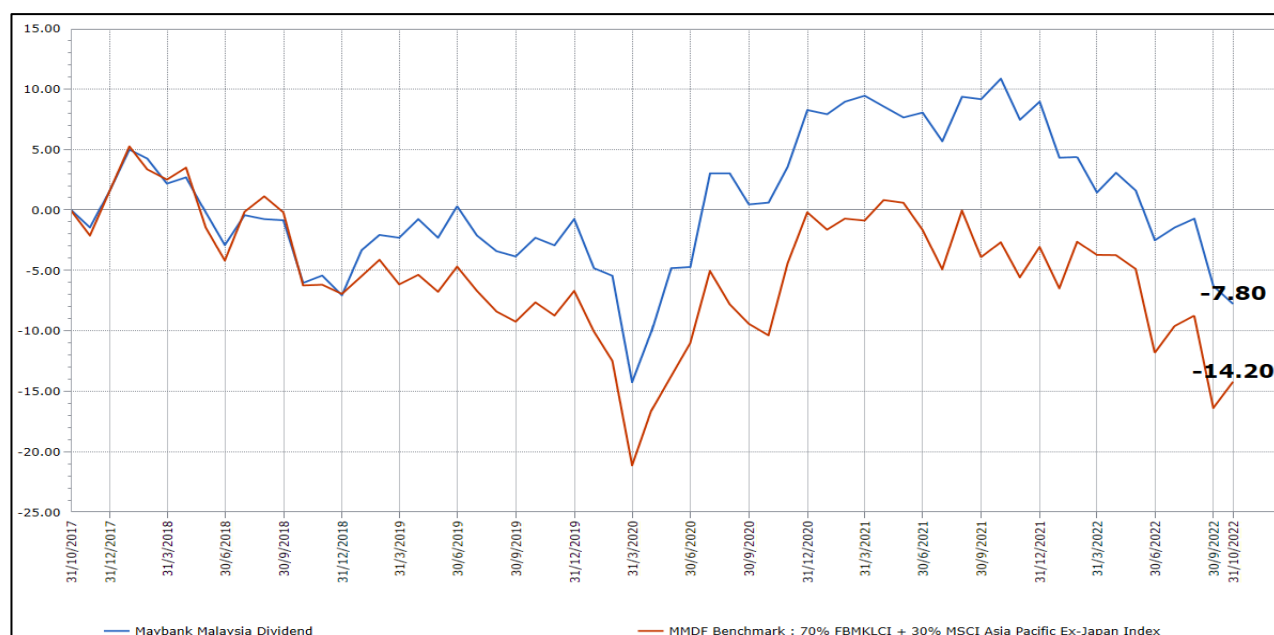
Manager's report

For the financial period from 1 May 2022 to 31 October 2022 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund up to 31 October 2022

Category	6 months to 31.10.2022 %	1 year to 31.10.2022 %	3 years to 31.10.2022 %	5 years to 31.10.2022 %
Capital growth	(11.94)	(19.94)	(14.55)	(25.38)
Income distribution	1.55	3.87	10.47	23.56
Total return of the Fund	(10.57)	(16.85)	(5.61)	(7.80)
Benchmark	(10.88)	(11.86)	(7.11)	(14.20)
Average total return	-	(16.85)	(1.90)	(1.61)



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 October 2022

During the 6 months ended 31 October 2022, the Fund declined by 10.6%, outperforming the benchmark by 31 basis points (“bps”).

Domestically, FBM KLCI fell by 8.8% during the period under review but the Fund held up better performance (-4.2%) given zero exposure to gloves which derated significantly due to oversupply. The Fund was also underweight in Petronas Chemicals (commodity stocks were sold down with rising concern of potential recession) while overweight in Telekom (strong results from effective cost management + beneficiary of 5G infrastructure rollout).

On the regional front, Asian markets fell by 15.5% primarily dragged down by the Chinese stock market. The Chinese stock market, particularly the Consumer sector, was severely dragged down tight Coronavirus Disease 2019 (“COVID-19”) lockdowns. The sharp decline in property market also hurt the overall Chinese stock market.

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2022 to 31 October 2022 (cont'd)

3. Annual total return of the Fund

For the financial period/year ended	31.10.2022 %	30.04.2022 %	30.04.2021 %	30.04.2020 %	30.04.2019 %
Capital growth	(11.94)	(9.01)	15.87	(12.56)	(3.41)
Income distribution	1.55	4.35	4.24	3.79	-
Total return	(10.57)	(5.05)	20.78	(9.25)	(3.41)
Benchmark	(10.88)	(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:

$$\begin{aligned}\text{Capital return} &= (\text{NAV per unit end} / \text{NAV per unit begin}) - 1 \\ \text{Income return} &= \text{Income distribution per unit} / \text{NAV per unit ex-date} \\ \text{Total return} &= (1 + \text{Capital return}) \times (1 + \text{Income return}) - 1\end{aligned}$$

C. Market Review

Uncertainty has been an ongoing theme in economies over the past year. Fiscal and monetary adjustments as governments and central banks strive to rein in inflation for a soft landing continue to affect markets, increasing volatility. Geopolitical instability also remains a major concern due to the protracted Russia-Ukraine conflict. The double whammy of a global pandemic coupled with geopolitical tensions has been troubling markets as economic activities were limited and the friction between the two nations further exacerbated market volatility by inciting supply chain disruptions.

At the start of the year, investment markets started to take seriously the potential implications of a change in monetary policy direction as inflationary pressures showed little signs of abating. As the last quarter of 2022 draws closer, we have seen numerous interest rates hikes over the year. The United States ("US") Federal Reserve ("Fed") has raised the Fed Funds rate by three percentage points within the span of 6 months to address inflationary pressures.

Global markets slumped lower in August 2022 as the Fed signalled that there will be no let-up in its quest to quell inflation by tightening monetary policy. At the annual Jackson Hole economic symposium in August this year, Fed Chair Jerome Powell reiterated that the Fed is committed to raising interest rates until it is confident that inflation is sufficiently brought under control. However, US equities notched higher gains in October 2022 on optimism that the US Fed is considering easing monetary policy. The Standard and Poor's ("S&P") 500 climbed 8.0% higher as souring consumer confidence and falling home prices raised expectations that the Fed could start to hit the brakes on tightening. The Nasdaq index similarly closed 3.9% higher. On the data-front, so far 266 companies within the S&P 500 have reported results on corporate earnings. Out of this figure, 60% of companies delivered an earnings beat. However, the surprise magnitude was only 0.9% which is well below average levels.

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2022 to 31 October 2022 (cont'd)

C. Market Review (cont'd)

Regulatory pressure in China has yet to fully subside. This has been part of a wider “Common Prosperity” drive by Beijing to narrow the income gap and increase the political legitimacy of the Chinese Communist Party (“CCP”), which celebrated its 100th anniversary in 2021. The potential delisting of US listed Chinese companies further weighed on sentiments.

The Chinese credit market remained challenging in the face of further ratings downgrades. This is despite positive news in July 2022 that the Chinese government planned to launch a real estate Fund of up to 300.0 billion Yuan (USD44.0 billion) to help developer's complete stalled projects. The People's Bank of China (“PBoC”) is also planning to issue 1.0 trillion Yuan (USD148.2 billion) to ease the liquidity crunch in the sector. The broader MSCI Asia ex-Japan index fell 6.1% dragged down by losses in China. The MSCI China index plunged by over 16.8% as COVID-19 flare-ups and policy uncertainty post-Congress weigh on risk sentiment.

There were few surprises in China's 20th Party Congress which is held once every 5 years. As expected, the Chinese Communist Party elected Xi Jinping as its general secretary (the highest position in the party) for an unprecedented third term, further cementing his leadership.

Markets are jittery as President Xi Jinping's further consolidation of power together with his close allies fuelled risk that disruptive past policies like Beijing's tech regulatory crackdown and its strict zero COVID-19 strategy would continue.

On the domestic front, second quarter of 2022 earnings season saw tech stocks emerge as a clear winner with most companies delivering results above expectations and recovering slightly from the deep tech rout earlier in 2022. The benchmark KLCI edged 1.3% higher in August 2022 as earnings season roll-out. Most companies' results were in line with expectations with exporters coming out on top as beneficiaries of a weaker Ringgit. In contrast, plantation stocks erased most of their year-to-date gains as crude palm oil (“CPO”) prices normalised on the lifting of Indonesia export ban in May 2022.

All eyes were on the upcoming tabling of Budget 2023 slated in October. Law Minister Wan Junaidi Tuanku Jaafar confirmed that the government would be tabling Budget 2023 on 7 October 2022, which was 3 weeks earlier than initially scheduled. This sparked speculation that the 15th general election (“GE15”) would be held after the tabling of budget.

After much speculation, the dissolution of Parliament was announced by Prime Minister Datuk Seri Ismail to pave the way for the 15th general election (“GE15”). The nomination of candidates are set to be announced on the 5 November and voting taking place on the 19 November. The local market edged 4.7% higher in October as election fever heats up.

MAYBANK MALAYSIA DIVIDEND FUND

Manager's report

For the financial period from 1 May 2022 to 31 October 2022 (cont'd)

D. Market Outlook & Strategy

Markets are set to remain challenging for the rest of 2022. In developed markets, rising inflation and tight monetary policy may continue to hamper the recovery of risk assets. Recent hawkish comments by Jerome Powell, the Chair of the US Fed, during the Jackson Hole Economic Symposium in August 2022 have curbed expectations of a transition to looser monetary policy anytime soon.

With economic conditions softening, there appears to be still more room for downward earnings revision. The forecast for earnings per share ("EPS") growth in 2023 is expected to rise by 6.6% which may still appear a tad too optimistic. In past recessions, the EPS growth was either unchanged or negative. It will be important to closely monitor results post-holiday season in December 2022 which would provide more clues to the earnings trajectory and how consumption holds up.

Asian markets may continue to see weakness. Korea and Taiwan have underperformed thus far as manufacturing gauges for both countries slumped. Chinese markets were not spared following renewed lockdowns in major cities. Nevertheless, easing COVID-19 restrictions and policymakers signalling an end to the regulatory crackdown have given hope of a recovery in the Chinese markets.

Locally, election fever is also heating up with the nomination date for candidates slated to take place on 5 November 2022, where campaigning would then begin in earnest. The current market base-case is that Barisan Nasional could muster a sufficient majority to form a new government. This outcome may be viewed positively as markets believe that it signifies policy continuity, where any new fiscal budget would also be similar to the one tabled before.

For the Malaysian market, we remain defensive in the near term given macro headwinds and political uncertainties from upcoming general election. We maintain a barbell strategy, preferring relatively resilient sectors such as Telco (mainly fixed line operators), REITs and financials for capital protection while also positioned in growth/ cyclical i.e. plantation, oil & gas and reopening beneficiaries (mainly consumer).

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

E. Soft Commissions and Rebates

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

During the financial period under review, the Manager and its delegates did not receive any rebates from the brokers or dealers but have retained soft commissions in the form of goods and services such as research materials and advisory services that assist in decision making process relating to the investment of the Fund (i.e. research materials, data and quotation services, computer hardware and software incidental to the investment management of the Fund and investment advisory services) which were of demonstrable benefits to the unitholders. The soft commissions received were for the benefit of the Fund and there were no churning of trades.

F. Securities Financing Transactions and Cross Trade Transactions

The Fund has not undertaken any securities lending or repurchase transaction ("securities financing transactions") in the financial period ended 31 October 2022. No cross trade transactions have been carried out in the financial period ended 31 October 2022.

TRUSTEE'S REPORT

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

We have acted as Trustee of the Fund for the financial period ended 31 October 2022 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 period 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 on 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
22 December 2022

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAYBANK MALAYSIA DIVIDEND FUND
FOR THE FINANCIAL PERIOD FROM 1 MAY 2022 TO 31 OCTOBER 2022**

I, Ahmed Muzni Bin Mohamed, being a Director of Maybank Asset Management Sdn Bhd (the "Manager") do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards 134 Interim Financial Reporting and International Accounting Standards 34 Interim Financial Reporting so as to give a true and fair view of the financial position of the Maybank Malaysia Dividend Fund as at 31 October 2022 and of its results, changes in equity and cash flows for the financial period then ended and comply with the requirements of the Deeds.

For and on behalf of the Manager

Ahmad Muzni Bin Mohamed

Director

Kuala Lumpur, Malaysia
22 December 2022

MAYBANK MALAYSIA DIVIDEND FUND

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 MAY 2022 TO 31 OCTOBER 2022**

		01.05.2022	01.05.2021
		to	to
	Note	31.10.2022	31.10.2021
		RM	RM
INVESTMENT (LOSS)/ INCOME			
Dividend income		1,691,019	2,046,222
Interest income		39,183	14,488
Net (loss)/ gain on fair value through profit or loss ("FVTPL")			
- Unrealised (loss)/ gain		(13,599,401)	(5,149,874)
- Realised gain/ (loss)		1,237,030	6,836,886
Net gain on foreign exchange	3	<u>1,119,057</u>	<u>381,218</u>
		<u>(9,513,112)</u>	<u>4,128,940</u>
EXPENSES			
Manager's fee	4	714,883	998,112
Trustee's fee	5	33,364	46,584
Auditors' remuneration		4,537	4,537
Tax agent's fee		2,159	1,765
Brokerage and other transaction fees		219,268	312,968
Administrative expenses		17,932	81,589
		<u>992,143</u>	<u>1,445,555</u>
Net results before taxation		(10,505,255)	2,683,385
Taxation	6	<u>(50,663)</u>	<u>(39,286)</u>
Net results after taxation, and total comprehensive (loss)/ income for the financial period		<u>(10,555,918)</u>	<u>2,644,099</u>
Net results after taxation is made up of the following:			
Net realised income/ (loss)		2,010,235	7,793,973
Net unrealised (loss)/ income		<u>(12,566,153)</u>	<u>(5,149,874)</u>
		<u>(10,555,918)</u>	<u>2,644,099</u>
Distributions for the financial period:			
Net distributions	14	<u>1,337,467</u>	<u>2,411,478</u>
Gross/net distribution per unit (sen)	14	<u>0.27</u>	<u>0.44</u>
Distribution date (ex-date)	14	<u>27/10/2022</u>	<u>27/10/2021</u>

MAYBANK MALAYSIA DIVIDEND FUND**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2022**

	Note	31.10.2022 RM	30.04.2022 RM
ASSETS			
Financial assets at FVTPL	7	80,759,590	97,439,609
Deposit with a licensed financial institution	8	4,275,348	-
Dividend receivables		44,883	82,505
Interest receivables		293	-
Amount due from Manager	9	493	493
Cash at bank	11	2,976,799	6,323,228
TOTAL ASSETS		88,057,406	103,845,835
LIABILITIES			
Amount due to Manager	9	386,128	189,255
Amount due to brokers	10	952,769	-
Amount due to Trustee	12	5,198	5,884
Other payables and accruals		31,583	48,302
TOTAL LIABILITIES		1,375,678	243,441
NET ASSET VALUE ("NAV") OF THE FUND		86,681,728	103,602,394
EQUITY			
Unitholders' capital	13 (a)	109,677,450	114,704,731
Accumulated losses	13 (b) & (c)	(22,995,722)	(11,102,337)
NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS		86,681,728	103,602,394
NUMBER OF UNITS IN CIRCULATION (UNITS)	13 (a)	502,213,811	528,685,590
NAV PER UNIT (RM)		0.1726	0.1960

MAYBANK MALAYSIA DIVIDEND FUND

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD FROM 1 MAY 2022 TO 31 OCTOBER 2022**

	Unitholders' capital Note 13(a) RM	Accumulated losses Note 13(b) & 13(c) RM	Total equity RM
At 1 May 2022	114,704,731	(11,102,337)	103,602,394
Total comprehensive loss for the financial period	-	(10,555,918)	(10,555,918)
Creation of units	228,783	-	228,783
Reinvestment of units	1,337,467	-	1,337,467
Cancellation of units	(6,593,531)	-	(6,593,531)
Distribution (Note 14)	-	(1,337,467)	(1,337,467)
At 31 October 2022	<u>109,677,450</u>	<u>(22,995,722)</u>	<u>86,681,728</u>
At 1 May 2021	141,792,945	(718,043)	141,074,902
Total comprehensive income for the financial period	-	2,644,099	2,644,099
Creation of units	604,352	-	604,352
Reinvestment of units	2,411,478	-	2,411,478
Cancellation of units	(24,167,024)	-	(24,167,024)
Distribution (Note 14)	-	(2,411,478)	(2,411,478)
At 31 October 2021	<u>120,641,751</u>	<u>(485,422)</u>	<u>120,156,329</u>

MAYBANK MALAYSIA DIVIDEND FUND**UNAUDITED STATEMENT OF CASH FLOWS****FOR THE FINANCIAL PERIOD FROM 1 MAY 2022 TO 31 OCTOBER 2022**

	01.05.2022 to 31.10.2022 RM	01.05.2021 to 31.10.2021 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from disposal of investments	36,327,440	57,401,381
Net purchase of investments	(30,225,818)	(38,880,652)
Interest income received	38,890	2,170,870
Dividend income received	1,728,641	2,072,999
Manager's fee paid	(729,650)	(1,020,740)
Trustee's fee paid	(34,050)	(47,643)
Payment of other fees and expenses	(68,133)	(30,506)
Net cash generated from operating and investing activities	<u>7,037,320</u>	<u>21,665,709</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	228,793	605,352
Payments for cancellation of units	(6,381,891)	(26,381,367)
Net cash used in financing activities	<u>(6,153,098)</u>	<u>(25,776,015)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS		
Effect of foreign exchange differences	884,222	(4,110,306)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	<u>6,323,228</u>	<u>5,747,202</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>7,252,147</u>	<u>1,006,646</u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash at bank (Note 11)	2,976,799	805,916
Deposits with a licensed financial institution with maturity of less than 3 months (Note 8)	<u>4,275,348</u>	<u>200,730</u>
	<u>7,252,147</u>	<u>1,006,646</u>

MAYBANK MALAYSIA DIVIDEND FUND

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 MAY 2022 TO 31 OCTOBER 2022

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Maybank Malaysia Dividend Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 2 May 2006 between Amanah Mutual Berhad ("AMB") as the Manager and HSBC (Malaysia) Trustee Berhad as the Trustee and the Registered Holders of the Fund. The following supplemental deeds have been issued between AMB and the Trustee:

- First supplemental deed dated 26 July 2016
- Second supplemental deed dated 4 September 2018

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

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

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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

The Fund has adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") which have become effective during the financial period from 1 May 2022 to 31 October 2022. The adoption of the above did not result in material impact to the financial statements.

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

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

2.2 Standards and amendments to standards issued but not yet effective

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.3 Financial instruments

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

2.4 Financial assets

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

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

(i) Financial assets at amortised cost

The Fund classifies cash and cash equivalents, interest receivables, dividend receivables, amount due from brokers and amount due from Manager as financial assets at amortised cost. These assets are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. The EIR is a method of calculating the amortised cost of the financial assets and of allocating and recognising the interest income in profit or loss over the relevant period.

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

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

2.4 Financial assets (cont'd)

(ii) Financial assets at FVTPL

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

A financial asset is recognised at FVTPL if:

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

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

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

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

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

(iii) Impairment

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

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

2.4 Financial assets (cont'd)

(iii) Impairment (cont'd)

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

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

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

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

(iv) Derecognition

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

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

2.5 Financial liabilities

(i) Classification

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

(ii) Recognition and measurement

Financial liabilities, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. The Fund's financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate method.

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

(iii) Derecognition

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

2.6 Unitholders' capital

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

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

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

2.7 Revenue/ Income

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

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

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

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

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

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

2.8 Cash and cash equivalents

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

2.9 Distributions

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

2.10 Taxation

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

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

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

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

MAYBANK MALAYSIA DIVIDEND FUND

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

2.10 Taxation (cont'd)

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

2.11 Fair value measurement

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

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

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

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

(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 AND FORWARD CURRENCY CONTRACTS

	01.05.2022 to 31.10.2022 RM	01.05.2021 to 31.10.2021 RM
Net unrealised gain on foreign exchange	1,033,248	391,853
Net realised gain/ (loss) on foreign exchange	85,809	(10,635)
	<u>1,119,057</u>	<u>381,218</u>

MAYBANK MALAYSIA DIVIDEND FUND

4. MANAGER'S FEE

The Manager's fee is computed daily based on 1.50% (01.05.2021 to 31.10.2021: 1.50%) per annum ("p.a.") of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day.

5. TRUSTEE'S FEE

If the Fund is invested locally only, the Trustee's fee is computed based on 0.07% (01.05.2021 to 31.10.2021: 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% (01.05.2021 to 31.10.2021: 0.07%) p.a. (including local custodian fee) of the local NAV of the Fund and 0.07% (01.05.2021 to 31.10.2021: 0.07%) p.a. (excluding foreign custodian fee) of the foreign NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day, calculated on a daily basis, subject to a minimum fee of RM18,000 p.a.

6. TAXATION

	01.05.2022 to 31.10.2022 RM	01.05.2021 to 31.10.2021 RM
Current income tax expense		
- local	11,847	29,154
- foreign	38,816	10,132
	<u>50,663</u>	<u>39,286</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (01.05.2021 to 31.10.2021: 24%) of the estimated assessable income for the financial period. The tax expense for the financial period is in relation to the taxable (loss)/ 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 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.

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

MAYBANK MALAYSIA DIVIDEND FUND

6. TAXATION (CONT'D)

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:

	01.05.2022 to 31.10.2022 RM	01.05.2021 to 31.10.2021 RM
Net results before taxation	(10,505,255)	2,683,385
Taxation at Malaysian statutory rate of 24% (01.05.2021 to 31.10.2021: 24%)	(2,521,261)	644,012
Income tax at source	50,663	39,286
Income not subject to tax	(980,709)	(2,226,915)
Loss not subject to tax	3,263,856	1,235,970
Expenses not deductible for tax purposes	238,114	346,933
Tax expense for the financial period	50,663	39,286

7. FINANCIAL ASSETS AT FVTPL

	Note	31.10.2022 RM	30.04.2022 RM
Quoted equities - Local	(a)	59,165,837	74,080,995
Quoted equities - Foreign	(b)	21,593,753	23,358,614
		80,759,590	97,439,609

(a) Financial assets at FVTPL - Local	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.10.2022				
Consumer Products & Services				
Fraser & Neave Holdings Bhd	53,500	1,200,121	1,098,890	1.27
Genting Bhd	469,600	2,482,212	2,085,024	2.41
Hong Leong Industries Bhd	348,400	3,449,317	3,240,120	3.74
	871,500	7,131,650	6,424,034	7.42
Financial Services				
AMMB Holdings Bhd	440,000	1,369,029	1,799,600	2.08
CIMB Group Holding Bhd	337,684	1,432,069	1,864,016	2.15
Hong Leong Bank Bhd	85,000	1,631,108	1,798,600	2.07
Malayan Banking Bhd ("MBB") (Note 15)	397,066	3,589,353	3,410,797	3.93
RHB Bank Bhd	383,900	2,169,227	2,195,908	2.53
	1,643,650	10,190,786	11,068,921	12.76

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

(a) Financial assets at FVTPL - Local (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.10.2022 (cont'd)				
Healthcare				
IHH Healthcare Bhd	450,900	2,406,594	2,682,855	3.10
Industrial Products and Services				
Petronas Chemicals Group Bhd	209,900	1,881,939	1,830,328	2.11
Press Metal Aluminium Holdings Bhd	541,200	3,330,380	2,354,220	2.72
Scientex Bhd	506,400	1,382,380	1,650,864	1.90
SKP Resources Bhd	1,949,250	3,282,780	3,099,308	3.58
Sunway Bhd	1,121,220	1,581,119	1,793,952	2.07
V.S. Industry Bhd	3,103,100	3,568,255	2,622,120	3.02
	<u>7,431,070</u>	<u>15,026,853</u>	<u>13,350,792</u>	<u>15.40</u>
Plantations				
Kuala Lumpur Kepong Bhd	203,900	5,152,105	4,420,552	5.10
Sime Darby Plantation Bhd	619,100	3,195,268	2,724,040	3.14
	<u>823,000</u>	<u>8,347,373</u>	<u>7,144,592</u>	<u>8.24</u>
Properties				
S P Setia Bhd	5,282,233	5,316,757	4,621,954	5.33
Real Estate Investment Trusts ("REITs")				
IGB REIT	700,300	1,196,236	1,099,471	1.27
Sunway REIT	2,371,800	4,126,589	3,320,520	3.83
	<u>3,072,100</u>	<u>5,322,825</u>	<u>4,419,991</u>	<u>5.10</u>

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

(a) Financial assets at FVTPL - Local (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.10.2022 (cont'd)				
Technology				
Greotech Technology Bhd	267,600	1,676,883	869,700	1.00
Telecommunications and Media				
Telekom (M) Bhd	728,826	4,489,205	4,052,273	4.67
TIME dotCom Bhd	600,100	2,113,734	2,730,455	3.15
	1,328,926	6,602,939	6,782,728	7.82
Transportation and Logistics				
MISC Bhd	249,000	1,629,508	1,800,270	2.08
Total investments at FVTPL - Local				
	21,419,979	63,652,168	59,165,837	68.25
 (b) Financial assets at FVTPL - Foreign				
Australia				
Woolworths Group Ltd	4,128	464,739	411,836	0.48
Karoon Energy Ltd	70,148	450,065	449,323	0.52
Santos Ltd	19,326	439,140	449,615	0.52
Ramsay Health Care Ltd	4,119	927,147	728,912	0.84
Sonic Healthcare Ltd	20,483	2,116,300	2,028,048	2.34
South32 Ltd	43,161	467,720	469,463	0.54
	161,365	4,865,111	4,537,197	5.24
Hong Kong				
Tencent Holdings Ltd	7,200	1,548,990	891,152	1.03
Baidu Incorporation	5,750	465,605	259,959	0.30
Alibaba Group Holding Ltd	7,600	498,751	281,146	0.32
JD.COM Inc	8,631	1,329,626	753,920	0.87
LI NING Co Ltd	23,500	1,034,656	574,368	0.66
Shenzhou International Group Holdings Ltd	9,900	596,837	324,213	0.37
China Mengniu Dairy Company Ltd	86,000	2,067,366	1,302,066	1.50
AIA Group Ltd	51,000	2,260,470	1,825,234	2.11
Hong Kong Exchanges and Clearing Ltd	2,300	462,667	289,381	0.33

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

(b) Financial assets at FVTPL - Foreign (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
31.10.2022 (cont'd)				
Hong Kong (cont'd)				
Ganfeng Lithium Co Ltd	14,000	457,651	447,527	0.52
	<u>215,881</u>	<u>10,722,619</u>	<u>6,948,966</u>	<u>8.01</u>
India				
Jubilant Foodworks Ltd	29,927	977,399	1,042,302	1.20
SBI Cards & Payment Services Ltd	18,743	981,331	884,702	1.02
	<u>48,670</u>	<u>1,958,730</u>	<u>1,927,004</u>	<u>2.22</u>
Singapore				
Genting Singapore Ltd	185,900	482,480	499,725	0.58
Singapore Exchange Ltd	36,100	1,109,796	1,015,020	1.17
Comfortdelgro Corporation Ltd	220,700	1,024,047	935,969	1.08
KEPPEL Corporation Ltd	48,800	1,053,334	1,135,816	1.31
Capitaland Integrated Commercial Trust	150,400	1,036,060	944,194	1.09
	<u>641,900</u>	<u>4,705,717</u>	<u>4,530,724</u>	<u>5.23</u>
South Korea				
SK Hynic Incorporation	4,733	1,434,288	1,297,946	1.50
Taiwan				
Taiwan Semiconductor Manufacturing Co Ltd	38,000	2,785,355	2,169,648	2.50
UNIMICRON Technology Corp	10,000	265,476	182,268	0.21
	<u>48,000</u>	<u>3,050,831</u>	<u>2,351,916</u>	<u>2.71</u>
Total investments at FVTPL - Foreign	<u>1,120,549</u>	<u>26,737,296</u>	<u>21,593,753</u>	<u>24.91</u>
Total investments at FVTPL	<u>22,540,528</u>	<u>90,389,464</u>	<u>80,759,590</u>	<u>93.16</u>
Unrealised loss on quoted equities *			<u>(9,629,874)</u>	

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

(a) Financial assets at FVTPL - Local	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
30.04.2022				
Consumer Products & 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
Malayan Banking Bhd ("MBB") (Note 15)	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 & 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
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
	823,000	8,347,373	9,250,978	8.93
Properties				
	5,282,233	5,316,757	4,806,832	4.64

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

(a) Financial assets at FVTPL - Local (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
30.04.2022 (cont'd)				
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 & 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 & Logistics				
MISC Bhd	373,800	2,446,225	2,919,378	0.16
	<u>373,800</u>	<u>2,446,225</u>	<u>2,919,378</u>	<u>0.16</u>
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>
China				
China Tourism Group Duty Free Corporation Ltd	9,200	1,277,345	1,102,281	1.06

MAYBANK MALAYSIA DIVIDEND FUND

7. FINANCIAL ASSETS AT FVTPL (CONT'D)

(b) Financial assets at FVTPL - Foreign (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
30.04.2022 (cont'd)				
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>	

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

MAYBANK MALAYSIA DIVIDEND FUND

8. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	31.10.2022 RM	30.04.2022 RM
Deposits with a licensed financial institution with maturity of:		
- less than 3 months	4,275,348	-

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

	31.10.2022		30.04.2022	
	WAEIR % p.a.	Average maturity Days	WAEIR % p.a.	Average maturity Days
Deposits with maturity of less than 3 months	2.50	1	-	-

9. AMOUNT DUE FROM/ (DUE TO) MANAGER

		31.10.2022 RM	30.04.2022 RM
Amount due from Manager is in respect of:			
Creation of units	(i)	493	493
Amount due to Manager is in respect of:			
Manager's fee	(ii)	111,392	126,159
Cancellation of units	(iii)	274,736	63,096
		386,128	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 period/ year. The normal credit term for Manager's fee is 15 days (30.04.2022: 15 days).
- (iii) The amount represents amount payable to the Manager for units redeemed or cancelled.

10. AMOUNT DUE TO BROKERS

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

MAYBANK MALAYSIA DIVIDEND FUND

11. CASH AT BANK

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

	31.10.2022	30.04.2022
	RM	RM
Australia Dollar ("AUD")	524,472	143,385
China Yen ("CNY")	759,990	422,225
Hong Kong Dollar ("HKD")	83,227	1,692,767
Singapore dollar ("SGD")	468,935	955,448
US Dollar ("USD")	945,543	2,951,785
Indian Rupee ("INR")	59	-
RM	194,573	157,618
	<u>2,976,799</u>	<u>6,323,228</u>

12. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable to the Trustee arising from the accruals for Trustee's fee at the end of the financial period/ year. The normal credit term for Trustee's fee is 15 days (30.04.2022: 15 days).

13. TOTAL EQUITY

	Note	31.10.2022	30.04.2022
		RM	RM
Unitholders' capital	13 (a)	109,677,450	114,704,731
Accumulated realised loss	13 (b)	-13,547,595	-14,220,363
Accumulated unrealised (loss)/ income	13 (c)	-9,448,127	3,118,026
		<u>86,681,728</u>	<u>103,602,394</u>

MAYBANK MALAYSIA DIVIDEND FUND

13. TOTAL EQUITY (CONT'D)

(a) Unitholders' capital

	01.05.2022 to 31.10.2022		01.05.2021 to 30.04.2022	
	Units	RM	Units	RM
As at beginning of the period/ year	528,685,590	114,704,731	655,068,407	141,792,945
Creation of units	1,270,809	228,783	18,464,143	3,915,280
Reinvestment of units	7,748,942	1,337,467	22,799,888	4,688,003
Cancellation of units	(35,491,530)	(6,593,531)	(167,646,848)	(35,691,497)
As at end of the financial period/ year	<u>502,213,811</u>	<u>109,677,450</u>	<u>528,685,590</u>	<u>114,704,731</u>

As at end of financial period/ year, there were no units held by the Manager or parties related to the Manager (30.04.2022: nil units).

(b) Accumulated realised loss

	01.05.2022 to 31.10.2022 RM	01.05.2021 to 30.04.2022 RM
At the beginning of the financial period/ year	(14,220,363)	(14,778,352)
Net realised income for the financial period/ year	2,010,235	5,245,992
Distribution out of realised reserve (Note 14)	(1,337,467)	(4,688,003)
At the end of the financial period/ year	<u>(13,547,595)</u>	<u>(14,220,363)</u>

(c) Accumulated unrealised (loss)/ income

	01.05.2022 to 31.10.2022 RM	01.05.2021 to 30.04.2022 RM
At the beginning of the financial period/ year	3,118,026	14,060,309
Net unrealised loss for the financial period/ year	(12,566,153)	(10,942,283)
At the end of the financial period/ year	<u>(9,448,127)</u>	<u>3,118,026</u>

MAYBANK MALAYSIA DIVIDEND FUND

14. DISTRIBUTION

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

	01.05.2022 to 31.10.2022 RM	01.05.2021 to 31.10.2021 RM
Dividend income	1,147,739	656,672
Interest income	26,595	4,649
Net realised gains on sale of investments	839,605	2,194,088
Less: Expenses	<u>(676,472)</u>	<u>(443,931)</u>
Distribution for the financial period	<u>1,337,467</u>	<u>2,411,478</u>

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

Distribution date (ex-date)	Gross distribution per unit (sen)	Net distribution per unit (sen)
01.05.2022 to 31.10.2022		
27 October 2022	<u>0.27</u>	<u>0.27</u>
01.05.2021 to 31.10.2021		
27 October 2021	<u>0.44</u>	<u>0.44</u>

MAYBANK MALAYSIA DIVIDEND FUND

15. TRANSACTIONS WITH BROKERS/ DEALERS/ FINANCIAL INSTITUTIONS

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

	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of brokerage fees %
01.05.2022 to 31.10.2022				
Morgans Financial Ltd	6,380,237	9.46	15,951	11.13
Credit Suisse Group AG	5,760,302	8.54	17,281	12.06
CLSA PT	5,593,385	8.30	3,431	2.40
CIMB Investment Bank Bhd	5,131,119	7.61	12,828	8.95
Public Investment Bank Bhd	4,399,097	6.53	11,003	7.68
Affin Investment Bank Bhd	4,389,175	6.51	10,973	7.66
Kenanga Investment Bank Bhd	2,776,188	4.12	6,940	4.84
Credit Suisse PT	2,751,791	4.08	1,376	0.96
Hong Leong Investment Bank Berhad	2,538,314	3.77	6,346	4.43
Citigroup Global Markets Incorporation	2,321,597	3.44	4,643	3.24
Others (*)	25,373,940	37.64	52,512	36.65
	67,415,145	100.00	143,284	100.00
01.05.2021 to 31.10.2021				
Maybank Investment Bank Bhd ("MIBB")*	13,201,414	13.15	33,004	14.69
Affin Investment Bank Bhd	12,813,933	12.76	32,035	14.26
CLSA Securities(M) Sdn Bhd	9,912,497	9.87	19,468	8.66
CIMB Investment Bank Bhd	9,321,035	9.28	19,047	8.48
Macquarie Bank Ltd	7,603,717	7.57	21,051	9.37
Alliance Investment Bank Bhd	5,398,566	5.38	20,704	9.21
Bank of America Securities Inc	4,886,587	4.87	19,424	8.64
CLSA Limited	4,086,157	4.07	5,055	2.25
Public Investment Bank Bhd	2,813,944	2.80	7,035	3.13
Kenanga Investment Bank Bhd	2,234,516	2.23	5,586	2.49
JP Morgan Securities Inc	795,912	0.79	1,734	0.77
Others	27,351,262	27.23	40,565	18.05
	100,419,540	100.00	224,706	100.00

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

MAYBANK MALAYSIA DIVIDEND FUND

16. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

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

	01.05.2022	01.05.2021
	to	to
	31.10.2022	31.10.2021
	RM	RM
(i) <u>Significant related party transaction</u>		
<u>MBB:</u>		
Dividend income from investment in quoted equity	<u>93,402</u>	<u>372,756</u>
	31.10.2022	30.04.2022
(ii) <u>Significant related party balances</u>		
<u>MBB:</u>		
Investment in quoted equity	<u>3,410,797</u>	<u>4,540,261</u>

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

17. 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 period from 1 May 2022 to 31 October 2022, the TER of the Fund stood at 0.82% (01.05.2021 to 31.10.2021: 0.86%).

18. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial period to the average NAV of the Fund calculated on a daily basis. For the financial period from 1 May 2022 to 31 October 2022, the PTR of the Fund stood at 0.70 times (01.05.2021 to 31.10.2021: 0.38 times).

MAYBANK MALAYSIA DIVIDEND FUND

19. SEGMENT REPORTING

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

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

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

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

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

20. 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.

31.10.2022	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Financial Assets				
Financial asset at FVTPL	80,759,590	-	-	80,759,590
Deposit with a licensed financial institution	-	4,275,348	-	4,275,348
Dividend receivables	-	44,883	-	44,883
Interest receivables	-	293	-	293
Amount due from Manager	-	493	-	493
Cash at bank	-	2,976,799	-	2,976,799
Total financial assets	80,759,590	7,297,816	-	88,057,406

MAYBANK MALAYSIA DIVIDEND FUND

19. FINANCIAL INSTRUMENTS (CONT'D)

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

31.10.2022 (cont'd)	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
Financial Liabilities				
Amount due to Manager	-	-	386,128	386,128
Amount due to brokers	-	-	952,769	952,769
Amount due to Trustee	-	-	5,198	5,198
Other payables and accruals	-	-	31,583	31,583
Total financial liabilities	-	-	1,375,678	1,375,678
30.04.2022				
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.

MAYBANK MALAYSIA DIVIDEND FUND

19. FINANCIAL INSTRUMENTS (CONT'D)

(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.

20. FAIR VALUE HIERARCHY

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

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

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

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

	Level 1 RM	Level 2 RM	Level 3 RM
31.10.2022			
Financial assets at FVTPL	80,759,590	-	-
30.04.2022			
Financial assets at FVTPL	97,439,609	-	-

21. CAPITAL MANAGEMENT

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

The Fund's objectives for managing capital are:

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

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