

# MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

Unaudited semi-annual report  
For the financial period from 1 September 2023 to 29  
February 2024

## **CORPORATE INFORMATION**

### **MANAGER**

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

Level 12 Tower C

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No.1 Jalan Maarof

59000 Kuala Lumpur, Malaysia

Telephone +603 2297 7888

Facsimile +603 2715 0071

[www.maybank-am.com.my](http://www.maybank-am.com.my)

### **TRUSTEE**

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

Level 19 Menara IQ

Lingkaran TRX Tun Razak Exchange

55188 Kuala Lumpur

## **MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

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## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

### Manager's report

For the financial period from 1 September 2023 to 29 February 2024

#### A. Fund Information

**1. Name of the Fund**

Maybank Malaysia Ethical Dividend Fund ("the Fund")

**2. Type of Fund**

Income and growth

**3. Category of Fund**

Equity

**4. Duration of the Fund**

The Fund is an open-ended Fund.

**5. Fund launch date/ Commencement date**

7 January 2003/ 28 January 2003

**6. Fund's investment objective**

The Fund seeks to provide investors with income and capital growth for Medium to Long Term through investments that comply with ethical principles.

**7. Fund distribution policy**

Income distribution (if any) is declared at the end of the financial year of the Fund or for any specified period at the Manager's discretion, subject to Trustee's approval.

**8. Ethical Principles**

The Fund will screen its investments and remove companies whose principal business involves the promotion of gambling, tobacco and alcohol. This screen is known as the negative filter. The Fund will also abstain from investing in companies that have violated ethical principles outlined on the Prospectus dated 17 January 2020. The remaining securities after the negative filters are deemed as ethical. The Fund also has positive filters as follows:

	<b>Positive Filters</b>	<b>Examples</b>
i.	Environmentally friendly	- Provides eco-friendly products and services - Prevention of pollution - Recycling
ii.	Promotes healthy social values	- Promotes sports, community projects - Fulfils social obligations - Charitable - Good community relations
iii.	Maintain good corporate governance	- Ensures compliance to regulations and proper dissemination of information to stakeholders and employees - Steering management to enhance well-being of employees and customers

## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

### Manager's report

For the financial period from 1 September 2023 to 28 February 2024 (cont'd)

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

##### 9. Fund's performance benchmark

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

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

The principal activity of the Fund is to invest between 70% to 98% of the Fund's net asset value ("NAV") in shares, and between 2% to 30% of the Fund's NAV in cash or fixed income securities (or a combination of both).

##### 11. Net income distribution for the financial period from 1 September 2023 to 29 February 2024

The Fund did not declare any distribution during the financial period from 1 September 2023 to 29 February 2024.

#### B. Performance Review

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

Category	01.09.2023 to 29.02.2024	01.09.2022 to 28.02.2023	01.09.2022 to 31.08.2023
<b>Portfolio</b>			
<b>Quoted equities - Local</b>			
Construction	4.83	2.51	3.66
Consumer Products & Services	5.24	3.99	5.64
Energy	4.61	4.90	4.88
Financial Services	28.98	28.42	29.39
Industrial Products	6.73	5.10	5.86
Plantations	3.25	3.83	3.99
Property	1.48	-	-
Real Estate Investment Trusts ("REITs")	4.19	4.51	4.38
Technology	5.69	8.22	7.43
Telecommunications & Media	5.69	5.65	5.91
Transportation & Logistics	1.25	2.32	2.19
Utilities	14.17	4.96	8.41
<b>Quoted equities - Foreign</b>			
Hong Kong	0.01	1.00	0.54
Singapore	1.49	3.04	1.56
<b>Cash and other net assets (%)</b>	<b>12.39</b>	<b>22.01</b>	<b>16.16</b>
<b>Total (%)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
NAV (RM'000)	112,766	109,889	107,344
Units in circulation (units'000)	317,759	344,956	333,815
NAV per unit (RM)	0.3549	0.3186	0.3216
Highest NAV per unit (RM)	0.3587	0.3413	0.3277
Lowest NAV per unit (RM)	0.3178	0.2953	0.2978
Net income distributed (RM'000)	-	-	2,704
Distribution date	-	-	28/08/2023
Gross distribution per unit (sen)	-	-	0.81
Net distribution per unit (sen)	-	-	0.81

## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

### Manager's report

For the financial period from 1 September 2023 to 29 February 2024 (cont'd)

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

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

Category	01.09.2023 to 29.02.2024	01.09.2022 to 28.02.2023	01.09.2022 to 31.08.2023
Annual total return (%) <sup>(1)</sup>			
- Capital growth (%)	10.35	1.66	2.62
- Income distribution (%)	-	-	2.53
Benchmark (%)	6.85	(3.83)	(3.98)
Total Expense Ratio ("TER") (%) <sup>(2)</sup>	0.81	0.80	1.69
Portfolio Turnover Ratio ("PTR") (times) <sup>(3)</sup>	0.15	0.05	0.11

#### Notes:

(1) Actual return of the Fund for the financial period/ 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 0.81% due to increased expenses incurred in the current financial period under review.

(3) The Fund's PTR increased to 0.15 times due to higher trading activities in the current financial period under review.

*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.*

##### 2. Performance of the Fund up to 29 February 2024

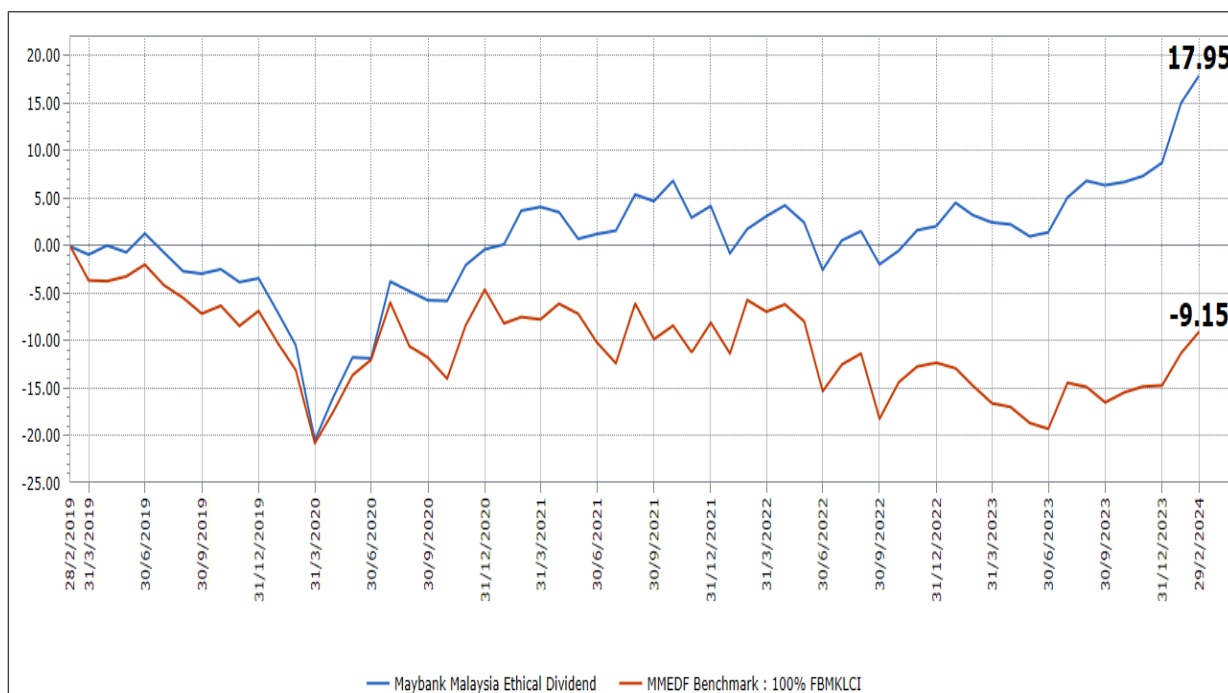
Category	6 months to 29.02.2024 %	1 year to 29.02.2024 %	3 years to 29.02.2024 %	5 years to 29.02.2024 %
Capital growth	10.35	11.39	5.50	9.44
Income distribution	-	2.53	7.78	7.78
Total return of the Fund	10.35	14.22	13.70	17.95
Benchmark	6.85	6.69	(1.67)	(9.15)
Average total return		14.22	4.37	3.35

## Manager's report

For the financial period from 1 September 2023 to 29 February 2024 (cont'd)

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

#### 2. Performance of the Fund up to 29 February 2024 (cont'd)



Source: Lipper as at 29 February 2024

During period under review, the Fund's registered a total return of 11.39%, outperforming the benchmark which posted a gain of 6.85%. The outperformance was mainly due to the better selection of stocks in the consumer staples and utilities sector. Besides that, the strategy to overweight the Fund in the energy sector also contributed to the outperformance.

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

For the financial period/ year ended	29.02.2024 %	31.08.2023 %	31.08.2022 %	31.08.2021 %	31.08.2020 %
Capital growth	11.39	2.62	(6.06)	8.00	(2.15)
Income distribution	2.53	2.53	2.56	2.49	-
Total return	14.22	5.22	(3.65)	10.69	(2.15)
Benchmark	6.69	(3.98)	(5.58)	4.99	(5.39)

#### 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 ETHICAL DIVIDEND FUND**

### **Manager's report**

**For the financial period from 1 September 2023 to 29 February 2024 (cont'd)**

#### **C. Market Review**

During the period under review, equity markets globally generally staged a rebound, after inundated with volatility coming from Russia-Ukraine war, sharp rise in inflation, aggressive monetary policy tightening and ultimately the risks of a global recession. A change in expectation that central banks will cut interest sooner than later pushed market higher towards the end of 2023. For the period, Dow Jones and Standard & Poor's 500 ("S&P500") performed, rising 13.10% and 12.30% respectively. European markets were also positive, with the Stoxx 50 up by 13.50%. North Asia was however mixed, with Japan and Taiwan gaining 20.10% and 14.00% respectively whereas for Hong Kong and China chalked negative returns of -10.20% and -3.40% respectively. Association of Southeast Asian Nations ("ASEAN") was mixed during the period under review. Philippines and Indonesia were up 12.50% and 5.20% respectively whereas other markets saw declines, with Thailand returning -12.50% and Singapore -2.80%. Meanwhile, Morgan Stanley Capital International ("MSCI") All Country Asia Pacific Index was up 6.70% for the period under review.

Domestically, the FTSE Bursa Malaysia ("FBM") Kuala Lumpur Composite Index ("KLCI") gained 6.85%. The broader market FBM Emas Index was also inline, posting a gain of 7.00% for the six-month period ended 29 February 2024. However, FBM SmallCap Index gained lesser, chalking up only a 4.40% gain. Throughout the period under review, Bank Negara Malaysia ("BNM") kept the overnight policy on hold at 3.00% and is expected to keep rates on hold in the near term. Corporate reporting season in February 2024 was generally within expectations. Sector wise, energy, gaming, property and telecommunications were amongst the best performing sectors. Conversely, sectors that disappointed were plantation and technology.

#### **D. Market Outlook & Strategy**

2024 marks a year of crucial elections in several key nations like the United States ("US"), Taiwan, Indonesia and India which may bring increase uncertainty to the global market. We remain a tad cautious on ongoing development and now easing financial conditions. We expect a "soft landing" for the US economy and deceleration in global growth, notably in economic powerhouse like the European Union ("EU") and China. However, we see green shoots sprouting in ASEAN's export and manufacturing, brightening their growth outlook. Locally, there are promising signs that the tide could finally turn and we should see a better year for Malaysia on several fronts. Stability of the government will play a pivotal role in rolling out of all measures under Madani economy and this year marks the execution phase for the macro blueprints introduced in 2023 along with additional reforms hinted at by the prime minister. There is a high possibility that Malaysia's 2024 gross domestic product ("GDP") will be firmer compared to 2023, underpinned by resilient consumer spending, sustained private and infrastructure momentum, plus recoveries in trade-related services and manufacturing industries.

Strategy wise, we would continue to adopt a barbell approach with our portfolio structure by having a balance exposure into growth and defensive sectors to navigate market volatility while remaining nimble in our approach. We may also hold higher cash from time to time and will have some trading positions to take opportunity of the market volatility. As this is an ethical fund, we will also continue to ensure that the Fund is managed in accordance with the set out principles for the Fund. Besides that, we have also been incorporating Sustainalytics rating system into our investment process to help us identify pertinent Environmental, Social and Corporate Governance ("ESG") issues related to the companies.



## **MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

### **Manager's report**

**For the financial period from 1 September 2023 to 29 February 2024 (cont'd)**

#### **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 and have also executed trades for other Funds or investments managed by the Manager.

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 under review. No cross trade transactions have been carried out in the financial period under review.

## **TRUSTEE'S REPORT**

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

We have acted as Trustee of the Fund for the financial period ended 29 February 2024 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.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat  
Manager, Investment Compliance Monitoring  
Kuala Lumpur  
27 March 2024

## **REPORT OF THE INVESTMENT COMMITTEE**

### **TO THE UNITHOLDERS OF MAYBANK MALAYSIA ETHICAL DIVIDEND FUND FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

We have acted as the Investment Committee of Maybank Malaysia Ethical Dividend Fund ("the Fund"). Our responsibility is to ensure that the procedures and processes employed by Maybank Asset Management Sdn Bhd ("the Manager") and that the provisions of the Deeds dated 4 December 2002, 12 March 2012, 20 June 2012, 27 January 2016, 4 September 2018, 11 July 2019, 5 August 2022 and 8 August 2023 are in accordance with the Ethical Principles set out for the Fund.

The Portfolio Management Committee of the Manager deliberates and approves on the composition of the ethical stock selection list at least twice a year, in accordance to the investment policy and strategy set out in the latest Master Prospectus, the Deeds and fund management policies.

In our opinion, the Manager has managed and administered the Fund in accordance with Ethical Principles and complied with applicable guidelines, ruling or decision issued by any relevant laws pertaining to ethical matters.

For and on behalf of the Investment Committee of Maybank Malaysia Ethical Dividend Fund.

**Shirley Goh**  
Chairman of Investment Committee

Kuala Lumpur, Malaysia  
3 April 2024

## **STATEMENT BY MANAGER**

### **TO THE UNITHOLDERS OF MAYBANK MALAYSIA ETHICAL DIVIDEND FUND FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

I, Muhammad Hishamudin Bin Hamzah, being a of the 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 and International Financial Reporting Standards so as to give a true and fair view of the financial position of Maybank Malaysia Ethical Dividend Fund as at 29 February 2024 and of its results, net assets attributable to unitholders and cash flows for the financial period from 1 September 2023 to 29 February 2024 and comply with the requirements of the Deeds.

For and on behalf of the Manager

**Muhammad Hishamudin Bin Hamzah**  
Director

Kuala Lumpur, Malaysia  
27 March 2024

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

		<b>01.09.2023</b>	<b>01.09.2022</b>
		<b>to</b>	<b>to</b>
		<b>29.02.2024</b>	<b>28.02.2023</b>
	<b>Note</b>	<b>RM</b>	<b>RM</b>
<b>INVESTMENT INCOME</b>			
Dividend income		1,658,978	5,259,699
Profit/ Interest income		216,128	252,481
Net gain/ (loss) on financial assets at fair value through profit or loss ("FVTPL")			
- Unrealised gain/ (loss)		2,126,232	(599,319)
- Realised gain/ (loss)		7,432,069	(2,353,251)
Net gain on foreign exchange	3	177,683	12,947
		<u>11,611,090</u>	<u>2,572,557</u>
<b>EXPENSES</b>			
Manager's fee	4	801,054	767,902
Trustee's fee	5	42,723	40,955
Auditors' remuneration		4,623	4,463
Tax agent's fee		1,745	1,736
Brokerage and other transaction fees		89,315	31,394
Administrative expenses		17,196	14,803
		<u>956,656</u>	<u>861,253</u>
<b>Net income before taxation</b>		10,654,434	1,711,304
Taxation	6	(16,070)	(19,185)
<b>Net income after taxation, and total comprehensive income for the financial period</b>		<u>10,638,364</u>	<u>1,692,119</u>
<b>Net income after taxation is made up of the following:</b>			
Net realised income		8,444,551	2,276,744
Net unrealised income/ (loss)		2,193,813	(584,625)
		<u>10,638,364</u>	<u>1,692,119</u>

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 29 FEBRUARY 2024**

	Note	29.02.2024 RM	31.08.2023 RM
<b>ASSETS</b>			
Financial assets at FVTPL	7	98,786,536	90,022,544
Deposits with licensed financial institutions	8	11,128,179	12,517,260
Dividend receivable		104,848	61,743
Profit/ Interest receivable		931	2,023
Amount due from Manager	9	1,081	-
Amount due from broker	10	-	552,064
Cash at bank	11	2,926,693	7,851,577
Tax recoverable		5,543	4,499
<b>TOTAL ASSETS</b>		<u>112,953,811</u>	<u>111,011,710</u>
<b>LIABILITIES</b>			
Amount due to Manager	9	154,335	160,653
Amount due to Trustee	12	7,070	7,423
Amount due to broker	10	-	776,499
Other payables and accruals		26,280	19,324
Distribution payable		-	2,704,278
<b>TOTAL LIABILITIES</b>		<u>187,685</u>	<u>3,668,177</u>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<u>112,766,126</u>	<u>107,343,533</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISES:</b>			
Unitholders' capital	13(a)	98,714,360	103,930,131
Retained earnings	13(b)&(c)	14,051,766	3,413,402
		<u>112,766,126</u>	<u>107,343,533</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>	13(a)	<u>317,758,563</u>	<u>333,815,281</u>
<b>NAV PER UNIT</b>		<u>0.3549</u>	<u>0.3216</u>

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

**UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS  
FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

	<b>Unitholders' capital Note 13(a) RM</b>	<b>Retained earnings Note 13(b) &amp; 13(c) RM</b>	<b>Net assets attributable to unitholders RM</b>
At 1 September 2023	103,930,131	3,413,402	107,343,533
Total comprehensive income for the financial period	-	10,638,364	10,638,364
Creation of units	7,762	-	7,762
Reinvestment of units	2,704,278	-	2,704,278
Cancellation of units	(7,927,811)	-	(7,927,811)
At 29 February 2024	<u>98,714,360</u>	<u>14,051,766</u>	<u>112,766,126</u>
At 1 September 2022	102,205,048	693,868	102,898,916
Total comprehensive income for the financial period	-	1,692,119	1,692,119
Creation of units	5,888,118	-	5,888,118
Cancellation of units	(590,526)	-	(590,526)
At 28 February 2023	<u>107,502,640</u>	<u>2,385,987</u>	<u>109,888,627</u>

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND****UNAUDITED STATEMENT OF CASH FLOWS****FOR THE FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

	<b>01.09.2023</b>	<b>01.09.2022</b>
	<b>to</b>	<b>to</b>
	<b>29.02.2024</b>	<b>28.02.2023</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Net proceeds from sale of financial assets at FVTPL	15,955,469	1,024,186
Net payments for purchases of financial assets at FVTPL	(15,419,583)	(8,780,659)
Dividend received	1,600,375	5,315,247
Profit/ Interest received	217,222	253,064
Manager's fee paid	(807,659)	(772,169)
Trustee's fee paid	(43,074)	(41,183)
Other expenses paid	(17,763)	(29,617)
Net cash generated from/ (used in) operating and investing activities	<u>1,484,987</u>	<u>(3,031,131)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash received from units created	6,679	5,888,212
Cash paid on units cancelled	(7,927,526)	(677,656)
Net cash (used in)/ generated from financing activities	<u>(7,920,847)</u>	<u>5,210,556</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL PERIOD</b>		
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	(6,435,860)	2,179,425
Effect of foreign exchange	121,895	11,992
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	<u>14,054,872</u>	<u>24,255,656</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash at bank (Note 11)	2,926,693	5,584,992
Deposits with licensed financial institutions (Note 8)	11,128,179	18,670,664
	<u>14,054,872</u>	<u>24,255,656</u>



## **MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR FINANCIAL PERIOD FROM 1 SEPTEMBER 2023 TO 29 FEBRUARY 2024**

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

Maybank Malaysia Ethical Dividend Fund ("the Fund") was constituted pursuant to the executed Deed dated 4 December 2002 between Amanah Mutual Berhad as the Manager, and HSBC (Malaysia) Trustee Berhad as the Trustee and the Registered Holders of the Fund. Subsequently, Supplemental Deeds dated 12 March 2012, 20 June 2012 and 27 January 2016 made between Amanah Mutual Berhad and HSBC (Malaysia) Trustee Berhad have been issued. The Fund commenced operations on 7 January 2003 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 selected portfolio of investments that comply with Ethical Principles. The investments mainly include equities quoted on Bursa Malaysia, fixed income securities and short term deposits. The Fund may also invest in stocks that derive the majority of their revenue from the Asia Pacific markets.

The Manager, 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 AMB has been changed to MAM and Malayan Banking Berhad ("MBB") respectively effective 17 May 2018.

MAM and HSBC (Malaysia) Trustee Bhd as the Trustee had entered into a Fourth Supplemental Deed dated 4 September 2018 to change the name of the Fund and to appoint MAM as the replacement Manager of the Fund effective 1 November 2018. MAM and HSBC (Malaysia) Trustee Bhd as the Trustee had entered into a Fifth Supplemental Deed dated 11 July 2019 to change the name of the Fund dated 17 January 2020. Subsequently, MAM and HSBC (Malaysia) Trustee Bhd as the Trustee entered into a Sixth Supplemental Deed dated 5 August 2022 and Seventh Supplemental Deed dated 8 August 2023.

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

#### **2. MATERIAL ACCOUNTING POLICY INFORMATION**

##### **2.1 BASIS OF PREPARATION**

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

## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 2.1 BASIS OF PREPARATION (CONT'D)

The Fund has adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") Interpretations which have become effective during the financial period from 1 September 2023 to 29 February 2024. The adoption of the new pronouncements did not result in any material impact to the financial statements.

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies in Note 2.3 to 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, Amendments to Standards 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 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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

#### 2.3 Financial instruments

Financial assets and liabilities are recognised when the Fund becomes a party to the contractual provision of the instrument.

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

## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (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 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, dividend receivables, profit/ interest receivables, amount due from Manager and amount due from broker 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 asset and of allocating and recognising the interest income in profit or loss over the relevant period.

##### (ii) Financial assets at FVTPL

Investments in equity instruments 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 are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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

## **MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

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

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

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

##### **(iii) Impairment of financial assets**

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

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

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

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

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

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

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

##### **(iv) Derecognition of financial assets**

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

## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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

##### (iv) Derecognition of financial assets (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, the gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### 2.5 Financial liabilities

##### (i) Classification

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

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

#### 2.6 Unitholders' capital

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

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

The outstanding units are carried at the redemption amount that is payable at each financial period/ 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 ETHICAL DIVIDEND FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

#### **2.7 Revenue/ Income**

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

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

Profit/ Interest income is recognised using the EPR/ EIR method and disclosed separately in the profit or loss.

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

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

#### **2.9 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 period/ year.

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

#### **2.10 Fair value measurement**

The Fund measures its investments at FVTPL at fair value at each reporting date. 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:

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

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

## **MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

### **2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)**

#### **2.10 Fair value measurement (cont'd)**

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 assets takes into account a market participants' ability to generate economic benefits by using the assets in its highest and best use or by selling it to another market participant that would use the assets 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 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.

#### **2.11 Functional and foreign currency**

##### **(a) Functional and presentation currency**

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

##### **(b) Transactions and balances**

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

#### **2.12 Distributions**

Any distribution to the Fund's unitholders is accounted for as a deduction from realised reserves except where distribution is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' capital. A proposed distribution is recognised as a liability in the year in which it is approved.

## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

### 2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 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 Critical accounting estimates and judgements

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

No major 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 within the next financial period/ year.

### 3. NET GAIN ON FOREIGN EXCHANGE

	<b>01.09.2023</b> <b>to</b> <b>29.02.2024</b> <b>RM</b>	<b>01.09.2022</b> <b>to</b> <b>28.02.2023</b> <b>RM</b>
Net realised foreign exchange gain/ (loss)	110,102	(1,747)
Net unrealised foreign exchange gain	67,581	14,694
	<u>177,683</u>	<u>12,947</u>

### 4. MANAGER'S FEE

The Manager's fee is computed daily. The fee is based on 1.50% (01.09.2022 to 28.02.2023: 1.50%) per annum ("p.a.") of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day.

### 5. TRUSTEE'S FEE

The Trustee's fee is computed up to 0.08% (01.09.2022 to 28.02.2023: 0.08%) p.a. of the NAV of the Fund, before deducting Manager's fee and Trustee's fee for the day, subject to a minimum of RM18,000 p.a. The Trustee fee is calculated and accrued daily.



## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

### 6. TAXATION

	<b>01.09.2023 to 29.02.2024 RM</b>	<b>01.09.2022 to 28.02.2023 RM</b>
Current income tax expense:	<u>16,070</u>	<u>19,185</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (01.09.2022 to 28.02.2023: 24%) of the estimated assessable income for the financial period.

The tax charge for the financial period is in relation to the taxable income earned by the Fund after deducting tax allowable expenses. In accordance with Schedule 6 of the Income Tax Act 1967, profit/interest income and dividend income earned by the Fund is exempted from tax. Dividend income derived from sources outside Malaysia are exempted from Malaysia income tax. However, such income may be subject to tax in the country from which it is derived.

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

	<b>01.09.2023 to 29.02.2024 RM</b>	<b>01.09.2022 to 28.02.2023 RM</b>
Net income before taxation	<u>10,654,434</u>	<u>1,711,304</u>
Taxation at Malaysian statutory rate of 24% (01.09.2022 to 28.02.2023: 24%)	2,557,064	410,713
Income not subject to tax	(2,785,901)	(1,323,985)
Loss not deductible for tax purposes	-	708,616
Expenses not deductible for tax purposes	229,598	206,701
Income tax at source	15,309	17,140
Tax expense for the financial period	<u>16,070</u>	<u>19,185</u>

### 7. FINANCIAL ASSETS AT FVTPL

		<b>29.02.2024 RM</b>	<b>31.08.2023 RM</b>
Quoted equities - local	(a)	97,088,420	87,770,053
Quoted equities - foreign	(b)	1,698,116	2,252,491
		<u>98,786,536</u>	<u>90,022,544</u>

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

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

<b>29.02.2024</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>(a) Quoted equities - local</b>				
<b>Construction</b>				
Econpile Holdings Bhd	3,485,500	1,911,902	1,202,498	1.07
Ekovest Bhd	2,951,300	1,545,916	1,342,842	1.19
Gamuda Bhd	548,185	1,926,274	2,899,899	2.57
	<b>6,984,985</b>	<b>5,384,092</b>	<b>5,445,239</b>	<b>4.83</b>
<b>Consumer Products &amp; Services</b>				
Fraser & Neave Holdings Bhd	48,600	1,217,954	1,433,700	1.27
MR D.I.Y Group (M) Bhd	754,900	1,129,557	1,177,644	1.04
MSM Malaysia Holdings Bhd	1,271,300	1,604,842	3,305,380	2.93
	<b>2,074,800</b>	<b>3,952,353</b>	<b>5,916,724</b>	<b>5.24</b>
<b>Energy</b>				
Dayang Enterprise Holdings Bhd	1,057,100	1,712,982	2,463,043	2.18
Dialog Group Bhd	1,303,400	4,060,506	2,737,140	2.43
	<b>2,360,500</b>	<b>5,773,488</b>	<b>5,200,183</b>	<b>4.61</b>
<b>Financial Services</b>				
CIMB Group Holdings Bhd	1,362,372	6,810,788	8,800,923	7.80
Hong Leong Bank Bhd	163,300	3,181,751	3,220,276	2.86
Hong Leong Financial Group Bhd	95,000	1,776,978	1,615,000	1.43
MBB *	850,747	7,250,551	8,107,619	7.19
Public Bank Bhd	1,250,900	5,287,829	5,503,960	4.88

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

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

29.02.2024 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - local (cont'd)</b>				
<b>Financial Services (cont'd)</b>				
RHB Bank Bhd	971,514	5,246,050	5,440,478	4.82
	<u>4,693,833</u>	<u>29,553,947</u>	<u>32,688,256</u>	<u>28.98</u>
<b>Industrial Products</b>				
Cypark Resources Bhd	1,563,000	1,543,635	1,281,660	1.14
Dufu Technology Corporation Bhd	565,400	1,836,928	1,000,758	0.89
Press Metal Aluminium Holdings Bhd	406,700	1,751,954	1,903,356	1.69
SKP Resources Bhd	583,000	1,079,436	440,165	0.39
Sunway Bhd - Preference Shares	867,000	1,634,577	2,427,600	2.15
Sunway Bhd	202,800	202,800	535,392	0.47
	<u>4,187,900</u>	<u>8,049,330</u>	<u>7,588,931</u>	<u>6.73</u>
<b>Plantations</b>				
Kuala Lumpur Kepong Bhd	72,406	1,701,338	1,621,894	1.44
Sarawak Oil Palms Bhd	153,850	437,940	436,934	0.39
Sime Darby Plantation Bhd	368,818	1,728,870	1,596,982	1.42
	<u>595,074</u>	<u>3,868,148</u>	<u>3,655,810</u>	<u>3.25</u>
<b>Property</b>				
Lagenda Properties Bhd	1,154,000	1,615,600	1,673,300	1.48

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

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

29.02.2024 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - local (cont'd)</b>				
<b>Real Estate Investment Trusts ("REITs")</b>				
Axis REIT	1,338,313	2,440,448	2,368,814	2.10
IGB REIT	1,359,400	2,456,967	2,351,762	2.09
	<u>2,697,713</u>	<u>4,897,415</u>	<u>4,720,576</u>	<u>4.19</u>
<b>Technology</b>				
Globetronics Technology Bhd	691,900	1,621,622	1,024,012	0.91
Inari Amerton Bhd	500,800	1,156,908	1,587,536	1.41
Pentamaster Corporation Bhd	223,700	1,100,336	959,673	0.85
Unisem (M) Bhd	392,200	1,216,030	1,306,026	1.16
Vitrox Corp Bhd	205,000	952,594	1,537,500	1.36
	<u>2,013,600</u>	<u>6,047,490</u>	<u>6,414,747</u>	<u>5.69</u>
<b>Telecommunications &amp; Media</b>				
Celcomdigi Bhd	315,000	1,453,726	1,370,250	1.22
Telekom Malaysia Bhd	375,661	2,044,070	2,272,749	2.02
Time Dotcom Bhd	502,200	2,249,422	2,762,100	2.45
	<u>1,192,861</u>	<u>5,747,218</u>	<u>6,405,099</u>	<u>5.69</u>
<b>Transportation &amp; Logistics</b>				
Malaysia Airports Holdings Bhd	166,145	1,081,350	1,408,910	1.25

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

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

29.02.2024 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - local (cont'd)</b>				
<b>Utilities</b>				
Mega First Corporation Bhd	427,600	1,512,018	1,689,020	1.50
Reanhill Utilities Bhd	1,945,600	2,268,570	2,198,528	1.95
Tenaga Nasional Bhd	637,000	7,426,013	7,172,620	6.36
YTL Corporation Bhd	767,600	1,096,277	2,049,492	1.82
YTL Power International Bhd	724,300	1,568,305	2,860,985	2.54
	<u>4,502,100</u>	<u>13,871,183</u>	<u>15,970,645</u>	<u>14.17</u>
Total quoted equities - local	<u>32,623,511</u>	<u>89,841,614</u>	<u>97,088,420</u>	<u>86.11</u>
<b>(b) Quoted equities - foreign</b>				
<b>Hong Kong</b>				
Meituan	290	25,957	14,012	0.01
<b>Singapore</b>				
Capitaland Ascendas REIT	174,370	1,588,679	1,684,104	1.49
Total quoted equities - foreign	<u>174,660</u>	<u>1,614,636</u>	<u>1,698,116</u>	<u>1.50</u>
<b>Total quoted equities</b>	<u>32,798,171</u>	<u>91,456,250</u>	<u>98,786,536</u>	<u>87.61</u>
<b>Unrealised gain on FVTPL investments **</b>			<u>7,330,286</u>	
<b>31.08.2023</b>				
<b>(a) Quoted equities - local</b>				
<b>Construction</b>				
Econpile Holdings Bhd	3,485,500	1,911,902	1,045,650	0.97
Gamuda Bhd	641,564	2,241,897	2,887,038	2.69
	<u>4,127,064</u>	<u>4,153,799</u>	<u>3,932,688</u>	<u>3.66</u>

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

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

31.08.2023 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - local (cont'd)</b>				
<b>Consumer Products &amp; Services</b>				
Fraser & Neave Holdings Bhd	146,000	3,658,874	3,723,000	3.47
MSM Malaysia Holdings Bhd	1,490,300	1,881,299	1,967,196	1.83
Nestle (Malaysia) Bhd	2,800	384,402	365,400	0.34
	<u>1,639,100</u>	<u>5,924,575</u>	<u>6,055,596</u>	<u>5.64</u>
<b>Energy</b>				
Dayang Enterprise Holdings Bhd	1,115,000	1,552,169	1,940,100	1.81
Dialog Group Bhd	982,900	3,444,789	2,014,945	1.88
Yinson Holdings Bhd	509,600	1,316,315	1,279,096	1.19
	<u>2,607,500</u>	<u>6,313,273</u>	<u>5,234,141</u>	<u>4.88</u>
<b>Financial Services</b>				
CIMB Group Holdings Bhd	1,431,372	7,155,734	8,058,624	7.51
Hong Leong Bank Bhd	163,300	3,181,751	3,259,468	3.04
Hong Leong Financial Group Bhd	95,000	1,776,978	1,730,900	1.61
MBB *	850,747	7,250,551	7,750,305	7.22
Public Bank Bhd	1,250,900	5,287,829	5,291,307	4.93
RHB Bank Bhd	971,514	5,246,050	5,450,194	5.08
	<u>4,762,833</u>	<u>29,898,893</u>	<u>31,540,798</u>	<u>29.39</u>

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

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

31.08.2023 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(a) Quoted equities - local (cont'd)</b>				
<b>Industrial Products</b>				
Dufu Technology Corporation Bhd	565,400	1,836,928	1,057,298	0.98
Press Metal Aluminium Holdings Bhd	531,200	2,288,266	2,576,320	2.40
SKP Resources Bhd	583,000	1,079,436	562,595	0.52
SKP Resources Bhd - Warrant	93,280	-	5,130	-
Sunway Bhd - Preference Shares	202,800	202,800	379,236	0.35
Sunway Bhd	867,000	1,634,577	1,725,330	1.61
	<b>2,842,680</b>	<b>7,042,007</b>	<b>6,305,909</b>	<b>5.86</b>
<b>Plantations</b>				
Kuala Lumpur Kepong Bhd	70,968	1,672,966	1,528,651	1.42
Sarawak Oil Palms Bhd	445,650	1,268,559	1,136,408	1.06
Sime Darby Plantation Bhd	368,818	1,728,870	1,619,111	1.51
	<b>885,436</b>	<b>4,670,395</b>	<b>4,284,170</b>	<b>3.99</b>
<b>Real Estate Investment Trusts ("REITs")</b>				
Axis REIT	1,331,266	2,428,468	2,489,467	2.32
IGB REIT	1,359,400	2,456,967	2,215,822	2.06
	<b>2,690,666</b>	<b>4,885,435</b>	<b>4,705,289</b>	<b>4.38</b>
<b>Technology</b>				
Frontken Corp Bhd - Warrant	139,650	-	32,818	0.03
Globetronics Technology Bhd	691,900	1,621,622	1,100,121	1.02

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

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

<b>31.08.2023 (cont'd)</b>	<b>Quantity Unit</b>	<b>Aggregate cost RM</b>	<b>Market value RM</b>	<b>Percentage of NAV %</b>
<b>(a) Quoted equities - local (cont'd)</b>				
<b>Technology (cont'd)</b>				
Inari Amerton Bhd	900,500	2,080,262	2,836,575	2.64
Penmaster Corporation Bhd	223,700	1,100,336	1,183,373	1.10
Unisem (M) Bhd	392,200	1,216,030	1,282,494	1.19
Vitrox Corp Bhd	205,000	952,594	1,553,900	1.45
	<u>2,552,950</u>	<u>6,970,844</u>	<u>7,989,281</u>	<u>7.43</u>
<b>Telecommunications &amp; Media</b>				
Digi.Com Bhd	315,000	1,453,726	1,379,700	1.29
Telekom Malaysia Bhd	431,561	2,348,237	2,200,961	2.05
Time Dotcom Bhd	502,200	2,249,422	2,762,100	2.57
	<u>1,248,761</u>	<u>6,051,385</u>	<u>6,342,761</u>	<u>5.91</u>
<b>Transportation &amp; Logistics</b>				
Malaysia Airports Holdings Bhd	<u>319,045</u>	<u>2,076,495</u>	<u>2,351,362</u>	<u>2.19</u>
<b>Utilities</b>				
Mega First Corporation Bhd	427,600	1,512,018	1,423,908	1.33
Tenaga Nasional Bhd	637,000	7,426,013	6,268,080	5.84
YTL Corporation Bhd	851,000	1,116,427	1,336,070	1.24
	<u>1,915,600</u>	<u>10,054,458</u>	<u>9,028,058</u>	<u>8.41</u>
Total quoted equities - local	<u>25,591,635</u>	<u>88,041,559</u>	<u>87,770,053</u>	<u>81.74</u>



## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

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

31.08.2023 (cont'd)	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
<b>(b) Quoted equities - foreign</b>				
<b>Hong Kong</b>				
Tencent Holdings Ltd	2,900	495,949	558,389	0.52
Meituan	290	25,957	23,001	0.02
	<u>3,190</u>	<u>521,906</u>	<u>581,390</u>	<u>0.54</u>
<b>Singapore</b>				
Capitaland Ascendas REIT	174,370	1,588,679	1,671,101	1.56
Total quoted equities - foreign	<u>177,560</u>	<u>2,110,585</u>	<u>2,252,491</u>	<u>2.10</u>
<b>Total quoted equities</b>	<u>25,769,195</u>	<u>90,152,144</u>	<u>90,022,544</u>	<u>83.84</u>
<b>Unrealised loss on FVTPL investments **</b>			<u>(129,600)</u>	

\* MBB is the ultimate holding company of the Manager.

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

### 8. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	29.02.2024 RM	31.08.2023 RM
Short-term placement with a maturity of less than 3 months	<u>11,128,179</u>	<u>12,517,260</u>

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

	29.02.2024		31.08.2023	
	WAEPR/ WAEIR % p.a.	Average maturity Days	WAEPR/ WAEIR % p.a.	Average maturity Days
Deposits with licensed financial institutions	<u>3.06</u>	<u>1</u>	<u>2.95</u>	<u>2</u>

## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

### 9. AMOUNT DUE FROM/ TO MANAGER

		<b>29.02.2024</b>	<b>31.08.2023</b>
		<b>RM</b>	<b>RM</b>
Amount due from Manager is in respect of:			
Creation of units	(i)	<u>1,081</u>	<u>-</u>
Amount due to Manager is in respect of:			
Management fee	(ii)	132,568	139,172
Cancellation of units	(iii)	<u>21,767</u>	<u>21,481</u>
		<u>154,335</u>	<u>160,653</u>

- (i) The amount represents amount receivable from the Manager for units created.
- (ii) The amount represents the amount payable to the 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 (31.08.2023: 15 days).
- (iii) The amount represents amount payable to the Manager for units redeemed or cancelled.

### 10. AMOUNT DUE FROM/ TO BROKERS

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

### 11. CASH AT BANK

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

	<b>29.02.2024</b>	<b>31.08.2023</b>
	<b>RM</b>	<b>RM</b>
US Dollar ("USD")	2,113,853	7,813,673
RM	<u>812,840</u>	<u>37,904</u>
	<u>2,926,693</u>	<u>7,851,577</u>

### 12. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable arising from the accrual for Trustee's fee at the end of the financial period/ year. The normal credit term is 15 days (31.08.2023: 15 days).

### 13. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND

	<b>Note</b>	<b>29.02.2024</b>	<b>31.08.2023</b>
		<b>RM</b>	<b>RM</b>
Unitholders' capital	(a)	98,714,360	103,930,131
Accumulated realised income	(b)	11,396,774	2,952,223
Accumulated unrealised income	(c)	<u>2,654,992</u>	<u>461,179</u>
		<u>112,766,126</u>	<u>107,343,533</u>

**MAYBANK MALAYSIA ETHICAL DIVIDEND FUND**

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

**(a) Unitholders' capital**

	<b>01.09.2023</b>		<b>01.09.2022</b>	
	<b>to</b>		<b>to</b>	
	<b>29.02.2024</b>		<b>31.08.2023</b>	
	<b>Units</b>	<b>RM</b>	<b>Units</b>	<b>RM</b>
At the beginning of the financial period/ year	333,815,281	103,930,131	328,301,814	102,205,048
Creation of units	22,790	7,762	10,310,796	3,236,833
Reinvestment of units	8,408,824	2,704,278	8,408,823	2,704,278
Cancellation of units	(24,488,332)	(7,927,811)	(13,206,152)	(4,216,028)
At the end of the financial period/ year	<u>317,758,563</u>	<u>98,714,360</u>	<u>333,815,281</u>	<u>103,930,131</u>

	<b>29.02.2024</b>		<b>31.08.2023</b>	
	<b>Units</b>	<b>RM</b>	<b>Units</b>	<b>RM</b>
MBB, the ultimate holding of the Manager	<u>66,064,612</u>	<u>23,446,331</u>	<u>66,064,612</u>	<u>21,246,379</u>

**(b) Accumulated realised income**

	<b>01.09.2023</b>	<b>01.09.2022</b>
	<b>to</b>	<b>to</b>
	<b>29.02.2024</b>	<b>31.08.2023</b>
	<b>RM</b>	<b>RM</b>
At the beginning of the financial period/ year	2,952,223	2,156,156
Net realised income for the financial period/ year	8,444,551	3,500,345
Distributions out of realised reserve	-	(2,704,278)
At the end of the financial period/ year	<u>11,396,774</u>	<u>2,952,223</u>

**(c) Accumulated unrealised income**

	<b>01.09.2023</b>	<b>01.09.2022</b>
	<b>to</b>	<b>to</b>
	<b>29.02.2024</b>	<b>31.08.2023</b>
	<b>RM</b>	<b>RM</b>
At the beginning of the financial period/ year	461,179	(1,462,288)
Net unrealised income for the financial period/ year	2,193,813	1,923,467
At the end of the financial period/ year	<u>2,654,992</u>	<u>461,179</u>

## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

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

Details of transactions with top 10 brokers/ dealers are as follows:

	Value of trade RM	Percent of total trade %	Brokerage fees RM	Percent of brokerage fees %
<b>01.09.2023 to 29.02.2024</b>				
RHB Investment Bank Bhd	7,269,056	25.42	12,909	23.65
Public Investment Bank Bhd	4,737,511	16.56	9,494	17.40
Hong Leong Investment Bank Bhd	4,113,505	14.38	8,236	15.09
Nomura Securities Malaysia Sdn Bhd	3,994,136	13.97	8,001	14.66
Kenanga Investment Bank Bhd	3,552,877	12.43	7,094	13.00
Maybank Investment Bank Bhd ("MIBB")*	3,238,610	11.32	6,066	11.11
TA Securities Holding	614,841	2.15	616	1.13
Affin Hwang Investment Bank Bhd	596,194	2.08	1,195	2.19
United Oversea Bank (M) Bhd	483,957	1.69	965	1.77
	<b>28,600,687</b>	<b>100.00</b>	<b>54,576</b>	<b>100.00</b>
<b>01.09.2022 to 28.02.2023</b>	<b>RM</b>	<b>%</b>	<b>RM</b>	<b>%</b>
United Oversea Bank (M) Bhd	2,301,505	24.28	4,587	26.01
Hong Leong Investment Bank Bhd	2,192,254	23.12	4,371	24.78
Affin Hwang Investment Bank Bhd	2,059,792	21.73	4,104	23.27
CIMB Investment Bank Bhd	1,024,186	10.80	2,055	11.65
MIDF Amanah Investment Bank Bhd	858,775	9.06	857	4.86
Maybank Investment Bank Bhd ("MIBB")*	523,252	5.52	626	3.55
Public Investment Bank Bhd	520,718	5.49	1,037	5.88
	<b>9,480,482</b>	<b>100.00</b>	<b>17,637</b>	<b>100.00</b>

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

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

Financial institutions	01.09.2023 to 29.02.2024		01.09.2022 to 28.02.2023	
	Value of placements RM	Percentage of total placements %	Value of placements RM	Percentage of total placements %
MBB*	732,411,864	52.03	1,994,387,884	99.70
CIMB Bank Bhd	675,142,838	47.97	5,911,385	0.30
	<b>1,407,554,702</b>	<b>100.00</b>	<b>2,000,299,269</b>	<b>100.00</b>

\* MBB is the ultimate holding company of the Manager.

## MAYBANK MALAYSIA ETHICAL 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, the following is the significant related party transaction and balances of the Fund during the financial period/ year.

	<b>01.09.2023 to 29.02.2024 RM</b>	<b>01.09.2022 to 28.02.2023 RM</b>
(i) Significant related party transaction		
<u>MBB:</u>		
Dividend income	246,717	236,236
Profit/ Interest income	<u>88,451</u>	<u>222,694</u>
	<b>29.02.2024 RM</b>	<b>31.08.2023 RM</b>
(ii) Significant related party balances		
<u>MBB:</u>		
Investment in quoted equity	8,107,619	7,750,305
Deposits with licensed financial institutions	<u>4,681,193</u>	<u>5,526,742</u>

Other than those disclosed elsewhere in the financial statements, there were no significant related party transactions and balances as at the reporting date.

### 16. TOTAL EXPENSE RATIO ("TER")

The TER of the Fund is the total expenses expressed as an annual percentage of the Fund's daily average NAV. For the financial period from 1 September 2023 to 29 February 2024, the TER of the Fund stood at 0.81% (01.09.2022 to 28.02.2023: 0.80%).

### 17. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average of the total acquisitions and disposals of the investment in the Fund for the financial period to the daily average NAV of the Fund. For financial period from 1 September 2023 to 29 February 2024, the PTR of the Fund stood at 0.15 times (01.09.2022 to 28.02.2023: 0.05 times).

### 18. SEGMENT INFORMATION

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 achieves its targeted return with an acceptable level of risk within the portfolio.

The PMC is responsible for the performance of the Fund by investing between 70% to 98% of the Fund's NAV in shares, and between 2% to 30% of the Fund's NAV in cash or fixed income securities (or a combination of both).

## MAYBANK MALAYSIA ETHICAL DIVIDEND FUND

### 18. SEGMENT INFORMATION (CONT'D)

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 period.

### 19. FAIR VALUE HIERARCHY

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

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

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

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

	Level 1 RM	Level 2 RM	Level 3 RM
<b>29.02.2024</b>			
Financial assets at FVTPL	98,786,536	-	-
<b>31.08.2023</b>			
Financial assets at FVTPL	90,022,544	-	-

### 20. CAPITAL MANAGEMENT

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

The Fund's objectives for managing capital are:

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

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