



MAPLE-BROWN ABBOTT

INVESTMENT MANAGERS SINCE 1984

Maple-Brown Abbott Asian Dividend Growth Fund
ARSN 649 191 186

Annual Financial Report
For the year ended 30 June 2023

Maple-Brown Abbott Asian Dividend Growth Fund

Annual Financial Report

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Directors' report

The directors of Maple-Brown Abbott Limited, the Responsible Entity of the Maple-Brown Abbott Asian Dividend Growth Fund (the Fund), present their report together with the financial report of the Fund for the year ended 30 June 2023 and the auditor's report thereon.

Responsible Entity

Maple-Brown Abbott Limited is the Responsible Entity of the Fund (AFSL No. 237296).

The registered office and principal place of business of the Responsible Entity and the Fund is Level 26, Tower One, International Towers, 100 Barangaroo Avenue, Barangaroo NSW 2000.

Directors

The names of the directors of the Responsible Entity during the year and up to the date of issuance of this report are:

Name	Period of directorship
T T Robinson	Appointed 07/03/2013
R A R Lee	Appointed 22/10/2015
J A Elliott	Appointed 04/01/2017
S S Rahmani	Appointed 14/10/2019
A R Maple-Brown	Appointed 11/05/2022

Principal activities

The Fund invests in accordance with its investment objectives and guidelines as set out in the Fund's current Product Disclosure Statement and in accordance with the provisions of the Fund's Constitution.

The Fund did not have any employees during the reporting period.

There were no significant changes in the nature of the Fund's activities during the reporting period.

Review and results of operations

Subject to the criteria for stock selection outlined in the Product Disclosure Statement, the Responsible Entity aims to deliver an attractive total return, after fees, over a five-year period whilst maintaining a dividend yield in excess of the MSCI All Countries Asia excluding Japan Net Index (AUD) (Reference Benchmark).

Review and results of operations (continued)

Summary of the Fund's performance after fees for the reporting period to 30 June:

	Period from 1 July 2022 to 30 June 2023	Period from 23 June 2021 to 30 June 2022
	%	%
Total return*	11.5	0.6
Reference benchmark	2.1	(15.8)
Distribution per unit for the reporting period ended 30 June (excluding tax credits) (note 4)	0.0281	0.0293

*Total return is based on the movement in net asset value per unit plus distributions and is before tax and after all fees and charges. Imputation and foreign income tax offsets are not included in the performance figures.

Significant changes in state of affairs

In the opinion of the Responsible Entity, there were no significant changes in the state of affairs of the Fund during the financial reporting period under review.

Likely developments

The Fund will continue with its principal activities.

Events subsequent to balance date

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund disclosed in the Statement of Financial Position or on the results and cash flows of the Fund.

Interests of the Responsible Entity

Fees paid out of Fund property to and units held by the Responsible Entity and its associates during the year are disclosed in Note 5(b) to the financial statements.

Indemnities and insurance premiums for the officers of the Responsible Entity and auditors

No insurance premiums are paid out of the assets of the Fund for insurance cover provided to the officers of the Responsible Entity or auditors of the Fund. So long as the officers of the Responsible Entity act in accordance with the Fund's Constitution and the law, the officers of the Responsible Entity are generally entitled to an indemnity out of the assets of the Fund against losses incurred while acting on behalf of the Fund. The auditors of the Fund are not indemnified out of the assets of the Fund.

Environmental legislation

The operations of the Fund are not subject to any particular or significant environmental regulation under a Commonwealth, State or Territory law.

Lead Auditor's Independence Declaration under section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 4.

Signed in accordance with a resolution of the directors of Maple-Brown Abbott Limited.

A handwritten signature in black ink, consisting of a stylized, cursive initial followed by a long horizontal stroke.

Director of Maple-Brown Abbott Limited (ABN 73 001 208 564)
12 September 2023
Sydney, Australia



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Maple-Brown Abbott Limited as the Responsible Entity of
Maple-Brown Abbott Asian Dividend Growth Fund

I declare that, to the best of my knowledge and belief, in relation to the audit of Maple-Brown Abbott Asian Dividend Growth Fund for the financial year ended 30 June 2023 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Ashley Trang

Partner

Sydney

12 September 2023

Statement of Financial Position

	Note	2023 \$	2022 \$
Assets			
Cash and cash equivalents	6(a)	302,510	187,353
Financial assets at fair value through profit or loss	7(a)	6,206,258	4,204,160
Interest receivable		139	35
Dividends receivable		32,005	31,744
Reduced input tax credit receivable		818	731
Total assets		6,541,730	4,424,023
Liabilities			
Financial liabilities at fair value through profit or loss	7(a)	1,183	30,374
Distribution payable	4	79,575	85,509
Sundry creditors and accruals		4,059	3,277
Total liabilities		84,817	119,160
Net assets attributable to unitholders - equity	2	6,456,913	4,304,863

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Comprehensive Income

	Note	Period from 1 July 2022 to 30 June 2023 \$	Period from 23 June 2021 to 30 June 2022 \$
Revenue			
Interest income		3,843	12
Dividends		236,571	152,258
Other income		-	7,761
Net change in the fair value of financial instruments at fair value through profit or loss		334,353	(157,890)
		574,767	2,141
Expenses			
Responsible Entity fees	5(b)	42,687	32,675
Transaction costs		8,507	15,427
Other expenses		141	828
		51,335	48,930
Profit/(loss) from operating activities		523,432	(46,789)
Total comprehensive income/(loss)		523,432	(46,789)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

	Note	Period from 1 July 2022 to 30 June 2023	Period from 23 June 2021 to 30 June 2022
		\$	\$
Total equity opening balance		4,304,863	-
Comprehensive income			
Profit/(loss) from operating activities		<u>523,432</u>	<u>(46,789)</u>
Total comprehensive income/(loss)		<u>523,432</u>	<u>(46,789)</u>
Transactions with unitholders			
Applications	2	1,846,833	4,474,777
Redemptions	2	(69,145)	-
Distributions paid and payable to unitholders	2,4	<u>(149,070)</u>	<u>(123,125)</u>
Total transactions with unitholders		<u>1,628,618</u>	<u>4,351,652</u>
Total equity closing balance		<u><u>6,456,913</u></u>	<u><u>4,304,863</u></u>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

		Period from 1 July 2022 to 30 June 2023	Period from 23 June 2021 to 30 June 2022
	Note	\$	\$
Operating activities			
Proceeds from sale of investments		996,793	1,007,588
Purchase of investments		(2,697,673)	(5,344,024)
Dividends received		236,310	120,514
Other income received		-	7,761
Transaction costs paid		(8,507)	(15,427)
Interest received/(paid)		3,763	(23)
Responsible Entity fees paid		(36,627)	(29,078)
Other expenses paid		(228)	-
Net cash flows used in operating activities	6(b)	(1,506,169)	(4,252,689)
Financing activities			
Proceeds from issue of units		1,722,535	4,441,687
Payments on redemption of units		(69,145)	-
Distributions paid		(30,706)	(4,526)
Net cash flows from financing activities	6(d)	1,622,684	4,437,161
Change in cash and cash equivalents		116,515	184,472
Cash and cash equivalents at the beginning of the reporting period		187,353	-
Effect of exchange rate changes on cash and cash equivalents		(1,358)	2,881
Cash and cash equivalents at 30 June	6(a)	302,510	187,353

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

1 Summary of significant accounting policies

This annual financial report covers the Fund as an individual entity.

The Fund is a registered managed investment scheme under the *Corporations Act 2001*. The Fund was constituted on 26 March 2021 and will terminate 80 years (less one day) from the date of commencement or at such earlier time as provided by the Fund's Constitution or by the law.

Maple-Brown Abbott Limited is the Responsible Entity. The registered office and principal place of business of the Responsible Entity is Level 26, Tower One, International Towers, 100 Barangaroo Avenue, Barangaroo, Sydney, NSW 2000.

The annual financial report was authorised for issue by the directors of the Responsible Entity on 12 September 2023. The directors of the Responsible Entity have the power to amend and reissue the financial report.

(a) Statement of compliance

The annual financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001* in Australia.

The annual financial report of the Fund also complies with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board.

The financial report is prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

(b) Basis of preparation

Functional and presentation currency

The annual financial report is presented in Australian dollars, which is the Fund's functional currency.

Use of estimates

In a limited number of circumstances the Responsible Entity makes estimates and assumptions that affect the reported amounts in the financial statements. These estimates and associated assumptions are reviewed regularly and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The use of estimates and critical judgements in fair value measurement is described in note 7(a).

New accounting standards and interpretations

There are no new accounting standards, amendments or interpretations that are effective for the first time for the financial reporting period beginning 1 July 2022 that have an impact on the Fund.

(c) Financial instruments

Classification

The Responsible Entity classifies the Fund's investments based on its investment strategy for managing those financial assets and their contractual cash flow characteristics. The Responsible Entity evaluates the performance and related financial information about its investments on a fair value basis in accordance with the Fund's investment strategy.

1 Summary of significant accounting policies (continued)

(c) Financial instruments (continued)

Measurement

Financial assets

The Fund's financial assets are classified either as "fair value through profit or loss" or as "amortised cost". Financial assets which are classified as "fair value through profit or loss" are recognised or derecognised by the Responsible Entity as such at trade date. They are initially recognised at fair value, excluding transaction costs, which are expensed as incurred. Thereafter they are re-measured at fair value, with any resultant gain or loss recognised immediately in the Statement of Comprehensive Income.

Listed equities are classified as financial assets at fair value through profit and loss and are valued at their quoted last sale price on the exchange on which such securities are traded as of the close of business on the day the securities are being valued.

Financial liabilities

Financial liabilities of the Fund are measured at "amortised cost" using the effective interest method. These financial liabilities are of a short term nature and hence their carrying value approximates fair value.

The issue of redeemable units in the Fund are classified as equity because the units issued by the Fund satisfies all criteria for the classification of puttable financial instruments as equity under AASB 132 *Financial Instruments: Presentation*.

Derivatives

Derivative financial instruments are held for trading and accounted for on a fair value basis using the most recent verifiable source of market prices. Fair values are obtained using quoted market prices or determined through the use of valuation techniques. All derivatives are carried as assets when the fair value is positive and as liabilities when fair value is negative.

The Fund does not designate any derivatives as hedges in a hedging relationship.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(d) Foreign currency translation

Transactions during the reporting period denominated in foreign currency have been translated at the exchange rate prevailing at the transaction date. Overseas investments and currency, together with any accrued income, are translated at the exchange rate prevailing at the reporting date. Unrealised exchange gains and losses arising on the revaluation of investments are included in investment income, as part of the net change in the fair value of investments. All other material foreign currency exchange differences relating to monetary items, including cash and cash equivalents are presented separately in the Statement of Comprehensive Income.

(e) Revenue and expenses

Dividends and distribution income from financial assets at fair value through profit or loss is recognised in profit or loss when the Fund's right to receive payment is established.

1 Summary of significant accounting policies (continued)

(e) Revenue and expenses (continued)

Interest on cash deposits is calculated using the effective interest method and is recognised as revenue in the Statement of Comprehensive Income on an accruals basis.

Net change in the fair value of financial instruments at fair value through profit or loss is determined as the difference between the fair value as at reporting period or consideration received (if sold during the reporting period) and the fair value as at acquisition (if the investment was acquired during the reporting period).

Transaction costs incurred in the acquisition and disposal of assets are expensed in the Statement of Comprehensive Income on an accruals basis. Expenses, including Responsible Entity fees, are recognised in the Statement of Comprehensive Income on an accruals basis.

(f) Distributions

In accordance with the Fund's Constitution, the Responsible Entity may elect whether to make a distribution. Once elected by the Responsible Entity, distributions paid and payable are recognised and disclosed as transactions with unitholders in the Statement of Changes in Equity.

(g) Change in net assets attributable to unitholders

Unrealised gains and losses arising from movements in the fair value of assets are held within net assets attributable to unitholders. The taxable and concessionally taxed portions of realised capital gains on the disposal of investments are attributed to unitholders in the period for which they are assessable for tax purposes.

(h) Cash and cash equivalents

Cash and cash equivalents may include cash at bank, deposits at call with banks, term deposits and bank bills of exchange and are valued at cost.

(i) Receivables

Receivables may include applications, balances due from brokers, interest, dividend and distribution receivables as well as reduced input tax credit. Receivable amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition.

The amount of the impairment loss is recognised in profit or loss within other operating expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other operating expenses in profit or loss.

(j) Other Payables

Payables may include redemptions, balances due to brokers, distribution and sundry creditors and accruals which are unpaid at the end of the reporting date.

1 Summary of significant accounting policies (continued)

(k) Taxation

The Responsible Entity has elected into the Attribution Managed Investment Trust (AMIT) regime. On the basis that unitholders are attributed all of the taxable income of the Fund (which includes net realised capital gains) for a financial reporting period, the Fund itself should not be liable for tax. Unitholders will be attributed a share of the taxable income of the Fund and will be required to include the amount attributed to them in their assessable income.

The price of a unit is based on the market values of underlying assets and thus may include a share of unrealised taxable capital gains/losses. Should a net gain be realised, that portion of the gain that is subject to capital gains tax will be attributed to unitholders.

Any balance of realised capital losses is not attributed to unitholders but is carried forward to be offset against any future realised capital gains. If realised capital gains exceed realised capital losses, the excess is attributed to unitholders.

(l) Net assets attributable to unitholders

The net assets attributable to unitholders are classified as equity because the units issued by the Fund satisfy all the criteria for “puttable financial instruments” to be classified as equity under AASB 132 *Financial Instruments: Presentation*.

Units issued by the Fund provide unitholders with the right to redeem their units on request. The fair value of redeemable units is measured at the net asset value price.

(m) Determination of redemption price for units in the Fund

The redemption price is determined in accordance with the Fund's Constitution and is calculated as the value of the assets of the Fund less its liabilities, adjusted for estimated transaction costs, divided by the number of units on issue.

(n) Goods and services tax (GST)

The Responsible Entity fees and other expenses are recognised net of the amount of GST recoverable as a reduced input tax credit (RITC). Receivables and payables are stated inclusive of GST. Cash flows are included in the Statement of Cash Flows on a gross basis.

2 Net assets attributable to unitholders

	Period from 1 July 2022 to 30 June 2023		Period from 23 June 2021 to 30 June 2022	
	\$	Units	\$	Units
Opening balance	4,304,863	4,406,731	-	-
Profit/(loss) from operating activities	523,432	-	(46,789)	-
Transactions with unitholders:				
Applications	1,846,833	1,752,426	4,474,777	4,406,731
Redemptions	(69,145)	(69,076)	-	-
Distributions paid and payable to unitholders	(149,070)	-	(123,125)	-
Total transactions with unitholders	1,628,618	1,683,350	4,351,652	4,406,731
Closing balance	6,456,913	6,090,081	4,304,863	4,406,731

The Responsible Entity considers net assets attributable to unitholders as capital. This capital is invested in accordance with the provisions of the Fund's Constitution. The Responsible Entity may make additional investments in the case of net applications, or realise investments in the case of net redemptions, depending on the desired level of liquidity in the Fund. Under the Fund's Constitution, the Responsible Entity may suspend applications or redemptions if it is considered to be in the best interests of unitholders.

3 Auditor's remuneration

	Period from 1 July 2022 to 30 June 2023	Period from 23 June 2021 to 30 June 2022
	\$	\$
Audit services - KPMG:*		
Audit and review of the Annual Financial Report	25,850	18,387
Audit of the Compliance Plan	5,005	4,675
Total	30,855	23,062

*The audit fees were paid by the Responsible Entity and represents the agreed fees.

4 Distributions paid and payable

	Period from 1 July 2022 to 30 June 2023		Period from 23 June 2021 to 30 June 2022	
	\$	\$ per unit	\$	\$ per unit
31 December	69,495	0.0150	37,616	0.0099
30 June (payable)	79,575	0.0131	85,509	0.0194
Total	149,070	0.0281	123,125	0.0293

4 Distributions paid and payable (continued)

(a) **Unrealised taxable capital gains/(losses) and realised taxable capital losses carried forward**

	2023	2022
	\$	\$
Balances at 30 June		
Net unrealised capital gains/(losses) for tax	219,556	(92,294)
Net realised capital losses carried forward for tax	(45,783)	(111,234)

Unrealised taxable capital gains/(losses) and realised taxable capital losses carried forward have been calculated in accordance with the relevant tax legislation and have not been reported in the financial statements, refer note 1(k).

5 Related parties

(a) **Responsible Entity and Key Management Personnel**

Maple-Brown Abbott Limited (ABN 73 001 208 564) is the Responsible Entity of the Fund. Maple-Brown Abbott Limited is also the investment manager of the Fund.

As Responsible Entity, Maple-Brown Abbott Limited is regarded as fulfilling the role and obligations of key management personnel of the Fund. The directors of Maple-Brown Abbott Limited are regarded as key management personnel of that company and not of the Fund.

(b) **Responsible Entity**

The names of the persons who were directors of the Responsible Entity during or since the end of the reporting period are as follows:

Name	Period of directorship
T T Robinson	Appointed 07/03/2013
R A R Lee	Appointed 22/10/2015
J A Elliott	Appointed 04/01/2017
S S Rahmani	Appointed 14/10/2019
A R Maple-Brown	Appointed 11/05/2022

Loans to key management personnel of Maple-Brown Abbott Limited

The Fund has not made, guaranteed or secured, directly or indirectly, any loans to the key management personnel of Maple-Brown Abbott Limited or their personally-related entities at any time during the reporting period.

Other transactions with key management personnel of Maple-Brown Abbott Limited

Apart from those details disclosed in this note, no key management personnel of Maple-Brown Abbott Limited have entered into a contract for services with the Fund since the end of the previous financial reporting period.

5 Related parties (continued)

(b) Responsible Entity (continued)

Remuneration

The Responsible Entity's fees are calculated in accordance with the Fund's Constitution (as amended). The Responsible Entity's fee is 0.90% (refer to note 1(n)) per annum, accrued daily and paid monthly based on the net asset value of the Fund. The total fee of \$42,687 (2022: \$32,675) is disclosed as an item of expense in the Statement of Comprehensive Income and the fee paid during the reporting period is disclosed separately in the Statement of Cash Flows.

Balances payable

The aggregate amounts payable to the Responsible Entity by the Fund at 30 June are as follows:

	2023	2022
	\$	\$
Responsible Entity fees payable	4,330	3,517

These amounts are included in sundry creditors and accruals in the Statement of Financial Position.

Related Party Transactions

Holdings in the Fund by other funds managed by the Responsible Entity:

	Number of units held at 30 June	Fair value	Interest held in the Fund	Units purchased during the year	Units sold during the year	Distributions received/ receivable during the year
2023		\$	%			\$
MBA International Equity Trust	1,400,953	1,485,290	23.0%	1,400,953	-	18,305

5 Related parties (continued)

(b) Responsible Entity (continued)

Transactions with other parties

Details of the transactions during the reporting period by each specified director and their personally related entities are as follows:

Unitholder	Number of units held at 30 June	Fair Value	Units purchased during the reporting period	Units sold during the reporting period	Distributions received/receivable during the reporting period
2023		\$			\$
T T Robinson	116,500	123,513	2,125	-	3,240
R A R Lee	157,231	166,697	55,876	-	4,372
J A Elliot	56,564	59,969	1,936	-	1,575
2022					
T T Robinson	114,375	111,733	114,375	-	3,349
R A R Lee	101,355	99,014	101,355	-	2,958
J A Elliot	54,628	53,366	54,628	-	1,594

All transactions with related parties are conducted on normal commercial terms and conditions. This includes that Maple-Brown Abbott Limited, directly and on behalf of other Funds issued by it, and its directors and director's related entities, may invest in or withdraw from the Fund from time-to-time, and the Responsible Entity may rebate management fees to these entities where they are wholesale clients, as defined in the Corporations Act. Staff may also invest in or withdraw from the Fund from time-to-time and may also be charged lower than the stated management costs, as allowed by the Corporations Act.

6 Notes to the Statement of Cash Flows

(a) Components of cash and cash equivalents

	Period from 1 July 2022 to 30 June 2023 \$	Period from 23 June 2021 to 30 June 2022 \$
Cash at bank	302,510	187,353

6 Notes to the Statement of Cash Flows (continued)

(b) Reconciliation of operating profit/(loss) to net cash flows used in operating activities

	Period from 1 July 2022 to 30 June 2023 \$	Period from 23 June 2021 to 30 June 2022 \$
Profit/(loss) for the reporting period attributable to unit holders	523,432	(46,789)
Proceeds from sale of financial instruments held at fair value through profit or loss	996,793	1,007,588
Purchase of financial instruments held at fair value through profit or loss	(2,697,673)	(5,344,024)
Net (gains)/losses on financial instruments held at fair value through profit or loss	(334,353)	157,890
Net change in receivables and other assets	(452)	(32,510)
Net change in payables and other liabilities	782	3,277
Unitholder rebate reinvested	5,302	1,879
<i>Net cash flows used in operating activities</i>	<u>(1,506,169)</u>	<u>(4,252,689)</u>

(c) Non-cash operating and financing activities

The following amounts are not included in the Statement of Cash Flows:

Financing activities

Unitholder distributions and rebates reinvested

The Fund issues new units in consideration for the reinvestment of distributions payable to unitholders.

The value of the units and number of units issued or redeemed during the reporting period is summarised below:

	Period from 1 July 2022 to 30 June 2023		Period from 23 June 2021 to 30 June 2022	
	\$	Units	\$	Units
Units issued or redeemed:				
Unitholder distribution reinvested	124,298	126,964	33,090	32,193
Unitholder rebate reinvested	5,302	5,285	1,879	1,841

(d) Reconciliation of liabilities from financing activities

The net change in financing activities during the year is \$1,622,684 which was from application and distribution paid transactions made by unitholders (2022: \$4,437,161).

7 Financial instruments

Risks and capital management objectives

The Fund's activities expose it to a variety of risks: market risk (including price risk, interest rate changes and currency risk), liquidity risk, credit risk and operational risk.

The Responsible Entity seeks to manage the Fund's financial risks through a variety of activities, including diversification of the investment portfolio and the selection of liquid investments in accordance with the specific investment policies and restrictions set out in the Product Disclosure Statement.

The key element in the Responsible Entity's investment philosophy is to seek investments with both an ability to pay a sustainable and attractive dividend stream, and the intention to reward investors with an attractive dividend profile going forward.

The nature and extent of the financial instruments outstanding at the balance date and the risk management policies employed by the Responsible Entity are discussed below, together with specific investment objectives and policies applicable to the Fund.

(a) Market risk

Market risk is the risk that the value of a financial instrument will change as a result of exposure to market price changes, interest rate changes and currency movements.

Price risk

The Fund's market price risk is managed on a daily basis in accordance with the following specific investment policies and restrictions.

Investment policies and restrictions

The Responsible Entity invests in assets in accordance to the Fund's Product Disclosure Statement and monitors the guidelines and restrictions to ensure compliance.

7 Financial instruments (continued)

(a) Market risk (continued)

Market exposures

As at 30 June the market exposures were as follows:

	2023	2022
	\$	\$
Financial assets at fair value through profit or loss:		
Overseas-listed equities	<u>6,206,258</u>	<u>4,204,160</u>
Total	<u>6,206,258</u>	<u>4,204,160</u>
Financial liabilities at fair value through profit or loss:		
Forward foreign exchange contracts	<u>1,183</u>	<u>30,374</u>
Total	<u>1,183</u>	<u>30,374</u>

Carrying amounts versus fair values

The fair values of financial assets and financial liabilities approximates their carrying amounts in the Statement of Financial Position.

Sensitivity analysis

The table below details the approximate change in net assets attributable to unitholders if there is a percentage change in the price assuming all other variables are constant.

	2023		2022	
	% change	\$	% change	\$
Increase in price	10	620,626	10	420,416
Decrease in price	10	(620,626)	10	(420,416)

Fair value measurement recognised in the Statement of Financial Position

The fair value measurement disclosures use a three-tier value hierarchy that reflects the significance of the inputs used in measuring fair values. The fair value hierarchy is comprised of the following levels:

- Level 1 – fair values measured using quoted prices (unadjusted) in active markets for identical instruments;
- Level 2 – fair values measured using directly (i.e. as prices) or indirectly (i.e. derived from prices) observable inputs, other than quoted prices included in Level 1; and
- Level 3 – fair values measured using inputs that are not based on observable market data (unobservable inputs).

7 Financial instruments (continued)

(a) Market risk (continued)

At 30 June the financial instruments carried at fair value split by valuation method is summarised below:

2023	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets at fair value through profit or loss:				
Overseas-listed equities	6,206,258	-	-	6,206,258
Total	6,206,258	-	-	6,206,258
Financial liabilities at fair value through profit or loss:				
Forward foreign exchange contracts	-	1,183	-	1,183
Total	-	1,183	-	1,183

2022	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
Financial assets mandatorily classified at fair value through profit or loss:				
Overseas-listed equities	4,204,160	-	-	4,204,160
Total	4,204,160	-	-	4,204,160
Financial liabilities at fair value through profit or loss:				
Forward foreign exchange contracts	-	30,374	-	30,374
Total	-	30,374	-	30,374

Transfers between levels

The Responsible Entity's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There have been no transfers between levels in the fair value hierarchy at the end of 30 June 2023 and 30 June 2022.

Fair value measurement

Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and equity securities) is based on last sale prices at the end of the reporting period without any deduction for estimated future selling costs. For the majority of financial assets and liabilities, information provided by the quoted market independent pricing services is relied upon for valuation.

7 Financial instruments (continued)

(a) Market risk (continued)

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. An active market is a market in which transactions for the financial asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Fair value in an inactive or unquoted market (level 2 and 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. Quoted market prices or dealer quotes for similar instruments are used for debt securities held. The Responsible Entity may use a variety of valuation methods and makes assumptions that are based on market conditions existing at the end of each reporting period. Valuation techniques used for non-standardised financial instruments, such as over-the-counter derivatives, include the use of comparable arm's length transactions, reference to the current fair value of a substantially similar other instrument or any other valuation technique that is commonly used by market participants which maximises the use of market inputs and relies as little as possible on entity-specific inputs.

For other pricing models, inputs are based on market data at the end of the reporting period.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions held. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

Fair value measurements using significant unobservable inputs (level 3)

The Fund did not hold any financial instruments with fair value measurements using significant unobservable inputs during the reporting period ended 30 June 2023 and 30 June 2022.

Financial instruments not measured at fair value

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values due to their short term nature.

Interest rate risk

The majority of the Fund's financial assets and liabilities are non-interest bearing. As a result, the Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates on interest bearing financial assets and liabilities. Any excess cash and cash equivalents are invested at short term market interest rates. The Responsible Entity monitors the overall exposure to cash and consequently interest rate sensitivity on a daily basis.

7 Financial instruments (continued)

(a) Market risk (continued)

At balance date of each period, the Fund's exposure to interest rate risk is set out below:

	Floating interest rate	Fixed interest rate	Total
2023	\$	\$	\$
Cash and cash equivalents	<u>302,510</u>	-	<u>302,510</u>
Total	<u><u>302,510</u></u>	<u>-</u>	<u><u>302,510</u></u>
	Floating interest rate	Fixed interest rate	Total
2022	\$	\$	\$
Cash and cash equivalents	<u>187,353</u>	-	<u>187,353</u>
Total	<u><u>187,353</u></u>	<u>-</u>	<u><u>187,353</u></u>

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates for financial instruments denominated in currencies other than the functional currency (AUD) of the Fund.

The Fund holds investments in a number of countries. If the currencies of those countries change in value relative to the base currency (AUD), the value of the financial instruments will change and this is reflected in the fair value of the investments on the Statement of Financial Position.

The risks in relation to country exposure are set out above under Market price risks.

The Responsible Entity may hedge a portion of the Fund's foreign exchange exposures.

7 Financial instruments (continued)

(a) Market risk (continued)

The table below shows the currency exposure of the Fund's financial assets. The Fund has no material exposure to net monetary financial assets designated in foreign currencies. Accordingly, no sensitivity analysis has been disclosed. The exposure to movements in the fair value of the investments (which includes foreign currency exposure) is included in the price sensitivity analysis.

	At 30 June 2023				At 30 June 2022			
	Investments	Net Monetary Assets	Total		Investments	Net Monetary Assets	Total	
	\$	\$	\$	%	\$	\$	\$	%
AUD	-	1,375,108	1,375,108	21.3	-	1,258,395	1,258,395	29.2
CNH	361,723	(72,460)	289,263	4.5	273,954	(82,033)	191,921	4.5
HKD	1,736,112	(326,430)	1,409,682	21.8	1,451,164	(424,092)	1,027,072	23.9
INR	410,352	-	410,352	6.3	133,383	-	133,383	3.1
JPY	878,817	(178,657)	700,160	10.8	586,487	(187,403)	399,084	9.3
KRW	390,589	1,333	391,922	6.1	117,780	-	117,780	2.7
PHP	-	-	-	-	44,688	-	44,688	1.0
SGD	1,056,830	(212,757)	844,073	13.1	693,667	(210,846)	482,821	11.2
TWD	794,266	(153,706)	640,560	9.9	572,320	(168,828)	403,492	9.4
USD	196,950	(186,630)	10,320	0.2	120,439	(90,794)	29,645	0.7
VND	169,593	4,854	174,447	2.7	127,718	6,304	134,022	3.1
IDR	211,026	-	211,026	3.3	82,560	-	82,560	1.9
Total	6,206,258	250,655	6,456,913	100.0	4,204,160	100,703	4,304,863	100.0

Derivative fair value disclosure - foreign exchange hedging

The Responsible Entity has appointed National Australia Bank (NAB) to act as the Fund's agent to manage foreign currency hedging by reducing the total foreign exchange exposure of the Fund through forward foreign exchange contracts.

NAB will execute forward foreign exchange contracts in accordance with the investment guidelines agreed with the Responsible Entity. The investment guidelines document the desired hedge portfolio ratios and desired currency hedge ratio for each foreign currency included in the hedging and provide for daily and monthly rebalancing within pre-agreed tolerances.

Generally the hedge will be closed out (close out date) every three months and a new hedge put in place. Any gain or loss on close out will be settled within five business days. Gains result in a positive cash flow and losses result in a negative cash flow.

7 Financial instruments (continued)

(a) Market risk (continued)

The Fund's derivative financial instruments at period-end are detailed below:

	Notional Hedge Portfolio	Financial assets mandatorily classified at fair value through profit or loss	Financial liabilities mandatorily classified at fair value through profit or loss
	\$	\$	\$
2023			
Forward foreign exchange contracts	1,240,232	-	1,183
2022			
Forward foreign exchange contracts	1,418,363	-	30,374

Sensitivity analysis

The table below details the approximate change in net assets attributable to unitholders if there is a percentage change in exchange rates relative to AUD assuming all other variables are constant, including forward points:

	2023		2022	
	% change	\$	% change	\$
Decrease in exchange rates relative to AUD				
- Financial assets at fair value through profit or loss	10	(620,626)	10	(420,416)
- Foreign currency hedging	10	112,823	10	116,221
		<u>(507,803)</u>		<u>(304,195)</u>
Increase in exchange rates relative to AUD				
- Financial assets at fair value through profit or loss	10	620,626	10	420,416
- Foreign currency hedging	10	(137,896)	10	(142,048)
		<u>482,730</u>		<u>278,368</u>

(b) Liquidity risk

Liquidity risk is the risk that the Fund will not be able to meet its financial obligations as they fall due. The Fund is exposed to daily cash redemptions of redeemable units. The majority of the Fund's investments in equity securities are considered to be readily realisable. The Fund primarily holds investments in an active market which can be readily disposed.

In order to manage the Fund's overall liquidity, the Fund's Constitution permits the Responsible Entity to suspend withdrawals if it's considered to be in the best interests of unitholders.

7 Financial instruments (continued)

(b) Liquidity risk (continued)

The table below shows financial liabilities grouped into relevant maturities based on the remaining period at 30 June to the contractual maturity date:

	Less than 1 month	1-3 months	3-12 months	More than 1 year	Total*
2023	\$	\$	\$	\$	\$
Distribution payable	79,575	-	-	-	79,575
Sundry creditors and accruals	4,059	-	-	-	4,059
Total	83,634	-	-	-	83,634
	Less than 1 month	1-3 months	3-12 months	More than 1 year	Total*
2022	\$	\$	\$	\$	\$
Distribution payable	85,509	-	-	-	85,509
Sundry creditors and accruals	3,277	-	-	-	3,277
Total	88,786	-	-	-	88,786

*The carrying amounts equal the contractual cashflow amounts

(c) Credit risk

Credit risk is the risk that the Fund may incur a loss if other parties fail to perform their obligations under the financial instruments which comprise the Fund's investment portfolio.

Any non-equity investments generally incorporate credit assessments in investment valuations and the risk of loss is implicitly provided for in the determination of the fair value of such investments. The Fund also has a credit risk exposure in relation to its transactions with counterparties such as brokers, banks and other financial intermediaries.

The Responsible Entity manages the concentration of credit risk by transacting through a number of brokers all of whom operate on recognised and reputable exchanges. The credit risk exposure to any one counterparty is low.

Total credit risk for the Fund arising from recognised financial instruments is limited to the value of the Fund's investments and receivables shown in the Statement of Financial Position.

All derivatives transactions are conducted through counterparties who are members of a recognised market exchange and are approved by the Responsible Entity.

Cash and cash equivalents are held with banks with a rating of BBB+ or higher (as determined by Standard & Poor's). Forward foreign exchange contracts are entered into with the National Australia Bank with a credit rating of A1+ under a standard ISDA agreement.

7 Financial instruments (continued)

(d) Operational risk

Operational risk is the risk of direct or indirect loss to the Fund associated with the Responsible Entity's processes, personnel, technology and infrastructure, and from external forces (other than credit, market and liquidity risks) such as those arising from changes to legal and regulatory requirements.

The objective of the Responsible Entity in managing operational risk is to mitigate as much as possible the risk of financial losses and damage to reputation, commensurate with overall cost effectiveness.

The Responsible Entity is responsible for the development and implementation of controls to address operational risk. This responsibility is supported by the development of an overall control framework implemented to manage operational risk, key aspects of which include:

- appropriate segregation of duties, including the independent authorisation of transactions;
- cash and securities positions are completely and accurately recorded and reconciled to third party data;
- monitoring the performance of external service providers;
- documentation of controls and procedures;
- periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- reporting of operational losses and proposed remedial action, with appropriate follow-up;
- assessment and mitigation of cyber risks and development of contingency business continuity, including disaster recovery plans;
- training and professional development;
- ethical business standards; and
- risk mitigation, including insurance where this is effective.

8 Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The gross and net positions of financial assets and liabilities that have been offset in the statement of financial position are disclosed in the first three columns of the tables below.

	Effects of offsetting on the statement of financial position			Related amounts not offset	
	Gross amounts	Gross amounts set off	Net amounts presented	Amounts subject to master netting arrangements	Net amounts
	\$	\$	\$	\$	\$
Financial assets					
2023					
Forward foreign exchange contracts	57,612	(57,612)	-	-	-
Total	57,612	(57,612)	-	-	-
2022					
Forward foreign exchange contracts	3,466	(3,466)	-	-	-
Total	3,466	(3,466)	-	-	-
Financial liabilities					
2023					
Forward foreign exchange contracts	58,795	(57,612)	1,183	-	-
Total	58,795	(57,612)	1,183	-	-
2022					
Forward foreign exchange contracts	33,840	(3,466)	30,374	-	-
Total	33,840	(3,466)	30,374	-	-

9 Events subsequent to balance date

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Fund disclosed in the Statement of Financial Position or on the results and cash flows of the Fund.

Directors' declaration

In the opinion of the directors of Maple-Brown Abbott Limited, the Responsible Entity of the Maple-Brown Abbott Asian Dividend Growth Fund:

- 1 The financial statements and notes to and forming part of the financial statements are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the Fund's financial position as at 30 June 2023 and of its performance for the reporting period ended on that date; and
 - (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*;
- 2 The financial report also complies with International Financial Reporting Standards disclosed in note 1(a); and
- 3 There are reasonable grounds to believe that the Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors of Maple-Brown Abbott Limited.



Director of Maple-Brown Abbott Limited (ABN 73 001 208 564)
12 September 2023
Sydney, Australia



Independent Auditor's Report

To the unitholders of Maple-Brown Abbott Asian Dividend Growth Fund

Opinion

We have audited the **Financial Report** of the Maple-Brown Abbott Asian Dividend Growth Fund (the Fund).

In our opinion, the accompanying Financial Report of the Maple-Brown Abbott Asian Dividend Growth Fund is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Fund's financial position as at 30 June 2023 and of its financial performance and its cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises the:

- Statement of financial position as at 30 June 2023;
- Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended;
- Notes including a summary of significant accounting policies; and
- Directors' Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Fund in accordance with the *Corporations Act 2001* and the relevant ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Other Information

Other Information is financial and non-financial information in the Maple-Brown Abbott Asian Dividend Growth Fund's annual reporting which is provided in addition to the Financial Report and the Auditor's Report. This includes the Directors' Report. The Directors of Maple-Brown Abbott Limited (the Responsible Entity) are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.



In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information and based on the work, we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors of Maple-Brown Abbott Limited (the Responsible Entity) are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*;
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- assessing the Fund's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Report.

A further description of our responsibilities for the Audit of the Financial Report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our Auditor's Report.

KPMG

Ashley Trang

Partner

Sydney

12 September 2023