

Asset Management

Maybank Asset Management Sdn Bhd

199701006283 (421779-M)

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MAMG GLOBAL INCOME-I FUND

Audited report

For the financial year ended 31 December 2022

CORPORATE INFORMATION

MANAGER

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

BUSINESS OFFICE

Level 12 Tower C
Dataran Maybank
No.1 Jalan Maarof
59000 Kuala Lumpur, Malaysia
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TRUSTEE

SCBMB Trustee Berhad (201201021301) (1005793-T)
Level 23, Equatorial Plaza
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50250 Kuala Lumpur
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SHARIAH ADVISER

Amanie Advisors Sdn Bhd (200501007003) (684050-H)
Level 13A-2
Menara Tokio Marine Life
189 Jalan Tun Razak
50400 Kuala Lumpur
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MAMG GLOBAL INCOME-I FUND

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MAMG GLOBAL INCOME-I FUND

Manager's report

For the financial year ended 31 December 2022

A. Fund Information

1. Name of the Fund

MAMG Global Income-I Fund ("the Fund")

2. Type of Fund

Income & growth

3. Category of Fund

Feeder Fund (Sukuk)

4. Duration of the Fund

The Fund is an open-ended fund.

5. Launch date

Class	Currency denomination	Launch Date
MYR Class	Malaysian Ringgit ("MYR")	13 March 2018
USD Class	United States Dollar ("USD")	8 July 2020

6. Fund's investment objective

The investment objective of the Fund is to maximise investment returns by investing in the Target Fund, the AZ Islamic - MAMG Global Sukuk.

7. Fund distribution policy

Distribution, if any, will be made from the realised income and/ or realised gains of the Fund. Distribution will be on a semi-annual basis (subject to availability of income).

8. Fund's performance benchmark

Total return performance of US Dollars ("USD") 5 years Treasury + 1.5%.

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

The Fund seeks to achieve its investment objective by investing a minimum of 95% of the Fund's NAV in the MASTER (USD DIS) class of the Target Fund, a subfund of the AZ Multi Asset managed by Azimut Investment S.A.

10. Net income distribution for the financial year ended 31 December 2022

The Fund distributed a net income of RM390,701 from MYR Class and USD class to unitholders for the financial year ended 31 December 2022. Below is the impact of the distributions to the Fund's NAV:

Entitlement date	Payment date	NAV per unit (before distribution)	NAV per unit (after distribution)	Gross/ Net distribution per unit	Changes %
MYR Class					
28.03.2022	31.03.2022	1.0827	1.0667	0.0160	1.48
USD Class					
28.03.2022	31.03.2022	1.0499	1.0339	0.0160	1.52
27.06.2022	31.03.2022	1.0098	0.9998	0.0100	0.99
26.09.2022	30.09.2022	0.9941	0.9781	0.0160	1.61
27.12.2022	30.12.2022	0.9806	0.9606	0.0200	2.04

MAMG GLOBAL INCOME-I FUND

Manager's report

For the financial year ended 31 December 2022 (cont'd)

A. Fund Information (cont'd)

11. Breakdown of unitholdings by size

Fund size

As at 31 December 2022, the size of the Fund was 21,931,623 units

Breakdown of unitholdings by Class of Units as at 31 December 2022

MYR Class

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	3	27.27	* 2	0.01
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	1	9.09	30	0.14
50,001 to 500,000 units	1	9.09	428	1.95
500,001 units and above	6	54.55	21,456	97.90
Total	11	100.00	21,916	100.00

* Comprise 1,136 units held by the Manager

USD Class

Unitholdings	No. of unitholders	%	No. of units ('000)	%
5,000 units and below	1	50.00	* 1	0.51
5,001 to 10,000 units	-	-	-	-
10,001 to 50,000 units	1	50.00	14	99.49
50,001 to 500,000 units	-	-	-	-
500,001 units and above	-	-	-	-
Total	2	100.00	15	100.00

* Comprise 1,084 units held by the Manager

B. Performance Review

1. Key performance data of the Fund

Category	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2020 to 31.12.2020
----------	--------------------------------	--------------------------------	--------------------------------

Portfolio composition

Investment in Target Fund (%)	91.24	95.51	91.91
Cash and other net assets (%)	8.76	4.49	8.09
Total (%)	100.00	100.00	100.00

MYR Class

NAV (RM'000)	22,764	30,194	10,230
Units in circulation (units'000)	21,916	27,162	9,007
NAV per unit (RM)	1.0387	1.1118	1.1428
Highest NAV per unit (RM)	1.1120	1.1483	1.1695
Lowest NAV per unit (RM)	1.0156	1.1110	1.1272

MAMG GLOBAL INCOME-I FUND

Manager's report

For the financial year ended 31 December 2022 (cont'd)

B. Performance Review (cont'd)

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

Category	01.01.2022 to 31.12.2022	01.01.2021 to 31.12.2021	01.01.2020 to 31.12.2020
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MYR Class (cont'd)

Annual return (%) ⁽¹⁾			
- Capital growth (%)	(6.55)	(2.16)	1.08
- Income distribution (%)	1.50	4.07	5.81
Total return (%)	(5.15)	1.83	6.95
Benchmark	(2.19)	2.34	5.89
Gross/ Net distribution per unit (sen)	1.60	4.50	0.65
Distribution date		29/3/2021, 28/6/2021, 27/09/2021 and 22/03/2022	7/7/2020, 28/09/2020 and 28/12/2020

USD Class

NAV (RM'000)	66	887	4
NAV (USD'000)	15	213	1
Units in circulation (units'000)	16	198	1
NAV per unit (USD)	0.9615	1.0773	1.1031
Highest NAV per unit (USD)	1.0799	1.1048	1.1031
Lowest NAV per unit (USD)	0.9556	1.0773	1.0000
Annual return (%) ⁽¹⁾			
- Capital growth (%)	(10.81)	(2.28)	10.31
- Income distribution (%)	6.43	4.07	-
Total return (%)	(5.08)	1.83	10.31
Benchmark	(7.66)	2.34	0.55
Gross/ Net distribution per unit (sen)	6.20	2.00	-
Distribution date	28/03/2022, 27/06/2022, 26/09/2022 and 27/12/2022	27/09/2021 and 27/12/2021	-
Total Expense Ratio ("TER") (%) ⁽²⁾	1.12	1.12	1.58
Portfolio Turnover Ratio ("PTR") (times) ⁽³⁾	0.39	1.28	2.30

MAMG GLOBAL INCOME-I FUND

Manager's report

For the financial year ended 31 December 2022 (cont'd)

B. Performance Review (cont'd)

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

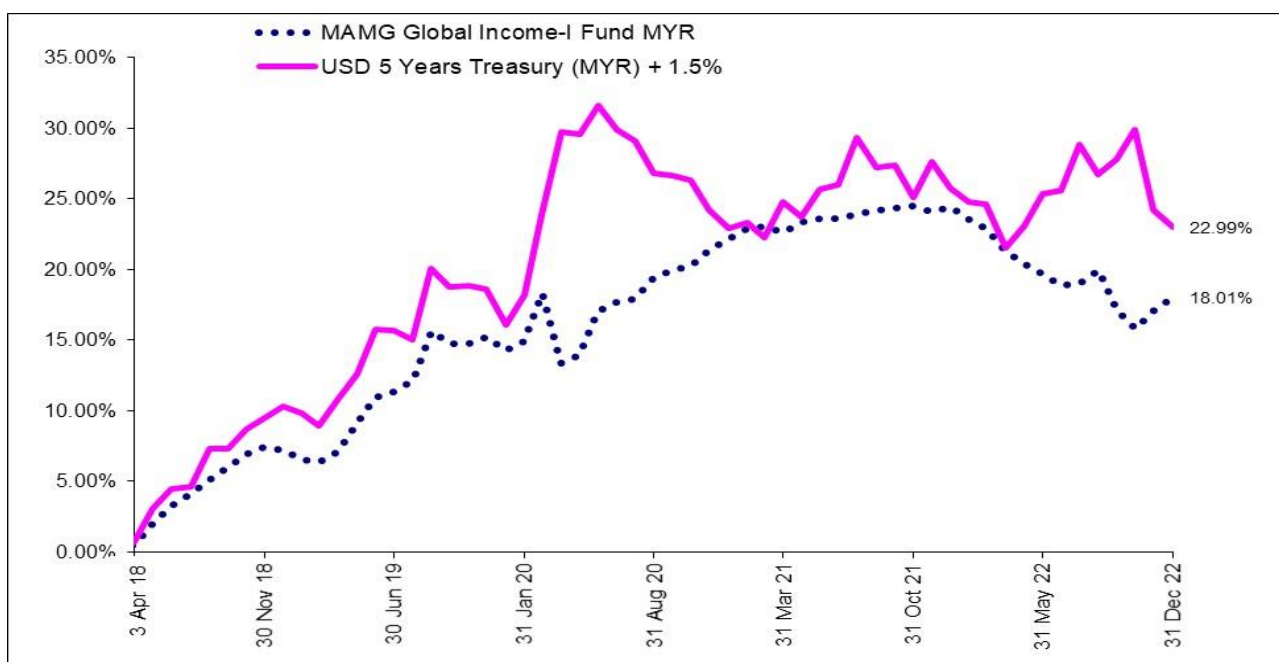
Note:

- (1) Actual return of the Fund for the financial year is computed based on the daily average NAV per unit, net of all fees.
- (2) The Fund's TER maintained at 1.12% in the current financial year under review.
- (3) The Fund's PTR decreased from 1.28 times to 0.39 times due to lower trading activities in the current financial year under review.

2. Performance of the Fund for the financial year ended 31 December 2022

MYR Class

Category	1 year to 31.12.2022 %	3 years to 31.12.2022 %	Since Inception to 31.12.2022 %
Capital growth	(6.55)	(7.58)	3.90
Income distribution	1.50	11.77	13.58
Total return of the Fund	(5.15)	3.30	18.01
Benchmark	(2.19)	5.99	22.99
Average total return	(5.15)	1.09	3.51



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

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

MAMG GLOBAL INCOME-I FUND

Manager's report

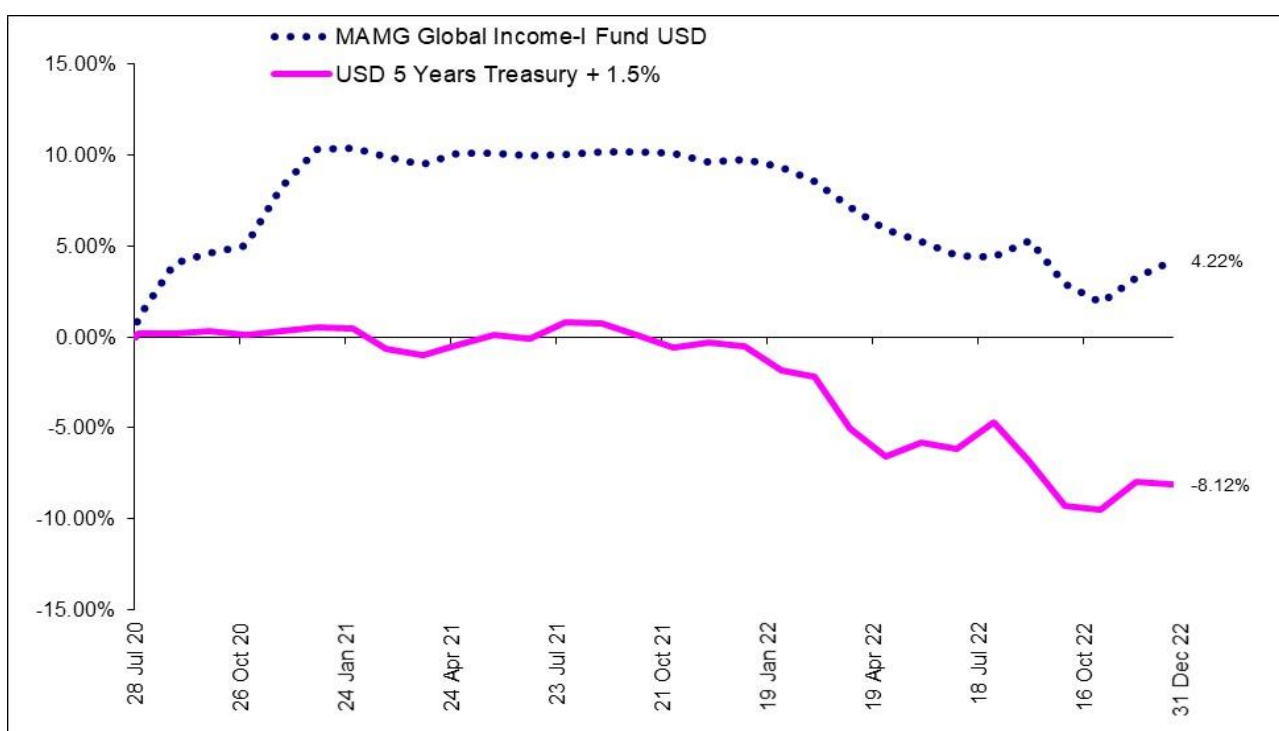
For the financial year ended 31 December 2022 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund for the financial year ended 31 December 2022 (cont'd)

USD Class

Category	1 year to 31.12.2022 %	Since inception to 31.12.2022 %
Capital growth	(10.81)	(3.85)
Income distribution	6.43	8.39
Total return of the Fund	(5.08)	4.22
Benchmark	(7.66)	(8.12)
Average total return	(5.08)	1.68



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

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

MAMG GLOBAL INCOME-I FUND

Manager's report

For the financial year ended 31 December 2022 (cont'd)

B. Performance Review (cont'd)

2. Performance of the Fund for the financial year ended 31 December 2022 (cont'd)

The Fund generated a return of -5.15% (USD class: -5.08%) for the financial year under review, underperforming benchmark's -2.19% (USD class: -7.66%). The underperformance in MYR class was due to higher United States Treasury ("UST") yields and concerns about soaring inflation expectations globally and quicker than expected policy lifting by Federal Reserve System ("Fed"). The weaker performance was also due to the performance came largely from bond carry given the continued capital loss from Sukuks as well as weaker local currencies in the target fund during the period under review.

Has the Fund met its objective?

The fund has met its objective by providing unitholders with income distribution by investing in a fixed income portfolio via target fund.

3. Annual total return of the Fund

MYR Class

For the financial year	01.01.2022 to 31.12.2022 %	01.01.2021 to 31.12.2021 %	01.01.2020 to 31.12.2020 %	01.01.2019 to 31.12.2019 %
Capital growth	(6.55)	(2.16)	1.08	4.91
Income distribution	1.50	4.07	5.81	1.62
Total return	(5.15)	1.83	6.95	6.61
Benchmark	(2.19)	2.34	5.89	5.18

USD Class

For the financial year/ period	01.01.2022 to 31.12.2022 %	01.01.2021 to 31.12.2021 %	08.07.2020 (date of launch) to 31.12.2020 %
Capital growth	(10.81)	(2.28)	10.31
Income distribution	6.43	1.85	-
Total return	(5.08)	(0.47)	10.31
Benchmark	(7.66)	(1.04)	0.55

MAMG GLOBAL INCOME-I FUND

Manager's report

For the financial year ended 31 December 2022 (cont'd)

B. Performance Review (cont'd)

4. Basis of calculation made in calculating the returns:

The performance figures are a comparison of the growth/ decline in NAV after taking into account all the distributions payable (if any) during the stipulated period.

An illustration of the above would be as follows:

Capital return	=	(NAV per unit end / NAV per unit begin) - 1
Income return	=	Income distribution per unit / NAV per unit ex-date
Total return	=	(1+Capital return) x (1+Income return) - 1

C. Market Review

Markets began to slide early in the year, as inflation continued to rise and on 24 February 2022, Russia invaded Ukraine, which created a new supply chain crisis. The price of crude oil touched United States Dollar ("USD") 129 in March 2022. The US Federal Reserve ("Fed") raised interest rates by 0.25% in early March 2022 to 0.50%. This was less than expected and markets rebounded through the end of the quarter. However, that first rate hike marked the start of what may be the steepest hiking cycle in history.

The second quarter 2022, inflation rates continued to rise around the world. In April 2022, the United States ("US") consumer inflation rate for March 2022 was reported at 8.5%, the highest it had been since the 1980s. The Fed raised rates by 0.5% in May 2022 to 1.0% and began to warn that rate hikes might become more aggressive. Elsewhere around the world, Central Banks began to raise rates. Mortgage rates around the world began to rise sharply, and it became clear that already overheated housing markets were in trouble. The 2year/ 10year yield curve inverted, an indicator that has predicted most recessions in the past. US first quarter 2022 Gross Domestic Product ("GDP") surprised with a negative print. Most major indexes around the world fell into bear market territory, more than 20% off their highs. United States Treasury ("UST") 10year rose to 3%, double where they started the year. Only USD continued to rally for the fourth consecutive quarter. The US Fed raised interest rates by 0.75% in June 2022 meeting to 1.75%.

In third quarter of 2022, the US Fed warned that rate hikes were likely to continue for some time and they raised interest rates by 0.75% in July 2022 meeting to 2.50%. The US slipped into technical recession, though policy makers said it wasn't quite there yet. In Europe and the United Kingdom ("UK"), things began to look even more dire as Russia cut off gas supplies to Europe. The Euro fell to parity with USD for the first time in 20 years, and it became likely that the UK would be in a recession by year end. Economic data in China worsened and resulted in a surprise rate cut. Global markets grew concerned that the crisis in China's property market could spread to its entire financial system. Towards the end of third quarter 2022 another round of selling gathered momentum when inflation rates continued to surprise to the upside. The Fed raised interest rates by 0.75% in September 2022 meeting to 3.25%.

The fourth quarter of 2022 started with the UK in turmoil. Lizz Truss the new UK Prime Minister, where her economic plan was rejected by investors. The UK financial market was hammered and the British pound touched a record low of USD1.035. By the end of October 2022, the UK had its third Prime Minister in two months as Rishi Sunak took the reins. Economic forecasts during the fourth quarter of 2022 have suggested that most countries will come close to a recession in 2023, with a recovery toward the end of the year. The Fed raised interest rates by 0.75% in November 2022 meeting to 4.00% and again as market predicted the Fed raised interest rates by 0.50% in December 2022 meeting to 4.50%.

MAMG GLOBAL INCOME-I FUND

Manager's report

For the financial year ended 31 December 2022 (cont'd)

D. Market Outlook

Inflation is falling very slowly and the market seems to be expecting rates to stop rising soon. However, the market may still be at odds with Fed policy, as the latest projection from the central banks see interest rates at 5.1% by the end of 2023. A hard landing would mean that Central Banks really struggle to bring inflation under control. If that happens, they would keep raising interest rates which would put more strain on consumer spending, investment, and ultimately on corporate profits. This would probably mean a severe recession with rising unemployment.

The soft landing would occur if inflation falls to a manageable level, allowing central banks to stop raising rates. Economic growth rates might fall to around zero (there isn't really much difference between a positive or negative 0.5% change in GDP) but would recover quite quickly. Both of these scenarios could still play out. Economic forecasts are mixed, though some are starting to improve. Contrary to the noise around inflation, rising rates and plunging equity valuations, many major economies are expected to deliver decent growth across 2022. That's not to say that we're out of the woods just yet, with the forecasted low-point being pushed back from 2022 to 2023. While 2023 is expected to be somewhat weak for global markets, some economies such as India and Korea are expected to deliver growth. As for the rest of the world, it appears investors will have to wait until 2024 to start seeing signs of a recovery.

E. Investment Strategies

As the fund is a feeder fund, it will continue investing between 95% to 98% into target fund to achieve closer performance with its target fund. The target fund has stronger weightage in United Arab Emirates, Saudi Arabia, Kuwait, Qatar, Bahrain and Malaysia. On sectors, most of the target fund's major holdings are in financial, sovereign and real estate Sukuks. As at December 2022, the portfolio duration remains low at 2.9 years, portfolio yield at 6.30% with an average rating of BBB- by international rating agencies.

F. Soft Commissions and Rebates

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

During the financial year ended 31 December 2022, the Manager and its delegates did not receive any rebates from the brokers or dealers but have retained soft commissions in the form of goods and services such as research materials and advisory services that assist in decision making process relating to the investment of the Fund (i.e. research materials, data and quotation services, computer hardware and software incidental to the investment management of the Fund and investment advisory services) which were of demonstrable benefits to the unitholders.

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF MAMG GLOBAL INCOME-I FUND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

We have acted as Trustee of MAMG Global Income-I Fund (the "Fund") for the financial year ended 31 December 2022. In our opinion and to the best of our knowledge, Maybank Asset Management Sdn Bhd, (the "Manager"), has operated and managed the Fund in accordance with the following:

- (a) Limitations imposed on the investment powers of the Manager under the Deeds, the Securities Commission Malaysia's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 ("CMSA") and other applicable laws;
- (b) Valuation/ pricing has been carried out in accordance with the Deeds and any regulatory requirements; and
- (c) Creation and cancellation of units have been carried out in accordance with the Deeds and relevant regulatory requirements.
- (d) The distributions to the unitholders during the financial year ended 31 December 2022 are consistent with the objectives of the Fund.

For and on behalf of
SCBMB Trustee Berhad

Lor Yuen Ching
Trustee Services Manager

Lee Kam Weng
Trustee Services Manager

Kuala Lumpur, Malaysia
16 February 2023

STATEMENT BY MANAGER

TO THE UNITHOLDERS OF MAMG GLOBAL INCOME-I FUND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

We, Dr Hasnita Binti Dato Hashim and Ahmed Muzni Bin Mohamed, being two of the directors of Maybank Asset Management Sdn Bhd (the "Manager"), do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of MAMG Global Income-I Fund as at 31 December 2022 and of its results, changes in net assets attributable to unitholders and cash flows for the financial year then ended and comply with the requirements of the Deeds.

For and on behalf of the Manager

Dr Hasnita Binti Dato Hashim
Chairman

Ahmed Muzni Bin Mohamed
Director

Kuala Lumpur, Malaysia
16 February 2023

REPORT OF THE SHARIAH ADVISER

TO THE UNITHOLDERS OF MAMG GLOBAL INCOME-I FUND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

We hereby confirm the following: .

1. To the best of our knowledge, after having made all reasonable enquiries, Maybank Asset Management Sdn Bhd (the "Manager") has operated and managed MAMG Global Income-I Fund ("the Fund") during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises instruments that have been classified as Shariah compliant.

For and on behalf of Amanie Advisors Sdn Bhd.

TAN SRI DR MOHD DAUD BAKAR
Executive Chairman

Kuala Lumpur, Malaysia
16 February 2023

Independent auditors' report to the Unitholders of MAMG Global Income-I Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of MAMG Global Income-I Fund (the "Fund"), which comprise the statement of financial position as at 31 December 2022 of the Fund, and statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows of the Fund for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 16 to 45.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the as at 31 December 2022, and of its financial performance and cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent auditors' report to the Unitholders of MAMG Global Income-I Fund

Information other than the financial statements and auditors' report thereon (cont'd)

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and Trustee for the financial statements

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report to the Unitholders of MAMG Global Income-I Fund

Auditors' responsibilities for the audit of the financial statements (cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

**Independent auditors' report to the Unitholders of
MAMG Global Income-I Fund**

Other matters

This report is made solely to the unitholders of the Fund, as a body, in accordance with the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Yeo Beng Yean
03013/10/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
16 February 2023

MAMG GLOBAL INCOME-I FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 RM	2021 RM
INVESTMENT INCOME			
Profit income		20,076	21,781
Dividend income		1,322,322	1,175,677
Net loss on financial assets at fair value through profit or loss ("FVTPL")			
- Realised loss		(1,140,252)	(77,941)
- Unrealised loss		(1,519,861)	(659,442)
Net gain on foreign exchange and forward currency contracts	3	180,794	312,995
		<u>(1,136,921)</u>	<u>773,070</u>
EXPENSES			
Manager's fee	4	248,080	271,556
Trustee's fee	5	6,010	6,300
Auditor's remuneration		7,000	7,000
Tax agent's fee		3,900	3,900
Administrative expenses		13,303	14,290
		<u>278,293</u>	<u>303,046</u>
Net results before distribution and taxation		(1,415,214)	470,024
Distribution to unitholders			
MYR Class		(386,602)	(110,047)
USD Class		(4,099)	(2,552)
Net results before taxation		<u>(1,805,915)</u>	<u>357,425</u>
Taxation	6	-	-
Net results after distribution and taxation, representing total comprehensive (loss)/ income for the financial year		<u>(1,805,915)</u>	<u>357,425</u>
Net results after taxation is made up of the following:			
Net realised (loss)/ income		(1,894,174)	1,016,867
Net unrealised income/ (loss)		88,259	(659,442)
		<u>(1,805,915)</u>	<u>357,425</u>
Distributions for the financial year:			
<u>MYR Class</u>			
Net distributions (RM)	14	386,602	1,144,982
Gross/ Net distributions per unit (RM sen)	14	1.60	4.50
Distribution date	14	Refer to Note 14	
<u>USD Class</u>			
Net distributions (in Class currency)		4,099	3,901
Gross/ Net distributions per unit (sen)	14	6.20	2.00
Distribution date	14	Refer to Note 14	

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

MAMG GLOBAL INCOME-I FUND**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	Note	2022 RM	2021 RM
ASSETS			
Financial asset at FVTPL	7	21,266,575	29,685,760
Derivative assets	8	1,029,567	141,493
Deposit with a licensed Islamic financial institution	9	991,095	1,367,310
Profit income receivable		149	66
Amount due from Manager	10	100	203,020
Cash at bank	11	21,879	30,790
TOTAL ASSETS		23,309,365	31,428,439
LIABILITIES			
Derivative liabilities	8	154,654	47,812
Amount due to Manager	10	294,888	272,908
Amount due to Trustee	12	5,109	5,134
Other payables and accruals		24,757	21,160
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		479,408	347,014
NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS OF THE FUND		22,829,957	31,081,425
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:			
Unitholders' contribution	13(a)	23,433,129	29,878,682
(Accumulated losses)/ Retained earnings	13(b) & (c)	(603,172)	1,202,743
		22,829,957	31,081,425

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

MAMG GLOBAL INCOME-I FUND**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022**

	2022 RM	2021 RM
NET ASSET VALUE		
MYR Class	22,764,024	30,193,952
USD Class	<u>65,933</u>	<u>887,473</u>
	<u>22,829,957</u>	<u>31,081,425</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)		
MYR Class	21,916,036	27,162,116
USD Class	<u>15,587</u>	<u>197,762</u>
	<u>21,931,623</u>	<u>27,359,878</u>
NAV PER UNIT		
MYR Class	<u>RM 1.0387</u>	<u>RM 1.1118</u>
USD Class	<u>USD 0.9615</u>	<u>USD 1.0780</u>

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

MAMG GLOBAL INCOME-I FUND

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Unitholders' contribution Note 13(a) RM	(Accumulated losses)/ Retained earnings Note 13(b) and 13(c) RM	Net assets attributable to unitholders RM
At 1 January 2022	29,878,682	1,202,743	31,081,425
Total comprehensive loss for the financial year	-	(1,805,915)	(1,805,915)
Creation of units	5,678,461	-	5,678,461
Reinvestment of units	390,002	-	390,002
Cancellation of units	(12,514,016)	-	(12,514,016)
At 31 December 2022	<u>23,433,129</u>	<u>(603,172)</u>	<u>22,829,957</u>
At 1 January 2021	9,389,191	845,318	10,234,509
Total comprehensive income for the financial year	-	357,425	357,425
Creation of units	36,437,865	-	36,437,865
Reinvestment of units	1,159,873	-	1,159,873
Cancellation of units	(16,059,541)	-	(16,059,541)
Distributions (Note 14)	(1,048,706)	-	(1,048,706)
At 31 December 2021	<u>29,878,682</u>	<u>1,202,743</u>	<u>31,081,425</u>

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

MAMG GLOBAL INCOME-I FUND**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from sale of financial assets at FVTPL	13,312,577	24,496,149
Net payment for purchase of financial assets at FVTPL	(5,892,894)	(44,878,896)
Profit income received	19,993	21,736
Dividend income received	1,322,332	1,178,113
Realised loss on forward foreign exchange contracts	(2,286,729)	(198,577)
Manager's fee paid	(255,196)	(252,258)
Trustee's fee paid	(6,035)	(6,274)
Payment of other fees and expenses	(18,843)	(20,200)
Net cash generated from/ (used in) operating and investing activities	<u>6,195,205</u>	<u>(19,660,207)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	5,881,382	36,239,458
Cash paid on units cancelled	(12,484,920)	(15,813,371)
Distribution paid to unitholders	(699)	(1,966)
Net cash (used in)/ generated from financing activities	<u>(6,604,237)</u>	<u>20,424,121</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR	(409,032)	763,914
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	1,398,100	602,527
Effect on foreign exchange	<u>23,906</u>	<u>31,659</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u>1,012,974</u>	<u>1,398,100</u>
 Cash and cash equivalents comprise:		
Cash at bank	21,879	30,790
Deposit with a licensed Islamic financial institution with maturity of less than 3 months	<u>991,095</u>	<u>1,367,310</u>
	<u>1,012,974</u>	<u>1,398,100</u>

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

MAMG GLOBAL INCOME-I FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

MAMG Global Shariah Income Fund (the "Fund") was constituted pursuant to the execution of a deed dated 4 December 2017 between Maybank Asset Management Sdn Bhd ("MAM") as the Manager and SCBMB Trustee Berhad as the Trustee. The First Supplemental Deed has been issued between MAM and the Trustee dated 13 April 2020 and the Second Supplemental Deed has been issued dated 2 November 2022. The Deed and Supplemental Deed are hereinafter referred to as "Deeds".

As at the date of this report, the Fund has 2 classes of units - MYR Class and USD Class. The Fund aims to maximise investment return by investing at least 95% of the Fund's NAV in the AZ Islamic MAMG Global Sukuk (previously was AZ Multi Asset MAMG Global Sukuk) ("Target Fund"), a fund managed by Azimut Investments S.A. (previously was AZ Fund Management S.A.) ("Target Fund Manager") and the investment management of the Target Fund has been delegated to Azimut (DIFC) Ltd. The base currency of the Target Fund is in United States Dollar ("USD") (2019: Euro), and the shares of the Target Fund in which the Fund invests in are denominated in USD.

The Target Fund is a sub fund of the AZ Multi Asset UCITS V compliant umbrella mutual investment fund established and domiciled in Luxembourg and was launched on 16 September 2013.

The Manager of the Fund is MAM, a company incorporated in Malaysia. It is a holder of the Capital Markets Services License 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").

The financial statements were authorised for issue by the Board of Directors of the Manager (the "Directors") in accordance with a resolution of the Directors on 16 February 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), as issued by the Malaysian Accounting Standards Board ("MASB"), International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), the Deeds and any regulatory requirements.

The Fund has adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") which have become effective during the financial year ended 31 December 2022. The adoption of the new pronouncements did not result in any material impact to the financial statements.

MAMG GLOBAL INCOME-I FUND

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

2.1 Basis of preparation (cont'd)

The financial statements are prepared on a historical cost basis except as disclosed in the accounting policies in Note 2.3 to Note 2.16 to the financial statements.

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

2.2 Standards and amendments to standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101: Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108: Definition of Accounting Estimates	1 January 2023
Amendments to MFRS 112: <i>Deferred Tax Related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to IFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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

2.3 Financial instruments

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

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

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.

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

2.4 Financial assets (cont'd)

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

(i) Financial assets at amortised cost

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

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

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

(ii) Financial assets at FVTPL

Investments in collective investment scheme and derivatives 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 instruments or a financial guarantee.

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

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Profit income on debt instruments as at FVTPL is disclosed separately in the profit or loss.

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

2.4 Financial assets (cont'd)

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

Dividend income on equity instruments as at FVTPL (i.e. investment in collective investment scheme) is disclosed separately in the profit or loss.

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

(iii) Impairment

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

ECL is a probability-weighted estimate of credit losses. They are 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 (e.g. amount due from Manager), full impairment will be recognised on uncollected balances after the grace period.

(iv) Derecognition

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognises its retained profit 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.

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

2.4 Financial assets (cont'd)

(iv) Derecognition (cont'd)

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

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

2.5 Financial liabilities

(i) Classification

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

The Fund's financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective profit rate method.

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 Derivatives and hedge accounting

Derivatives are financial assets or liabilities at fair value through profit or loss categorised as held for trading unless they are designated hedges.

The Fund's derivative financial instruments comprise forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as held for trading and accounted for in accordance with the accounting policy for FVTPL.

The fund does not apply hedge accounting to the forward currency contracts entered during the financial year. However, future events or conditions may cause the fund to apply hedge accounting in the future.

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

2.7 Fair value measurement

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

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

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

All assets and liabilities 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:

- (i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- (ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- (iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

2.8 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, which is also the Fund's functional currency.

MAMG GLOBAL INCOME-I FUND

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

2.9 Unitholders' contribution

The unitholders' contributions to the Fund are classified as liabilities under the requirements of MFRS 132 Financial Instruments: Presentation.

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

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

2.10 Distributions

Any distribution to the Fund's unitholders is accounted for as a deduction from profit or loss in statement of comprehensive income except where distribution is sourced out of distribution equalisation which is accounted for as an adjustment to the unitholders' contribution. A proposed distribution is recognised as a liability in the period in which it is approved.

Distribution is declared at the discretion of the Fund Manager based on the availability of distributable income.

Distribution is either reinvested or paid in cash to the unitholders on the income payment date. Reinvestment is based on the NAV per unit on the income payment date, which is also the time of creation.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and Shariah-compliant deposits with a licensed Islamic financial institution with original maturity of three months or less which have an insignificant risk of changes in value.

2.12 Revenue/ Income

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

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

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

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

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

2.12 Revenue/ Income (cont'd)

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.

2.13 Income tax

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 tax rate based upon the taxable profit earned during the financial period.

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

2.14 Cleansing/ Purification of profit

The Fund is required to cleanse or purify any profit or gains generated by Shariah non-compliant activity or sources. Such Shariah non-compliant gain or income may arise as follows.

(i) Shariah non-compliant investment

The Manager will immediately dispose-off any Shariah non-compliant investment inadvertently made in the Fund. If the disposal of the Shariah non-compliant investment results in losses to the Fund, the losses are to be borne by the Manager. The said investment will be disposed/ withdrawn with immediate effect or within a month of knowing the status of the securities. Any capital gains or dividend received during or after disposal of the investment will be channelled to Baitulmal or any other charitable bodies as advised by the Shariah Adviser.

2.15 Segment information

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.

2.16 Critical accounting estimates and judgements

The preparation of the Fund's financial statements requires the Manager to make judgements, estimates and assumptions 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.

MAMG GLOBAL INCOME-I FUND

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

2.16 Critical accounting estimates and judgements (cont'd)

No major judgements 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 year.

3. NET GAIN ON FOREIGN EXCHANGE AND FORWARD CONTRACTS

	2022 RM	2021 RM
Net realised foreign exchange gain	865,971	149,925
Unrealised foreign exchange gain	826,888	504,899
Realised loss on forward contracts	(2,293,297)	(186,885)
Unrealised gain/ (loss) on forward contracts	781,232	(154,944)
	<u>180,794</u>	<u>312,995</u>

4. MANAGER'S FEE

Manager's fee is computed daily based on 1.00% (2021: 1.00%) per annum ("p.a.") of the NAV of the each Class before deducting the Manager's fee and Trustee's fees for that particular day.

5. TRUSTEE'S FEE

Trustee's fee is computed daily based on 0.02% (2021: 0.02%) p.a. of the NAV of the Fund before deducting the Manager's fee and Trustee's fee for that particular day, subject to a minimum fee of RM6,000 p.a.

6. TAXATION

	2022 RM	2021 RM
Tax expense for the financial year:		
Current income tax expense	<u>-</u>	<u>-</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2021: 24%) of the estimated assessable income for the financial period.

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

MAMG GLOBAL INCOME-I FUND

6. TAXATION (CONT'D)

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

	2022 RM	2021 RM
Net results before tax	(1,805,915)	357,425
Tax at Malaysian statutory rate of 24% (2021: 24%)	(433,420)	85,782
Income not subject to tax	(915,957)	(299,974)
Loss not deductible for tax purposes	1,188,818	114,437
Expenses not deductible for tax purposes	160,559	99,755
Income tax expense for the financial year	-	-

7. FINANCIAL ASSET AT FVTPL

Financial asset at FVTPL comprise investment in a collective investment scheme.

	Quantity Unit	Aggregate cost RM	Market value RM	Percentage of NAV %
2022				
AZ Islamic - MAMG Global Sukuk MASTER (USD DIS) class	1,078,093	22,174,271	21,266,575	93.15%
Unrealised loss on investment at FVTPL*			(907,696)	
2021				
AZ Islamic - MAMG Global Sukuk MASTER (USD DIS) class	1,443,493	29,900,970	29,685,760	95.51%
Unrealised loss on investment at FVTPL*			(215,210)	

* The unrealised loss on collective investment scheme comprise the amounts arising from changes in fair values and effects from foreign exchange.

MAMG GLOBAL INCOME-I FUND

8. DERIVATIVE ASSETS/ LIABILITIES

2022	Notional principal amount USD	Fair value	
		Asset RM	Liabilities RM
USD Currency forward:			
- Less than 1 year	5,706,000	1,029,567	-
RM Currency forward:	RM	RM	RM
- Less than 1 year	2,286,161	-	(154,654)
2021			
	USD	RM	RM
USD Currency forward:			
- Less than 1 year	6,955,000	140,690	(37,727)
RM Currency forward:	RM	RM	RM
- Less than 1 year	1,925,892	803	(10,085)

As at the reporting date, there were 8 (2021: 12) forward exchange contracts outstanding.

The Fund entered into forward currency contracts during the financial year to hedge currency exposure in the Target Fund which is denominated in USD. As the Fund has not adopted hedge accounting during the financial year, the change in the fair value of the forward currency contract is recognised immediately in the statement of comprehensive income.

9. DEPOSIT WITH A LICENSED ISLAMIC FINANCIAL INSTITUTION

Details of the outstanding Shariah-compliant deposit as at 31 December 2022 is as follows:

	2022 RM	2021 RM
Short-term placements with a licensed Islamic financial institution with maturity of:		
- less than 3 months	991,095	1,367,310

The weighted average effective profit rates ("WAEPR") per annum and average maturity of deposits with a licensed Islamic financial institution as at 31 December 2022 is as follows:

	31.12.2022		31.12.2021	
	WAEPR % p.a.	Average maturity days	WAEPR % p.a.	Average maturity days
Short-term placement				
Licensed Islamic financial institution	2.75	4	1.75	3

MAMG GLOBAL INCOME-I FUND

10. AMOUNT DUE FROM/ (TO) MANAGER

	Note	2022 RM	2021 RM
Amount due from Manager is in respect of:			
Subscription of units	(i)	<u>100</u>	<u>203,020</u>
Amount due to Manager is in respect of :			
Manager's fee	(ii)	19,620	26,736
Cancellation of units	(iii)	<u>275,268</u>	<u>246,172</u>
		<u>294,888</u>	<u>272,908</u>

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

(ii) Amount due to Manager relates to the amount payable to the Fund Manager arising from the accruals for Manager's fee at the end of the financial year. The normal credit term for Manager's fee is 15 days (2021: 15 days).

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

11. CASH AT BANK

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

	2022 RM	2021 RM
USD	13,736	22,706
Malaysian Ringgit ("MYR")	<u>8,143</u>	<u>8,084</u>
	<u>21,879</u>	<u>30,790</u>

12. AMOUNT DUE TO TRUSTEE

Amount due to Trustee relates to the amount payable to the Trustee arising from the accruals for Trustee's fee at the end of the financial year. The normal credit term for Trustee's fee is 15 days. (2021: 15 days).

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13. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND

	Note	2022 RM	2021 RM
Unitholders' contribution	13 (a)	23,433,129	29,878,682
Accumulated realised (loss)/ income	13 (b)	(159,078)	1,735,096
Accumulated unrealised loss	13 (c)	(444,094)	(532,353)
		<u>22,829,957</u>	<u>31,081,425</u>

(a) Unitholders' contribution

MYR Class

	2022		2021	
	No. of units	RM	No. of units	RM
At the beginning of the financial year	27,162,116	29,000,989	9,006,725	9,384,920
Creation of units	5,408,842	5,678,461	31,578,164	35,566,982
Reinvestment of units	361,164	385,903	805,498	1,143,563
Cancellation of units	(11,016,085)	(11,693,968)	(14,228,271)	(16,059,541)
Distributions (Note 14)	-	-	-	(1,034,935)
At the end of the financial year	<u>21,916,037</u>	<u>23,371,385</u>	<u>27,162,116</u>	<u>29,000,989</u>

USD Class

	2022		2021	
	No. of units	RM	No. of units	RM
At the beginning of the financial year	197,762	877,693	1,000	4,271
Creation of units	-	-	193,165	870,883
Reinvestment of units	941	4,099	3,597	16,310
Cancellation of units	(183,116)	(820,048)	-	-
Distributions (Note 14)	-	-	-	(13,771)
At the end of the financial year	<u>15,587</u>	<u>61,744</u>	<u>197,762</u>	<u>877,693</u>

As at end of financial year, the total number and value of units held by the Manager are as follows:

	2022		2021	
	No. of units	NAV	No. of units	NAV
The Manager (MYR Class)	<u>1,136</u>	<u>RM1,180</u>	<u>1,119</u>	<u>RM1,244</u>
The Manager (USD Class)	<u>1,084</u>	<u>USD1,042</u>	<u>1,019</u>	<u>USD 1,098</u>

MAMG GLOBAL INCOME-I FUND

13. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(b) Accumulated realised (loss)/ income

	2022 RM	2021 RM
At beginning of the financial year	1,735,096	718,229
Net realised (loss)/ income for the financial year	(1,894,174)	1,016,867
At end of the financial year	<u>(159,078)</u>	<u>1,735,096</u>

(c) Accumulated unrealised loss

	2022 RM	2021 RM
At beginning of the financial year	(532,353)	127,089
Net unrealised income/ (loss) for the financial year	88,259	(659,442)
At end of the financial year	<u>(444,094)</u>	<u>(532,353)</u>

14. DISTRIBUTIONS

Details of distributions declared to unitholders in the current and previous financial year are as follows:

(a) MYR CLASS

	2022 RM	2021 RM
Profit income	4,045	3,839
Dividend income	266,415	207,223
Realised gain on investment at FVTPL	172,211	9,242
Net realised loss on forward contracts	-	(56,842)
Less: Expenses loss	<u>(56,069)</u>	<u>(53,415)</u>
Distributions out of realised income	386,602	110,047
Effects of distribution equalisation (Note 13(a))	-	1,034,935
Distributions for the financial year	<u>386,602</u>	<u>1,144,982</u>
Analysed as:		
Cash distribution	699	1,419
Reinvestment of units	<u>385,903</u>	<u>1,143,563</u>
Distribution for the financial year	<u>386,602</u>	<u>1,144,982</u>

MAMG GLOBAL INCOME-I FUND

14. DISTRIBUTIONS (CONT'D)

The gross and net distributions declared in the current and previous financial year are as follows:

Distributions date	Gross/ Net distribution per unit (RM sen)
2022	
28 March 2022	<u>1.60</u>
2021	
29 March 2021	1.25
28 June 2021	1.25
27 September 2021	1.00
27 December 2021	<u>1.00</u>
	<u>4.50</u>

Details of distributions declared to unitholders in the current and previous financial year are as follows:

(b) USD CLASS

	2022 RM	2021 RM
Profit income	43	89
Dividend income	2,825	4,805
Realised gain on investment at FVTPL	1,826	214
Net realised loss on forward contracts	-	(1,318)
Less: Expenses	<u>(595)</u>	<u>(1,238)</u>
Distributions out of realised income	4,099	2,552
Effects of distribution equalisation (Note 13(a))	-	13,771
Distributions for the financial year	<u>4,099</u>	<u>16,323</u>

The distributions declared are settled in the form of units and presented as 'reinvestment of units' in Note 13(a) on payment date.

The gross and net distributions declared in the current and previous financial year are as follows:

Distribution date	Gross/ Net distribution per unit (USD cent)
2022	
28 March 2022	1.60
27 June 2022	1.00
27 September 2022	1.60
27 December 2022	<u>2.00</u>
	<u>6.20</u>

MAMG GLOBAL INCOME-I FUND

14. DISTRIBUTIONS (CONT'D)

(b) USD CLASS (cont'd)

Distribution date	Gross/ Net distribution per unit (USD cent)
2021	
27 September 2021	1.00
27 December 2021	1.00
	<u>2.00</u>

15. TRANSACTIONS WITH BROKERS AND FINANCIAL INSTITUTIONS

As the Fund bought and sold the units directly from the Manager of the Target Fund, there were no broker involved in the transactions made during the financial year.

Details of transactions, primarily deposits placed with licensed Islamic institutions for the current financial year and previous financial year are as follows:

	2022		2021	
	Value of placements RM	Percentage of total placements %	Value of placements RM	Percentage of total placements %
Public Islamic Bank Berhad	193,799,804	86.02	306,011,813	100.00
Maybank Islamic Berhad	31,485,699	13.98	-	-
	<u>225,285,503</u>	<u>100.00</u>	<u>306,011,813</u>	<u>100.00</u>

16. TOTAL EXPENSE RATIO ("TER")

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. For the financial year ended 31 December 2022, the TER of the Fund stood at 1.12% (2021: 1.12%).

17. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial period to the average NAV of the Fund calculated on a daily basis. For the financial year ended 31 December 2022, the PTR of the Fund stood at 0.39 times (2021: 1.28 times).

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

The PMC of the Manager is responsible for the Fund's performance by investing at least 95% of the Fund's NAV in the ringgit denominated class of the Target Fund, and the remaining 2% - 5% of the Fund's NAV will be invested in Shariah-compliant liquid assets.

As the Fund is a feeder fund, the Target Fund Manager is the ultimate decision-maker on the investment strategy to ensure the Target Fund achieves its targeted return with an acceptable level of risk within the portfolio.

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

19. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The Fund's financial assets and financial liabilities were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The significant accounting policies in Note 2.3 to Note 2.16 to the financial statements describe how the classes of financial instruments are measured and how income and expenses are recognised.

The following table analyses the financial assets and liabilities (excluding tax related matters) of the Fund in the statement of financial position as at the reporting date by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2022				
Financial assets				
Financial asset at FVTPL	21,266,575	-	-	21,266,575
Derivative assets	1,029,567	-	-	1,029,567
Deposit with a licensed Islamic financial institution	-	991,095	-	991,095
Profit income receivable	-	149	-	149
Amount due from Manager	-	100	-	100
Cash at bank	-	21,879	-	21,879
Total financial assets	22,296,142	1,013,223	-	23,309,365

MAMG GLOBAL INCOME-I FUND

19. FINANCIAL INSTRUMENTS (CONT'D)

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

	Financial instruments at FVTPL RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Total RM
2022 (cont'd)				
Financial liabilities				
Derivative liabilities	154,654	-	-	154,654
Amount due to Manager	-	-	294,888	294,888
Amount due to Trustee	-	-	5,109	5,109
Other payables and accruals	-	-	24,757	24,757
Total financial liabilities	154,654	-	324,754	479,408
2021				
Financial assets				
Financial asset at FVTPL	29,685,760	-	-	29,685,760
Derivative assets	141,493	-	-	141,493
Deposit with a licensed Islamic financial institution	-	1,367,310	-	1,367,310
Profit income receivable	-	66	-	66
Amount due from Manager	-	203,020	-	203,020
Cash at bank	-	30,790	-	30,790
Total financial assets	29,827,253	1,601,186	-	31,428,439
Financial liabilities				
Derivative liabilities	47,812	-	-	47,812
Amount due to Manager	-	-	272,908	272,908
Amount due to Trustee	-	-	5,134	5,134
Other payables and accruals	-	-	21,160	21,160
Total financial liabilities	47,812	-	299,202	347,014

(b) Financial instruments that are carried at fair value

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

Collective investment scheme

The fair value of the collective investment scheme is determined by reference to its NAV at the reporting date.

19. FINANCIAL INSTRUMENTS (CONT'D)**(b) Financial instruments that are carried at fair value (cont'd)**Derivative assets and liabilities

The fair value of over-the-counter forward foreign exchange contracts are obtained by using valuation models which incorporate various observable market inputs such as changes in spot rate, and changes in the forward points. For these financial instruments, significant inputs into models are market observable and are included within Level 2.

(c) Fair value hierarchy

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

Level 1:	Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2:	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
Level 3:	Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3
	RM	RM	RM
2022			
Financial assets at FVTPL	21,266,575	-	-
Derivative assets	-	1,029,567	-
Derivative liabilities	-	154,654	-
2021			
Financial assets at FVTPL	29,685,760	-	-
Derivative assets	-	141,493	-
Derivative liabilities	-	47,812	-

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

Other than its financial assets at FVTPL, the Fund's financial instruments were not carried at fair value but their carrying amounts were reasonable approximations of fair value due to their short-term maturity.

There were no financial instruments which were not carried at fair value and whose carrying amounts were not reasonable approximations of their respective fair values.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**(a) Introduction**

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks. Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Deed, the SC Malaysia's Guidelines on Unit Trust Funds and CMSA.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit rates and equity prices.

(i) Profit rate risk

Cash and deposits with a licensed Islamic financial institution are particularly sensitive to movements in profit rates. When profit rates rise, the return on cash will rise while the value of investments will fall and vice versa, thus affecting the NAV of the Fund. The sensitivity to profit rate changes are normally greater for longer tenured securities when compared to shorter tenured securities. The Fund's deposits with licensed Islamic financial institution carry a fixed rate and therefore is not affected by movements in market profit rates.

(ii) Price risk

Price risk is the risk of unfavourable changes in the fair values of investments as the result of changes in market prices (other than those arising from profit rate risk and forward exchange currency risk). The price risk exposure arises from the Fund's investments in Target Fund.

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

	2022		2021	
	Changes in price %	Effects on NAV increase/ (decrease) RM	Changes in price %	Effects on NAV increase/ (decrease) RM
Financial asset at	+5	1,063,329	+5	1,484,288
FVTPL	-5	(1,063,329)	-5	(1,484,288)

The impact to profit after taxation and NAV is expected to be the same.

(iii) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(b) Market risk (cont'd)

(iii) Foreign exchange risk (cont'd)

The table below analyses the net positions of the Fund's financial assets and financial liabilities (excluding derivative assets and liabilities) which are exposed to foreign exchange risk as at 31 December 2022. As the Fund's functional currency is RM, the financial assets and financial liabilities (excluding derivative assets and liabilities) in other currencies are exposed to the movement of foreign exchange rates. The exposure might lead to the appreciation or depreciation of the financial assets and financial liabilities of the Fund that may affect the value of the NAV attributable to unitholders.

	2022 USD RM	2021 USD RM
Assets		
Financial assets at FVTPL	26,113,912	29,145,849
Cash at bank	13,736	22,706
Total assets	26,127,648	29,168,555
Net on-balance sheet open position	26,127,648	29,168,555
	2022 USD	2021 USD
Principal amount of forward exchange contracts (Note 8) *	5,706,000	6,955,000

The table below summarises the sensitivity of the Fund's net on-balance sheet open position (excluding derivative assets and derivative liabilities) to movements in exchange rates. The analysis is based on the assumptions that the exchange rates will increase or decrease by 5% with all other variables held constant.

	2022		2021	
	Changes in price %	Effects on NAV increase/ (decrease) RM	Changes in price %	Effects on NAV increase/ (decrease) RM
USD	+5	1,306,382	+5	1,458,428
	-5	(1,306,382)	-5	(1,458,428)

The impact to profit after taxation and NAV is expected to be the same.

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**(c) Credit risk**

Credit risk is the risk that the issuer/ counterparty to a financial instrument will default on its contractual obligation resulting in a financial loss to the Fund. The Fund is exposed to the risk of credit-related losses that can occur as a result of an issuer/ counterparty's inability or unwillingness to honour its contractual obligations to make timely repayments of profit, principal and proceeds from realisation of investments. These credit exposures exist within financing relationships and other transactions.

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

(i) Credit risk exposure

At the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the statement of financial position. None of the Fund's financial assets were past due or impaired as at the reporting date.

(ii) Credit quality of financial assets

The following table analyses the Fund's Shariah-compliant deposits with a financial institution, cash at bank and profit receivables by rating categories. The rating is obtained from RAM Holdings Bhd's official website.

Financial assets	2022		2021	
	RM	As a percentage of NAV %	RM	As a percentage of NAV %
AAA	1,013,123	4.44	1,398,166	4.50

(d) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected.

The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unitholders by the Manager are redeemable at the unitholders' option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Deed. It is the Fund's policy that the Manager monitors the Fund's liquidity position on a daily basis. The Fund also manages its obligation to redeem units when required to do so.

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

(d) Liquidity risk (cont'd)

The Manager's policy is to always maintain a prudent and sufficient level of liquid assets so as to meet normal operating requirements and expected redemption requests by unitholders. Liquid assets comprise cash, deposits with licensed Shariah financial institutions and other instruments which are capable of being converted into cash within 7 days.

The following table summarises the maturity profile of the Fund's financial assets, liabilities and unitholders' capital to provide a complete view of the Fund's contractual commitments and liquidity. The Fund's financial assets and financial liabilities have been included in the "less than 1 month" category and the impact of discounting is insignificant.

2022	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial asset at FVTPL	21,266,575	-	21,266,575
Derivative assets	1,029,567	-	1,029,567
Deposit with a licensed Islamic financial institution	991,095	-	991,095
Profit income receivable	149	-	149
Amount due from Manager	100	-	100
Cash at bank	21,879	-	21,879
Total undiscounted financial assets	23,309,365	-	23,309,365
Financial liabilities and net assets attributable to unitholders of the Fund			
Derivative liabilities	154,654	-	154,654
Amount due to Manager	294,888	-	294,888
Amount due to Trustee	5,109	-	5,109
Other payables and accruals	24,757	-	24,757
NAV attributable to unitholders	22,829,957	-	22,829,957
Total undiscounted financial liabilities and net assets attributable to unitholders	23,309,365	-	23,309,365
Liquidity (gap)/ surplus	-	-	-

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

(d) Liquidity risk (cont'd)

2021	Less than 1 month RM	More than 1 month RM	Total RM
Financial assets			
Financial asset at FVTPL	29,685,760	-	29,685,760
Derivative assets	-	141,493	141,493
Deposit with a licensed Islamic financial institution	1,367,310	-	1,367,310
Profit income receivable	66	-	66
Amount due from Manager	203,020	-	203,020
Cash at bank	30,790	-	30,790
Total undiscounted financial assets	31,286,946	141,493	31,428,439
Financial liabilities and net assets attributable to unitholders of the Fund			
Derivative liabilities	47,812	-	47,812
Amount due to Manager	272,908	-	272,908
Amount due to Trustee	5,134	-	5,134
Other payables and accruals	21,160	-	21,160
NAV attributable to unitholders	31,081,425	-	31,081,425
Total undiscounted financial liabilities and net assets attributable to unitholders	31,428,439	-	31,428,439
Liquidity (gap)/ surplus	(141,493)	141,493	-

(i) Financial assets

The Fund's financial assets at FVTPL have been included in the "less than 1 month" category on the assumption that these are highly liquid investments which can be realised should all of the Fund's unitholders' equity be required to be redeemed. The analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

Financial assets exclude tax-related matters such as tax recoverable, if any.

(ii) Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

Financial liabilities exclude tax-related matters such as tax payables, if any.

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

(d) Liquidity risk (cont'd)

(iii) Net assets attributable to unitholders of the Fund

As unitholders can request for cancellation on their units by giving the Manager a 10-day notice period, the unitholders' total equity has been categorised as having a maturity of "less than 1 month".

21. UNITHOLDERS' CONTRIBUTION MANAGEMENT

The unitholders' contribution 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 returns better 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 in the current financial year.