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# **MAMG ALL-CHINA FOCUS EQUITY FUND**

**Unaudited quarter report  
For the financial period from 29 July 2021 (date of launch) to 31  
January 2022**

## **CORPORATE INFORMATION**

### **MANAGER**

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

### **BUSINESS OFFICE**

Level 12 Tower C  
Dataran Maybank  
No.1 Jalan Maarof  
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### **TRUSTEE**

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Level 23, Plaza Equatorial  
Jalan Sultan Ismail  
50250 Kuala Lumpur  
Telephone +603 7682 9724

## **MAMG ALL-CHINA FOCUS EQUITY FUND**

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## **MAMG ALL-CHINA FOCUS EQUITY FUND**

### **Manager's report**

**For the financial period from 29 July 2021 (date of launch) to 31 January 2022**

#### **A. Fund's Information**

**1. Name of the Fund**

MAMG All-China Focus Equity Fund (the "Fund")

**2. Type of fund**

Growth

**3. Category of the Fund**

Wholesale Feeder Fund

**4. Duration of Fund**

The Fund is an open-ended fund

**5. Fund launch date**

29 July 2021

**6. Fund's investment objective**

The Fund aims to maximise investment returns by investing in the Target Fund.

**7. Fund distribution policy**

Distribution, if any, shall be incidental and at the discretion of the Manager. Distribution, will be made from realised income and/or realised gains of the Fund.

**8. Fund's performance benchmark**

MSCI China All Shares Index.

Note: The benchmark is the benchmark of the Target Fund to allow for a similar comparison with the performance of the Target Fund. However, the risk profile of the Fund is different from the risk profile of the performance benchmark.

## MAMG ALL-CHINA FOCUS EQUITY FUND

### Manager's report

For the financial period from 29 July 2021 (date of launch) to 31 January 2022 (cont'd)

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

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

The Fund seeks to achieve its investment objective by investing a minimum of 90% of its Net Asset Value ("NAV") in Class USD S Accumulating Unhedged of the Target Fund.

The Target Fund is a sub fund of the Wellington Management Funds (Ireland) plc, an umbrella type open-ended investment company established as a UCITS and domiciled in Ireland.

The Fund will use derivatives such as currency forwards for hedging purposes to manage the currency risk of the Fund's investments and the Classes not denominated in USD. Although the Fund is passively managed, the Manager will ensure proper and efficient management of the Fund so that the Fund is able to meet redemption requests by Unit Holders.

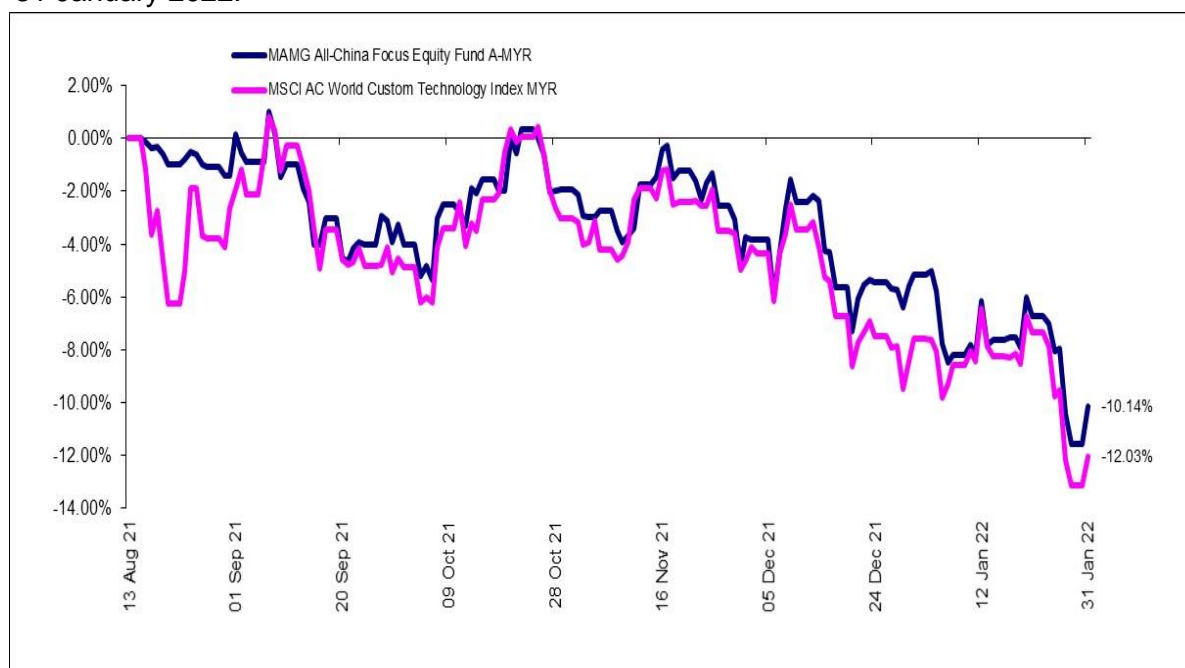
#### B. Performance Review

Performance of MAMG All-China Focus Equity Fund - MYR Class for the financial period from 29 July 2021 (date of launch) to 31 January 2022 are as follows:

##### MYR Class

Period	The Fund %	Benchmark %
29 July 2021 (date of launch) to 31 January 2022	(10.14)	(12.03)

Performance of the MYR Class for the financial period from 29 July 2021 (date of launch) to 31 January 2022:



## MAMG ALL-CHINA FOCUS EQUITY FUND

### Manager's report

For the financial period from 29 July 2021 (date of launch) to 31 January 2022 (cont'd)

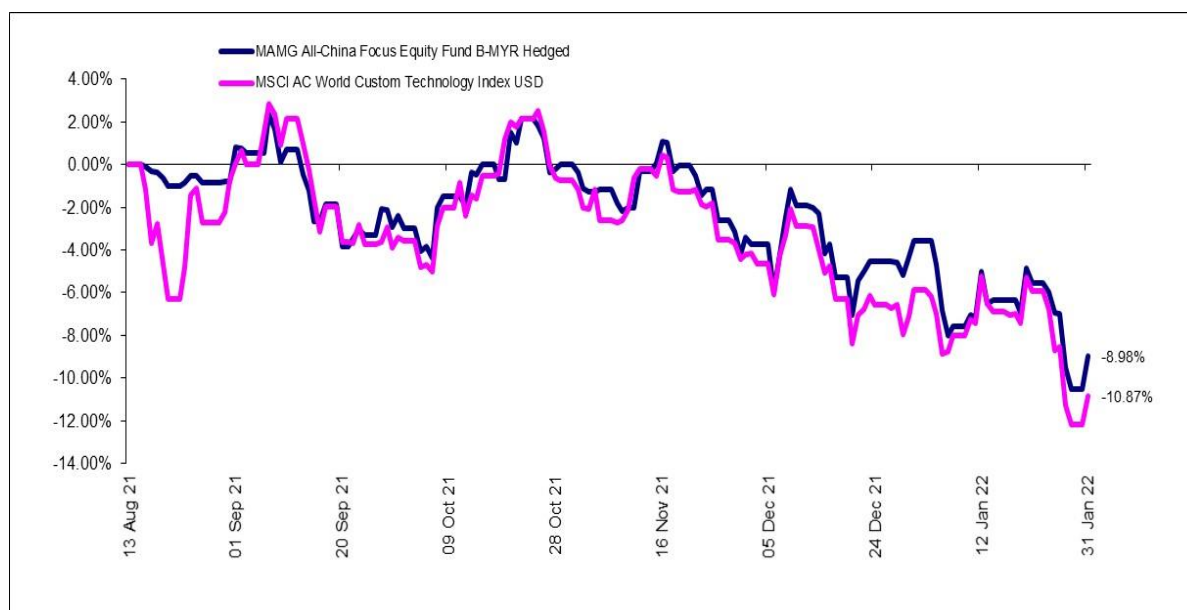
### B. Performance Review

Performance of MAMG All-China Focus Equity Fund - MYR Hedged Class for the financial period from 29 July 2021 (date of launch) to 31 January 2022 are as follows:

#### MYR Hedged Class

Period	The Fund %	Benchmark %
29 July 2021 (date of launch) to 31 January 2022	(8.98)	(10.87)

Performance of the MYR Hedged Class for the financial period from 29 July 2021 (date of launch) to 31 January 2022:



Source: Lipper

## MAMG ALL-CHINA FOCUS EQUITY FUND

### Manager's report

For the financial period from 29 July 2021 (date of launch) to 31 January 2022 (cont'd)

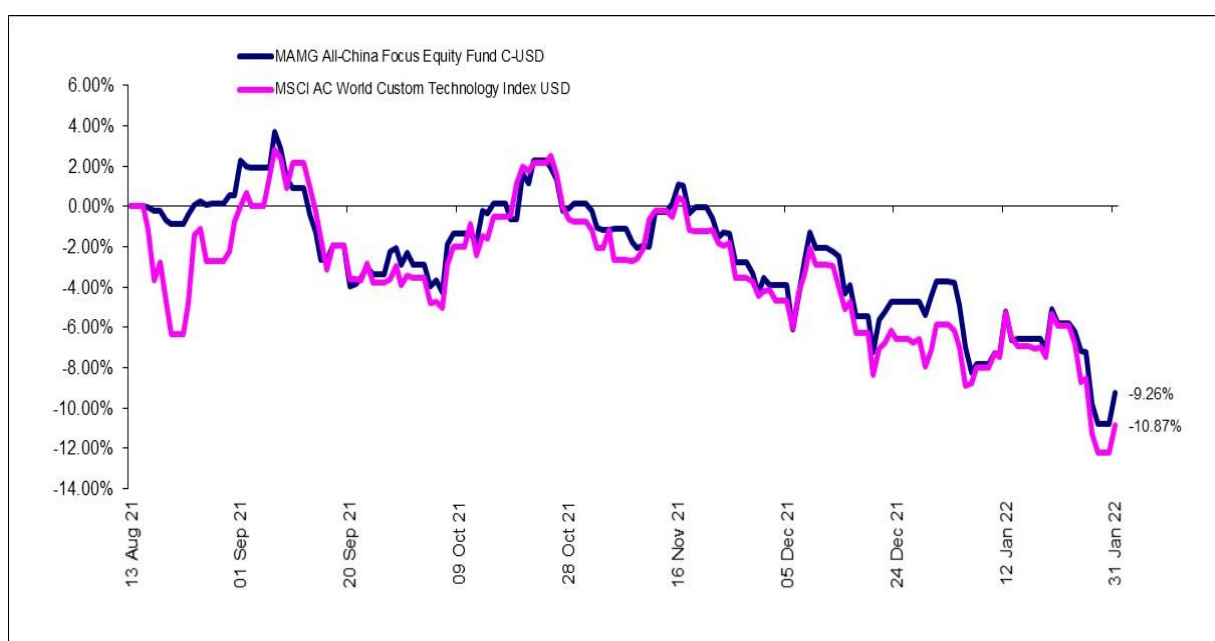
### B. Performance Review

Performance of MAMG All-China Focus Equity Fund - USD Class for the financial period from 29 July 2021 (date of launch) to 31 January 2022 are as follows:

#### USD Class

Period	The Fund %	Benchmark %
29 July 2021 (date of launch) to 31 January 2022	(9.26)	(10.87)

Performance of the USD Class for the financial period from 29 July 2021 (date of launch) to 31 January 2022:



Source: Lipper

*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.*

For the quarter under review from 29 July 2021 till 31 January 2022, all three Classes outperformed the benchmark index, however all delivered negative returns. The total return of Fund – Class A (MYR) was down -10.14% vs. the benchmark of -12.03%. Class B (MYR hedged) and Class C (USD) also outperformed the benchmark of -10.87%, where both reported a decline of -8.98% and -9.26%, respectively.

All classes outperformed the benchmark index due to the lack of exposure to real estate, overweight position in information technology and underweight position in consumer discretionary sector. As such, the Fund has met its objective for the quarter under review.

## **MAMG ALL-CHINA FOCUS EQUITY FUND**

### **Manager's report**

**For the financial period from 29 July 2021 (date of launch) to 31 January 2022 (cont'd)**

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

For the quarter under review, market volatility were centred around stagflation concerns, resurgence of Coronavirus disease 2019 ("Covid-19") infections driven by the Omicron variant and concerns over the solvency of Evergrande, one of China's largest real estate developers, weighed on the near-term market sentiment.

Chinese and Hong Kong equities declined over the quarter driven by market concerns over the spread of Omicron variant and adverse developments in the real estate sector. The recent geopolitical tensions between United States ("US") and China had also dampened the near-term outlook for Chinese equities, given the blacklisting of additional Chinese companies by the Biden administration, and China's hypersonic weapon testing and military activity in the region.

Meanwhile, Hong Kong equities retreated amidst ongoing political tensions stemming from the enforcement of national security and cybersecurity laws that have impacted business sentiment.

#### **D. Market Outlook and Strategies**

In terms of market outlook, while market sentiment has remained weak over the past year for Chinese equities amid the various economic, geopolitical, and regulatory concerns, we continue to believe the longer-term investment case for China remains intact.

We believe China remains to be one of the few major economies entering an easing cycle with valuations across several sectors now retreated to a much healthier and attractive level given the recent sell-off.

Hence, we are looking through near-term volatility and remain committed to our long-term investment horizon and bottom-up fundamental research. The portfolio remains positioned in companies believed to be supported by constructive long-term secular trends and is less exposed to companies that are more reliant on international trade.

In terms of strategy, we have trimmed consumer discretionary and healthcare exposure and rotated into financials and information technology. At the end of the quarter, our largest exposures were information technology and consumer discretionary, while energy and utilities to be the least exposed sector.



## **MAMG ALL-CHINA FOCUS EQUITY FUND**

### **Manager's report**

**For the financial period from 29 July 2021 (date of launch) to 31 January 2022 (cont'd)**

#### **E. Soft Commissions and Rebates**

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

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

## MAMG ALL-CHINA FOCUS EQUITY FUND

### UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 29 JULY 2021 (DATE OF LAUNCH) TO 31 JANUARY 2022

29.07.2021  
to  
31.01.2022  
USD

#### INVESTMENT LOSS

Interest income	11,374
Net loss from financial assets at fair value through profit or loss ("FVTPL"):	
- Realised gain	4,514
- Unrealised loss	(2,471,133)
Net loss on foreign exchange and derivatives	<u>(8,938)</u>
	<u>(2,464,183)</u>

#### EXPENSES

Manager's fee	95,211
Trustee's fee	2,240
Auditors' remuneration	1,106
Tax agent's fee	387
Administrative expenses	427
	<u>99,371</u>

<b>Net results before taxation</b>	<b>(2,563,554)</b>
Taxation	-
<b>Net results after taxation, and total comprehensive loss for the financial period</b>	<b><u>(2,563,554)</u></b>

#### Net results after taxation is made up of the following:

Net realised loss	(92,421)
Net unrealised loss	(2,471,133)
	<u>(2,563,554)</u>

## MAMG ALL-CHINA FOCUS EQUITY FUND

### UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2022

31.01.2022  
USD

#### ASSETS

Financial assets at FVTPL	28,868,381
Deposit with a financial institution	1,384,110
Derivative assets	152,485
Interest receivable	66
Amount due from Manager	203,188
Cash at bank	722,334
<b>TOTAL ASSETS</b>	<b>31,330,564</b>

#### LIABILITIES

Derivative liabilities	8,197
Amount due to Manager	164,222
Amount due to Trustee	527
Amount due to broker	180,000
Other payables and accruals	1,489
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>	<b>354,435</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS</b>	<b>30,976,129</b>

#### NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:

Unitholders' contribution	33,539,683
Accumulated losses	(2,563,554)
	<b>30,976,129</b>

#### NET ASSET VALUE

- MYR Class	7,470,302
- MYR (Hedged) Class	22,577,626
- USD Class	928,201
	<b>30,976,129</b>

#### NUMBER OF UNITS IN CIRCULATION (UNIT)

- MYR Class	69,623,609
- MYR (Hedged) Class	207,725,947
- USD Class	2,045,679
	<b>279,395,235</b>

#### NAV PER UNIT

- MYR Class	MYR 0.4493
- MYR (Hedged) Class	MYR 0.4551
- USD Class	USD 0.4537

**MAMG ALL-CHINA FOCUS EQUITY FUND**

**UNAUDITED STATEMENT OF CHANGES IN EQUITY**

**FOR THE FINANCIAL PERIOD FROM 29 JULY 2021 (DATE OF LAUNCH) TO 31 JANUARY 2022**

	<b>Unitholders' contribution USD</b>	<b>Accumulated losses USD</b>	<b>Net assets attributable to unitholders USD</b>
At 29 July 2021 (date of launch)	-	-	-
Total comprehensive loss for the financial period	-	(2,563,554)	(2,563,554)
Creation of units	35,749,425	-	35,749,425
Cancellation of units	(2,209,742)	-	(2,209,742)
At 31 January 2022	<u>33,539,683</u>	<u>(2,563,554)</u>	<u>30,976,129</u>

## MAMG ALL-CHINA FOCUS EQUITY FUND

### UNAUDITED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 29 JULY 2021 (DATE OF LAUNCH) TO 31 JANUARY 2022

29.07.2021  
to  
31.01.2022  
USD

#### CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES

Net payment for purchase of financial assets at FVTPL	(31,477,000)
Net proceeds from sale of financial assets at FVTPL	322,000
Interest received	17,446
Net realised loss on forward foreign exchange	(185,599)
Manager's fee paid	(72,808)
Trustee's fee paid	(1,713)
Payment of other fees and expenses	(375)
Net cash used in operating and investing activities	<u>(31,398,049)</u>

#### CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from creation of units	35,570,909
Payment for redemption of units	<u>(2,066,416)</u>
Net cash generated from financing activities	<u>33,504,493</u>

#### NET CHANGE IN CASH AND CASH EQUIVALENTS

FOR THE FINANCIAL PERIOD	2,106,444
CASH AND CASH EQUIVALENTS AT THE DATE OF LAUNCH	<u>-</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>2,106,444</u>

Cash and cash equivalents comprise:

Cash at bank	722,334
Deposit with a financial institution with maturity of less than 3 months	<u>1,384,110</u>
	<u>2,106,444</u>