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# MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

Annual report  
For the financial year ended 30 June 2023

## **CORPORATE INFORMATION**

### **MANAGER**

Maybank Asset Management Sdn Bhd (199701006283) (421779-M)  
Level 12 Tower C  
Dataran Maybank  
No.1 Jalan Maarof  
59000 Kuala Lumpur, Malaysia  
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### **TRUSTEE**

TMF Trustees Malaysia Berhad (200301008392) (610812-W)  
10th Floor, Menara Hap Seng  
No. 1 & 3 , Jalan P Ramlee  
50250 Kuala Lumpur  
Telephone +603 2382 4288  
Facsimile +603 2026 1451

### **SHARIAH ADVISER**

Amanie Advisors Sdn Bhd (200501007003) (684050-H)  
Level 13A-2, Menara Tokio Marine Life  
189 Jalan Tun Razak  
50400 Kuala Lumpur, Malaysia  
Telephone +603 2161 0260  
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### **EXTERNAL INVESTMENT MANAGER**

Maybank Islamic Asset Management Sdn Bhd (201301012623) (1042461-K)  
Level 12 Tower C  
Dataran Maybank  
No.1 Jalan Maarof  
59000 Kuala Lumpur, Malaysia  
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## **MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### Manager's report

For the financial year ended 30 June 2023

#### A. Fund Information

**1. Name of the Fund**

Maybank Global Sustainable Equity-I Fund (the "Fund")

**2. Type of Fund**

Income and Growth

**3. Category of Fund**

Shariah-compliant equity

**4. Duration of the Fund**

The Fund is an open-ended fund.

**5. Fund launch date**

Class	Currency denomination	Launch date
MYR Class	Ringgit Malaysia	25 August 2020
MYR (Hedged) Class	Ringgit Malaysia	25 August 2020
USD Class	United States Dollar	25 August 2020
MYR (Hedged) (Institutional) Class	Ringgit Malaysia	15 June 2021

**6. Fund's investment objective**

The Fund seeks to achieve income and capital growth by investing primarily in a portfolio of Shariah-compliant equities.

**7. Fund distribution policy**

Distribution, if any, will be at least on an annual basis and at the discretion of the Manager.

**8. Fund's performance benchmark**

The benchmark of the Fund is the Dow Jones Islamic Market World Index.

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

The Fund seeks to adopt a unique investment approach that integrates both Shariah principles as well as principles of sustainable investing in a complementary manner. As the Fund is a qualified Sustainable and Responsible Investment ("SRI") Fund, the investments of the Fund will be subject to the Environmental, Social and Governance (ESG) integration methodology, including the selection, retention and realisation of the Fund's investments.

The Fund invests directly or indirectly, in global Shariah-compliant equities (including Shariah-compliant American Depositary Receipts and Shariah-compliant Global Depositary Receipts), global Shariah-compliant equity related securities (including Shariah-compliant warrants), Islamic money market instruments and Islamic deposits. The Fund will invest a minimum of 80% of the Fund's NAV in Shariah-compliant equities and Shariah-compliant equity related securities and up to 20% of the Fund's NAV in Islamic liquid assets or Islamic Real Estate Investment Trusts ("REITS").

**10. Net income distribution for the financial year ended 30 June 2023**

There was no distribution declared by the Fund for the financial year ended 30 June 2023.

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### Manager's report

For the financial year ended 30 June 2023 (cont'd)

### B. Performance Review

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

Category	01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022	25.08.2020 (date of launch) to 30.06.2021
<b>Portfolio Composition</b>			
Equities - foreign (%)			
- Australia	1.84	-	-
- Canada	-	2.40	2.53
- China	0.91	-	-
- Denmark	2.73	-	-
- France	3.21	3.59	2.53
- Germany	0.91	2.32	2.65
- Great Britain	14.63	13.82	7.95
- Hong Kong	-	5.38	6.16
- Japan	6.19	-	-
- Netherlands	1.38	3.59	2.66
- Singapore	-	3.22	2.78
- South Korea	2.60	-	-
- Spain	4.32	2.46	2.39
- Switzerland	2.40	8.49	6.23
- Taiwan	4.78	2.80	2.53
- United States of America	43.20	45.19	40.45
Cash and other net assets	10.90	6.74	21.14
<b>Total (%)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

#### MYR Class

NAV (USD'000)	19,645	24,372	17,306
NAV (RM'000)	91,713	107,456	72,359
Units in circulation (units'000)	79,757	105,900	64,503
NAV per unit (RM)	1.1499	1.0147	1.1218
Highest NAV per unit (RM)	1.1499	1.1941	1.1539
Lowest NAV per unit (RM)	0.9579	0.9842	0.9488
Annual return (%) <sup>(1)</sup>			
- Capital growth (%)	13.32	(8.86)	11.33
- Income distribution (%)	-	-	3.09
Total return	13.32	(8.86)	14.77

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### Manager's report

For the financial year ended 30 June 2023 (cont'd)

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

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

Category	01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022	25.08.2020 (date of launch) to 30.06.2021
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#### MYR (Hedged) Class

NAV (USD'000)	58,130	65,149	61,728
NAV (RM'000)	271,394	287,266	259,313
Units in circulation (units'000)	268,973	297,562	229,623
NAV per unit (RM)	1.0090	0.9654	1.1293
Highest NAV per unit (RM)	1.0316	1.1913	1.1547
Lowest NAV per unit (RM)	0.8582	0.9379	0.9483
Annual return (%) <sup>(1)</sup>			
- Capital growth (%)	4.52	(13.46)	11.55
- Income distribution (%)	-	-	3.08
Total return	4.52	(13.46)	14.99

#### USD Class

NAV (USD'000)	2,999	3,064	3,265
Units in circulation (units'000)	2,936	3,204	2,929
NAV per unit (USD)	1.0216	0.9562	1.1300
Highest NAV per unit (USD)	1.0279	1.1844	1.1552
Lowest NAV per unit (USD)	0.8530	0.9286	0.9484
Annual return (%) <sup>(1)</sup>			
- Capital growth (%)	6.84	(14.21)	11.46
- Income distribution (%)	-	-	3.08
Total return	6.84	(14.21)	14.90

#### MYR (Hedged) (Institutional) Class

NAV (USD'000)	3,010	2,999	3,627
NAV (RM'000)	14,053	13,223	15,049
Units in circulation (units'000)	15,001	15,001	15,001
NAV per unit (RM)	0.9368	0.8815	1.0032
Highest NAV per unit (RM)	0.9447	1.0816	1.0094
Lowest NAV per unit (RM)	0.7890	0.8559	0.9901
Annual return (%) <sup>(1)</sup>			
- Capital growth (%)	6.27	(12.12)	0.31
- Income distribution (%)	-	-	-
Total return	6.27	(12.12)	0.31

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### Manager's report

For the financial year ended 30 June 2023 (cont'd)

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

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

Category	01.07.2022 to 30.06.2023	01.07.2021 to 30.06.2022	25.08.2020 (date of launch) to 30.06.2021
Total Expense Ratio ("TER") (%) <sup>(2)</sup>	1.93	1.95	1.63
Portfolio Turnover Ratio ("PTR") (times) <sup>(3)</sup>	1.44	0.42	0.99

*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.*

**Note:**

- (1) Actual return of the Fund for the financial year is computed on daily average NAV per unit, net of Manager's and Trustee's fee.
- (2) The Fund's TER decreased to 1.93% due to lower expenses in the current financial year under review.
- (3) The Fund's PTR increased to 1.44 times due to higher trading activities in the current financial year under review.

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### Manager's report

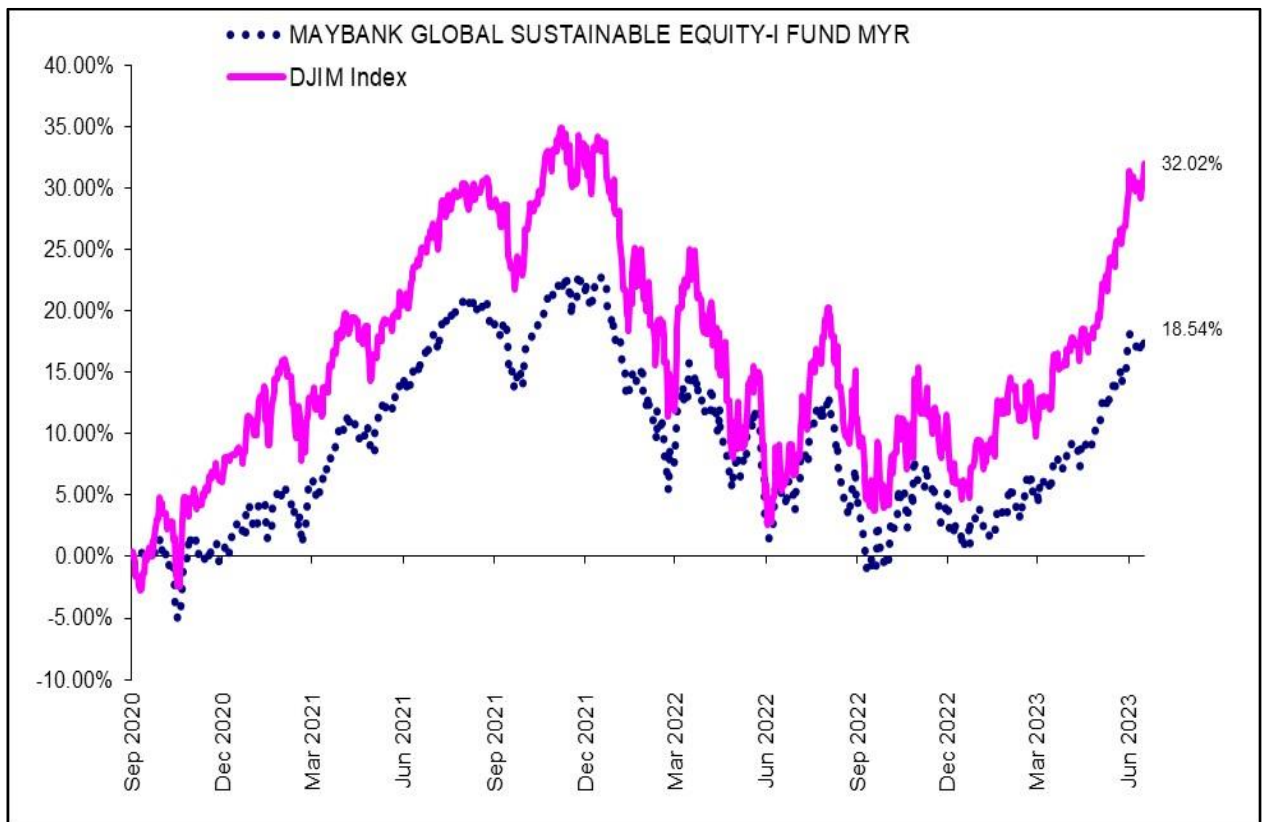
For the financial year ended 30 June 2023 (cont'd)

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

#### 2. Performance of the Fund since inception to 30 June 2023 (cont'd)

##### MYR Class

Category	1 year to 30.06.2023 %	Since Inception ("S.I.") to 30.06.2023 %
Capital growth	13.32	14.99
Income distribution	-	3.09
Total return of the Fund	13.32	18.54
Benchmark	25.27	32.02
Average total return	13.32	6.16



Source: Lipper, as at 30 June 2023



## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### Manager's report

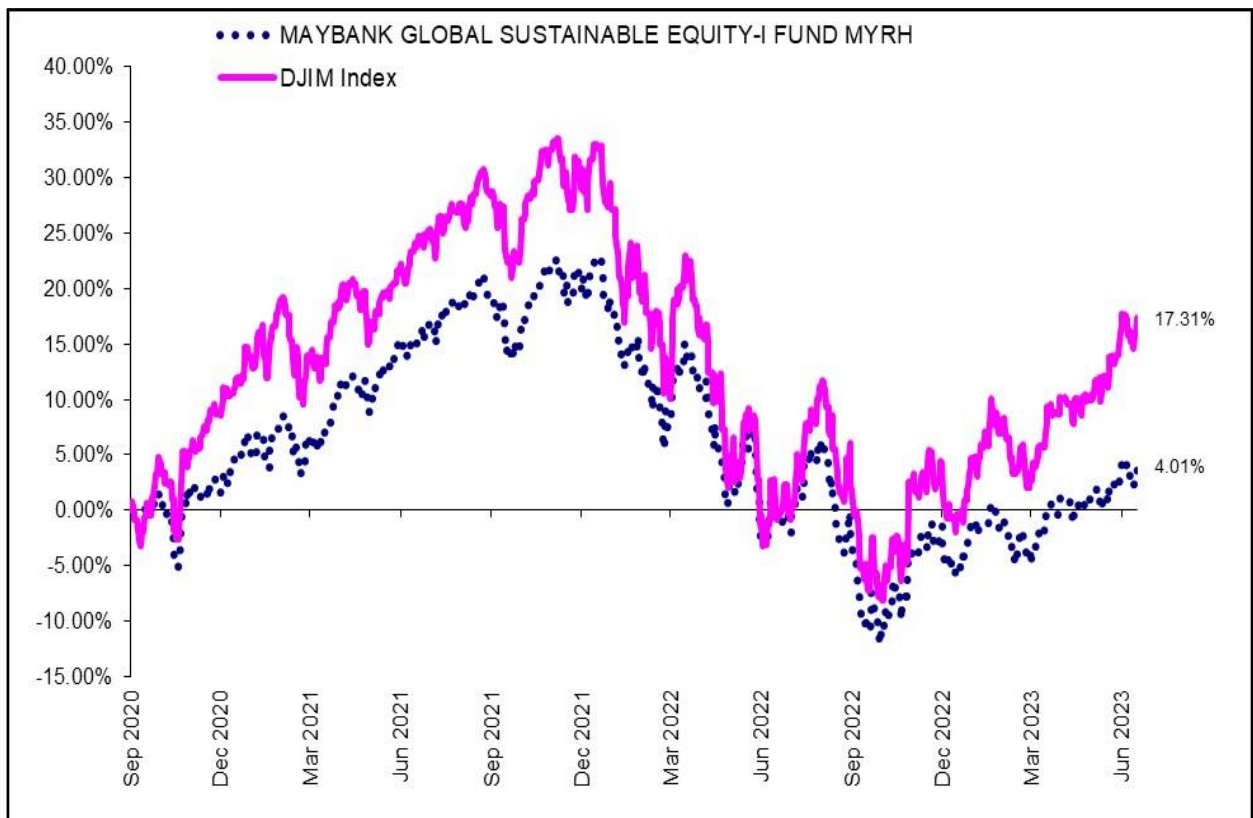
For the financial year ended 30 June 2023 (cont'd)

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

#### 2. Performance of the Fund since inception to 30 June 2023 (cont'd)

##### MYR (Hedged) Class

Category	1 year to 30.06.2023 %	S.I. to 30.06.2023 %
Capital growth	4.52	0.90
Income distribution	-	3.08
Total return of the Fund	4.52	4.01
Benchmark	18.28	17.31
Average total return	4.52	1.39



Source: Lipper, as at 30 June 2023

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### Manager's report

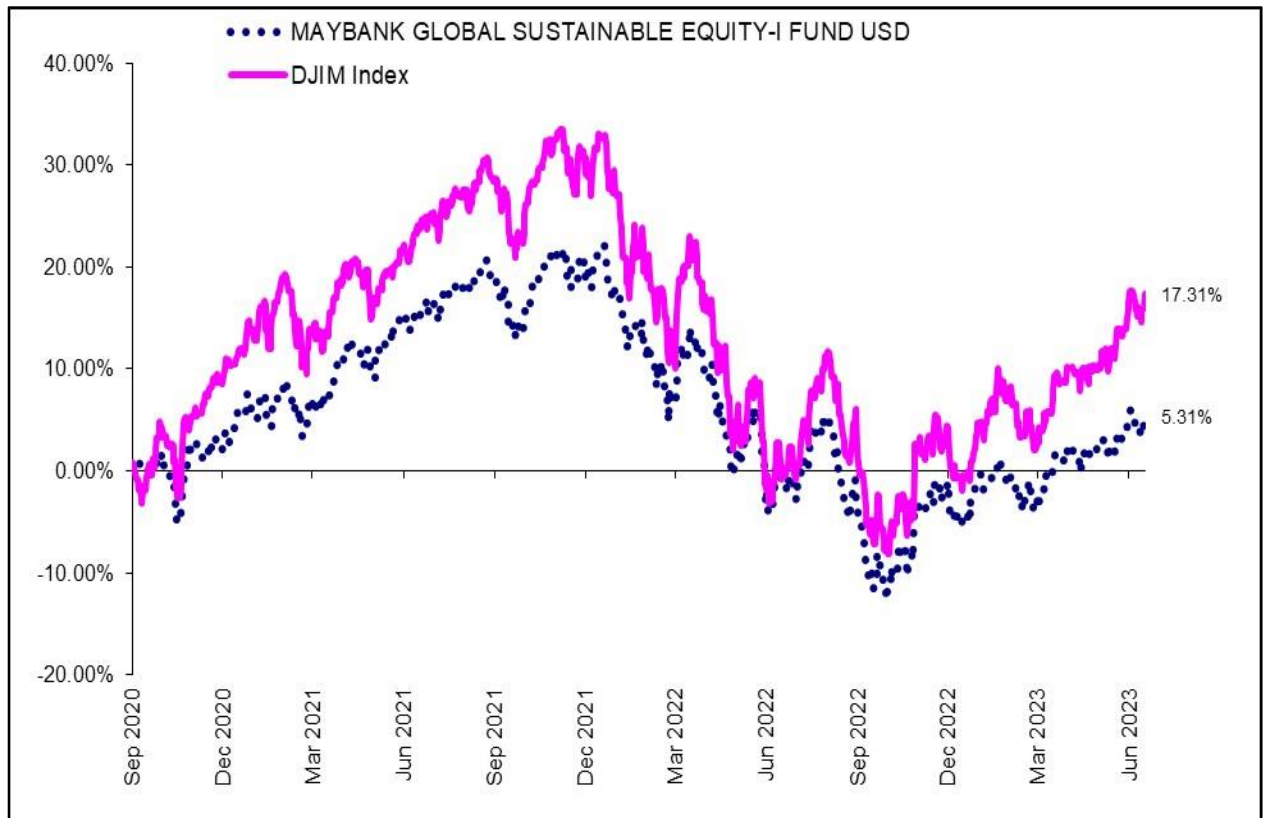
For the financial year ended 30 June 2023 (cont'd)

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

#### 2. Performance of the Fund since inception to 30 June 2023 (cont'd)

##### USD Class

Category	1 year to 30.06.2023 %	S.I. to 30.06.2023 %
Capital growth	6.84	2.16
Income distribution	-	3.08
Total return of the Fund	6.84	5.31
Benchmark	18.28	17.31
Average total return	6.84	1.83



Source: Lipper, as at 30 June 2023

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### Manager's report

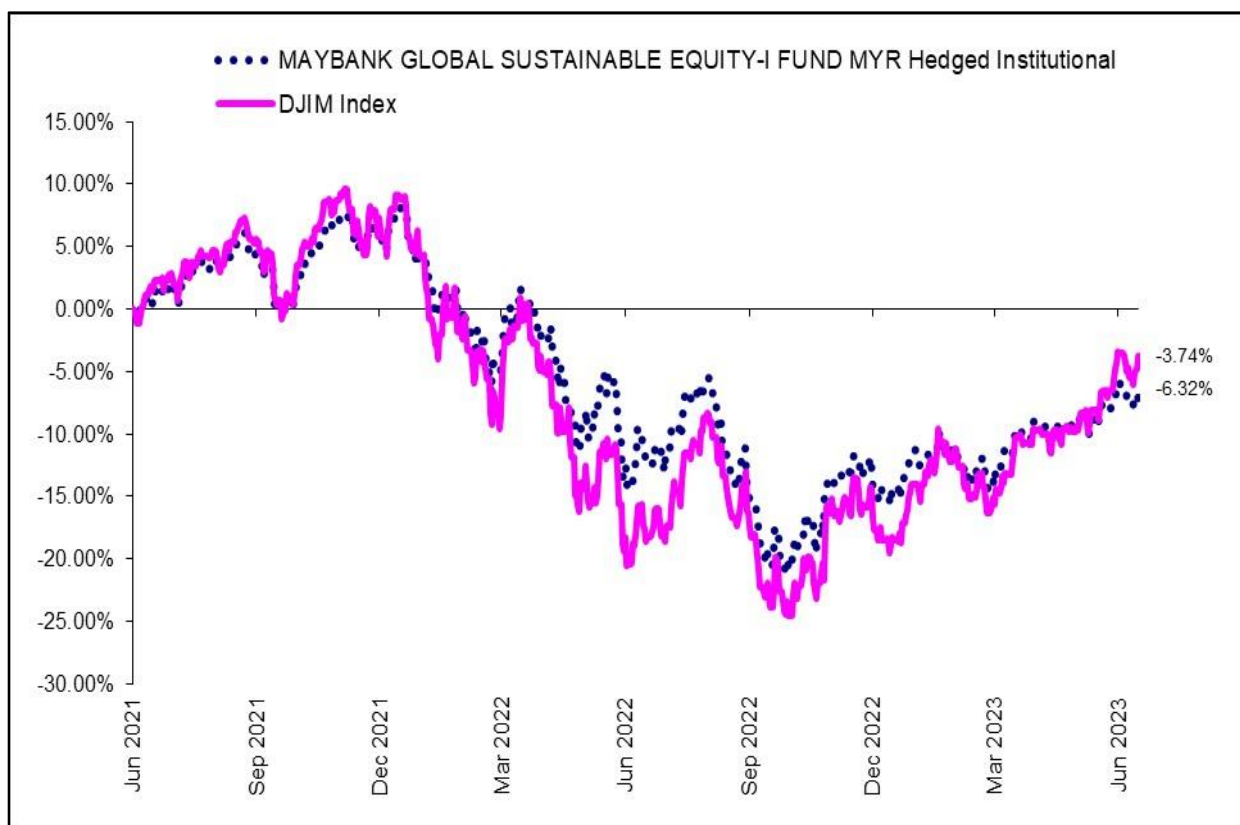
For the financial year ended 30 June 2023 (cont'd)

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

#### 2. Performance of the Fund since inception to 30 June 2023 (cont'd)

##### MYR (Hedged) (Institutional) Class

Category	1 year to 30.06.2023 %	S.I. to 30.06.2023 %
Capital growth	6.27	(6.32)
Income distribution	-	-
Total return of the Fund	6.27	(6.32)
Benchmark	18.28	(3.74)
Average total return	6.27	(3.15)



Source: Lipper, as at 30 June 2023

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### Manager's report

For the financial year ended 30 June 2023 (cont'd)

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

##### 2. Performance of the Fund since inception to 30 June 2023 (cont'd)

For the financial year under review, the Fund's MYR Class, MYR-Hedged Class, USD Class, and MYR-Hedge Institutional Class registered a total gain of 13.32%, 4.52%, 6.84%, and 6.27% respectively. This implies the Fund MYR Class, MYR-Hedged, USD, and MYR-Hedge Institutional underperformed the relative benchmark by 11.95%, 13.76%, 11.44%, and 12.01% respectively. In absolute terms, the Fund's main gainers were driven by information technology (driven by the Artificial Intelligence ("AI") frenzy), industrials (electric vehicle/ battery exposure) and consumer (recovery in discretionary spending and travelling). However, detractors came from utilities (green energy taken a setback given the rising costs and limited capital expenditure), materials (in line with falling commodity prices) and real estate (rising profit rate environment). The underperformance against the relative benchmark was mainly due to underweight position in information technology and energy (due to Environment, Social, and Governance ("ESG") considerations) and negative stock selection in communication services and materials and healthcare sectors. This was partially offset by better stock selection in the consumer discretionary and consumer staples.

##### Has the Fund met its objective?

For the financial year under review, the Fund did meet its objective of providing capital growth albeit without income. The Fund however underperformed its relative benchmark, largely due to the Fund's strategy employed with the ESG focus.

##### 3. Total annual return of the Share class

For the financial year/ period	FY 2023	FY 2022	FPE 2021
MYR Class	13.32	(8.86)	14.77
MYR (Hedged) Class	4.52	(13.46)	14.99
USD Class	6.84	(14.21)	14.90
MYR (Hedged) (Institutional) Class	6.27	(12.12)	0.31

##### 4. Basis of calculation made in calculating the returns:

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

An illustration of the above would be as follows:

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

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### Manager's report

For the financial year ended 30 June 2023 (cont'd)

#### C. Market Review

During the financial year under review, global equity markets were volatile, as the investors were faced with plethora of challenges that began with the Russia-Ukraine war, sharp rise in inflation, aggressive monetary policy tightening, and ultimately the risks of a global recession. After a torrid first half of 2022, equity markets staged a rebound in late 2022 largely driven amid signs that the pace of profit rate hikes in the United States ("US") is slowing, and indications inflation could have peaked. Investors began bargain hunting especially on stocks that were deemed oversold, broadly in the growth-type stocks. These stocks were earlier sold-off on valuation de-rating amidst the rising profit rates and inflation. Indeed, 2023 started well as the outlook for the global economy looks better than expected, with the US and Europe showing resiliency helped by the lower energy prices and the re-opening economy in China. However, this was quickly dampened by the developments in the global banking sector that posed new uncertainty on the direction of monetary policy. While the Developed Markets ("DM") financial sector events were distinctive and has stopped short of a systematic risk, it does potentially lead to tighter lending environment and slower economic activity. More recently, equity markets saw a rally but was narrowed to the AI theme which dominated to mostly stocks that benefit from this frenzy. Indices that have a high concentration in technology also benefited. Market did see some fatigue by second half of June 2023 as the resilient economic data has cushion fears of imminent recession, it would however lead to ramp up in monetary tightening.

The main US markets climbed higher during the year with the Nasdaq's gain of 25.0% outperformed Standards & Poor's 500 ("S&P 500") and Dow Jones which increased 17.6% and 11.8% respectively mainly driven by the AI frenzy in the technology space. European markets, led by Stoxx 50 by 27.3%, followed by German Dax 26.3% rise while Financial Times Stock Exchange 100 ("FTSE 100") was only up 5.1%. Asia was mixed, with Japan gaining 25.7% followed by India's 22.1% rise, Taiwan's 14.1% increase, and South Korea's 9.9% growth. China and Hong Kong underperformed, falling 5.8% and crashing 13.5% respectively. Asean was mixed with only Philippines and Singapore in the green with 5.1% and 3.3% gain respectively. Underperformers were Malaysia, Thailand, and Indonesia sliding 4.7%, 4.2% and 3.6% respectively.

In macroeconomics, the United States, the Gross Domestic Product ("GDP") growth slowed sharply to 1.3% in 1Q23 compared to 2.6% in 4Q22 due to a downturn in private inventory investment and a slowdown in non-residential fixed investment. Those declines were partly offset by robust consumer spending which rose at 3.8%, the fastest growth since mid-2021 (3Q21-4Q22: 1.0% - 3.1%). The unemployment rate increased to 3.7% in May 2023 from 3.4% in previous month, but still in line with pre-pandemic level of 3.7% - 4.0%. Headline Consumer Price Index ("CPI") fell sharply to 4.0% Year-Over-Year ("YoY") in May 2023 from 4.9% in Apr 2023, the smallest annual increase in inflation since Apr 2021 of 4.2%. Similarly, the core CPI, excluding volatile food and energy prices, eased to 5.3% in May 2023 from 5.5% in Apr 2023. On the other hand, the annual core Personal Consumption Expenditure ("PCE"), the Federal Reserve ("Fed") preferred inflation gauge, hovered around 4.6% - 4.7% in Dec 2022 - May 2023 and the level is still far from the Fed's target of 2.0%. At the recent Federal Open Market Committee ("FOMC") meeting in June 2023, the Fed maintained its policy rate at 5.00% - 5.25% after 10 consecutive rate hikes since March 2022.

## **MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

### **Manager's report**

**For the financial year ended 30 June 2023 (cont'd)**

#### **D. Market Outlook**

In the US, based on the latest FOMC dot plot published in June 2023, the median GDP growth for 2023 was revised upward to 1.0% (March 2023 projection: 0.4%) while core PCE for 2023 is adjusted to 3.9% (March 2023 projection: 3.6%). In view of the better economic growth and elevated inflation, the median policy rate is revised upward to 5.6% and 4.6% for 2023 and 2024 respectively (March 2023 projection: 5.1% and 4.3%), implying the Fed to raise rate by another 50 basis points ("bps") in 2H2023.

Despite strong returns over recent months, global equity markets remain susceptible to shifting sentiment towards geopolitical tensions, inflation, economic growth, and ultimately corporate earnings. Valuations have already significantly adjusted to reflect a change in the market environment, and we believe reflect realistic expectations for inflation, rates, and risk premia. Consequently, the source of risk has now shifted from valuation to earnings considering the softer growth and prospects for a recession, which appears increasingly likely. Broadly, economic data suggests that inflation pressure persists and economic data, though slowing, is not that bad as feared in the near term.

Within corporate earnings, we have seen revisions turned more negative in recent months, which should serve to quell overly optimistic exuberance and establish a more realistic base for earnings in 2023 calendar year. We believe the market is entering a phase in which the impact of slowing growth, rising costs and weaker sentiment will be much more apparent in company financial results. The market will be looking for an eventual trough in earnings revisions and a peak in profit rates to signal the start of a new cycle. It will also likely require evidence of economic recovery for the strength in the US dollar to durably reverse its course. Currency volatility has left the Pound, Euro, and Yen all near multi-decade lows, but has also enhanced the competitiveness for multinational exporters operating within those markets who will benefit from currency gains in their earnings.

We believe that low expectations in many parts of the economy will create opportunities for patient and selective investors moving forward. We maintain a well-diversified portfolio reflecting a fluid outlook with a wide range of possible outcomes. At a stock level we continue to emphasize revenue and earnings stability as well as balance sheet strength, which we expect to be rewarded during periods of elevated risk.

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

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

During the financial year ended 30 June 2023, the Manager and its delegates did not receive any soft commissions and rebates from 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 MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND (FUND)**

We have acted as Trustee of the Fund for the financial year ended 30 June 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Maybank Asset Management Sdn Bhd has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

- a) Limitations imposed on the investment powers of the Management Company under the Deed, securities laws and the Guidelines on Unit Trust Funds;
- b) Valuation and pricing has been carried out in accordance with the Deeds; and
- c) Any creation and cancellation of units have been carried out in accordance with the Deeds and relevant regulatory requirements.

For and on behalf of the Trustee

**TMF TRUSTEES MALAYSIA BERHAD (200301008392) (610812-W)**

**NORHAYATI BINTI AZIT**  
**DIRECTOR- FUND SERVICES**

Kuala Lumpur, Malaysia  
17 August 2023

**STATEMENT BY MANAGER**

**TO THE UNITHOLDERS OF  
MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

We, Dr Hasnita Binti 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 Maybank Global Sustainable Equity-I Fund as at 30 June 2023 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 Hashim**  
Chairman

**Ahmed Muzni Bin Mohamed**  
Director

Kuala Lumpur, Malaysia  
17 August 2023



## **REPORT OF THE SHARIAH ADVISER**

### **TO THE UNITHOLDERS OF MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

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 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  
17 August 2023

## **Independent auditors' report to the Unitholders of Maybank Global Sustainable Equity-I Fund**

### **Report on the audit of the financial statements**

#### *Opinion*

We have audited the financial statements of Maybank Global Sustainable Equity-I Fund (the "Fund"), which comprise the statement of financial position as at 30 June 2023 of the Fund, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders of the Fund and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 19 to 60.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2023, 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 which is expected to be made available to us after the date of this auditors' report.

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 Maybank Global Sustainable Equity-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 Maybank Global Sustainable Equity-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  
Maybank Global Sustainable Equity-I Fund**

Other matters

This report is made solely to the Unit Holders of the Fund, as a body, in accordance with the Guidelines on Unit Trust Funds 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  
17 August 2023

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

	Note	2023 USD	2022 USD
<b>INVESTMENT INCOME/ (LOSS)</b>			
Dividend income		1,436,900	2,431,971
Profit income		45,340	129,768
Purification of income	14	(24,531)	(233,566)
Net gain/ (loss) from financial assets at fair value through profit or loss ("FVTPL"):			
- Net realised (loss)/ gain		(7,014,247)	4,323,458
- Net unrealised gain/ (loss)		14,738,985	(15,523,813)
Net loss on foreign exchange and derivatives	4	(6,001,332)	(8,240,120)
		<u>3,181,115</u>	<u>(17,112,302)</u>
<b>EXPENSES</b>			
Manager's fee	5	1,576,677	1,847,992
Trustee's fee	6	53,833	63,044
Auditors' remuneration		2,229	2,246
Tax agent's fee		1,542	1,033
Shariah advisory fee		2,102	3,554
Brokerage and other transaction fees		357,951	175,754
Administrative expenses		92,319	47,202
		<u>2,086,653</u>	<u>2,140,825</u>
<b>Net results before taxation</b>		1,094,462	(19,253,127)
Taxation	7	(422,177)	(352,344)
<b>Net results after taxation, which is the total comprehensive income/ (loss) for the financial year</b>		<u>672,285</u>	<u>(19,605,471)</u>
<b>Net results after taxation is made up of the following:</b>			
Net realised (loss)/ income		(15,958,105)	224,307
Net unrealised income/ (loss)		16,630,390	(19,829,778)
		<u>672,285</u>	<u>(19,605,471)</u>

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

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2023 USD	2022 USD
<b>ASSETS</b>			
Financial assets at FVTPL	8	74,661,130	89,122,057
Deposit with a licensed Islamic financial institution	9	-	3,554,307
Dividend receivable		232,913	381,109
Profit income receivables		-	195
Amount due from Manager	10	95,352	112,200
Amount due from broker		519,486	414,242
Cash at bank	11	10,710,020	3,288,871
Derivative assets	12	19,053	892
<b>TOTAL ASSETS</b>		<b>86,237,954</b>	<b>96,873,873</b>
<b>LIABILITIES</b>			
Derivative liabilities	12	1,760,635	817,565
Amount due to Manager	10	402,259	226,473
Amount due to Trustee	13	4,167	4,789
Provision for tax		24,409	3,402
Purification of income payable	14	258,097	233,566
Other payables and accruals		4,664	4,784
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		<b>2,454,231</b>	<b>1,290,579</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS OF THE FUND</b>			
	15	<b>83,783,723</b>	<b>95,583,294</b>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:</b>			
Unitholders' contribution	15(a)	91,597,300	104,069,156
Accumulated losses	15(b) & (c)	(7,813,577)	(8,485,862)
		<b>83,783,723</b>	<b>95,583,294</b>
<b>NET ASSET VALUE</b>			
MYR Class		19,644,818	24,371,676
MYR (Hedged) Class		58,129,765	65,148,932
USD Class		2,998,917	3,063,687
MYR (Hedged) (Institutional) Class		3,010,223	2,998,999
		<b>83,783,723</b>	<b>95,583,294</b>

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

**MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023 (CONT'D)**

	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>	15(a)		
MYR Class		79,757,276	105,899,751
MYR (Hedged) Class		268,973,116	297,561,716
USD Class		2,935,581	3,204,039
MYR (Hedged) (Institutional) Class		15,001,000	15,001,000
		<u>366,666,973</u>	<u>421,666,506</u>
<b>NAV PER UNIT</b>			
MYR Class		<u>RM 1.1499</u>	<u>RM 1.0147</u>
MYR (Hedged) Class		<u>RM 1.0090</u>	<u>RM 0.9654</u>
USD Class		<u>USD 1.0216</u>	<u>USD 0.9562</u>
MYR (Hedged) (Institutional) Class		<u>RM 0.9368</u>	<u>RM 0.8815</u>

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



**MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	<b>Unitholders' contribution Note 15(a) USD</b>	<b>Accumulated losses Note 15(b) &amp; (c) USD</b>	<b>Total USD</b>
At 1 July 2022	104,069,156	(8,485,862)	95,583,294
Total comprehensive income for the financial year	-	672,285	672,285
Creation of units	13,691,648	-	13,691,648
Cancellation of units	(26,163,504)	-	(26,163,504)
At 30 June 2023	<u>91,597,300</u>	<u>(7,813,577)</u>	<u>83,783,723</u>
At 1 July 2021	74,806,462	11,119,609	85,926,071
Total comprehensive loss for the financial year	-	(19,605,471)	(19,605,471)
Creation of units	104,582,212	-	104,582,212
Cancellation of units	(75,319,518)	-	(75,319,518)
At 30 June 2022	<u>104,069,156</u>	<u>(8,485,862)</u>	<u>95,583,294</u>

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

**MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND****STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

	<b>2023</b>	<b>2022</b>
	<b>USD</b>	<b>USD</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Net proceeds from sale of investments	140,094,866	29,682,212
Net purchase of investments	(118,497,812)	(59,237,422)
Net realised loss on derivatives	(3,907,387)	(3,059,158)
Dividends received	1,278,186	1,911,504
Profit income received	45,540	129,920
Manager's fee paid	(1,593,235)	(1,812,604)
Trustee's fee paid	(54,455)	(62,395)
Shariah fee paid	(2,846)	(2,275)
Payment of other fees and expenses	(904,225)	(395,258)
Net cash generated from/ (used in) operating and investing activities	<u>16,458,632</u>	<u>(32,845,476)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash received from units created	13,697,566	105,951,962
Cash paid on units cancelled	(25,909,760)	(76,712,839)
Net cash (used in)/ generated from financing activities	<u>(12,212,194)</u>	<u>29,239,123</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR</b>	4,246,438	(3,606,353)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	6,843,178	10,855,734
Effect of exchange rate	(379,596)	(406,203)
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<u>10,710,020</u>	<u>6,843,178</u>
Cash and cash equivalents comprise :		
Cash at bank (Note 11)	10,710,020	3,288,871
Deposit with a financial institution with maturity of less than 3 months (Note 9)	-	3,554,307
	<u>10,710,020</u>	<u>6,843,178</u>

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

## **MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023**

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

Maybank Global Sustainable Equity-I Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 12 February 2020 between the Manager, Maybank Asset Management Sdn Bhd ("MAM"), the Trustee, TMF Trustee Malaysia Berhad and the registered unitholders of the Fund. Subsequently, MAM and the Trustee have entered into the First Supplemental Deed dated 7 December 2020 and the Second Supplemental Deed dated 3 June 2022. The Deed and Supplemental Deeds are collectively referred to as 'Deeds'. The Fund was launched on 25 August 2020.

The Fund seeks to achieve income and capital growth by investing primarily in a portfolio of Shariah-compliant equities. The Fund invests, directly or indirectly, in global Shariah-compliant equities (including Shariah-compliant American Depositary Receipts and Shariah-compliant Global Depositary Receipts), global Shariah-compliant equity related securities (including Shariah-compliant warrants), Islamic money market instruments and Islamic deposits. The Fund may also invest in Islamic Real Estate Investment Trusts ("Islamic REITs").

The Manager of the Fund is MAM, a company incorporated in Malaysia. It is a holder of the Capital Markets Services Licence 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 17 August 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") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), the Deed and any regulatory requirements.

The Fund had adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") Interpretations which have become effective during the financial year ended 30 June 2023. The adoption of the new pronouncements did not result in any material impact to the financial statements.

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

The financial statements are presented in United States Dollar ("USD").

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

#### 2.2 Standards and amendments to standards issued but not yet effective

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

Description	Effective for annual periods beginning on or after
MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112: <i>Deferred Tax Related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to 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 and amendments to standards will not have any material impact on the financial statements in the period of initial application.

#### 2.3 Financial instruments

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

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

#### 2.4 Financial assets

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

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

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

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

##### (i) Financial assets at amortised cost

The Fund classifies cash and cash equivalents, profit income receivables and dividend 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 fair value through profit or loss ("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.

These assets are subsequently measured using the EPR method and are subject to impairment. The EPR is a method of calculating the amortised cost of the financial assets and of allocating and recognising the profit income in profit or loss over the relevant period.

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

Investment in Shariah-compliant quoted equities are classified as FVTPL, unless the Fund designates an investment as FVTOCI on initial recognition.

A financial asset is recognised at FVTPL if:

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

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

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

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

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

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 measurement recognised in profit or loss.

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

Changes in the fair value of FVTPL investments are recognised in 'unrealised gain/ (loss) on FVTPL investments' in profit or loss. Accumulated unrealised gains or losses are reclassified to 'realised gain/ (loss) on FVTPL investments' in 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. The impairment model does not apply to equity investments.

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

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

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

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

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

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

## **MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

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

##### **(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.

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 assets 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 brokers, amount due to Trustee, distribution payable, and other payables and accruals as other financial liabilities.

##### **(ii) Recognition and measurement**

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

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

##### **(iii) Derecognition**

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

## **MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

#### **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 the hedge accounting in the future.

#### **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 market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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.



## **MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

#### **2.8 Functional and foreign currency**

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

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in United States Dollar ("USD"), which is also the Fund's functional currency.

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

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

#### **2.9 Unitholders' contribution**

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

The outstanding units are carried at the redemption amount that is payable at each financial year if unitholder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

Distribution equalisation represents the average distributable amount included in the creation and cancellation prices of units. 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 in the statement of comprehensive income except where dividend is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' contribution. A proposed dividend is recognised as a liability in the period in which it is approved. Distribution is either reinvested or paid in cash to the unitholders on the income payment date. Reinvestment 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 deposit with a financial institution with original maturity of three (3) months or less which have an insignificant risk of changes in value.

## **MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

#### **2.12 Revenue/ Income**

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

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

Profit income from deposits with licensed Islamic financial institutions is recognised on the accruals basis using the EPR method.

Realised gain or loss on disposal of investment is accounted for as the difference between net disposal proceeds and the carrying amount of the investments.

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 Taxation**

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

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

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

#### **2.14 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 the allocating resources and assessing performance of the operating segments.

#### **2.15 Critical accounting estimates and judgments**

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

No major 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 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.

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

#### 2.16 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

Shariah non-compliant investment made by the Manager will be disposed of or withdrawn as soon as possible. In the event the investment results in gain (through capital gain and/ or dividend), the gain is to be channelled to Baitulmal or any other charitable bodies as advised by the Shariah Adviser. If the disposal of the investment results in losses to the Fund, the losses are to be borne by the Manager.

(ii) Reclassification of Shariah Status of the fund's investment

If a security is reclassified as Shariah non-compliant by the Shariah Advisory Council of the Securities Commission Malaysia ("SACSC") and/ or the Shariah board of the Dow Jones Islamic Indices, as per the Shariah Adviser's advice, the said security shall be disposed of soonest practical, once the total amount of dividends received and the market value held equal the original investment costs.

Any capital gains arising from the disposal of the Shariah non-compliant security made at the time of the announcement can be kept by the Fund. However, any excess capital gains derived from the disposal after the announcement day at a market price that is higher than the closing price on the announcement day is to be channelled to Baitulmal or any charitable bodies.

(iii) Purification of cash dividend received

The cleansing process is the means by which all remaining elements of non-permissible income are removed or purged from a portfolio through dividend cleansing. The process applies mainly to non-permissible income as per Dow Jones screening methodology and should be disposed according to the same methodology of Dow Jones. The cleansed income shall be channelled to charities as approved by the Shariah Adviser.

The purification exercise is done by channelling the purification amount to charitable purposes as advised by the Shariah Adviser and this exercise will be performed by the Investment Manager when relevant information has been obtained. The calculation of the purification amount must further be endorsed by the Shariah Adviser for verification before the purification is done.

Any purification on income resulting from investments in Shariah non-compliant investments is disclosed as a reduction of the corresponding capital gain and/ or dividend in the statement of profit or loss.

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 3. SHARIAH INFORMATION OF THE FUND

The Shariah adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:

- (i) Shariah compliant investments as per approved by the Shariah Advisory Council of Securities Commission ("SACSC"), Shariah Advisory Council of Bank Negara Malaysia ("SACBNM") and the Dow Jones Islamic Market World Index.
- (ii) Cash placement and liquid assets in local market, which are placed with a licensed Islamic financial institution.

### 4. NET LOSS ON FOREIGN EXCHANGE AND DERIVATIVES

	<b>2023</b>	<b>2022</b>
	<b>USD</b>	<b>USD</b>
Net realised loss on foreign exchange	(3,984,986)	(875,017)
Net unrealised gain/ (loss) on foreign exchange	2,816,314	(3,814,749)
Net realised loss on derivatives	(3,907,751)	(3,059,138)
Net unrealised loss on derivatives	(924,909)	(491,216)
	<u>(6,001,332)</u>	<u>(8,240,120)</u>

### 5. MANAGER'S FEE

The Manager's fee is computed on a daily basis for financial year ended 30 June 2023 and financial year ended 30 June 2022 at the following rate per annum ("p.a.") of the NAV of the Fund before deducting the Manager's fee and Trustee's fee for that particular day.

<b>Share Class</b>	<b>Rate</b>
MYR Class	1.80%
MYR (Hedged) Class	1.80%
USD Class	1.80%
MYR (Hedged) (Institutional) Class	0.50%

### 6. TRUSTEE'S FEE

The Trustee's fee is computed daily based on 0.10% (2022: 0.10%) p.a. of the NAV of the Fund. The trustee fee is calculated and accrued daily and payable monthly to the Trustee.

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 7. TAXATION

	<b>2023</b> <b>USD</b>	<b>2022</b> <b>USD</b>
Tax expense for the financial year:		
Current income tax expense	<u>422,177</u>	<u>352,344</u>

Income tax is calculated at the Malaysian statutory tax rate of 24% (2022: 24%) of the estimated assessable income for the financial year. Profit income derived from sources outside Malaysia are exempted from Malaysian income tax. However, such income may be subject to tax in the country from which it is derived.

The tax charge 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, dividend income and profit income earned by the Fund is exempted from tax. With effect from 1 January 2022, the current income tax exemption on foreign-sourced income ("FSI") received in Malaysia by Malaysian residents has been removed.

Income derived from sources outside Malaysia may be subject to tax in the country from which it is derived. Tax on dividend income from foreign quoted equities is based on the tax regime of the respective countries that the Fund invests in.

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:

	<b>2023</b> <b>USD</b>	<b>2022</b> <b>USD</b>
Net results before taxation	<u>1,094,462</u>	<u>(19,253,127)</u>
Tax at Malaysian statutory rate of 24% (2022: 24%)	262,671	(4,620,750)
Income not subject to tax	(3,774,486)	(1,645,643)
Loss not deductible for tax purposes	3,129,626	5,759,400
Expenses not deductible for tax purposes	500,797	513,797
Income taxed at source	303,569	345,540
Tax expense for the financial year	<u>422,177</u>	<u>352,344</u>

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 8. FINANCIAL ASSETS AT FVTPL

			2023 USD	2022 USD	
Shariah-compliant quoted equities - Foreign			74,661,130	89,122,057	
<b>2023</b>	<b>Quantity Unit</b>	<b>Aggregate cost USD</b>	<b>Market value USD</b>	<b>Percentage of NAV %</b>	
<b>Shariah-compliant quoted equities - Foreign</b>					
<b>Australia</b>					
	CSL Ltd	3,100	583,549	572,249	0.68
	Fortescue Metals Group Ltd	66,100	909,080	975,688	1.16
		<u>69,200</u>	<u>1,492,629</u>	<u>1,547,937</u>	<u>1.84</u>
<b>China</b>					
	Contemporary Amperex Technology Co Ltd	24,300	774,731	765,779	0.91
<b>Denmark</b>					
	Novo Nordisk A/S-B	14,200	2,044,642	2,287,862	2.73
<b>France</b>					
	Schneider Electric Se	14,800	2,228,321	2,688,043	3.21
<b>Germany</b>					
	Brenntag SE	9,800	766,784	762,823	0.91
<b>Great Britain</b>					
	AstraZeneca Plc	12,900	1,617,433	1,849,383	2.21
	Bunzl Plc	42,100	1,523,208	1,605,243	1.92
	GSK Plc	150,800	2,568,536	2,662,706	3.18

**MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

2023 (cont'd)	Quantity Unit	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>Shariah-compliant quoted equities - Foreign (cont'd)</b>				
<b>Great Britain (cont'd)</b>				
Relx Plc	68,300	1,770,558	2,275,988	2.72
Unilever Plc	73,900	3,990,766	3,849,866	4.60
	<u>348,000</u>	<u>11,470,501</u>	<u>12,243,186</u>	<u>14.63</u>
<b>Japan</b>				
Bridgestone Corp	10,000	419,558	407,667	0.49
Daikin Industries Ltd	4,300	736,471	870,684	1.04
FANUC Corp	63,400	2,222,378	2,207,360	2.63
SMC Corp	3,100	1,528,520	1,704,759	2.03
	<u>80,800</u>	<u>4,906,927</u>	<u>5,190,470</u>	<u>6.19</u>
<b>Netherlands</b>				
ASML Holdings NV	<u>1,600</u>	<u>923,882</u>	<u>1,157,439</u>	<u>1.38</u>
<b>South Korea</b>				
Samsung Electronics Co Ltd	<u>39,800</u>	<u>1,808,969</u>	<u>2,181,032</u>	<u>2.60</u>
<b>Spain</b>				
Industria De Diseno Textil	<u>93,500</u>	<u>2,774,201</u>	<u>3,617,553</u>	<u>4.32</u>
<b>Switzerland</b>				
Novartis AG	<u>20,000</u>	<u>2,078,257</u>	<u>2,011,860</u>	<u>2.40</u>

**MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

2023 (cont'd)	Quantity Unit	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>Shariah-compliant quoted equities - Foreign (cont'd)</b>				
<b>Taiwan</b>				
MediaTek Inc	85,000	1,897,144	1,876,506	2.24
Taiwan Semiconductor Manufacturing Co Ltd	115,300	1,994,978	2,131,054	2.54
	<u>200,300</u>	<u>3,892,122</u>	<u>4,007,560</u>	<u>4.78</u>
<b>United States of America</b>				
Adobe Inc	1,800	761,665	880,182	1.05
Alphabet Inc	22,900	2,446,647	2,741,130	3.27
Amazon.com, Inc	14,900	1,635,839	1,942,364	2.32
Apple Inc	11,100	1,664,587	2,153,067	2.57
Booking Holdings Inc	500	929,889	1,350,165	1.61
Danaher Corp	3,500	897,525	840,000	1.00
Edwards Lifesciences Corp	5,000	423,978	471,650	0.56
Eli Lilly and Co	4,700	1,532,054	2,204,206	2.63
Enphase Energy	5,400	1,203,918	904,392	1.08
First Solar Inc	6,800	1,193,161	1,292,612	1.54
Intel Corp	33,800	1,118,167	1,130,272	1.35
Merck & Co., Inc	23,500	2,298,680	2,711,665	3.24
Meta Platforms, Inc	3,600	992,319	1,033,128	1.23
Microsoft Corp	15,700	4,310,064	5,346,478	6.38
Motorola Solutions Inc	5,600	1,495,019	1,642,368	1.96
MSCI Inc	1,800	942,003	844,722	1.01



**MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

2023 (cont'd)	Quantity Unit	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>Shariah-compliant quoted equities - Foreign (cont'd)</b>				
<b>United States of America (cont'd)</b>				
Palo Alto Networks Inc	3,600	687,822	919,836	1.10
PepsiCo, Inc	10,600	1,829,432	1,963,332	2.34
Pfizer Inc	16,300	614,276	597,884	0.71
Salesforce.com Inc	4,000	732,256	845,040	1.01
Tesla, Inc	1,700	421,234	445,009	0.53
Texas Instruments Inc	10,410	1,691,272	1,874,008	2.24
Visa Inc	8,700	1,850,492	2,066,076	2.47
	<u>215,910</u>	<u>31,672,299</u>	<u>36,199,586</u>	<u>43.20</u>
<b>Total Shariah-compliant quoted equities - Foreign</b>	<u>1,132,210</u>	<u>66,834,265</u>	<u>74,661,130</u>	<u>89.10</u>
Unrealised gain on quoted equities - Foreign			<u>7,826,865</u>	

**MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

<b>2022</b>	<b>Quantity Unit</b>	<b>Aggregate cost USD</b>	<b>Market value USD</b>	<b>Percentage of NAV %</b>
<b>Shariah-compliant quoted equities - Foreign</b>				
<b>Canada</b>				
Transalta Renewables Inc.	179,900	2,636,472	2,294,684	2.40
<b>France</b>				
Schneider Electric SE	29,100	4,364,560	3,434,218	3.59
<b>Germany</b>				
Adidas AG	12,600	3,589,381	2,217,169	2.32
<b>Great Britain</b>				
AstraZeneca Plc	33,700	3,872,680	4,421,022	4.63
Persimmon Plc	131,700	4,487,316	2,980,353	3.12
Relx Plc	128,300	3,224,027	3,469,132	3.63
Unilever Plc	51,700	2,993,646	2,336,788	2.44
	<u>345,400</u>	<u>14,577,669</u>	<u>13,207,295</u>	<u>13.82</u>
<b>Hong Kong</b>				
Guangdong Investment Ltd	1,833,200	2,733,571	1,939,071	2.03
Link REIT	392,900	3,331,865	3,204,555	3.35
	<u>2,226,100</u>	<u>6,065,436</u>	<u>5,143,626</u>	<u>5.38</u>
<b>Netherlands</b>				
ASML Holdings NV	7,200	4,208,205	3,430,800	3.59
<b>Singapore</b>				
Netlink Nbn Trust	4,413,800	3,175,996	3,076,176	3.22
<b>Spain</b>				
Industria De Diseno Textil	104,100	2,978,982	2,349,332	2.46

**MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

<b>2022 (cont'd)</b>	<b>Quantity Unit</b>	<b>Aggregate cost USD</b>	<b>Market value USD</b>	<b>Percentage of NAV %</b>
<b>Shariah-compliant quoted equities - Foreign (cont'd)</b>				
<b>Switzerland</b>				
Alcon Inc	27,900	1,950,483	1,943,344	2.03
Nestle SA	30,700	3,763,309	3,573,794	3.74
Roche Holding AG	7,800	2,782,341	2,595,507	2.72
	<u>66,400</u>	<u>8,496,133</u>	<u>8,112,645</u>	<u>8.49</u>
<b>Taiwan</b>				
Taiwan Semiconductor Manufacturing Co Ltd	<u>167,300</u>	<u>3,051,954</u>	<u>2,677,003</u>	<u>2.80</u>
<b>United States of America</b>				
Adobe Inc	7,300	3,715,789	2,672,238	2.80
Alphabet Inc	1,900	4,150,383	4,140,594	4.33
American Tower Corp	13,560	3,322,024	3,465,800	3.63
Baxter International Inc	26,100	2,044,721	1,676,403	1.75
Estee Lauder Companies	12,900	3,664,249	3,285,243	3.44
Johnson & Johnson	14,900	2,294,021	2,644,899	2.77
Mastercard Inc	8,700	3,006,846	2,744,676	2.87
Microsoft Corp	13,200	3,466,353	3,390,156	3.55
Pfizer Inc	67,000	2,957,392	3,512,810	3.68
Procter & Gamble Co	18,200	2,585,526	2,616,978	2.74
Salesforce.com Inc	17,300	4,017,809	2,855,192	2.99
Texas Instruments Inc	19,410	3,096,440	2,982,346	3.12
Thermo Fisher Scientific Inc	3,400	1,796,995	1,847,152	1.93

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

2022 (cont'd)	Quantity Unit	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>Shariah-compliant quoted equities - Foreign (cont'd)</b>				
<b>United States of America (cont'd)</b>				
Union Pacific Corp	14,000	2,937,061	2,985,920	3.12
Equinix Inc	3,590	2,691,551	2,358,702	2.47
	<u>241,460</u>	<u>45,747,160</u>	<u>43,179,109</u>	<u>45.19</u>
<b>Total Shariah-compliant quoted equities - Foreign</b>	<u>7,793,360</u>	<u>98,891,948</u>	<u>89,122,057</u>	<u>93.26</u>
Unrealised loss on quoted equities - Foreign			<u>(9,769,891)</u>	

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

### 9. DEPOSIT WITH A LICENSED ISLAMIC FINANCIAL INSTITUTION

	2023 USD	2022 USD
Short-term placement with a maturity of less than 3 months	<u>-</u>	<u>3,554,307</u>

The weighted average effective profit rates ("WAEPR") p.a. and average maturity of deposit with a licensed financial institution with maturity of less than 3 months as at the reporting date were as follows:

	2023		2022	
	WAEPR % p.a.	Average maturity Days	WAEPR % p.a.	Average maturity Days
Deposit with a licensed Islamic financial institution	<u>-</u>	<u>-</u>	<u>2.00</u>	<u>1</u>

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 10. AMOUNT DUE FROM/ TO MANAGER

	Note	2023 USD	2022 USD
<b>Amount due from Manager</b>			
Subscription of units	(i)	95,352	112,200
<b>Amount due to Manager</b>			
Manager's fee	(ii)	121,805	140,388
Redemption of units	(iii)	280,454	86,085
		402,259	226,473

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

(ii) The amount relates to the amount payable to the Manager arising from the accruals for Managers fee at the end of the financial year. The normal credit term for Manager's fee is 15 days (2022: 15 days).

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

### 11. CASH AT BANK

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

	2023 USD	2022 USD
United States Dollar ("USD")	7,673,998	2,962,616
Taiwan Dollar ("TWD")	2,020,058	206,511
Malaysian Ringgit ("RM")	1,004,396	119,744
Chinese Yuan ("CNY")	11,568	-
	10,710,020	3,288,871

### 12. DERIVATIVE ASSETS/ LIABILITIES

	Notional principal amount	Fair value Assets USD	Liabilities USD
<u>Foreign exchange related contracts</u>			
<b>2023</b>	<b>USD</b>		
Currency forwards - less than 1 year	60,000,000	19,053	(1,760,635)
<b>Total derivatives assets &amp; liabilities</b>		19,053	(1,760,635)

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 12. DERIVATIVE ASSETS/ LIABILITIES (CONT'D)

	Notional principal amount	Fair value	
		Assets USD	Liabilities USD
<u>Foreign exchange related contracts (cont'd)</u>			
<b>2022</b>	<b>RM</b>		
Currency forwards - less than 1 year	70,100,000	-	(817,565)
	<b>USD</b>		
Currency forwards - less than 1 year	2,640,000	892	-
<b>Total derivatives assets &amp; liabilities</b>		<b>892</b>	<b>(817,565)</b>

As at the reporting date there were 11 (2022: 14) forward exchange contracts outstanding.

The forward currency contracts entered into during the financial year were for hedging against the currencies exposure arising mainly from subscriptions in the MYR (Hedged) Class and MYR (Hedged) (Institutional) Class. The change in fair value of the forward currency contract is recognised immediately in the statement of comprehensive income.

### 13. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable arising from the accruals for Trustee's fee at the end of the financial year.

### 14. PURIFICATION OF INCOME PAYABLE

During the current financial year, the Fund purified a total capital gain of USD24,531 arising from the disposal of American Tower Corp which were reclassified to Shariah non-compliant as advised by the Shariah Adviser. During the previous financial year, the Fund purified a total dividend income of USD18,341 and capital gain of USD215,225 arising from the disposal of Intuit Inc which were reclassified to Shariah non-compliant as advised by the Shariah Adviser. These amounts will be channelled to Baitulmal or any other charitable bodies as advised by the Shariah Adviser.

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

	Note	2023 USD	2022 USD
Unitholders' contribution	(a)	91,597,300	104,069,156
Accumulated realised (loss)/ income	(b)	(13,852,714)	2,105,391
Accumulated unrealised income/ (loss)	(c)	6,039,137	(10,591,253)
		<b>83,783,723</b>	<b>95,583,294</b>

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 15. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

#### (a) Unitholders' contribution

The units are distributed based on the following classes:

	2023		2022	
	No. of units	USD	No. of units	USD
(i) MYR Class	79,757,276	20,025,531	105,899,751	26,153,635
(ii) MYR (Hedged) Class	268,973,116	64,897,901	297,561,716	70,995,787
(iii) USD Class	2,935,581	3,031,625	3,204,039	3,277,491
(iv) MYR (Hedged) (Institutional) Class	15,001,000	3,642,243	15,001,000	3,642,243
	<u>366,666,973</u>	<u>91,597,300</u>	<u>421,666,506</u>	<u>104,069,156</u>

#### (i) MYR Class

At the beginning of financial year	105,899,751	26,153,635	64,502,974	14,819,936
Creation of units	22,250,913	5,096,139	102,982,583	28,011,802
Cancellation of units	<u>(48,393,388)</u>	<u>(11,224,243)</u>	<u>(61,585,806)</u>	<u>(16,678,103)</u>
At the end of the financial year	<u>79,757,276</u>	<u>20,025,531</u>	<u>105,899,751</u>	<u>26,153,635</u>

#### (ii) MYR (Hedged) Class

At the beginning of financial year	297,561,716	70,995,787	229,623,472	53,352,937
Creation of units	38,958,729	8,306,303	275,902,529	74,588,357
Cancellation of units	<u>(67,547,329)</u>	<u>(14,404,189)</u>	<u>(207,964,285)</u>	<u>(56,945,507)</u>
At the end of the financial year	<u>268,973,116</u>	<u>64,897,901</u>	<u>297,561,716</u>	<u>70,995,787</u>

#### (iii) USD Class

At the beginning of financial year	3,204,039	3,277,491	2,929,202	2,991,346
Creation of units	297,218	289,206	289,206	1,982,053
Cancellation of units	<u>(565,676)</u>	<u>(535,072)</u>	<u>(1,483,923)</u>	<u>(1,695,908)</u>
At the end of the financial year	<u>2,935,581</u>	<u>3,031,625</u>	<u>3,204,039</u>	<u>3,277,491</u>

**MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

**(a) Unitholders' contribution (cont'd)**

(iv) MYR (Hedged) (Institutional) Class	2023		2022	
	No. of units	USD	No. of units	USD
At the beginning/ end of financial year	15,001,000	3,642,243	15,001,000	3,642,243

As of the end of the financial year, the total number and value of units held legally or beneficially by the Manager and a related party are as follows:

	2023		2022	
	No of units	Valued at NAV	No of units	Valued at NAV
The Manager (MYR Class)	1,031	RM 1,186	1,031	RM 1,046
The Manager (MYR (Hedged) Class)	1,031	RM 1,040	1,031	RM 995
The Manager (USD Class)	1,031	USD 1,053	1,031	USD 986
The Manager (MYR (Hedged) (Institutional) Class)	1,000	RM 937	1,000	RM 882

**(b) Accumulated realised (loss)/ income**

	2023 USD	2022 USD
At the beginning of the financial year	2,105,391	1,881,084
Net realised (loss)/ income for the financial year	(15,958,105)	224,307
At the end of the financial year	(13,852,714)	2,105,391

**(c) Accumulated unrealised income/ (loss)**

	2023 USD	2022 USD
At the beginning of financial year	(10,591,253)	9,238,525
Net unrealised income/ (loss) for the financial year	16,630,390	(19,829,778)
At the end of the financial year	6,039,137	(10,591,253)



## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 15. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

#### (d) Classes of shares

##### (i) Types of classes of units

<b>Class</b>	<b>Currency</b>
MYR Class	MYR
MYR (Hedged) Class	MYR
USD Class	USD
MYR (Hedged) (Institutional) Class	MYR

There are different charges and features for each class as follows:

- (a) Management fees: MYR Class (1.80% p.a.), MYR (Hedged) (1.80% p.a.), USD Class (1.80% p.a.) and MYR (Hedged)(Institutional) Class (0.50% p.a.)
- (b) Initial investment for each class
- (c) Different additional minimum investment
- (d) Different minimum holdings for each class
- (e) Different sales charge for each class

##### (ii) NAV computation

The computation of NAV of the Fund is based on the Fund's functional currency, USD, irrespective of the multiple classes of units (denominated in other currencies). Due to multiple classes in this Fund, the expenses of the Fund are apportioned based on the MCR, which is the size of the respective class relative to the whole Fund. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to members of respective classes with the total number of outstanding units of respective classes.

##### (iii) Redemption/ cancellation by Unitholders

These units are cancellable at the unitholder's option. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unitholder exercises the right to put back the unit to the Fund.

There is no restriction on the putting of the units back to the Fund (i.e. redemption), subject to the minimum redemption amount of units of each class and the minimum unit holding for each class. If the unit holdings of a unitholder are, after a redemption request, falls below the minimum unit holdings for the Fund, a request for full redemption is deemed to have been made.

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 16. SIGNIFICANT RELATED PARTY TRANSACTION AND BALANCES

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

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

<u>Significant related party balances</u>	<b>2023 USD</b>
Maybank Islamic Berhad ("MIB") *:	
Derivative assets	19,053
Derivative liabilities	<u>(105,135)</u>

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

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

Details of transactions with brokers and dealers for the current financial year are as follows:

<b>2023</b>	<b>Value of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees USD</b>	<b>Percentage of brokerage fees %</b>
CIMB Investment Bank Bhd	77,962,498	30.18	75,527	33.14
CLSA Limited Bhd	71,340,160	27.61	25,184	11.05
Maybank Investment Bank Bhd ("MIBB")*	62,539,241	24.20	83,648	36.71
KAF Investment Bank Bhd	46,546,786	18.01	43,521	19.10
	<u>258,388,685</u>	<u>100.00</u>	<u>227,880</u>	<u>100.00</u>

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 17. TRANSACTIONS WITH BROKERS/ DEALERS/ FINANCIAL INSTITUTIONS (CONT'D)

<b>2022</b>	<b>Value of trades USD</b>	<b>Percentage of total trades %</b>	<b>Brokerage fees USD</b>	<b>Percentage of brokerage fees %</b>
CLSA Limited Bhd	38,011,378	43.34	10,483	11.94
MIBB	28,437,526	32.43	41,470	47.21
KAF Investment Bank Bhd	21,245,242	24.23	35,881	40.85
	<u>87,694,146</u>	<u>100.00</u>	<u>87,834</u>	<u>100.00</u>

\* MIBB is a wholly owned subsidiary of Malayan Banking Bhd ("MBB"), the ultimate holding company of the Manager.

Details of placements with a licensed financial institution for the current financial year are as follows:

<b>Financial institution</b>	<b>2023</b>		<b>2022</b>	
	<b>Value of placements USD</b>	<b>Percentage of total placements %</b>	<b>Value of placements USD</b>	<b>Percentage of total placements %</b>
Public Islamic Bank Bhd	<u>431,172,733</u>	<u>100.00</u>	<u>7,663,575,288</u>	<u>100.00</u>

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

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee, auditors' remuneration, tax agent's fee and other administrative expenses. For the financial year ended 30 June 2023, the TER of the Fund stood at 1.93% (2022: 1.95%).

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

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial year to the daily average NAV of the Fund. For the financial year ended to 30 June 2023, the PTR of the Fund stood at 1.44 times (2022: 0.42 times).

### 20. SEGMENT INFORMATION

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

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

The chief operating decision-maker is responsible for the performance of the Fund by investing a minimum of 80% of the Fund's NAV in Shariah-compliant equities and Shariah-compliant equity related securities. The Fund may invest up to 20% of the Fund's NAV in Islamic liquid assets or Islamic Real Estate Investment Trusts ("REITS").

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

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

### 21. 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.

<b>2023</b>	<b>Financial instruments at FVTPL USD</b>	<b>Financial assets at amortised cost USD</b>	<b>Financial liabilities at amortised cost USD</b>	<b>Total USD</b>
<b>Assets</b>				
Financial assets at FVTPL	74,661,130	-	-	74,661,130
Dividend receivable	-	232,913	-	232,913
Amount due from Manager	-	95,352	-	95,352
Amount due from broker	-	519,486	-	519,486
Cash at bank	-	10,710,020	-	10,710,020
Derivative assets	19,053	-	-	19,053
<b>Total financial assets</b>	<b>74,680,183</b>	<b>11,557,771</b>	<b>-</b>	<b>86,237,954</b>

MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

21. FINANCIAL INSTRUMENTS (CONT'D)

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

2023 (cont'd)	Financial instruments at FVTPL USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
<b>Liabilities</b>				
Derivative liabilities	1,760,635	-	-	1,760,635
Amount due to Manager	-	-	402,259	402,259
Amount due to Trustee	-	-	4,167	4,167
Purification of income payable	-	-	258,097	258,097
Other payables and accruals	-	-	4,664	4,664
<b>Total financial liabilities</b>	<b>1,760,635</b>	<b>-</b>	<b>669,187</b>	<b>2,429,822</b>
<b>2022</b>				
<b>Assets</b>				
Financial assets at FVTPL	89,122,057	-	-	89,122,057
Deposit with a licensed financial institution	-	3,554,307	-	3,554,307
Dividend receivable	-	381,109	-	381,109
Profit income receivables	-	195	-	195
Amount due from Manager	-	112,200	-	112,200
Amount due from Financial Institution	-	414,242	-	414,242
Cash at bank	-	3,288,871	-	3,288,871
Derivative assets	892	-	-	892
<b>Total financial assets</b>	<b>89,122,949</b>	<b>7,750,924</b>	<b>-</b>	<b>96,873,873</b>
<b>Liabilities</b>				
Derivative liabilities	817,565	-	-	817,565
Amount due to Manager	-	-	226,473	226,473
Amount due to Trustee	-	-	4,789	4,789
Purification of income payable	-	-	233,566	233,566
Other payables and accruals	-	-	4,784	4,784
<b>Total financial liabilities</b>	<b>817,565</b>	<b>-</b>	<b>469,612</b>	<b>1,287,177</b>

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 21. FINANCIAL INSTRUMENTS (CONT'D)

#### (b) Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL consists of quoted equities and is measured at fair value.

Fair value is determined by reference to their published price at the reporting date. For equities quoted on Bursa Malaysia, the market prices are determined by reference to the theoretical closing market price as published by Bursa Malaysia.

For equities quoted on stock exchanges other than Bursa Malaysia, the market prices are determined by reference to the theoretical closing market price as quoted by the respective foreign stock exchanges of the respective countries.

#### (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).

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities measured at fair value:

	Level 1 USD	Level 2 USD	Level 3 USD
<b>2023</b>			
<b>Financial assets</b>			
Financial assets at FVTPL	74,661,130	-	-
Derivative assets	-	19,053	-
	74,661,130	19,053	-
<b>Financial liabilities</b>			
Derivative liabilities	-	1,760,635	-
<b>2022</b>			
<b>Financial assets</b>			
Financial assets at FVTPL	89,122,057	-	-
Derivative assets	-	892	-
	89,122,057	892	-
<b>Financial liabilities</b>			
Derivative liabilities	-	817,565	-

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

### 21. FINANCIAL INSTRUMENTS (CONT'D)

#### **(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 and derivative assets and liabilities, 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.

### 22. 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 Deeds, SC'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, foreign exchange rates and equity prices.

##### **(i) Profit rate risk**

Cash and fixed deposits are particularly sensitive to movements in profit rates. When profit rates rise, the return on cash will rise while the value of fixed income securities 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 deposit with a licensed financial institution carry a fixed rate and therefore is not affected by movements in market profit rates.

##### **(ii) Currency 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.

The table below analyses the net position of the Fund's financial assets and financial liability (excluding derivative assets and derivative liabilities) which are exposed to foreign exchange risks as at 30 June 2023. As the Fund's functional currency is USD, the financial assets and financial liability denominated 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 liability of the Fund that may affect the value of the NAV attributable to unitholders. The Fund is exposed to foreign exchange risk on Australian Dollar ("AUD"), Swiss Franc ("CHF"), Danish Krone ("DKK"), Euro ("EUR"), British Pound Sterling ("GBP"), Japanese Yen ("JPY"), Korean Won ("KRW"), and New Taiwan Dollar ("TWD").

MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

(b) Market risk (cont'd)

(ii) Currency risk (cont'd)

2023	AUD USD	CHF USD	DKK USD	EUR USD	GBP USD	JPY USD	KRW USD	TWD USD	TOTAL USD
<b>Financial assets</b>									
Financial assets at FVTPL	1,547,937	2,011,860	2,287,862	8,225,858	12,243,186	5,190,470	2,181,032	4,007,560	37,695,765
Dividend receivable	-	-	-	-	52,727	36,971	-	111,776	201,474
Amount due from broker	-	-	-	-	489,834	-	-	29,652	519,486
Cash at bank	-	-	-	-	-	-	-	2,020,058	2,020,058
<b>Total financial assets</b>	<b>1,547,937</b>	<b>2,011,860</b>	<b>2,287,862</b>	<b>8,225,858</b>	<b>12,785,747</b>	<b>5,227,441</b>	<b>2,181,032</b>	<b>6,169,046</b>	<b>40,436,783</b>

Principal amount of forward exchange contracts (Note 12) \*

60,000,000

\* The Fund has entered into forward currency contracts to hedge its USD exposure arising mainly from investment denominated in USD and subscriptions in the MYR (Hedged) and MYR (Hedged) (Institutional) Class.

The Fund's exposures to fluctuations in the Canadian Dollar ("CAD")/ USD, Chinese Yuan ("CNY")/ USD and Malaysia Ringgit ("MYR")/ USD exchange rates are not significant for the FYE 30 June 2023.



MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

(b) Market risk (cont'd)

(ii) Currency risk (cont'd)

2022	CAD USD	CHF USD	EUR USD	GBP USD	TWD USD	HKD USD	SGD USD	MYR USD	TOTAL USD
<b>Financial assets</b>									
Financial assets at FVTPL	2,294,684	8,112,645	11,431,519	13,207,295	2,677,003	5,143,626	3,076,176	-	45,942,948
Deposit with a licensed Islamic financial institution	-	-	-	-	-	-	-	3,554,307	3,554,307
Dividend receivable	8,195	-	-	159,138	12,218	169,232	-	-	348,783
Profit income receivable	-	-	-	-	-	-	-	195	195
Amount due from Manager	-	-	-	-	-	-	-	112,200	112,200
Cash at bank	-	-	-	-	206,511	-	-	119,744	326,255
<b>Total financial assets</b>	<b>2,302,879</b>	<b>8,112,645</b>	<b>11,431,519</b>	<b>13,366,433</b>	<b>2,895,732</b>	<b>5,312,858</b>	<b>3,076,176</b>	<b>3,786,446</b>	<b>50,284,688</b>
<b>Financial liabilities</b>									
Amount due to Manager	-	-	-	-	-	-	-	226,473	226,473
Amount due to Trustee	-	-	-	-	-	-	-	4,789	4,789
Other payables and accruals	-	-	-	-	-	-	-	4,784	4,784
<b>Total financial liabilities excluding NAV attributable to unitholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>236,046</b>	<b>236,046</b>
<b>Net on-balance sheet open position</b>	<b>2,302,879</b>	<b>8,112,645</b>	<b>11,431,519</b>	<b>13,366,433</b>	<b>2,895,732</b>	<b>5,312,858</b>	<b>3,076,176</b>	<b>3,550,400</b>	<b>50,048,642</b>
<b>Principal amount of forward exchange contracts (Note 12) *</b>									<b>2,640,000</b>

\* The Fund has entered into forward currency contracts to hedge its USD exposure arising mainly from investment denominated in USD and subscriptions in the MYR (Hedged) and MYR (Hedged) (Institutional) Class.

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

#### (b) Market risk (cont'd)

##### (ii) Currency risk (cont'd)

The table below summarises the sensitivity of the Fund's net asset value to changes in foreign exchange movements at the end of the reporting period. The analysis is based on assumption that the foreign exchange rate changes by 5% with all variables remain constant. This represents the Manager's best estimate of a reasonable possible shift in the foreign exchange rate having regard to historical volatility at this rate.

Currencies	2023		2022	
	Change in exchange rates %	Effects on NAV Increase/ (decrease) USD	Change in exchange rates %	Effects on NAV Increase/ (decrease) USD
AUD	+5%	1,547,937	+5%	-
	-5%	(1,547,937)	-5%	-
CAD	+5%	-	+5%	115,144
	-5%	-	-5%	(115,144)
CHF	+5%	2,011,860	+5%	405,632
	-5%	(2,011,860)	-5%	(405,632)
DKK	+5%	2,287,862	+5%	-
	-5%	(2,287,862)	-5%	-
EUR	+5%	8,225,858	+5%	571,576
	-5%	(8,225,858)	-5%	(571,576)
GBP	+5%	12,785,747	+5%	668,322
	-5%	(12,785,747)	-5%	(668,322)
HKD	+5%	-	+5%	265,643
	-5%	-	-5%	(265,643)
JPY	+5%	5,227,441	+5%	-
	-5%	(5,227,441)	-5%	-
KRW	+5%	2,181,032	+5%	-
	-5%	(2,181,032)	-5%	-
MYR	+5%	-	+5%	177,520
	-5%	-	-5%	(177,520)
SGD	+5%	-	+5%	153,809
	-5%	-	-5%	(153,809)
TWD	+5%	6,169,046	+5%	144,787
	-5%	(6,169,046)	-5%	(144,787)

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

#### (b) Market risk (cont'd)

##### (iii) Equity price risk

Price risk is the risk of unfavourable changes in the fair values of investments as the result of changes in the levels of equity indices and the value of individual shares. The price risk exposure arises from the Fund's investments in quoted equities.

##### Equity price risk sensitivity

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:

	2023		2022	
	Changes in price %	Effects on NAV Increase/ (decrease) USD	Changes in price %	Effects on NAV Increase/ (decrease) USD
Quoted equities	+5%	3,733,057	+5%	4,456,103
	-5%	(3,733,057)	-5%	(4,456,103)

The impact to net results after taxation is expected to be the same as the effects on NAV.

##### Equity price risk concentration

The Fund's exposure to price risk based on its portfolio of investments as at the reporting date is disclosed in Note 8.

#### (c) Credit risk

Credit risk is the risk that the issuer/ counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. 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 payments 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 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 assets recognised in the statement of financial position. None of the Fund's financial assets were past due or impaired as at the reporting date.

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

#### (c) Credit risk (cont'd)

##### (ii) Credit quality of financial assets

Besides investing in quoted equities within Asia Pacific ex-Japan, the Manager is also eligible to invest in Shariah-compliant liquid assets including Shariah-compliant money market instruments issued by Malaysian issuers and Malaysian financial institutions and placement in a licensed Islamic financial institution. There will be no minimum rating stipulated for the licensed Islamic financial institutions on the placement in Islamic deposits.

##### (iii) Credit risk concentration

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

Financial assets	2023		2022	
	USD	Percentage of NAV %	USD	Percentage of NAV %
AAA	10,710,020	12.78	6,843,373	7.16

#### (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 Deeds. 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.

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 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' contribution 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.

**MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

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

**(d) Liquidity risk (cont'd)**

<b>2023</b>	<b>Less than 1 month USD</b>	<b>More than 1 month USD</b>	<b>Total USD</b>
<b>Financial assets</b>			
Financial assets at FVTPL	74,661,130	-	74,661,130
Dividend receivable	232,913	-	232,913
Amount due from Manager	95,352	-	95,352
Amount due from broker	519,486	-	519,486
Cash at bank	10,710,020	-	10,710,020
Derivative assets	-	19,053	19,053
Total undiscounted financial assets	<u>86,218,901</u>	<u>19,053</u>	<u>86,237,954</u>
<b>Financial liabilities and net assets attributable to unitholders of the Fund</b>			
Derivative liabilities	-	1,760,635	1,760,635
Amount due to Manager	402,259	-	402,259
Amount due to Trustee	4,167	-	4,167
Purification of income payable	258,097	-	258,097
Other payables and accruals	4,664	-	4,664
Net assets attributable to unitholders of the Fund	<u>83,783,723</u>	<u>-</u>	<u>83,783,723</u>
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	<u>84,452,910</u>	<u>1,760,635</u>	<u>86,213,545</u>
Liquidity surplus/ (gap)	<u>1,765,991</u>	<u>(1,741,582)</u>	<u>24,409</u>
<b>2022</b>			
<b>Financial assets</b>			
Financial assets at FVTPL	89,122,057	-	89,122,057
Deposit with a licensed Islamic financial institution	3,554,307	-	3,554,307
Dividend receivable	381,109	-	381,109
Profit income receivables	195	-	195
Amount due from Manager	112,200	-	112,200
Amount due from broker	414,242	-	414,242
Cash at bank	3,288,871	-	3,288,871
Derivative assets	-	892	892
Total undiscounted financial assets	<u>96,872,981</u>	<u>892</u>	<u>96,873,873</u>

## MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND

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

#### (d) Liquidity risk (cont'd)

2022 (cont'd)	Less than 1 month USD	More than 1 month USD	Total USD
<b>Financial liabilities and net assets attributable to unitholders of the Fund</b>			
Derivative liabilities	-	817,565	817,565
Amount due to Manager	226,473	-	226,473
Amount due to Trustee	4,789	-	4,789
Purification of income payable	233,566	-	233,566
Other payables and accruals	4,784	-	4,784
Net assets attributable to unitholders of the Fund	95,583,294	-	95,583,294
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	96,052,906	817,565	96,870,471
Liquidity surplus/ (gap)	820,075	(816,673)	3,402

#### Notes:

##### (i) Financial assets

Analysis of financial assets at FVTPL and deposits into maturity groupings is based on the expected date on which these assets will be realised. The Fund's Shariah-compliant quoted equities 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' contribution be required to be redeemed. The other assets shall not comprise of tax recoverable in view that it is not a financial asset. For other assets, 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. Tax recoverable is excluded 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. Provision for tax is excluded if any.

##### (iii) Unitholders' contribution

The unitholders can request for redemption on their units by giving the Manager a T + 7 calendar day notice period, the unitholders' contribution have been categorised as having a maturity of "less than 1 month".

## **MAYBANK GLOBAL SUSTAINABLE EQUITY-I FUND**

### **23. 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 unitholders' contribution are:

- (a) To invest in investments meeting the description, risk exposure and expected returns indicated in its prospectus;
- (b) To achieve consistent returns while safeguarding unitholders' contribution 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 make the operations of the Fund cost-efficient.

No changes were made to the unitholders' contribution management objectives, policies or processes in the current financial year.