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# MAMG GOLD FUND

Annual report  
For the financial year ended 31 March 2024

## **CORPORATE INFORMATION**

### **MANAGER**

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

### **BUSINESS OFFICE**

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

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SCBMB Trustee Berhad (201201021301) (1005793-T)  
Level 25, Equatorial Plaza,  
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## **MAMG GOLD FUND**

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## MAMG GOLD FUND

### Manager's report

For the financial year ended 31 March 2024

#### A. Fund Information

**1. Name of Fund**

MAMG Gold Fund (the "Fund")

**2. Type of Fund**

Growth

**3. Category of Fund**

Wholesale feeder fund

**4. Duration of Fund**

The Fund is an open-ended fund.

**5. Fund launch date**

Share Class	Launch date	Commencement date
USD Class	3 June 2020	3 June 2020
MYR Class	3 June 2020	3 June 2020
MYR (Hedged) Class	3 June 2020	3 June 2020

**6. Fund's investment objective**

The Fund aims to maximise investment returns by investing in Pictet CH Precious Metals Fund - Physical Gold ("Target Fund").

**7. Fund distribution policy**

Distribution shall be incidental and shall be made from the realised income/ gain of the Fund.

**8. Fund's investment policy and principal investment strategy**

The Fund seeks to achieve its investment objective by investing a minimum of 90% of the Fund's NAV in the 1 dy USD class of the Target Fund. The Target Fund is a sub-fund of Pictet CH Precious Metals Fund established and domiciled in Switzerland. The Fund may employ currency hedging strategies by utilising currency forwards to fully or partially hedge the foreign currency exposure to manage the currency risk of the Classes being hedged (other than USD Class and MYR Class).

**MAMG GOLD FUND**

**Manager’s report  
For the financial year ended 31 March 2024 (cont'd)**

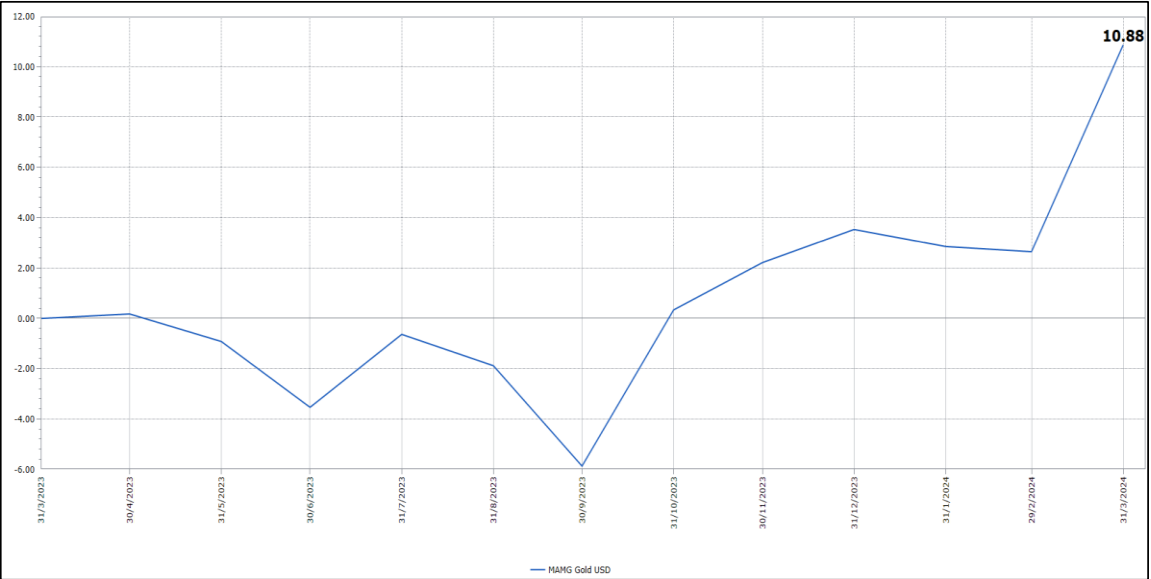
**B. Performance Review**

Performance of MAMG Gold Fund - USD Class for the financial year ended 31 March 2024 are as follows:

**USD Class**

Period	The Fund %
1 April 2023 to 31 March 2024	10.88

Performance of the USD Class for the financial year ended 31 March 2024:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 March 2024.

The USD Class has generated a net return of 10.88% for the financial year ended 31 March 2024.

## MAMG GOLD FUND

### Manager's report

For the financial year ended 31 March 2024 (cont'd)

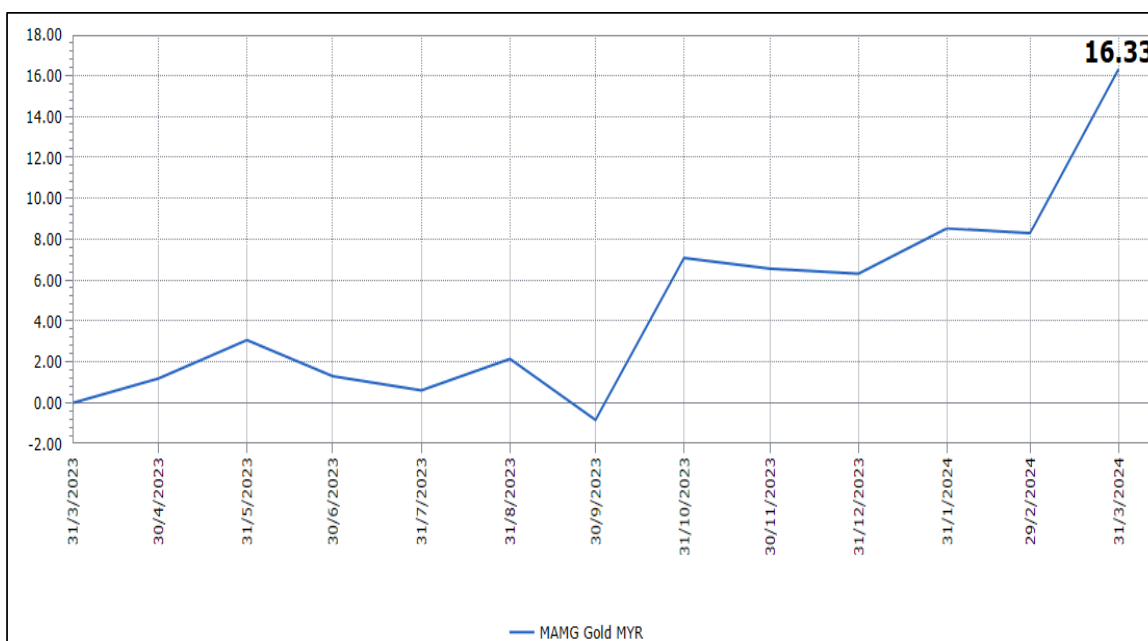
#### B. Performance Review (cont'd)

Performance of MAMG Gold Fund - MYR Class for the financial year ended 31 March 2024 are as follows:

##### MYR Class

Period	The Fund %
1 April 2023 to 31 March 2024	16.33

Performance of the MYR Class for the financial year ended 31 March 2024:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 March 2024.

The MYR Class has generated a net return of 16.33% for the financial year ended 31 March 2024.

## MAMG GOLD FUND

### Manager's report

For the financial year ended 31 March 2024 (cont'd)

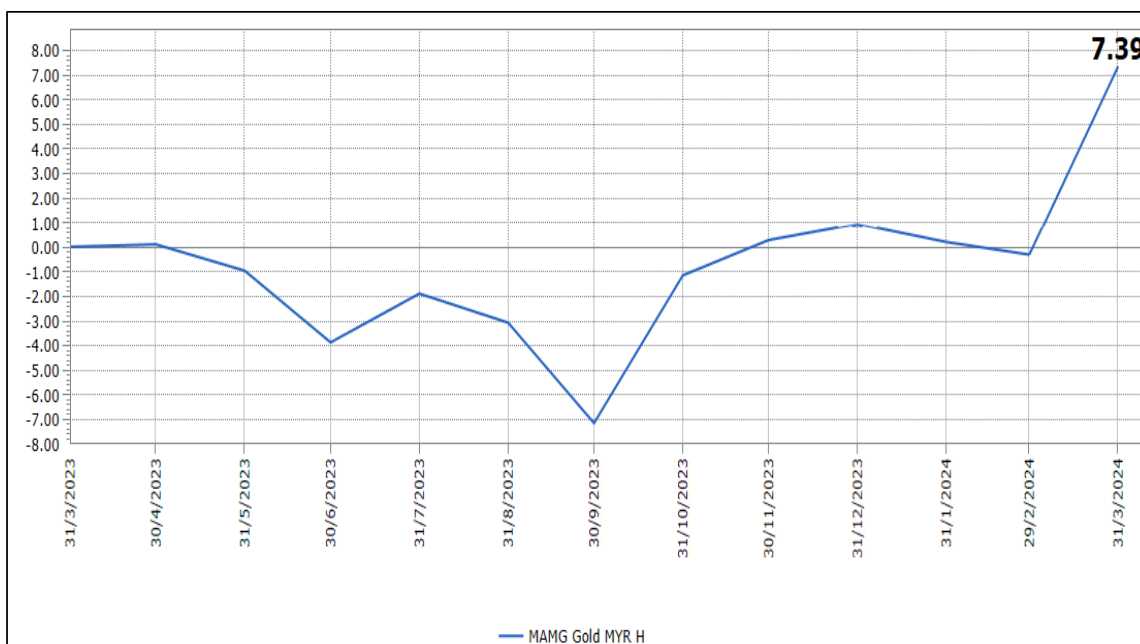
#### B. Performance Review (cont'd)

Performance of MAMG Gold Fund - MYR (Hedged) Class for the financial year ended 31 March 2024 are as follows:

##### MYR (Hedged) Class

Period	The Fund %
1 April 2023 to 31 March 2024	7.39

Performance of the MYR (Hedged) Class for the financial year ended 31 March 2024:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 March 2024.

The MYR (Hedged) Class has generated a net return of 7.39% for the financial year ended 31 March 2024.

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

## **MAMG GOLD FUND**

### **Manager's report**

**For the financial year ended 31 March 2024 (cont'd)**

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

Gold ended flat in April 2024 (+0.14%) after a strong start to 2023 as investors weighed expectations for further rate hikes against early signs of economic weaknesses in the United States ("US"). Renewed worries over the US banking sector (First Republic Bank) and softer inflation data at the beginning of the month pushed the metal above \$2,000 an ounce amid expectations that the Federal Reserve ("Fed") might have to accelerate the end of its rate-hike cycle. Bullion also benefited from a weaker United States Dollar ("USD"). However, persistent inflation and resilient US labor demand strengthened the case for a hawkish outlook and pushed Treasury yields up, which in turn pressured Gold. In May 2023, Gold lost 0.92% after struggling against two opposing forces. On one hand, the metal suffered from rate hike expectations due to a resilient US economy, rising treasury yields, and a stronger dollar. On the other hand, bullion benefited from haven demand in the standoff over the US debt ceiling and related default risks. Gold continued to decline further in June 2023, losing 2.65% to close the quarter lower by 3.40% at \$1,912 an ounce. In June 2023, prospects of more monetary tightening and ebbing haven demand were detrimental to Gold. The resilience of the US economy together with comments from central bankers signaled that the Fed and the European Central Bank ("ECB") may keep raising interest rates for longer. Conversely, haven demand faded with the resolution of the US debt-ceiling standoff and diminishing concerns about the banking sector.

Gold took a turn and gained 3.00% in July 2023 as optimism about the near-end of the Fed's rate-hiking cycle following cooler-than-expected US inflation data and signs of an economic slowdown outweighed the month-end rate hike. However, Gold lost 1.40% in August 2023 with central banks' language on inflation and interest rates remaining the primary price driver during the month. The metal benefited from risk-off sentiment at the start of the month when Fitch Ratings downgraded the US but then sharply retreated on speculation of possible further monetary tightening. Bullion finally recovered after a weaker US job report supported the view that the economic tightening was nearing its peak despite comments to the contrary from Powell at Jackson Hole. In September 2023, Gold lost another 3.70% and ended the quarter down 2.20%, at \$1,870.50 an ounce. Central bank rhetoric regarding inflation and interest rates continued to exert significant influence on prices, with the metal demonstrating notable resilience during mounting bond yields and a strengthening dollar. During the quarter, Gold's performance was negatively impacted by favorable economic data and Fed hawkish statements, leading to higher interest rates and a strong USD rally since mid-July 2023. However, Gold found support when yields reversed due to negative economic reports and optimism about monetary policy tightening. The "higher-for-longer" narrative dominated, and holdings in Gold exchange-traded funds ("ETFs") have been sliding since June 2023, affecting the Gold price.

In October 2023, Gold rose 6.80% to USD 2,000 an ounce, primarily driven by concerns surrounding the conflict in the Middle East. The attack by Hamas on Israel heightened tensions in a region that plays a crucial role in global energy supplies. The resulting upsurge in demand for safe-haven assets prevailed during the month despite economic data suggesting higher interest rates for longer and the bond sell-off that resulted from a substantial increase in supply. Gold continued to experience a gain, up 1.90% in November 2023, driven by optimism that the central bank's aggressive monetary tightening campaign has come to an end. Initially, the metal saw a decline in the first part of the month due to diminishing concerns about an escalation in the Israel-Hamas conflict, which eroded its appeal as a safe-haven asset. However, Gold rebounded significantly and reached its highest level since May 2023 as inflation slowed and indications of a cooling economy raised expectations of interest rate cuts by the Fed next year. Additionally, Gold benefited from a decline in Treasury yields and a weaker dollar, as lower yields are typically favorable for non-interest-bearing assets like bullion.



## **MAMG GOLD FUND**

### **Manager's report**

**For the financial year ended 31 March 2024 (cont'd)**

#### **C. Market Review (cont'd)**

Gold ended the year 2023 at a record high, reaching USD 2,078 an ounce, marking a 14.60% increase in 2023. The metal's price was heavily impacted by central bank inflation and interest rate rhetoric throughout the year. The "higher for longer interest rate" story dominated the first half of the year, but expectations turned toward less tightening and Fed rate decreases in 2024. Expectations changed, supporting the metal in the fourth quarter of 2023. Due to US financial sector fears, US-China tensions, and the Hamas assault on Israel, Gold has been in high demand as a safe-haven asset since October 2023. Central bank purchasing helped offset Gold-backed exchange-traded fund withdrawals. Gold gained last quarter amid falling Treasury rates and a weaker currency.

Gold lost 1.20% in January 2024 due to better-than-expected jobs reports and the Fed's "wait and see" approach to monetary easing. Policymakers pushed back against speculation about an early rate reduction, with Powell stating a March 2024 cut is unlikely. The strength of the Dollar negatively impacted the metal. Gold demand reached a record high in 2023, with consumption increasing by 3.00% to 4,899 tonnes. In February 2024, Gold experienced a -0.25% price drop due to higher-than-expected US inflation data and a hawkish interest rate outlook. However, Gold recovered due to expectations of a potential Fed shift, geopolitical risks, and the upcoming US presidential election. Chinese consumers also used bullion to protect against stock market and property sector volatility during Lunar New Year.

Gold rose by 8.00% in March 2024 and ended the first quarter of 2024 with a 6.50% gain. The main factors were the prospect of monetary easing by major central banks, strong safe-haven demand, and robust Chinese demand. The Fed's near-cutting interest rates pushed Gold to a record high, supported by geopolitical tensions in the Middle East and Ukraine, and concerns about the US stock market and the upcoming presidential election. Chinese demand was crucial, with the central bank acquiring large volumes of bullion for its reserves over the past 16 months. Individual investors, including younger generations, purchased coins, bars, jewelry, and Gold beans to protect their wealth.

#### **D. Market Outlook & Strategies**

Gold's short-term outlook is susceptible to a pullback due to positive economic indicators, such as a stronger US jobs report or hawkish Fed comments. Some investors may capitalize on their profits, which could also impact prices. A reduction in central bank purchases could negatively impact the metal. A de-escalation of the Middle East conflict could contribute to a Gold price correction. However, expectations of larger or earlier-than-expected interest rate cuts by the Fed may support Gold. Additionally, robust central bank purchases in emerging markets and sustained retail demand in Asia are likely to provide ongoing support. Gold is expected to benefit from safe-haven demand amid geopolitical uncertainty. As a feeder fund, the Fund will continue to invest at least 90% in the Target Fund as its strategy.

## MAMG GOLD FUND

### Manager's report

For the financial year ended 31 March 2024 (cont'd)

#### E. Asset Allocation

The Fund's asset allocation as at 31 March 2024 is as follows:

Asset allocation	31.03.2024		31.03.2023	
	USD	%	USD	%
Investment in Target Fund	5,099,133	96.92	3,986,573	97.67
Cash, deposit with a licensed financial institution and other net assets	161,774	3.08	95,252	2.33
<b>Total NAV</b>	<b>5,260,907</b>	<b>100.00</b>	<b>4,081,825</b>	<b>100.00</b>

#### F. Soft Commissions and Rebates

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

During the financial year ended 31 March 2024, the Manager and its delegates did not receive any rebates from the brokers or dealers but have retained soft commissions in the form of goods and services such as research materials and advisory services that assist in decision making process relating to the investment of the Fund (i.e. research materials, data and quotation services, computer hardware and software incidental to the investment management of the Fund and investment advisory services) which were of demonstrable benefits to the unitholders.

#### G. Significant Financial Risk of the Fund

As the base currency of the Fund is denominated in USD and the currency denomination of the Classes may be denominated in currencies other than USD, the Classes not denominated in USD are exposed to currency risk. Any fluctuation in the exchange rates between USD and the currency denomination of the Class (other than USD Class) will affect the unitholders' investments in those Classes (other than USD Class). The impact of the exchange rate movement between the base currency of the Fund and the currency denomination of the Class (other than USD Class) may result in a depreciation of the unitholder's holdings as expressed in the base currency of the Fund.

In order to manage currency risk, the Manager may employ currency hedging strategies to fully or partially hedge the foreign currency exposure of the Class not denominated in USD. Currency hedging may reduce the effect of the exchange rate movement for the Class being hedged (other than USD Class) but it does not entirely eliminate currency risk between the Class and the base currency of the Fund. The unhedged portion of the Class will still be affected by the exchange rate movements and it may cause fluctuation of NAV of the Class.

## **TRUSTEE'S REPORT**

### **TO THE UNITHOLDERS OF MAMG GOLD FUND FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

We have acted as Trustee of MAMG Gold Fund (the "Fund") for the financial year ended 31 March 2024. In our opinion and to the best of our knowledge, Maybank Asset Management Sdn Bhd, (the "Manager"), has operated and managed the Fund in accordance with the following:

- (a) Limitations imposed on the investment powers of the Manager under the Deed(s), the Securities Commission's Guidelines on Unlisted Capital Market Products Under the Lodge, Launch Framework and other applicable laws;
- (b) Valuation/ Pricing is carried out in accordance with the Deed(s) and any regulatory requirements; and
- (c) Creation and cancellation of units are carried out in accordance with the Deed(s) and relevant regulatory requirements.

For and on behalf of  
**SCBMB Trustee Berhad**

**Lor Yuen Ching**  
Trustee Services Manager

**Lee Kam Weng**  
Trustee Services Manager

Kuala Lumpur, Malaysia  
17 May 2024

**STATEMENT BY MANAGER**

**TO THE UNITHOLDERS OF  
MAMG GOLD FUND  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

We, Dr Hasnita Binti Dato' Hashim and Muhammad Hishamudin Bin Hamzah, being two of the directors of Maybank Asset Management Sdn Bhd (the "Manager"), do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of MAMG Gold Fund as at 31 March 2024 and of its results, changes in net assets attributable to unitholders and cash flows for the financial year then ended 31 March 2024 and comply with the requirements of the Deed.

For and on behalf of the Manager

**Dr Hasnita Binti Dato' Hashim**  
Director

**Muhammad Hishamudin Bin Hamzah**  
Director

Kuala Lumpur, Malaysia  
17 May 2024

## **Independent auditors' report to the Unitholders of MAMG Gold Fund**

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

#### *Opinion*

We have audited the financial statements of MAMG Gold Fund (the "Fund"), which comprise the statement of financial position as at 31 March 2024 of the Fund, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows of the Fund for the year then ended 31 March 2024, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 33.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 March 2024, 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 of the Fund ("the Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

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

**Independent auditors' report to the Unitholders of  
MAMG Gold Fund (cont'd)**

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

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

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

*Responsibilities of the Manager and Trustee for the financial statements*

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

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

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

*Auditors' responsibilities for the audit of the financial statements*

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

## **Independent auditors' report to the Unitholders of MAMG Gold Fund (cont'd)**

### *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 scepticism throughout the audit. We also:

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

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

**Independent auditors' report to the Unitholders of  
MAMG Gold Fund (cont'd)**

**Other matters**

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

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

Yeo Beng Yean  
03013/10/2024 J  
Chartered Accountant

Kuala Lumpur, Malaysia  
17 May 2024



## MAMG GOLD FUND

### STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024 USD	2023 USD
<b>INVESTMENT INCOME</b>			
Profit/ Interest income		4,102	2,206
Net gain on financial assets at fair value through profit or loss ("FVTPL")			
- Realised gain		287,065	32,116
- Unrealised gain		400,495	141,725
Net loss on foreign exchange and derivatives	3	(220,984)	(111,922)
		<u>470,678</u>	<u>64,125</u>
<b>EXPENSES</b>			
Manager's fee	4	24,576	17,142
Trustee's fee	5	1,267	1,358
Auditors' remuneration		1,992	1,889
Tax agent's fee		835	1,721
Administrative expenses		1,038	1,388
		<u>29,708</u>	<u>23,498</u>
<b>Net income before taxation</b>		440,970	40,627
Taxation	6	-	-
<b>Net income after taxation, representing total comprehensive income for the financial year</b>		<u>440,970</u>	<u>40,627</u>
<b>Net income after taxation is made up of the following:</b>			
Net realised income/ (loss)		24,893	(76,409)
Net unrealised income		416,077	117,036
		<u>440,970</u>	<u>40,627</u>

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

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2024**

	Note	2024 USD	2023 USD
<b>ASSETS</b>			
Financial assets at FVTPL	7	5,099,133	3,986,573
Deposits with licensed financial institutions	8	154,048	101,343
Derivative assets	9	61	9,440
Profit/ Interest receivable		40	8
Amount due from financial institution		35,000	20,000
Cash at bank	10	294,048	66,811
<b>TOTAL ASSETS</b>		<u>5,582,330</u>	<u>4,184,175</u>
<b>LIABILITIES</b>			
Derivative liabilities	8	9,874	33,743
Amount due to Manager	11	306,414	63,551
Amount due to Trustee	12	319	697
Other payables and accruals		4,816	4,359
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		<u>321,423</u>	<u>102,350</u>
<b>NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS</b>		<u>5,260,907</u>	<u>4,081,825</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:</b>			
Unitholders' contribution	13(a)	4,764,713	4,026,601
Retained earnings	13(b) & (c)	496,194	55,224
		<u>5,260,907</u>	<u>4,081,825</u>
<b>NET ASSET VALUE</b>			
- USD Class		821,122	855,854
- MYR Class		3,240,491	1,645,011
- MYR (Hedged) Class		1,199,294	1,580,960
		<u>5,260,907</u>	<u>4,081,825</u>
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
- USD Class		699,367	808,188
- MYR Class		12,521,373	6,894,878
- MYR (Hedged) Class		5,247,721	6,925,579
		<u>18,468,461</u>	<u>14,628,645</u>
<b>NAV PER UNIT</b>			
- USD Class		USD 1.1741	USD 1.0590
- MYR Class		RM 1.2260	RM 1.0539
- MYR (Hedged) Class		RM 1.0824	RM 1.0084

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

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<b>Unitholders' contribution Note 13(a) USD</b>	<b>Retained earnings Note 13(b) and 13(c) USD</b>	<b>Net assets attributable to unitholders USD</b>
At 1 April 2023	4,026,601	55,224	4,081,825
Total comprehensive income for the financial year	-	440,970	440,970
Creation of units	5,304,063	-	5,304,063
Cancellation of units	(4,565,951)	-	(4,565,951)
At 31 March 2024	<u>4,764,713</u>	<u>496,194</u>	<u>5,260,907</u>
At 1 April 2022	3,797,191	14,597	3,811,788
Total comprehensive income for the financial year	-	40,627	40,627
Creation of units	2,338,588	-	2,338,588
Cancellation of units	(2,109,178)	-	(2,109,178)
At 31 March 2023	<u>4,026,601</u>	<u>55,224</u>	<u>4,081,825</u>

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

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<b>2024 USD</b>	<b>2023 USD</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Net proceeds for sales of financial assets at FVTPL	3,427,000	1,765,000
Net payment for purchases of financial assets at FVTPL	(3,867,000)	(1,935,000)
Profit/ Interest received	4,070	2,201
Net settlement on forward currency contracts	(152,170)	(53,710)
Net settlement for realised foreign exchange loss	(144,308)	(71,727)
Manager's fee paid	(23,870)	(17,146)
Trustee's fee paid	(1,645)	(1,170)
Payment of other fees and expenses	(3,006)	(5,066)
Net cash used in operating and investing activities	<u>(760,929)</u>	<u>(316,618)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash received from units created	5,306,001	2,384,225
Cash paid on units cancelled	(4,317,781)	(2,050,742)
Net cash generated from financing activities	<u>988,220</u>	<u>333,483</u>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR</b>		
	227,291	16,865
<b>AT THE BEGINNING OF THE FINANCIAL YEAR</b>		
Effects of foreign exchange	52,651	41,098
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>		
	<u>448,096</u>	<u>168,154</u>
<b>Cash and cash equivalents comprise:</b>		
Deposit with licensed financial institutions (Note 8)	154,048	101,343
Cash at bank (Note 10)	294,048	66,811
	<u>448,096</u>	<u>168,154</u>

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

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

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

MAMG Gold Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 7 April 2020, between the Manager, Maybank Asset Management Sdn. Bhd. ("MAM") and the Trustee, SCBMB Trustees Berhad and the registered holder of the Fund.

The Fund aims to achieve long-term consistent positive return by investing in the Pictet CH Precious Metals Fund - Physical Gold ("Target Fund").

The Target Fund is a sub-fund of Pictet CH Precious Metals Fund established and domiciled in Switzerland. The Target Fund was launched on 30 September 2009. The Target Fund is subject to regulation under the Swiss Financial Market Supervisory Authority. The management company of the Target Fund is Pictet Asset Management SA.

The principal activity of the Fund is to invest a minimum of 90% of its NAV in the I dy USD Class of the Target Fund. The Fund may employ currency hedging strategies by utilising currency forwards to fully or partially hedge the foreign currency exposure to manage the currency risk of the Classes being hedged (other than USD Class and MYR Class).

The Fund launched 3 share classes as at the date of this report, which are USD Class, MYR Class and MYR (Hedged) Class.

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. 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 (the "Directors") of the Manager in accordance with a resolution of the Directors on 17 May 2024.

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

#### **2.1 Basis of preparation**

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("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 Deeds and any regulatory requirements.

The financial statements have been prepared on a historical cost basis, except as disclosed in the accounting policies in Note 2.3 to Note 2.15.

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

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

### 2.2 Standards and Amendments to Standards issued but not yet effective

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

<b>Description</b>	<b>Effective for annual periods beginning on or after</b>
Amendments to MFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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

### 2.3 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at 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.

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

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

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

The Fund classifies cash and cash equivalents, profit/ interest receivable, and amount due from financial institution as financial assets at amortised cost.

These assets are subsequently measured using the effective profit rate ("EPR")/ effective interest rate ("EIR") method and are subject to impairment. The EPR/ EIR is a method of calculating the amortised cost of the financial asset and of allocating and recognising the profit income in profit or loss over the relevant period.

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

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

Debt instruments that do not meet the criteria above are classified as either fair value through other comprehensive income ("FVTOCI") or FVTPL.

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

Investments in collective investment scheme and derivatives are classified as FVTPL, unless the Fund designates an investment that is not held for trading as FVTOCI on initial recognition.

A financial asset is recognised at FVTPL if:

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

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

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

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

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

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

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

#### **(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 is a probability-weighted estimate of credit losses. It is measured as follows:

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

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

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

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

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

#### **(iv) Derecognition**

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/ interest in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

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



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

### **2.5 Financial liabilities**

#### **(i) Classification**

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

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

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument. The Fund's financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the EPR/ EIR method.

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

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

### **2.6 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.

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

### **2.8 Functional and 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 the requirements of MFRS 132 *Financial Instruments: Presentation* as they are puttable instruments whereby the unitholders have the right to redeem their units in the Fund at their option.

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

### **2.9 Unitholders' contribution (cont'd)**

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.

### **2.10 Distributions**

Any distribution to the Fund's unitholders is accounted for as a deduction from profit or loss except where distribution is sourced out of distribution equalisation which is accounted for as a deduction from unitholders' capital. A proposed distribution is recognised as a liability in the year in which it is approved. Distribution is either reinvested or paid in cash to the unitholders on the distribution payment date. Reinvestment of units is based on the NAV per unit on the distribution payment date which is also the time of creation.

### **2.11 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and deposits with licensed financial institutions with original maturity of three (3) months or less which have an insignificant risk of changes in value.

### **2.12 Revenue/ Income**

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

Profit/ Interest income from short-term deposits is recognised on the accruals basis using the EPR/ EIR method.

Realised gain or loss on disposal of investment in collective investment scheme is accounted for as the difference between the 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 expense is determined according to Malaysian tax laws at the current tax rate based upon the taxable profit earned during the financial year.

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

### **2.14 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

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

### 2.15 Critical accounting estimates and judgments

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

No major judgement have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## 3. NET LOSS ON FOREIGN EXCHANGE AND DERIVATIVES

	<b>2024</b>	<b>2023</b>
	<b>USD</b>	<b>USD</b>
Net realised foreign exchange loss	(84,352)	(33,603)
Net unrealised foreign exchange gain	1,091	23
Net realised derivatives loss	(152,214)	(53,630)
Net unrealised derivatives gain/ (loss)	14,491	(24,712)
	<u>(220,984)</u>	<u>(111,922)</u>

## 4. MANAGER'S FEE

The Manager's fee is computed on a daily basis up to 0.62% per annum ("p.a.") (2022: up to 0.62% p.a.) of the NAV of each Class before deducting the Manager's fee and Trustee's fee for the particular day. The annual management fee is calculated and accrued daily in the Fund's base currency which is USD, which is also the Fund's functional currency and paid monthly to the Manager.

## 5. TRUSTEE'S FEE

The Trustee's fee is computed on a daily basis up to 0.02% p.a. (2023: up to 0.02% p.a.) of the NAV of the Fund, subject to a minimum fee of RM6,000.00 p.a. (2023: RM6,000.00 p.a.) before deducting the Manager's fee and Trustee's fees for that particular day.

## 6. TAXATION

Income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable income for the financial year. 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, profit/ interest 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.

## 6. TAXATION (CONT'D)

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

	<b>2024</b>	<b>2023</b>
	<b>USD</b>	<b>USD</b>
Net income before taxation	440,970	40,627
Taxation at Malaysian statutory rate of 24% (2023: 24%)	105,833	9,750
Income not subject to tax	(169,738)	(42,250)
Loss not deductible for tax purposes	56,776	26,861
Expenses not deductible for tax purposes	7,129	5,639
Tax expense for the financial year	-	-

## 7. FINANCIAL ASSETS AT FVTPL

Details of the Fund's investments in collective investment scheme are as follows:

	<b>Quantity</b>	<b>Cost</b>	<b>Fair value</b>	<b>% of</b>
	<b>Unit</b>	<b>USD</b>	<b>USD</b>	<b>NAV</b>
<b>2024</b>				
Pictet CH Precious Metals Fund - Physical Gold (Class I dy, USD)	23,778	4,391,596	5,099,133	96.92
Unrealised gain on investment			707,537	
<b>2023</b>				
Pictet CH Precious Metals Fund - Physical Gold (Class I dy, USD)	20,767	3,679,531	3,986,573	97.67
Unrealised gain on investment			307,042	

## 8. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	<b>2024</b>	<b>2023</b>
	<b>USD</b>	<b>USD</b>
Short-term placement with a maturity of less than 3 months	154,048	101,343

The weighted average effective profit rates ("WAEPR")/ weighted average effective interest rates ("WAEIR") and average maturity of deposits with licensed financial institutions with maturity of less than 3 months as at the reporting date were as follows:

	<b>2024</b>		<b>2023</b>	
	<b>WAEPR/ WAEIR</b>	<b>Average maturity</b>	<b>WAEPR/ WAEIR</b>	<b>Average maturity</b>
	<b>% p.a.</b>	<b>Days</b>	<b>% p.a.</b>	<b>Days</b>
Deposits with licensed financial institutions	3.12	3	2.75	3

## 9. DERIVATIVE ASSETS/ (LIABILITIES)

2024	Notional Principal amount	Fair Value	
		Assets USD	Liabilities USD
<u>Foreign exchange related contracts</u>			
Currency forwards:	USD		
Less than 1 year	1,261,000	-	(9,874)
Currency forwards:	MYR		
Less than 1 year	473,164	61	-
Total derivative		61	(9,874)
2023	Notional Principal amount	Fair Value	
		Assets USD	Liabilities USD
<u>Foreign exchange related contracts</u>			
Currency forwards:	USD		
Less than 1 year	1,559,000	6,294	(33,743)
Currency forwards:	MYR		
Less than 1 year	339,040	3,146	-
Total derivative		9,440	(33,743)

The derivative contracts entered into during the financial year were for hedging against the currencies exposure of the MYR (Hedged) Class based on the features of the Class as disclosed in the Information Memorandum. As the Fund has not adopted hedge accounting during the financial year, the changes in the fair value of the derivative contracts were recognised immediately in the statement of comprehensive income and borne solely by the respective Class (i.e. MYR (Hedged) Class).

## 10. CASH AT BANK

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

	2024 USD	2023 USD
USD	293,222	22,741
MYR	826	44,070
	<u>294,048</u>	<u>66,811</u>

## 11. AMOUNT DUE TO MANAGER

		<b>2024</b>	<b>2023</b>
		<b>USD</b>	<b>USD</b>
Amount due to Manager is in respect of:			
Manager's fee	(i)	2,298	1,592
Cancellation of units	(ii)	304,116	61,959
		<u>306,414</u>	<u>63,551</u>

- (i) The amount relates to the amount payable to the Manager arising from the accruals for Manager's fee at the end of the financial year. The normal credit term for Manager's fee is 15 days (2023: 15 days).
- (ii) The amount represents amount payable from to the Manager for units cancelled.

## 12. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable to the Trustee arising from the accrued Trustee's fee at the end of the financial year. The normal credit term for Trustee's fee is 15 days (2023: 15 days).

## 13. NET ASSET ATTRIBUTABLE TO UNITHOLDERS OF THE FUND

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>USD</b>	<b>USD</b>
Unitholders' contribution	(a)	4,764,713	4,026,601
Accumulated realised losses	(b)	(189,904)	(214,797)
Accumulated unrealised income	(c)	686,098	270,021
		<u>5,260,907</u>	<u>4,081,825</u>

### (a) Unitholders' contribution

The units are distributed based on the following share classes:

	<b>2024</b>		<b>2023</b>	
	<b>No. of units</b>	<b>USD</b>	<b>No. of units</b>	<b>USD</b>
(i) USD Class	699,367	646,555	808,188	762,855
(ii) MYR Class	12,521,373	2,833,368	6,894,878	1,605,934
(iii) MYR (Hedged) Class	5,247,721	1,284,790	6,925,579	1,657,812
	<u>18,468,461</u>	<u>4,764,713</u>	<u>14,628,645</u>	<u>4,026,601</u>

### (i) USD Class

	<b>2024</b>		<b>2023</b>	
	<b>No. of units</b>	<b>USD</b>	<b>No. of units</b>	<b>USD</b>
At beginning of financial year	808,188	762,855	926,865	960,526
Creation of units	100,765	108,910	767,337	707,940
Cancellation of units	(209,586)	(225,210)	(886,014)	(905,611)
As at end of the financial year	<u>699,367</u>	<u>646,555</u>	<u>808,188</u>	<u>762,855</u>

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

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

##### (ii) MYR Class

	2024		2023	
	No. of units	USD	No. of units	USD
At beginning of financial year	6,894,878	1,605,934	5,549,756	1,314,266
Creation of units	17,298,798	4,067,758	3,739,230	833,809
Cancellation of units	(11,672,303)	(2,840,324)	(2,394,108)	(542,141)
As at end of the financial year	<u>12,521,373</u>	<u>2,833,368</u>	<u>6,894,878</u>	<u>1,605,934</u>

##### (iii) MYR (Hedged) Class

	2024		2023	
	No. of units	USD	No. of units	USD
At beginning of financial year	6,925,579	1,657,812	6,197,201	1,522,399
Creation of units	5,239,951	1,127,395	3,764,560	796,839
Cancellation of units	(6,917,809)	(1,500,417)	(3,036,182)	(661,426)
As at end of the financial year	<u>5,247,721</u>	<u>1,284,790</u>	<u>6,925,579</u>	<u>1,657,812</u>

The Fund is a multi-class Fund. The impact of the exchange rate movement between the USD and MYR may result in the appreciation or depreciation of the unitholders investments in the Fund expressed in MYR. MYR (Hedged) Class represents a Class denominated in MYR which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund by entering into forward currency contracts to hedge the foreign currency exposure of this Class.

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

	2024		2023	
	No. of units	Valued at NAV	No. of units	Valued at NAV
The Manager (USD Class)	<u>1,000</u>	<u>USD 1,174</u>	<u>1,000</u>	<u>USD 1,059</u>
The Manager (MYR Class)	<u>1,000</u>	<u>RM 1,226</u>	<u>1,000</u>	<u>RM 1,054</u>
The Manager (MYR (Hedged) Class)	<u>1,000</u>	<u>RM 1,082</u>	<u>1,000</u>	<u>RM 1,008</u>

In the opinion of the Manager, the above units were transacted at the prevailing market price. Other than the above, there were no other units held by the Manager or parties related to the Manager.



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

#### (b) Accumulated realised losses

	<b>2024</b>	<b>2023</b>
	<b>USD</b>	<b>USD</b>
At beginning of financial year	(214,797)	(138,388)
Net realised income/ (loss) for the financial year	24,893	(76,409)
At the end of the financial year	<u>(189,904)</u>	<u>(214,797)</u>

#### (c) Accumulated unrealised income

	<b>2024</b>	<b>2023</b>
	<b>USD</b>	<b>USD</b>
At beginning of financial year	270,021	152,985
Net unrealised income for the financial year	416,077	117,036
At the end of the financial year	<u>686,098</u>	<u>270,021</u>

#### (d) Classes of shares

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

The Fund issues cancellable units, in three classes of units as detailed below:

<b>Classes of units</b>	<b>Currency</b>	<b>Categories of investors</b>	<b>Distribution policy</b>
USD Class	USD	Institutional	Distribution of income
MYR Class	RM	Institutional	Distribution of income
MYR (Hedged) Class	RM	Institutional	Distribution of income

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

- (a) Initial investments for each class;
- (b) Additional investments;
- (c) Minimum holdings;
- (d) Transfer, switching and conversion charges for each class; and
- (e) Hedging strategy (See Note 13 (a)(iii))

##### (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 non-class designated income and expenses incurred by the Fund are apportioned based on the multi-class ratio, 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.

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

#### (d) Classes of shares (cont'd)

##### (iii) Redemption of units by unitholders

These units are redeemable at the unitholders' option. Redeemable 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.

### 14. TRANSACTIONS WITH FINANCIAL INSTITUTIONS

The Manager bought and sold the units in the Target Fund directly from the Manager of the Target Fund in the current financial year.

Details of transactions, primarily deposits with licensed financial institutions are as follows:

	2024		2023	
	Transaction value USD	Percentage of total placements %	Transaction value USD	Percentage of total placements %
MBB*	27,881,757	84.39	21,603,918	100.00
Public Islamic Bank Berhad	5,155,878	15.61	-	-
	<u>33,037,635</u>	<u>100.00</u>	<u>21,603,918</u>	<u>100.00</u>

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

### 15. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

For the purpose of the 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, the following is the significant related party transaction and balances of the Fund during the financial year.

## 15. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D)

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

	2024 USD	2023 USD
<u>Significant related party transactions</u>		
MBB:		
Interest income from deposit	3,386	2,206
Realised loss on forward foreign exchange contracts	<u>38,937</u>	<u>12,423</u>
<u>Significant related party balances</u>		
	2024 USD	2023 USD
MBB:		
Deposits with a licensed financial institution	154,048	101,343
Derivative assets *	-	3,146
Derivative liabilities **	<u>2,457</u>	<u>10,336</u>

\* The principal amount of the outstanding contracts is RM Nil (2023: RM 339,040).

\*\* The principal amount of the outstanding contracts is USD 365,000 (2023: USD 445,000).

The Manager is of the opinion that the transactions and balances with the related parties have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

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

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee and other administrative expenses. For the financial year ended 31 March 2024, the TER of the Fund was 0.57% (2023: 0.64%).

## 17. 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 average NAV of the Fund calculated on a daily basis. For the financial year ended 31 March 2024, the PTR of the Fund stood at 0.70 times (2023: 0.51 times).

## 18. SEGMENT REPORTING

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.

## 18. SEGMENT REPORTING (CONT'D)

The chief operating decision-maker is responsible for the performance of the Fund by investing a minimum of 90% of its NAV in the I dy USD class of the Target Fund.

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

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

There were no changes in the reportable operating segments during the financial year.

## 19. FINANCIAL INSTRUMENTS

### (a) Classification of financial instruments

The Fund's financial assets and financial liabilities were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The material accounting policy information in Note 2.3 to Note 2.15 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.

2024	Financial instruments at FVTPL USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
<b>Financial Assets</b>				
Financial assets at FVTPL	5,099,133	-	-	5,099,133
Deposits with financial institutions	-	154,048	-	154,048
Derivative assets	61	-	-	61
Profit/ Interest receivable	-	40	-	40
Amount due from financial institution	-	35,000	-	35,000
Cash at bank	-	294,048	-	294,048
Total financial assets	<u>5,099,194</u>	<u>483,136</u>	<u>-</u>	<u>5,582,330</u>
<b>Financial Liabilities</b>				
Derivative liabilities	9,874	-	-	9,874
Amount due to Manager	-	-	306,414	306,414
Amount due to Trustee	-	-	319	319
Other payables and accruals	-	-	4,816	4,816
Total financial liabilities	<u>9,874</u>	<u>-</u>	<u>311,549</u>	<u>321,423</u>

## 19. FINANCIAL INSTRUMENTS (CONT'D)

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

2023	Financial instruments at FVTPL USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
<b>Financial Assets</b>				
Financial assets at FVTPL	3,986,573	-	-	3,986,573
Deposits with financial institutions	-	101,343	-	101,343
Derivative assets	9,440	-	-	9,440
Profit/ Interest receivable	-	8	-	8
Amount due from financial institution	-	20,000	-	20,000
Cash at bank	-	66,811	-	66,811
Total financial assets	3,996,013	188,162	-	4,184,175
<b>Financial Liabilities</b>				
Derivative liabilities	33,743	-	-	33,743
Amount due to Manager	-	-	63,551	63,551
Amount due to Trustee	-	-	697	697
Other payables and accruals	-	-	4,359	4,359
Total financial liabilities	33,743	-	68,607	102,350

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

The Fund's financial assets at FVTPL, derivative assets and derivative liabilities are carried at fair value.

#### Collective investment scheme

The Fund's investment in the collective investment scheme is carried at fair value. The fair value of the collective investment scheme is determined by reference to its last published NAV per unit at the reporting date.

#### Derivative assets and liabilities

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

## 19. FINANCIAL INSTRUMENTS (CONT'D)

### (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>2024</b>			
<b>Financial assets</b>			
Financial assets at FVTPL	5,099,133	-	-
Derivative assets	-	61	-
	5,099,133	61	-
<b>Financial liabilities</b>			
Derivative liabilities	-	9,874	-
	-	9,874	-
<b>2023</b>			
<b>Financial assets</b>			
Financial assets at FVTPL	3,986,573	-	-
Derivative assets	-	9,440	-
	3,986,573	9,440	-
<b>Financial liabilities</b>			
Derivative liabilities	-	33,743	-
	-	33,743	-

### (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.

## 20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

### (a) Introduction

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks.

Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Deed, SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework 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 interest rates, foreign exchange rates and equity prices. The Fund is exposed to foreign currency risk arising from the Fund's financial assets and liabilities denominated in foreign currencies. The Fund is also exposed to interest rate risk arising from deposits placed with licensed financial institutions. The Fund is not exposed to equity price risk as it does not hold any equity investments other than investment in Target Fund as at the reporting date.

#### (i) Profit/ Interest rate risk

Cash is sensitive to movement in profit/ interest rates. When profit/ interest rates rise, the return on cash will rise. The deposits with licensed financial institutions carries a fixed rate, and therefore, is not affected by the movements in market profit/ interest rates.

#### (ii) Foreign exchange risk

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

The base currency of the Fund is USD. As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between USD and the currencies in which the Fund's assets are denominated in may have an impact on the fair value of the Fund's assets. If the currencies in which the assets are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment and of the Fund.

The Fund is a multi-class Fund. The impact of the exchange rate movement between USD and the foreign currency of MYR may result in a depreciation of the unitholders' investment in the Fund as expressed in USD.

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

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

#### (ii) Foreign exchange risk (cont'd)

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

	<b>2024</b>	<b>2023</b>
	<b>USD</b>	<b>USD</b>
	<b>MYR</b>	<b>MYR</b>
<b>Financial assets</b>		
Deposits with licensed financial institutions	154,048	101,343
Profit/ Interest receivable	40	8
Cash at bank	826	44,070
<b>Total financial assets</b>	<u>154,914</u>	<u>145,421</u>
<b>Financial liabilities</b>		
Amount due to Manager	304,116	61,959
Other payables and accruals	4,816	4,359
<b>Total financial liabilities</b>	<u>308,932</u>	<u>66,318</u>
<b>Net on-balance sheet open position</b>	<u>(154,018)</u>	<u>79,103</u>
	<b>MYR</b>	<b>MYR</b>
<b>Principal amount of forward exchange contracts (Note 9)*</b>	<u>473,164</u>	<u>339,040</u>

\* The Fund entered into forward currency contracts during the financial year to hedge the foreign currency exposure of the MYR (Hedged) Class, based on the features of the respective classes as disclosed in Note 13(a).

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

	<b>2024</b>		<b>2023</b>	
	<b>Changes</b>	<b>Effects on</b>	<b>Changes</b>	<b>Effects on</b>
	<b>in price</b>	<b>NAV</b>	<b>in price</b>	<b>NAV</b>
	<b>%</b>	<b>Increase/ (Decrease)</b>	<b>%</b>	<b>Increase/ (Decrease)</b>
		<b>USD</b>		<b>USD</b>
RM	+5	(7,701)	+5	3,955
	-5	7,701	-5	(3,955)

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



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

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

#### (iii) Price risk

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

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

	2024		2023	
	Changes in price %	Effects on NAV Increase/ (Decrease) USD	Changes in price %	Effects on NAV Increase/ (Decrease) USD
Collective investment scheme	+5	254,957	+5	199,329
	-5	(254,957)	-5	(199,329)

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

### (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 repayments of interest, 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 asset recognised in the statement of financial position. None of the Fund's financial assets were past due or impaired as at the reporting date.

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

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

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

The following table analyses the Fund's cash at bank, deposits with licensed financial institutions and profit/ interest receivables by rating categories. The rating is obtained from RAM Holdings Berhad.

Financial assets	2024		2023	
	USD	As a percentage of NAV %	USD	As a percentage of NAV %
AAA	448,136	8.52	168,162	4.12

### (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 another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected.

The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unitholders by the Manager are redeemable at the unitholders' option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Deed.

It is the Fund's policy that the Manager monitors the Fund's liquidity position on a daily basis. The Fund also manages its obligation to redeem units when required to do so.

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 of cash, deposits with licensed 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 undiscounted financial liabilities and unitholders' contribution to provide a complete view of the Fund's contractual commitments and liquidity. Balances due within twelve months equal their carrying amounts, as the impact of discounting is insignificant.

2024	Less than 1 month USD	More than 1 month USD	Total USD
<b>Financial liabilities and net assets attributable</b>			
Derivative liabilities	9,874	-	9,874
Amount due to Manager	306,414	-	306,414
Amount due to Trustee	319	-	319
Other payables and accruals	4,816	-	4,816
NAV attributable to unitholders	5,260,907	-	5,260,907
Total undiscounted financial liabilities and net assets attributable to unitholders	5,582,330	-	5,582,330

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

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

2023	Less than 1 month USD	More than 1 month USD	Total USD
<b>Financial liabilities and net assets attributable</b>			
Derivative liabilities	33,743	-	33,743
Amount due to Manager	63,551	-	63,551
Amount due to Trustee	697	-	697
Other payables and accruals	4,359	-	4,359
NAV attributable to unitholders	4,081,825	-	4,081,825
Total undiscounted financial liabilities and net assets attributable to unitholders	4,184,175	-	4,184,175

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 is required to settle its financial obligation.

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

## 21. UNITHOLDERS' CONTRIBUTION MANAGEMENT

The unitholders' contribution can vary depending on the demand for redemptions and subscriptions to the Fund.

The Fund's objectives for managing the unitholders' contribution are:

- (a) To invest in investments meeting the description, risk exposure and expected return indicated in its information memorandum;
- (b) To achieve consistent returns while safeguarding capital by using various investment strategies;
- (c) To maintain sufficient liquidity to provide unitholders with regular and stable distributions and to meet the expenses of the Fund and other obligations as they arise; and
- (d) To maintain sufficient fund size to ensure that the operations of the Fund are cost-efficient.

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