

Asset Management

Maybank Asset Management Sdn Bhd

199701006283

Level 12 Tower C

Dataran Maybank

No.1 Jalan Maarof

59000 Kuala Lumpur

Telephone +603 2297 7888

Facsimile +603 2715 0071

www.maybank-am.com.my

MAMG CHINA EVOLUTION EQUITY FUND

Annual report

For the financial year ended 31 December 2024

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
Telephone +603 2297 7888
Facsimile +603 2715 0071
www.maybank-am.com.my

TRUSTEE

TMF Trustees Malaysia Berhad (200301008392) (610812-W)
Level 13 Menara 1 Sentrum
No.201 Jalan Tun Sambanthan
50470 Kuala Lumpur
Telephone +603 2382 4288
Facsimile +603 2026 1451

MAMG CHINA EVOLUTION EQUITY FUND

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MAMG CHINA EVOLUTION EQUITY FUND

Manager's report

For the financial year ended 31 December 2024

A. Fund's Information

1. Name of the Fund

MAMG China Evolution Equity Fund (the "Fund")

2. Type of fund

Growth

3. Category of the Fund

Wholesale Feeder Fund

4. Duration of Fund

The Fund is an open-ended fund.

5. Launch date/ Commencement date

Share Class	Currency	Date of Launch	Commencement Date
MYR	Malaysian Ringgit (MYR)	3 January 2022	24 January 2022
MYR (Hedged)	Malaysian Ringgit (MYR)	3 January 2022	24 January 2022
USD	United States Dollar (USD)	3 January 2022	24 January 2022
SGD (Hedged)	Singapore Dollars (SGD)	3 January 2022	24 January 2022
AUD (Hedged)	Australian Dollar (AUD)	3 January 2022	24 January 2022

6. Fund's investment objective

The Fund aims to maximise investment returns by investing in the T. Rowe Price Funds SICAV – China Evolution Equity Fund ("Target Fund").

7. Fund's distribution policy

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

8. Fund's performance benchmark

MSCI China All Shares Index Net.

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

MAMG CHINA EVOLUTION EQUITY FUND

Manager's report

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

A. Fund's Information (cont'd)

9. Fund's investment policy and principal investment strategy

The Fund seeks to achieve its investment objective by investing a minimum of 90% of its NAV into Class S of the Target Fund.

The Target Fund is a sub-fund of T. Rowe Price Funds SICAV, established and domiciled in Luxembourg and was launched on 10 August 2020.

The Fund may employ currency hedging strategies to fully or partially hedge the foreign currency exposure to manage the currency risk.

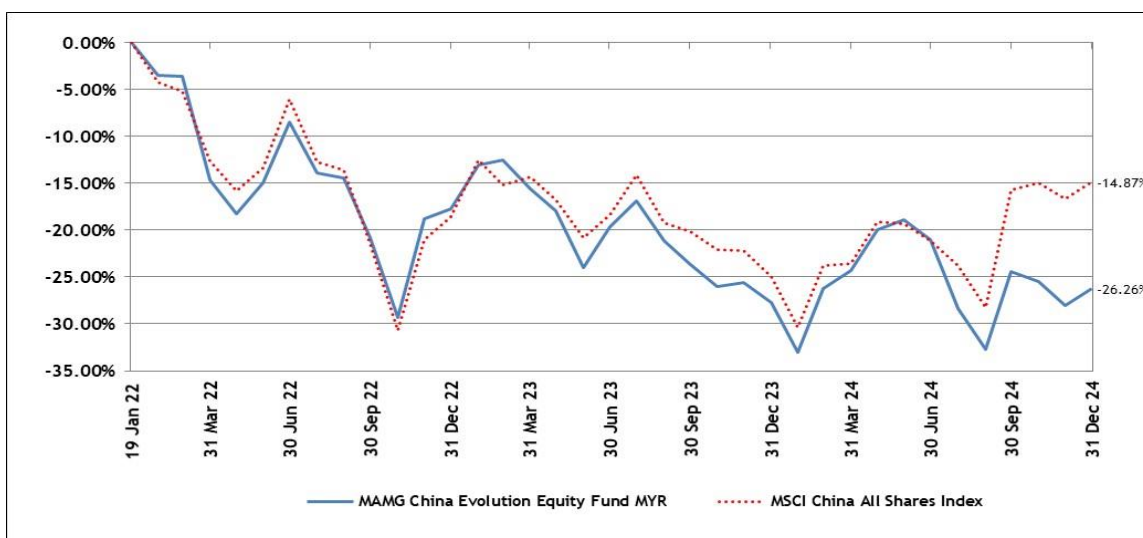
Although the Fund is passively managed, the Manager will ensure proper and efficient management of the Fund so that the Fund is able to meet redemption requests by unitholders.

B. Performance Review

Performance of MAMG China Evolution Equity Fund - MYR Class for the financial year ended 31 December 2024 are as follows:

MYR Class

Category	1 year to 31.12.2024 %	S.I to 31.12.2024 %
Total return of the Fund	1.99	(26.26)
Benchmark	13.42	(14.87)



Source: Lipper as at 31 December 2024

MAMG CHINA EVOLUTION EQUITY FUND

Manager's report

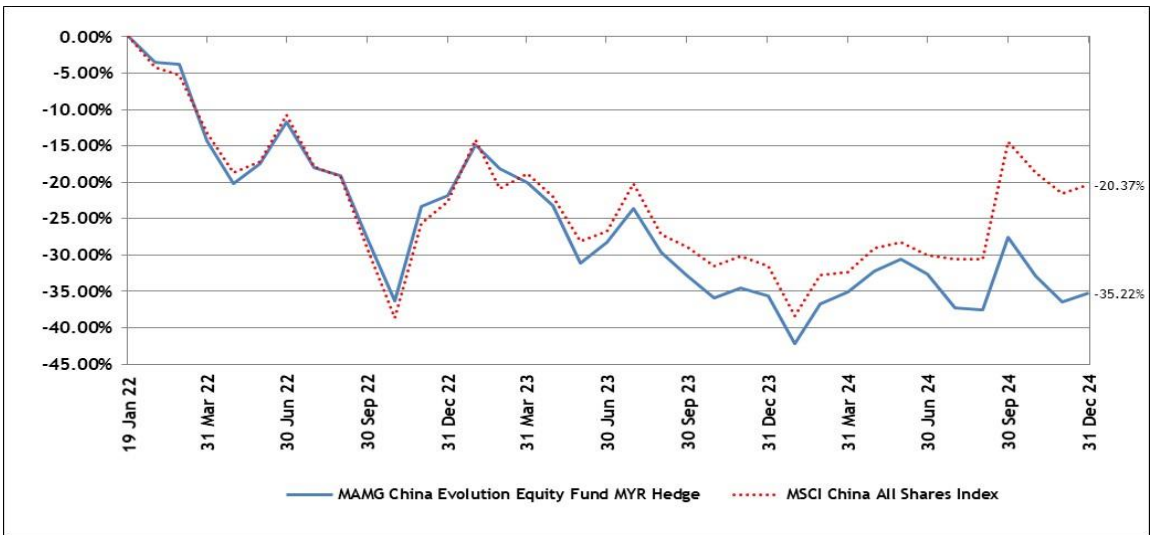
For the financial year ended 31 December 2024 (cont'd)

B. Performance Review (cont'd)

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

MYR (Hedged) Class

Category	1 year to 31.12.2024 %	S.I to 31.12.2024 %
Total return of the Fund	0.59	(35.22)
Benchmark	16.38	(20.37)



Source: Lipper as at 31 December 2024

MAMG CHINA EVOLUTION EQUITY FUND

Manager's report

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

B. Performance Review (cont'd)

Performance of MAMG China Evolution Equity Fund - USD Class for the financial year ended 31 December 2024 are as follows:

USD Class

Category	1 year to 31.12.2024 %	S.I to 31.12.2024 %
Total return of the Fund	4.81	(31.52)
Benchmark	16.38	(20.37)



Source: Lipper as at 31 December 2024

MAMG CHINA EVOLUTION EQUITY FUND

Manager's report

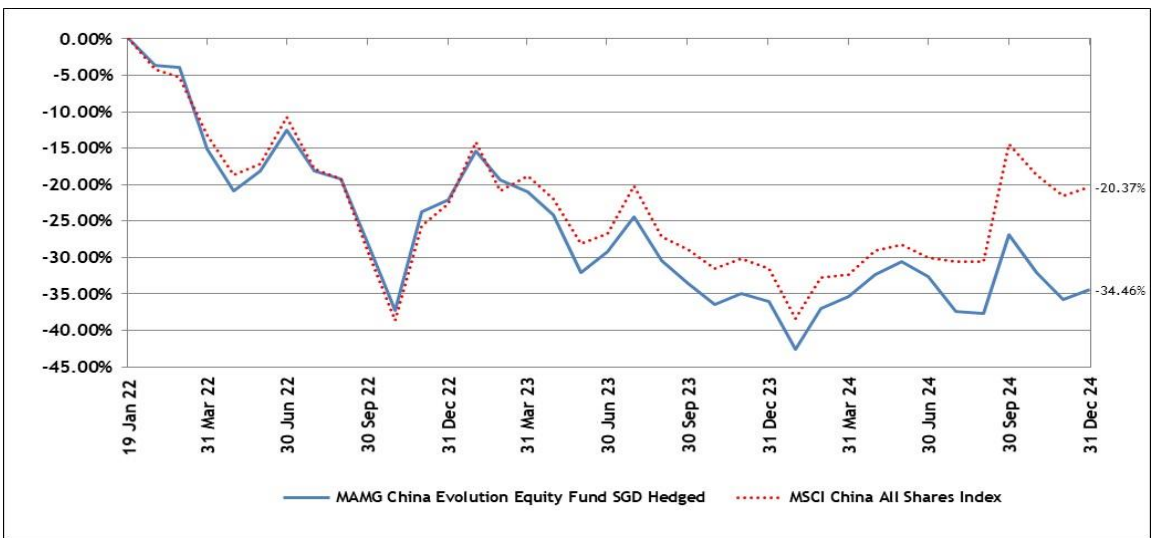
For the financial year ended 31 December 2024 (cont'd)

B. Performance Review (cont'd)

Performance of MAMG China Evolution Equity Fund - SGD (Hedged) Class for the financial year ended 31 December 2024 are as follows:

SGD (Hedged) Class

Category	1 year to 31.12.2024 %	S.I to 31.12.2024 %
Total return of the Fund	2.47	(34.46)
Benchmark	16.38	(20.37)



Source: Lipper as at 31 December 2024

MAMG CHINA EVOLUTION EQUITY FUND

Manager's report

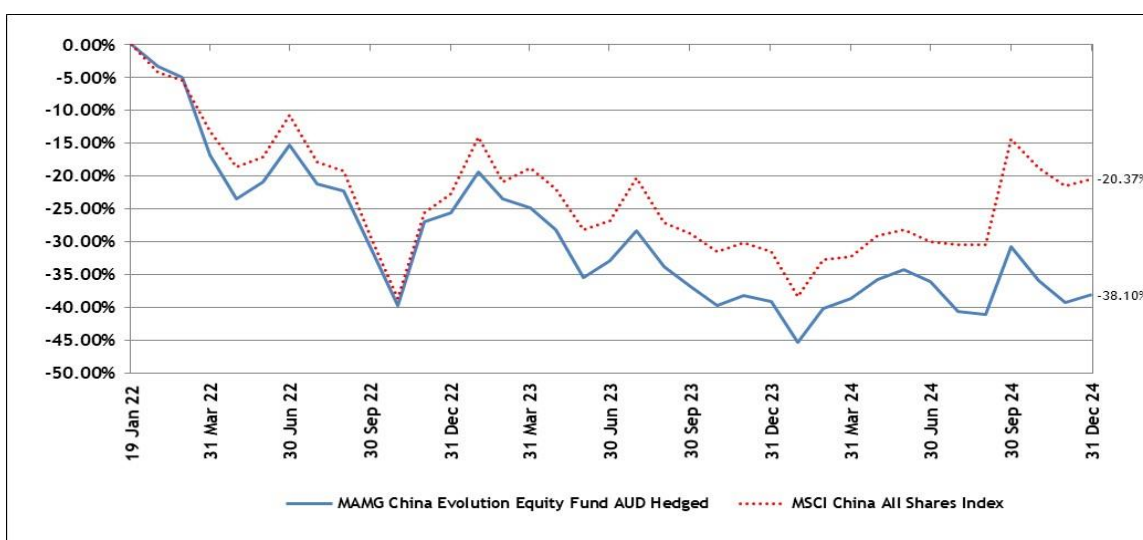
For the financial year ended 31 December 2024 (cont'd)

B. Performance Review (cont'd)

Performance of MAMG China Evolution Equity Fund - AUD (Hedged) Class for the financial year ended 31 December 2024 are as follows:

AUD (Hedged) Class

Category	1 year to 31.12.2024 %	S.I to 31.12.2024 %
Total return of the Fund	1.58	(38.10)
Benchmark	16.38	(20.37)



Source: Lipper as at 31 December 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.

For the year under review, the total return of MYR Class was 1.99% underperforming the benchmark of 13.42%. The total return of MYR (Hedged) Class, USD Class, SGD (Hedged) Class and AUD (Hedged) Class were 0.59%, 4.81%, 2.47% and 1.58% respectively, underperforming the benchmark of 16.38%.

During the year under review, the Fund underperformed the benchmark index. The Fund did not meet its objective. Overall, the underperformance was largely due to security selection challenges because by design the Fund has bigger exposure to smaller capitalization companies. The Fund's focus is beyond mega-cap stocks such as Alibaba Group Holding, hence not owning stocks that are viewed as beneficiary of China's recovery hampered relative returns.

MAMG CHINA EVOLUTION EQUITY FUND

Manager's report

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

C. Market Review

Chinese equities fell in the first quarter but closed off their lows as positive indicators suggested that the world's second-largest economy may be stabilizing and showing signs of nascent recovery. China had a volatile start to the year as the impact of a relatively new financial derivative known as a snowball exacerbated the stock selloff in January 2024 in a market weighed down by a festering property sector downturn and growing deflationary pressure. Gains, however, were recorded in February 2024 and March 2024 as heightened policy support from Beijing, coupled with better-than-expected economic data that hinted at a stabilizing economy, helped shore up sentiment. Consumer spending patterns during the Lunar New Year break in February 2024, one of China's most important holidays, were a bright spot as tourism revenues, inflation and other economic indicators picked up.

China ramped up stimulus measures with the People's Bank of China ("PBOC") delivering the biggest cut to a key mortgage rate. China's major banks reduced the five-year loan prime rate ("LPR"), a benchmark for home loans, to a new low of 3.95%, from 4.20% previously, while the central bank kept its one-year LPR, the peg for most household and corporate loans, unchanged, reflecting its intent to support the property sector. In March 2024, Chinese Premier Li Qiang announced an economic growth target of around 5.00% for 2024, unchanged from the previous year, at the annual meeting of the National People's Congress, China's parliament. Short of a major fiscal stimulus, the flurry of measures in the first quarter also included a cut in most banks' reserve requirement ratio by 50 basis points ("bps") in February 2024, loosening of home purchase restrictions by several major cities to bolster demand, and the approval of loans for housing projects that local governments recommended for financial support under a whitelist scheme.

Chinese equities advanced in the second quarter, buoyed by Beijing's policy shift in tackling the protracted downturn in the property market, upward corporate earnings revisions, and moves by companies to enhance shareholder returns. Mixed economic data and the resurgence of trade tensions between China and the West, however, dampened sentiment. In May, the PBOC announced a nationwide relending program to provide RMB300 billion (USD41 billion) in loans to fund state purchases of unsold homes which would then be converted into affordable housing. The move should help to address excess housing stock concerns while easing the cashflow strains for developers. The central bank also removed a floor on mortgage interest rates and lowered the minimum down payment ratio for first- and second-time home buyers.

Chinese stocks surged in the third quarter driven by Beijing's announcement of the most forceful suite of stimulus measures since the coronavirus pandemic. Investors cheered the confluence of monetary easing and fiscal measures which marked a significant shift in stance. Beijing aims to stabilize growth and halt the property rout while still holding back on a "big bazooka," or aggressive stimulus package. The September 2024 PBOC package of initiatives included reductions to several key interest rates and the reserve requirement ratio for most banks, mortgage rate cuts for existing loans, and new liquidity mechanisms to support capital markets. Two days after the PBOC meeting, the Politburo, the top decision-making body of the Communist Party unexpectedly vowed more fiscal support for the economy, promising to arrest the decline in the property sector. It pledged to increase the income for low- and middle-income groups and improve consumption. These developments came following the much-anticipated reduction by the United States ("U.S.") Federal Reserve ("Fed") in its key interest rate while it signaled more cuts ahead.

MAMG CHINA EVOLUTION EQUITY FUND

Manager's report

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

C. Market Review (cont'd)

Chinese equities lost the momentum in the fourth quarter after Beijing first unveiled its most forceful stimulus package as uncertainties regarding potential shifts in U.S. policies regarding trade and technology loomed large. Concerns about a possible return to harsher trade restrictions under the incoming administration added to weaker sentiment especially given President Trump's pledge to increase tariffs on Chinese goods by as much as 60% during the campaign trail. While we believe companies in China may be more prepared to tackle trade frictions, investor caution persisted ahead of Trump's inauguration as market waited for clearer policy direction and the extent of China's incremental stimulus response.

D. Market Outlook and Strategies

Chinese stocks delivered their first annual gain in 2024 following three years of decline, even as the equity market continued to face significant challenges including the prolonged real estate downturn, rising local government debt, and an increasingly complex geopolitical landscape. China's September 2024 stimulus package signaled a pivotal shift in economic policy which should help China's economy stabilize going forward. We think that the current financial deleveraging policy is approaching its final stages, a turning point in the economic cycle.

We expect that policies under the Trump administration including potential U.S. trade tariffs, alongside China's economic stimulus response, and the rate-cutting path of the U.S. Fed will be among the key factors influencing Chinese equities going forward. While the U.S. tariffs on Chinese goods may be a source of market volatility going forward, many expect that they may trigger stronger fiscal support from China. We will likely see the extent of China's response once U.S. policies are clearer. The National People's Congress in March 2024 for guidance regarding the 2025 economic growth target and indications of further stimulus will be closely monitored by investors.

In terms of strategy, we believe our differentiated investment approach combined with our proprietary company research should enable us to further identify opportunities beyond China's mega-cap stocks that are able to thrive in a complex market environment. The fund's portfolio is increasingly prepared for elevated tariff conditions and the latter's impact appears manageable as the revenue exposure of the MSCI China Index to the U.S. is only around 1.00%. Across the portfolio, considerable changes were made as opportunities arise in areas that may benefit from more durable spending in artificial intelligence in China, cyclical businesses that are getting better, and those showing stronger growth prospects due to company-specific catalysts.

E. Soft Commissions and Rebates

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

During the financial year ended 31 December 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.

TRUSTEE'S REPORT

To the unit holders of MAMG China Evolution Equity Fund ("Fund"),

We have acted as Trustee of the Fund for the financial year ended 31 December 2024 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 year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For and on behalf of

TMF TRUSTEES MALAYSIA BERHAD

(Company No: 200301008392/ 610812-W)

NORHAYATI BINTI AZIT
DIRECTOR - FUND SERVICES

Kuala Lumpur, Malaysia
24 February 2025

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAMG CHINA EVOLUTION EQUITY FUND
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 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 MFRS Accounting Standards and IFRS Accounting Standards so as to give a true and fair view of the financial position of MAMG China Evolution Equity Fund as at 31 December 2024 and of its results, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 December 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
24 February 2025

Independent auditors' report to the Unitholders of MAMG China Evolution Equity Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of MAMG China Evolution Equity Fund (the "Fund"), which comprise the statement of financial position of the Fund as at 31 December 2024, 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, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 37.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2024, and of its financial performance and cash flows for the year then ended in accordance with MFRS Accounting Standards and IFRS Accounting 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 China Evolution Equity 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 MFRS Accounting Standards and IFRS Accounting 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 China Evolution Equity 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 skepticism throughout the audit. We also:

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

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

**Independent auditors' report to the Unitholders of
MAMG China Evolution Equity 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
03013/10/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
24 February 2025

MAMG CHINA EVOLUTION EQUITY FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Note	2024 USD	2023 USD
INVESTMENT INCOME/ (LOSS)			
Profit/ Interest income		14,853	21,709
Net gain/ (loss) on financial assets at fair value through profit or loss ("FVTPL") investments:			
- Realised loss		(1,511,802)	(544,668)
- Unrealised gain/ (loss)		3,268,854	(2,356,552)
Net loss on foreign exchange and derivatives	3	<u>(408,455)</u>	<u>(715,363)</u>
		<u>1,363,450</u>	<u>(3,594,874)</u>
EXPENSES			
Manager's fee	4	276,277	346,652
Trustee's fee	5	5,526	6,933
Auditors' remuneration		2,028	1,721
Tax agent's fee		855	855
Administrative expenses		<u>3,596</u>	<u>2,421</u>
		<u>288,282</u>	<u>358,582</u>
Net results before taxation		1,075,168	(3,953,456)
Taxation	6	<u>-</u>	<u>-</u>
Net results after taxation, representing total comprehensive income/ (loss) for the financial year		<u>1,075,168</u>	<u>(3,953,456)</u>
Net results after taxation is made up of the following:			
Net realised loss		(1,995,959)	(1,694,101)
Net unrealised income/ (loss)		<u>3,071,127</u>	<u>(2,259,355)</u>
		<u>1,075,168</u>	<u>(3,953,456)</u>

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

MAMG CHINA EVOLUTION EQUITY FUND

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

	Note	2024 USD	2023 USD
ASSETS			
Financial assets at FVTPL	7	11,721,646	14,614,595
Derivative assets	8	1,101	153,116
Deposit with a licensed financial institution	9	396,492	367,052
Amount due from Manager	10	8,624	-
Profit/ Interest income receivables		33	89
Cash at bank	11	343,211	232,092
TOTAL ASSETS		<u>12,471,107</u>	<u>15,366,944</u>
LIABILITIES			
Derivative liabilities	8	45,040	-
Amount due to Manager	10	34,321	42,652
Amount due to Trustee	12	417	509
Other payables and accruals		5,109	4,009
TOTAL LIABILITIES		<u>84,887</u>	<u>47,170</u>
NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS OF THE FUND		<u>12,386,220</u>	<u>15,319,774</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:			
Unitholders' contribution	13(a)	17,457,471	21,466,193
Accumulated losses	13(b) & 13(c)	(5,071,251)	(6,146,419)
		<u>12,386,220</u>	<u>15,319,774</u>

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

MAMG CHINA EVOLUTION EQUITY FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 (CONT'D)**

	2024	2023
NET ASSET VALUE (USD)		
- MYR Class	5,279,662	5,661,826
- MYR (Hedged) Class	5,069,502	7,410,482
- USD Class	544,157	732,754
- SGD (Hedged) Class	1,160,299	1,054,889
- AUD (Hedged) Class	332,600	459,823
	<u>12,386,220</u>	<u>15,319,774</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)		
	13(a)	
- MYR Class	64,039,973	72,004,583
- MYR (Hedged) Class	70,038,737	105,928,443
- USD Class	1,589,381	2,243,101
- SGD (Hedged) Class	4,831,031	4,353,604
- AUD (Hedged) Class	1,736,243	2,213,360
	<u>142,235,365</u>	<u>186,743,091</u>
NET ASSET VALUE PER UNIT		
- MYR Class	<u>MYR 0.3687</u>	<u>MYR 0.3615</u>
- MYR (Hedged) Class	<u>MYR 0.3239</u>	<u>MYR 0.3220</u>
- USD Class	<u>USD 0.3424</u>	<u>USD 0.3267</u>
- SGD (Hedged) Class	<u>SGD 0.3277</u>	<u>SGD 0.3197</u>
- AUD (Hedged) Class	<u>AUD 0.3095</u>	<u>AUD 0.3045</u>

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

MAMG CHINA EVOLUTION EQUITY FUND

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

	Unitholders' contribution Note 13(a) USD	Accumulated losses Note 13(b) & 13(c) USD	Net assets attributable to unitholders USD
At 1 January 2024	21,466,193	(6,146,419)	15,319,774
Total comprehensive income for the financial year	-	1,075,168	1,075,168
Creation of units	16,850,224	-	16,850,224
Cancellation of units	(20,858,946)	-	(20,858,946)
At 31 December 2024	<u>17,457,471</u>	<u>(5,071,251)</u>	<u>12,386,220</u>
At 1 January 2023	15,774,281	(2,192,963)	13,581,318
Total comprehensive loss for the financial year	-	(3,953,456)	(3,953,456)
Creation of units	17,089,313	-	17,089,313
Cancellation of units	(11,397,401)	-	(11,397,401)
At 31 December 2023	<u>21,466,193</u>	<u>(6,146,419)</u>	<u>15,319,774</u>

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

MAMG CHINA EVOLUTION EQUITY FUND

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

	2024	2023
	USD	USD
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net payment for purchase of financial assets at FVTPL	(7,900,000)	(8,500,000)
Net proceeds from sale of financial assets at FVTPL	12,550,000	3,690,000
Profit/ Interest received	14,909	21,726
Net settlement on foreign exchange loss	(78,098)	(36,019)
Net settlement on forward foreign exchange	(190,972)	(740,193)
Manager's fee paid	(280,902)	(343,388)
Trustee's fee paid	(5,619)	(6,868)
Payment of other fees and expenses	(5,446)	(4,337)
Net cash generated from/ (used in) operating and investing activities	<u>4,103,872</u>	<u>(5,919,079)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	16,862,524	17,101,393
Payment for redemption of units	(20,890,680)	(11,333,078)
Net cash (used in)/ generated from financing activities	<u>(4,028,156)</u>	<u>5,768,315</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR		
	75,716	(150,764)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		
	599,144	813,185
Effect on foreign exchange	64,843	(63,277)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR		
	<u>739,703</u>	<u>599,144</u>
Cash and cash equivalents comprise:		
Deposit with a licensed financial institution with original maturity of less than 3 months (Note 9)	396,492	367,052
Cash at bank (Note 11)	343,211	232,092
	<u>739,703</u>	<u>599,144</u>

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

MAMG CHINA EVOLUTION EQUITY FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

MAMG China Evolution Equity Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 3 November 2021, between the Manager, Maybank Asset Management Sdn. Bhd. ("MAM") and the Trustee, TMF Trustees Malaysia Berhad and the registered holder of the Fund.

The Fund launched 5 share classes of units as at the date of this report, which are MYR Class, MYR (Hedged) Class, USD Class, SGD (Hedged) Class and AUD (Hedged) Class. MYR (Hedged) Class, SGD (Hedged) Class and AUD (Hedged) Class represent the classes denominated in MYR, SGD and AUD respectively which seeks to reduce the effect of currency fluctuations between the currency of the respective classes and the base currency of the Fund by entering into forward currency contracts to hedge the foreign currency exposure of the respective classes. See Note 8 and Note 13 (a) (ii), (iv) and (v) for further details.

The Fund seeks to achieve its investment objective by investing at least 90% of the Fund's NAV in Class S share class of the T. Rowe Price Funds SICAV – China Evolution Equity Fund ("Target Fund"). The Target Fund is managed by T. Rowe Price (Luxembourg) Management ("Target Fund Manager"), which has appointed T. Rowe Price International Limited to manage the investment and reinvestment of the assets of the Target Fund.

The functional currency of the Target Fund is in US Dollar ("USD"), and the Shares of the Target Fund in which the Fund invests in are denominated in USD.

The Target Fund is a sub-fund of T. Rowe Price Funds SICAV established and domiciled in Luxembourg and was launched on 10 August 2020. The Target Fund is regulated by Commission de Surveillance du Secteur Financier ("CSSF"), relating to undertakings for collective investment.

The financial statements were authorised for issue by the Board of Directors of the Manager ("the Directors") on 24 February 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with MFRS Accounting Standards and IFRS Accounting Standards, the Deeds and any regulatory requirements.

The Fund has adopted the MFRS Accounting Standards, Amendments to Standards and Interpretations Committee ("IC") Interpretations which have become effective during the financial year. 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 2.15.

The financial statements are presented in USD.

MAMG CHINA EVOLUTION EQUITY FUND

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 Malaysian Accounting Standards Board ("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
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 9 and MFRS 7: <i>Amendments to the Classifications and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 1: <i>First-time Adoption of Malaysian Financial Reporting Standards</i>	1 January 2026
Amendments to MFRS 7: <i>Financial Instruments: Disclosures</i>	1 January 2026
Amendments to MFRS 9: <i>Financial Instruments</i>	1 January 2026
Amendments to MFRS 10: <i>Consolidated Financial Statements</i>	1 January 2026
Amendments to MFRS 107: <i>Statement of Cash Flows</i>	1 January 2026
MFRS 18: <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19: <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

Except for MFRS 18, 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. The Fund is currently in the process of assessing the potential effects of MFRS 18.

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.

MAMG CHINA EVOLUTION EQUITY FUND

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, amount due from Manager and profit/ interest income receivables as financial assets at amortised cost.

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.

MAMG CHINA EVOLUTION EQUITY FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Financial assets (cont'd)

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

Dividend income on investments in collective investment scheme at FVTPL is recognised in profit and loss when the Fund's right to receive the dividends is established in accordance with MFRS 9 and is disclosed separately in the profit and loss.

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

(iii) Impairment of financial assets

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 (e.g. amount due from Manager), full impairment will be recognised on uncollected balances after the grace period.

MAMG CHINA EVOLUTION EQUITY FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Financial assets (cont'd)

(iv) Derecognition of financial assets

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 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.

2.5 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 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 effective profit rate/ effective interest rate ("EPR/ EIR") method.

(iii) Derecognition

The Fund derecognises financial liabilities when, and only when, the Fund's obligation are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

MAMG CHINA EVOLUTION EQUITY FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (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.

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

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

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

MAMG CHINA EVOLUTION EQUITY FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 Fair value measurement (cont'd)

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 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/ period-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.

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 in the statement of comprehensive income except where distributions are 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.

MAMG CHINA EVOLUTION EQUITY FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and deposit with a licensed financial institution 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 deposit with licensed financial institutions is recognised on the accruals basis using the EPR/ EIR method.

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

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

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in net assets attributable to unitholders.

Current tax expense is determined according to Malaysian tax laws at the current rate based upon the taxable income earned during the financial year. Tax on dividend income from foreign quoted securities is based on the tax regime of the respective countries that the Fund invests in.

No deferred tax is recognised as there are no material temporary differences that 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.

MAMG CHINA EVOLUTION EQUITY FUND

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 assumption 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 OF FOREIGN EXCHANGE AND DERIVATIVES

	2024	2023
	USD	USD
Net realised loss on foreign exchange	(17,707)	(72,765)
Net unrealised (loss)/ income on foreign exchange	(672)	1,640
Net realised loss on derivatives	(193,021)	(739,795)
Net unrealised (loss)/ income on derivatives	(197,055)	95,557
	<u>(408,455)</u>	<u>(715,363)</u>

4. MANAGER'S FEE

The Manager's fee is computed on a daily basis 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 the particular day.

Share Class	Rate pa (%)	
	2024	2023
MYR	up to 2.00	up to 2.00
MYR (Hedged)	up to 2.00	up to 2.00
USD	up to 2.00	up to 2.00
SGD (Hedged)	up to 2.00	up to 2.00
AUD (Hedged)	up to 2.00	up to 2.00

The 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.

MAMG CHINA EVOLUTION EQUITY FUND

5. TRUSTEE'S FEE

The Trustee's fee for the financial year is computed based up to 0.04% p.a. (2023: 0.04% p.a.) of the NAV of each class before deducting Manager's fee and Trustee's fee for the day. The Trustee fee is calculated and accrued daily.

6. TAXATION

	2024	2023
	RM	RM
Tax expense for the financial year:		
Current income tax expense	-	-

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

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:

	2024	2023
	USD	USD
Net results before tax	1,075,168	(3,953,456)
Tax at Malaysian statutory rate of 24% (2023: 24%)	258,040	(948,829)
Income not subject to tax	(788,090)	(28,537)
Loss not deductible for tax purposes	460,862	891,307
Expenses not deductible for tax purposes	69,188	86,059
Tax expense for the financial year	-	-

MAMG CHINA EVOLUTION EQUITY FUND

7. FINANCIAL ASSETS AT FVTPL

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

	Quantity Unit	Cost USD	Fair value USD	% of NAV
2024				
T. Rowe Price Funds SICAV – China Evolution Equity Fund (Share Class S)	1,603,508	12,287,154	11,721,646	94.63
Unrealised loss on FVTPL investment			<u>(565,508)</u>	
2023				
T. Rowe Price Funds SICAV – China Evolution Equity Fund (Share Class S)	2,248,399	18,448,957	14,614,595	95.40
Unrealised loss on FVTPL investment			<u>(3,834,362)</u>	

8. DERIVATIVE ASSETS/ (LIABILITIES)

	Notional principal amount USD	Fair Value	
		Asset USD	Liabilities USD
2024			
<u>Foreign exchange related contracts</u>			
Currency forwards - Less than 1 year	6,550,000	1,101	(45,040)
2023			
<u>Foreign exchange related contracts</u>			
Currency forwards - Less than 1 year	8,380,000	153,116	-

As at the reporting date, there were 8 (2023: 17) forward exchange contracts outstanding.

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

As the Fund has not adopted hedge accounting during the financial year, the change in the fair value of the forward currency contract is recognised immediately in the statement of comprehensive income, and borne solely by the unitholders of the respective classes (i.e. MYR (Hedged) Class, AUD (Hedged) Class and SGD (Hedged) Class).

MAMG CHINA EVOLUTION EQUITY FUND

9. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	2024	2023
	USD	USD
Short term placement with a maturity of less than 3 months	396,492	367,052

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

	2024		2023	
	WAEPR/ WAEIR % p.a.	Average maturity Days	WAEPR/ WAEIR % p.a.	Average maturity Days
Deposit with a licensed financial institution	3.00	2	2.95	4

10. AMOUNT DUE FROM/ TO MANAGER

		2024	2023
		USD	USD
Amount due from Manager is in respect of:			
Creation of units	(i)	8,624	-
Amount due to Manager is in respect of:			
Manager's fee	(ii)	20,844	25,471
Cancellation of units	(iii)	13,477	17,181
		<u>34,321</u>	<u>42,652</u>

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

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

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

11. CASH AT BANK

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

	2024	2023
	USD	USD
Australian Dollar ("AUD")	7,706	35,192
Malaysian Ringgit ("MYR")	1,278	7,919
Singapore Dollar ("SGD")	8,794	27,927
USD	325,433	161,054
	<u>343,211</u>	<u>232,092</u>

MAMG CHINA EVOLUTION EQUITY FUND

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. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND

	Note	2024 USD	2023 USD
Unitholders' contribution	(a)	17,457,471	21,466,193
Accumulated realised loss	(b)	(4,463,017)	(2,467,058)
Accumulated unrealised loss	(c)	(608,234)	(3,679,361)
		<u>12,386,220</u>	<u>15,319,774</u>

(a) Unitholders' contribution

The units are distributed based on the following share classes:

	2024		2023	
	No. of units	USD	No. of units	USD
(i) MYR Class	64,039,973	6,846,488	72,004,583	7,496,114
(ii) MYR (Hedged) Class	70,038,737	7,576,640	105,928,443	10,752,389
(iii) USD Class	1,589,381	867,423	2,243,101	1,082,355
(iv) SGD (Hedged) Class	4,831,031	1,551,655	4,353,604	1,425,639
(v) AUD (Hedged) Class	1,736,243	615,265	2,213,360	709,696
	<u>142,235,365</u>	<u>17,457,471</u>	<u>186,743,091</u>	<u>21,466,193</u>

(i) MYR Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	72,004,583	7,496,114	64,277,831	6,577,054
Creation of units	20,624,718	1,603,517	56,512,170	5,320,667
Cancellation of units	(28,589,328)	(2,253,143)	(48,785,418)	(4,401,607)
As at the end of the financial year	<u>64,039,973</u>	<u>6,846,488</u>	<u>72,004,583</u>	<u>7,496,114</u>

MAMG CHINA EVOLUTION EQUITY FUND

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

(a) Unitholders' contribution (cont'd)

(ii) MYR (Hedged) Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	105,928,443	10,752,389	65,031,533	6,985,974
Creation of units	213,105,544	15,032,153	108,008,991	9,929,089
Cancellation of units	(248,995,250)	(18,207,902)	(67,112,081)	(6,162,674)
As at the end of the financial year	<u>70,038,737</u>	<u>7,576,640</u>	<u>105,928,443</u>	<u>10,752,389</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. See Note 8 for further details.

(iii) USD Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	2,243,101	1,082,355	1,536,866	764,564
Creation of units	20,272	7,000	1,454,586	593,214
Cancellation of units	(673,992)	(221,932)	(748,351)	(275,423)
As at the end of the financial year	<u>1,589,381</u>	<u>867,423</u>	<u>2,243,101</u>	<u>1,082,355</u>

(iv) SGD (Hedged) Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	4,353,604	1,425,639	2,529,577	839,651
Creation of units	822,466	206,427	2,793,854	844,079
Cancellation of units	(345,039)	(80,411)	(969,827)	(258,091)
As at the end of the financial year	<u>4,831,031</u>	<u>1,551,655</u>	<u>4,353,604</u>	<u>1,425,639</u>

MAMG CHINA EVOLUTION EQUITY FUND

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

(a) Unitholders' contribution (cont'd)

(iv) SGD (Hedged) Class (cont'd)

The Fund is a multi-class Fund. The impact of the exchange rate movement between the USD and SGD may result in the appreciation or depreciation of the unitholders investments in the Fund expressed in SGD. SGD (Hedged) Class represents a Class denominated in SGD 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. See Note 8 for further details.

(v) AUD (Hedged) Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	2,213,360	709,696	1,904,029	607,038
Creation of units	5,391	1,127	1,597,729	402,264
Cancellation of units	(482,508)	(95,558)	(1,288,398)	(299,606)
As at the end of the financial year	1,736,243	615,265	2,213,360	709,696

The Fund is a multi-class Fund. The impact of the exchange rate movement between the USD and AUD may result in the appreciation or depreciation of the unitholders investments in the Fund expressed in AUD. AUD (Hedged) Class represents a Class denominated in AUD 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. See Note 8 for further details.

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

	2024		2023	
	No of units	Valued at NAV	No of units	Valued at NAV
The Manager - MYR Class	2,000	MYR 737	2,000	MYR 723
The Manager - MYR (Hedged) Class	2,000	MYR 648	2,000	MYR 644
The Manager - USD Class	2,000	USD 685	2,000	USD 653
The Manager - SGD (Hedged) Class	2,000	SGD 655	2,000	SGD 639
The Manager - AUD (Hedged) Class	2,000	AUD 619	2,000	AUD 609

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.

MAMG CHINA EVOLUTION EQUITY FUND

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

(b) Accumulated realised loss

	2024 USD	2023 USD
At the beginning of the financial year	(2,467,058)	(772,957)
Net realised loss for the financial year	<u>(1,995,959)</u>	<u>(1,694,101)</u>
At the end of the financial year	<u>(4,463,017)</u>	<u>(2,467,058)</u>

(c) Accumulated unrealised loss

	2024 USD	2023 USD
At the beginning of the financial year	(3,679,361)	(1,420,006)
Net unrealised income/ (loss) for the financial year	<u>3,071,127</u>	<u>(2,259,355)</u>
At the end of the financial year	<u>(608,234)</u>	<u>(3,679,361)</u>

(d) Classes of shares

(i) Types of classes of units

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

Classes of units	Currency denomination	Categories of investors	Distribution policy
MYR	RM	Institutional	Distribution of income
MYR (Hedged)	RM	Institutional	Distribution of income
USD	USD	Institutional	Distribution of income
SGD (Hedged)	SGD	Institutional	Distribution of income
AUD (Hedged)	AUD	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; and
- (d) Transfer, switching and conversion charges 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 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.

MAMG CHINA EVOLUTION EQUITY FUND

13. NAV 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 unitholder's 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 BROKERS AND FINANCIAL INSTITUTION

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	
	Placement value USD	Percentage of total placements %	Placement value USD	Percentage of total placements %
MBB *	118,750,098	91.38	181,636,945	97.93
Hong Leong Islamic Bank Bhd	9,019,062	6.94	2,816,009	1.52
CIMB Bank Bhd	2,180,794	1.68	-	-
Maybank Islamic Bhd ("MIB") **	-	-	1,021,728	0.55
	<u>129,949,954</u>	<u>100.00</u>	<u>185,474,682</u>	<u>100.00</u>

* MBB is the ultimate holding company of the Manager.

** MIB is a subsidiary of MBB, 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.

MAMG CHINA EVOLUTION EQUITY FUND

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

	2024 USD	2023 USD
(i) Significant related party transactions		
MBB:		
Profit/ Interest income from deposits	14,003	21,340
Realised income/ (loss) on derivatives	<u>(43,137)</u>	<u>(61,026)</u>
MIB:		
Profit/ Interest income from deposits	<u>-</u>	<u>81</u>
	2024 USD	2023 USD
(ii) Significant related party balances		
MBB:		
Deposit with a licensed financial institution	396,492	367,052
Derivative assets	-	7,509
Derivative liabilities	<u>2,881</u>	<u>-</u>
	<u>399,373</u>	<u>374,561</u>

16. TOTAL EXPENSE RATIO ("TER")

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee and other administrative expenses. For the financial year ended 31 December 2024, the TER of the Fund was 2.09% (2023: 2.07%).

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 December 2024, the PTR of the Fund stood at 0.74 times (2023: 0.35 times).

18. 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.

The PMC of the Manager is responsible for the Fund's performance by investing at least 90% of the Fund's NAV in the shares of the Target Fund and the remaining 2% to 10% of the Fund's NAV in liquid assets.

MAMG CHINA EVOLUTION EQUITY FUND

18. SEGMENT INFORMATION (CONT'D)

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 prepayment, tax-related matters and NAV attributable to unitholders) 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 assets and liabilities at FVTPL USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
Financial assets				
Financial assets at FVTPL	11,721,646	-	-	11,721,646
Derivative assets	1,101	-	-	1,101
Deposit with a licensed financial institution	-	396,492	-	396,492
Profit/ Interest income receivables	-	33	-	33
Cash at bank	-	343,211	-	343,211
Total financial assets	11,722,747	748,360	-	12,471,107
Financial liabilities				
Derivative liabilities	45,040	-	-	45,040
Amount due to Manager	-	-	34,321	34,321
Amount due to Trustee	-	-	417	417
Other payables and accruals	-	-	5,109	5,109
Total financial liabilities	45,040	-	39,847	84,887

MAMG CHINA EVOLUTION EQUITY FUND

19. FINANCIAL INSTRUMENTS (CONT'D)

2023	Financial assets and liabilities at FVTPL USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
Financial assets				
Financial assets at FVTPL	14,614,595	-	-	14,614,595
Derivative assets	153,116	-	-	153,116
Deposit with a licensed financial institution	-	367,052	-	367,052
Profit/ Interest income receivables	-	89	-	89
Cash at bank	-	232,092	-	232,092
Total financial assets	14,767,711	599,233	-	15,366,944
Financial liabilities				
Amount due to Manager	-	-	42,652	42,652
Amount due to Trustee	-	-	509	509
Other payables and accruals	-	-	4,009	4,009
Total financial liabilities	-	-	47,170	47,170

(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.

(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).

MAMG CHINA EVOLUTION EQUITY FUND

19. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy (cont'd)

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	Total USD
2024				
Financial assets				
Financial assets at FVTPL	11,721,646	-	-	11,721,646
Derivative assets	-	1,101	-	1,101
	<u>11,721,646</u>	<u>1,101</u>	<u>-</u>	<u>11,722,747</u>
Financial liabilities				
Derivative liabilities	-	45,040	-	45,040
	<u>-</u>	<u>45,040</u>	<u>-</u>	<u>45,040</u>
2023				
Financial assets				
Financial assets at FVTPL	14,614,595	-	-	14,614,595
Derivative assets	-	153,116	-	153,116
	<u>14,614,595</u>	<u>153,116</u>	<u>-</u>	<u>14,767,711</u>

(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.

MAMG CHINA EVOLUTION EQUITY FUND

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

(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/ 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 profit/ interest rate risk arising from deposit placed with a licensed financial institution. 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 deposit with a licensed financial institution carries a fixed rate, and therefore, is not affected by the movements in market profit/ interest rates.

(ii) Price risk

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

Price risk sensitivity

Management's best estimate of the effect on the Fund's NAV 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	586,082	+5	730,730
	-5	(586,082)	-5	(730,730)

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

MAMG CHINA EVOLUTION EQUITY FUND

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

(b) Market risk (cont'd)

(iii) Foreign exchange risk

Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to 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, SGD and AUD may result in a depreciation of the unitholders' investment in the Fund as expressed in USD.

The table below analyses the net position of the Fund's financial assets and financial liabilities (excluding derivative assets and derivative liability) which are exposed to foreign exchange risks as at 31 December 2024. As the Fund's functional currency is USD, the financial assets and financial liabilities (excluding derivative assets and derivative liabilities) 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.

2024	MYR USD	SGD USD	AUD USD	Total USD
Financial assets				
Deposit with a licensed financial institution	396,492	-	-	396,492
Amount due from Manager	-	8,624	-	8,624
Cash at bank	1,278	8,794	7,706	17,778
Total financial assets	<u>397,770</u>	<u>17,418</u>	<u>7,706</u>	<u>422,894</u>
Financial liabilities				
Amount due to Manager	13,477	-	-	13,477
Other payables and accruals	5,109	-	-	5,109
Total financial liabilities excluding NAV attributable to unitholders	<u>18,586</u>	<u>-</u>	<u>-</u>	<u>18,586</u>
Net on-balance sheet open position	<u>379,184</u>	<u>17,418</u>	<u>7,706</u>	<u>404,308</u>

MAMG CHINA EVOLUTION EQUITY FUND

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

(b) Market risk (cont'd)

(iii) Foreign exchange risk (cont'd)

2023	MYR USD	SGD USD	AUD USD	Total USD
Financial assets				
Deposit with a licensed financial institution	367,052	-	-	367,052
Cash at bank	7,919	27,927	35,192	71,038
Total financial assets	374,971	27,927	35,192	438,090
Financial liabilities				
Amount due to Manager	17,181	-	-	17,181
Other payables and accruals	4,001	-	-	4,001
Total financial liabilities excluding NAV attributable to unitholders	21,182	-	-	21,182
Net on-balance sheet open position	353,789	27,927	35,192	416,908

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.

	2024		2023	
	Changes in exchange rates %	Effects on NAV Increase/ (Decrease) USD	Changes in exchange rates %	Effects on NAV Increase/ (Decrease) USD
Currencies				
MYR	+5	18,959	+5	17,689
	-5	(18,959)	-5	(17,689)
SGD	+5	871	+5	1,396
	-5	(871)	-5	(1,396)
AUD	+5	385	+5	1,760
	-5	(385)	-5	(1,760)

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

MAMG CHINA EVOLUTION EQUITY FUND

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

(c) Credit risk

Credit risk is the risk that the issuer/ counterparty to a financial instrument will 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 profit/ 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.

(ii) Credit quality of financial assets

The following table analyses the Fund's cash at bank, deposit with a 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 % of NAV	USD	As a % of NAV
AAA	739,736	5.97	599,233	3.91

(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 unitholder's option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Trust 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 cash at bank, deposits with financial institutions and other instruments which are capable of being converted into cash within 7 days.

MAMG CHINA EVOLUTION EQUITY FUND

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

(d) Liquidity risk (cont'd)

The following table summarises the maturity profile of the Fund's financial liabilities and unitholders' contribution to provide a complete view of the Fund's contractual commitments and liquidity:

	Less than 1 month USD	More than 1 month USD	Total USD
2024			
Financial liabilities			
Derivative liabilities	38,730	6,310	45,040
Amount due to Manager	34,321	-	34,321
Amount due to Trustee	417	-	417
Other payables and accruals	5,109	-	5,109
Net assets attributable to unitholders of the Fund	12,386,220	-	12,386,220
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	12,464,797	6,310	12,471,107
2023			
Financial liabilities			
Amount due to Manager	42,652	-	42,652
Amount due to Trustee	509	-	509
Other payables and accruals	4,009	-	4,009
Net assets attributable to unitholders of the Fund	15,319,774	-	15,319,774
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	15,366,944	-	15,366,944

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

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

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 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.