

RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND

ANNUAL REPORT 2023

For the financial year ended 31 July 2023

GENERAL INFORMATION ABOUT THE FUND

Name, Category and Type

Fund Name	-	RHB Islamic Global Developed Markets Fund
Fund Category	-	Equity Fund (Shariah-compliant)
Fund Type	-	Growth Fund

Investment Objective, Policy and Strategy

Objective of the Fund

The Fund aims to provide investors with long term* capital growth by investing in Shariah-compliant global equities.

* Note: “long term” in this context refers to a period of between 5-7 years.

Strategy

The Fund seeks to achieve its investment objective through a diversified portfolio of Shariah-compliant equities issued by companies listed on the stock exchanges of Developed Markets[^].

[^] Developed Markets are countries that are most developed in terms of its economy and capital markets. The countries must be high income, open to foreign ownership, and have relative ease of capital movement. Such countries, include, but are not limited to United States of America, United Kingdom, Switzerland, France, Germany, Italy, Netherlands, Spain, Sweden, Japan and Australia.

The Fund’s investments in such companies are not industry or sector specific. The External Investment Manager believes investments in “quality” companies will result in the Fund outperforming its benchmark over the long term. The “quality” screen filters companies that meet the 3 following criteria:

- 1) market capitalisation of USD 500 million or above;
- 2) attractive dividends (companies with dividend yield that are higher than the respective regional indices with a track record of growing dividends progressively);
and
- 3) quality income growth (consistent long term capital and dividend growth).

For investments in Shariah-compliant equities listed in Japan stock exchanges, the External Investment Manager will focus its investments in companies with:

- 1) sustainable high return on equity above the market average in the past with the expectation to maintain such high return of equity in the future; and
- 2) return on equity below the market average but are expected to sustain high return on equity compared to market average in the future.

The risk management strategies and techniques employed by the External Investment Manager include observing internal limits of the Fund's investments in terms of its exposure to sectors, countries and stocks, apart from complying with the investment restrictions of the Fund. Additionally, the External Investment Manager reviews the Fund's asset allocation and currency exposure with its quantitative and fixed income departments to review such exposure to the Fund. The External Investment Manager further monitors the Fund's performance and risk against other global equity portfolios to ensure commonality in the active and total risk undertaken amongst portfolios with similar investment universe and objectives.

The asset allocation of the Fund will be as follows:-

70% to 98% of Net Asset Value - Investments in Shariah-compliant equities of companies listed on the stock exchanges of Developed Markets.

2% to 30% of Net Asset Value - Investments in Shariah-compliant liquid assets including Islamic money market instruments and Placements of Cash.#

These are placements of cash in any Islamic deposits or Islamic investment accounts with any financial institution, which are not embedded or linked to financial derivative instruments.

Although the Fund is actively managed, how active or the frequency of its trading strategy will very much depend on market opportunities.

The External Investment Manager may take temporary defensive positions in attempting to respond to adverse economic, political or any other market conditions. In such circumstances, the External Investment Manager may reallocate up to 100% of the Fund's equity investments into other asset classes which are defensive in nature and comply with Shariah requirements, such as Islamic money market instruments and Placements of Cash.

Performance Benchmark

Effective from 1 January 2019, the performance of this Fund is benchmarked against the Dow Jones Islamic Market Developed Markets Index. The benchmark chosen best represents the Fund's investments in terms of geographical location.

Prior to 1 January 2019, the performance of this Fund is benchmarked against the Russell-IdealRatings Islamic Developed ex-Canada Custom Index. The benchmark chosen best represents the Fund's investments in terms of geographical location.

Permitted Investments

This Fund may invest or participate in Shariah-compliant securities listed on any market considered as an Eligible Market[^], unlisted Shariah-compliant securities, Islamic collective investment schemes, Islamic financial derivatives, Shariah-compliant liquid assets (including Islamic money market instruments and Placements of Cash) and any other Shariah-compliant investments permitted by the Shariah Adviser from time to time. Consequently, all investments for this Fund are to be designated as Shariah-compliant and in this regard, the Shariah Adviser will advise on the selection of investments to ensure compliance with Shariah requirements.

[^] A market which is regulated by a regulatory authority, operates regularly, is open to the public and has adequate liquidity for the purposes of the Fund. A non-exhaustive list of Eligible Markets includes stock exchanges, derivative exchanges, over-the-counter markets for sukuk and Islamic money market instruments.

Distribution Policy

Distribution is of secondary importance and if any, will generally be declared annually and will be reinvested.

Notification of Changes

In addition to the changes mentioned in the letter dated 8 June 2023, below are the remaining changes: -

General Amendments

- (a) All references to "interim report(s)", wherever they appear in the Principal Prospectus, are hereby amended to "semi-annual report(s)".
- (b) All references to "Shariah-compliant liquid assets", wherever they appear in the Principal Prospectus, are hereby amended to "Islamic liquid assets".

"DEFINITIONS"

Eligible Market	An exchange, government securities market or an over-the-counter market that is regulated by a regulatory authority of that jurisdiction, that is open to the public or to a substantial number of market participants and on which financial instruments are regularly traded.
EPF	Employees Provident Fund.
EPF-MIS	Employees Provident Fund – Members' Investment Scheme.
financial institution(s)	a) If the institution is in Malaysia –

	<p>(i) licensed bank or licensed investment bank as defined under the Financial Services Act 2013; or</p> <p>(ii) licensed Islamic bank as defined under the Islamic Financial Services Act 2013; or</p> <p>b) If the institution is outside Malaysia, any institution that is licensed, registered, approved or authorised by the relevant banking regulator to provide financial services.</p>
Guidelines	Guidelines on Unit Trust Funds issued by the Securities Commission including all amendments and/or revision thereto issued by the Securities Commission and any other relevant guidelines issued by the Securities Commission.
IUTA(s)	Institutional Unit Trust Scheme Adviser(s).
US Person	A US Person as defined in Section 7701 (a) (30) of the Internal Revenue Code and includes an individual who is a citizen or resident of the United States of America.

Chapter 1 – Fund Information, Section 1.2.5 – Islamic Collective Investment Schemes

The External Investment Manager will only make such investments that are consistent with the objective and enhance the performance of this Fund. In addition, the External Investment Manager will only make such investments if the Islamic collective investment scheme is authorised or recognised by the Securities Commission, or is registered or authorised or approved by the relevant regulatory authority in its home jurisdiction as the case may be and which operates within the general investment principles of the Guidelines. The Fund's investments in Islamic collective investment schemes (if any) shall always be made subject to the restrictions stipulated in section 1.3 (f), (g), (m) and (q).

Chapter 1 – Fund Information, Section 1.2.6 – Islamic Financial Derivatives

The External Investment Manager may participate in Islamic financial derivatives such as Islamic currency forwards, Islamic swaps or any other categories of financial derivatives which are structured in Shariah-compliant manner, permitted by the relevant authorities from time to time for hedging purposes, when appropriate. Such participation in Islamic financial derivatives shall commence only if the structure of the Islamic financial derivatives as well as the underlying financial instruments complies with Shariah requirements. The Fund's participation in Islamic financial derivatives is to hedge the portfolio from any unexpected price movement in the underlying market and also the portfolio's exposure to foreign currency volatility. Hence, the benefit of any upside of price in the underlying market or currency movements is limited. The purpose of hedging is to protect the value of the portfolio. When participating in such Islamic financial derivatives, the Manager will monitor the Islamic financial derivatives' valuation and credit ratings of the financial institutions as counterparty to such Islamic financial derivatives, where applicable and take appropriate actions to mitigate any risk associated with such Islamic financial derivatives. This may extend to unwinding of the Islamic financial derivatives if there is a need to terminate the current position due to reversal in market movement, redemptions in Units or upon downgrade of the credit ratings of the financial institutions. Commitment approach is used to calculate the Fund's net market exposure. It is calculated as the sum of the (a) absolute value of the exposure of each individual Islamic financial derivative not involved in netting or hedging arrangements; (b) absolute value of the net exposure of each individual Islamic financial derivative after netting or hedging arrangements; and (c) the values of cash collateral received pursuant to the reduction of exposure to counterparties of over-the-counter ("OTC") Islamic financial derivatives. The Fund's holding in Islamic financial derivatives (if any) shall always be subject to the restrictions stipulated in section 1.3 (e), (n), (o) and (p).

Chapter 1 – Fund Information, Section 1.3 – Permitted Investments and Restrictions

This Fund may invest or participate in Shariah-compliant securities listed on any market considered as an Eligible Market, unlisted Shariah-compliant securities, Islamic collective investment schemes, Islamic financial derivatives, Islamic liquid assets (including Islamic money market instruments and Placements of Cash) and any other Shariah-compliant investments permitted by the Shariah Adviser from time to time. Consequently, all investments for this Fund are to be designated as Shariah-compliant and in this regard, the Shariah Adviser will advise on the selection of investments to ensure compliance with Shariah requirements.

The acquisition of such permitted investments is subject to the following restrictions:

- (a) The aggregate value of the Fund's investments in unlisted Shariah-compliant securities must not exceed fifteen (15) per cent of the Fund's Net Asset Value, subject to a maximum limit of ten (10) per cent of the Fund's Net Asset Value in a single issuer, or any other limit as may be prescribed by the Securities Commission from time to time.
- (b) The value of the Fund's investments in Shariah-compliant ordinary shares issued by any single issuer must not exceed ten (10) per cent of the Fund's Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- (c) The value of the Fund's investments in Shariah-compliant transferable securities (i.e. Shariah-compliant equities, sukuk and Shariah-compliant warrants) and Islamic money market instruments issued by any single issuer must not exceed fifteen (15) per cent of the Fund's Net Asset Value ("single issuer limit"), or any other limit as may be prescribed by the Securities Commission from time to time. In determining the single issuer limit, the value of the Fund's investments in instruments in paragraph (a) issued by the same issuer must be included in the calculation.
- (d) The value of the Fund's placement in Islamic deposits with any single financial institution must not exceed twenty (20) per cent of the Fund's Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.

- (e) The aggregate value of the Fund's investments in, or exposure to, a single issuer through Shariah-compliant transferable securities, Islamic money market instruments, Islamic deposits, underlying assets of Islamic financial derivatives and counterparty exposure arising from the use of OTC Islamic financial derivatives must not exceed twenty-five (25) per cent of the Fund's Net Asset Value ("single issuer aggregate limit"), or any other limit as may be prescribed by the Securities Commission from time to time. In determining the single issuer aggregate limit, the value of the Fund's investments in instruments in paragraph (a) issued by the same issuer must be included in the calculation.
- (f) The value of the Fund's investments in units or shares of an Islamic collective investment scheme must not exceed twenty (20) per cent of the Fund's Net Asset Value provided that the Islamic collective investment scheme complies with paragraphs (q)(i), (ii) and (iii), excluding Islamic collective investment scheme that invests in real estate, or any other limit as may be prescribed by the Securities Commission from time to time.
- (g) The value of the Fund's investments in units or shares of an Islamic collective investment scheme that invests in real estate pursuant to paragraph (q)(iii) must not exceed fifteen (15) per cent of the Fund's Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- (h) The value of the Fund's investments in Shariah-compliant transferable securities and Islamic money market instruments issued by any group of companies must not exceed twenty (20) per cent of the Fund's Net Asset Value ("group limit"), or any other limit as may be prescribed by the Securities Commission from time to time. In determining the group limit, the value of the Fund's investments in instruments in paragraph (a) issued by the issuers within the same group of companies must be included in the calculation.
- (i) The single issuer limit in paragraph (c) may be raised to thirty-five (35) per cent of the Fund's Net Asset Value if the issuing entity is, or the issue is guaranteed by, either a foreign government, foreign government agency, foreign central bank or supranational, that has a minimum long-term credit rating of investment grade (including gradation and subcategories) by an international rating agency, or any other limit as may be prescribed by the Securities Commission from time to time. Where the single issuer limit is increased to thirty-five (35) per cent of the Fund's Net Asset Value, the single issuer aggregate limit in paragraph (e) may be raised, subject to the group limit in paragraph (h) not exceeding thirty-five (35) per cent of the Fund's Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time.
- (j) The single financial institution limit in paragraph (d) does not apply to placements of Islamic deposits arising from:
- (i) subscription monies received prior to the commencement of investment by the Fund;
 - (ii) liquidation of investments prior to the termination of the Fund, where the placement of Islamic deposits with various financial institutions would not be in the best interests of Unit Holders; or
 - (iii) monies held for the settlement of redemption or other payment obligations, where the placement of Islamic deposits with various financial institutions would not be in the best interest of Unit Holders.
- (k) The Fund's investments in Shariah-compliant shares or Shariah-compliant securities equivalent to shares must not exceed ten (10) per cent of the Shariah-compliant shares or Shariah-compliant securities equivalent to shares, as the case may be, issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time.
- (l) The Fund's investments in Islamic money market instruments must not exceed ten (10) per cent of the instruments issued by any single issuer, or any other limit as may be prescribed by the Securities Commission from time to time. This limit does not apply to Islamic money market instruments that do not have a pre-determined issue size.
- (m) The Fund's investments in Islamic collective investment scheme must not exceed twenty-five (25) per cent of the units or shares in the Islamic collective investment scheme, or any other limit as may be prescribed by the Securities Commission from time to time.
- (n) The counterparty of an OTC Islamic financial derivative must be a financial institution with a minimum long-term credit rating of investment grade (including gradation and subcategories). Subject to the aggregate limit as stipulated in the Guidelines, the maximum exposure of the Fund to the counterparty must not exceed ten (10) per cent of the Fund's Net Asset Value, or any other limit as may be prescribed by the Securities Commission from time to time based on the maximum potential loss that may be incurred by the Fund if the counterparty defaults and not on the basis of the notional value of the OTC Islamic financial derivative. The total exposure to a single counterparty is calculated by summing the exposure arising from all OTC Islamic financial derivative transactions entered into with the same counterparty.
- (o) The Fund's exposure to the underlying assets (vide the Islamic financial derivatives) must not exceed the investment limits and restrictions applicable to such underlying assets as stipulated in the Guidelines, or any other limit as may be prescribed by the Securities Commission from time to time.
- (p) The Fund's global exposure from its Islamic financial derivatives positions must not exceed the Fund's Net Asset Value at all times, or any other limit as may be prescribed by the Securities Commission from time to time.
- (q) The Fund may invest in other Islamic collective investment scheme that fall within the following categories:
- i. an Islamic collective investment scheme authorised or recognised by the Securities Commission; or
 - ii. an Islamic collective investment scheme that meets the following criteria:
 - the Islamic collective investment scheme is constituted and regulated in a jurisdiction where the laws and practices provide the level of investor protection that is at least equivalent to that offered in Malaysia;

- the rules on investments, borrowing and lending are substantially similar to the requirements in the Guidelines. This would exclude hedge funds;
 - the assets of the Islamic collective investment scheme are managed by an entity which is approved, authorised or licensed by a securities regulator to conduct fund management activities; and
 - the business of the Islamic collective investment scheme is reported in semi-annual and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period; or
- iii. an Islamic collective investment scheme that meets the following criteria:
- the Islamic collective investment scheme invests in permissible investments under the Guidelines, physically-backed metal exchange traded funds that comply with the Guidelines, or real estate;
 - the Islamic collective investment scheme meets the criteria imposed on transferable securities as prescribed under the Guidelines;
 - the units or shares in the Islamic collective investment scheme are listed for quotation and traded on a stock exchange that is an Eligible Market; and
 - the Islamic collective investment scheme is not an inverse or leveraged product.

The limits and restrictions mentioned herein must be complied with at all times based on the most up-to-date value of the Fund's Shariah-compliant investments. The Manager must notify the Securities Commission within seven (7) Business Days of any breach of investment limits and restrictions with the steps taken to rectify and prevent such breach from recurring. However, any breach as a result of (a) appreciation or depreciation in value of the Fund's Shariah-compliant investments; (b) repurchase of Units or payment made out of the Fund; (c) change in capital of a corporation in which the Fund has invested in; or (d) downgrade in or cessation of a credit rating, need not be reported to the Securities Commission but must be rectified as soon as practicable within three (3) months from the date of the breach unless otherwise specified in the Guidelines. The three (3) -month period may be extended if it is in the best interest of Unit Holders and the Trustee's consent is obtained. Such extension must be subject to at least a monthly review by the Trustee. The limits and restrictions in this Section 1.3 however, do not apply to Shariah-compliant securities or Shariah-compliant instruments that are issued or guaranteed by the Malaysian government or Bank Negara Malaysia.

Note: If the Fund is eligible to be invested via the EPF-MIS and you transfer your moneys from your EPF account to invest in the Fund, the investments made by the Fund as well as your investment in the Fund from your EPF account will be subject to the EPF's requirements. Please refer to the website at <http://www.kwsp.gov.my> for updated information.

Chapter 3 – Valuation of Assets

The assets of the Fund must be valued at least once every Business Day. As the Fund invests in foreign markets, which may have different time zones from that of Malaysia, the valuation of the Fund for a Business Day will be conducted by 5:00 p.m. (or such other time as may be determined by the Manager from time to time) on the following day on which the Manager is open for business.

Accordingly, the price of the Fund for a particular Business Day will not be published online on the Manager's website on the next day but will instead be published the next following day (i.e. price will be two (2) days old). This will be specifically indicated on the Manager's website.

Illustration

When markets are closed for trading on 18 April 2023 (Tuesday), the valuation date will be the next day on which the Manager is open for business, i.e. 19 April 2023 (Wednesday). Thus, the publication date for the price as at 18 April 2023 (Tuesday) will be on 20 April 2023 (Thursday) on the Manager's website.

Investors may obtain the most current computed price by contacting the Manager directly or visiting the Manager's website, www.rhbgroup.com [please refer to section 5.6 (g) (Availability of Information on Investment)].

In undertaking any of the Fund's investments, the Manager will ensure that all the assets of the Fund will be valued at fair value and at all times in compliance with the relevant laws (including approved accounting standards).

Accordingly, where applicable:

- (i) Listed Shariah-compliant securities will be valued daily based on the last done market price or such other basis as may be prescribed by the relevant laws from time to time including approved accounting standards.

However, if: -

- (a) a valuation based on the market price does not represent the fair value of the Shariah-compliant securities, for example during abnormal market conditions; or
- (b) no market price is available, including in the event of a suspension in the quotation of Shariah-compliant securities for a period exceeding fourteen (14) days, or such shorter period as agreed by the Trustee,

then the Shariah-compliant securities would be valued at fair value, as determined in good faith by the Manager based on the methods or bases approved by the Trustee after appropriate technical consultation.

- (ii) Investments in unlisted Shariah-compliant securities will be valued at fair value as determined in good faith by the Manager based on the methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.
- (iii) Islamic collective investment schemes which are quoted on an approved exchange shall be valued daily based on the last done market price. When investing in unlisted Islamic collective investment schemes, the value shall be determined by reference to the last published repurchase price of a unit of that unlisted Islamic collective investment scheme.
- (iv) Exchange traded Islamic financial derivatives positions will be “marked to market” at the close of each trading day.
- (v) Islamic deposits placed with financial institutions will be valued each day by reference to the principal value of such investments and the profits accrued thereon for the relevant period.
- (vi) Islamic money market instruments that are held for collecting contractual cash flow purpose i.e. Islamic money market placements which have a remaining term to maturity of not more than 90 days at the time of acquisition will be measured on an ongoing basis at amortised cost. The risk of using amortised cost accounting is the mismatch between the fair value and book value of an Islamic money market instrument. The Manager will monitor closely and consider prompt action to discontinue the use of amortised cost method and adopt the fair value, i.e., the discounted net present value, as the valuation for Islamic money market instrument in the event the variance is above 3%.

Islamic money market instruments other than the aforesaid will be valued on a daily basis by reference to the fair value prices quoted by a BPA registered with the Securities Commission.
- (vii) Foreign exchange translation of foreign investments for a particular Business Day is determined based on bid rate quoted by Bloomberg or Reuters at 4:00 p.m. (United Kingdom time) or such other time as may be prescribed from time to time by the relevant governing body or authority.
- (viii) Any other Shariah-compliant investments as may be held by the Fund will be valued based on fair value as determined in good faith by the Manager, on methods or bases which have been verified by the auditor of the Fund and approved by the Trustee.

Chapter 4 – Fees, Charges and Expenses, Section 4.1(c) – Other Charges, item (i) Switching of Units

Switching of Units is available. Units of the Fund can only be switched to other unit trust funds under the management of the Manager that are of the same currency units and that allow switching. Minimum amount for a switch is 100 Units or such other lower quantity as the Manager may from time to time decide.

	RM Class	USD Class	SGD Class
Switching Fee¹	RM 25.00	USD 10.00	SGD 10.00
	Per switch or the difference in sales charge between switching funds, where applicable.		

- (a) Where the sales charge of the fund to be switched into is equal or lower than the sales charge of the Fund, the switch will incur a switching fee¹ to the other fund.
- (b) Where the sales charge of the fund to be switched into imposes a higher sales charge, Unit Holders will pay the difference in sales charge.

The Manager however, reserves the right to vary this switching fee or to vary the terms of the switching facility. For switching into non-money market fund, units of the fund to be switched into shall be purchased at the net asset value per unit as at the next valuation point of the fund’s relevant business day after the form of request to switch is received by the Manager (“forward pricing”). For switching into money market fund, units shall be purchased at the net asset value per unit as at the next valuation point of the fund’s relevant business day after money is received by the switch in fund.

Illustration:

If a Unit Holder switches 5,000 Units at the Repurchase Price of RM0.5779 and wishes to invest in another unit trust fund under the management of the Manager (which has a higher sales charge of 6.00% at the net asset value per unit of RM0.4801).

Proceed from switch (RHB Islamic Global Developed Markets Fund) (5,000 Units x RM0.5779)	RM 2,889.50
Less: switching fee of 0.50% (6.00%-5.50%)	<u>RM (14.45)</u>
Net Proceeds from switch	<u>RM 2,875.05</u>
Proceeds from RHB Islamic Global Developed Market Fund invested in another unit trust fund under the management of the Manager:	<u>RM 2,875.05</u>
	<u>RM 0.4801</u>
	= 5,988.44 units*

*Units computed are rounded to the nearest 2 decimal places.

Note:

¹All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the Malaysian government from time to time.

Chapter 4 – Fees, Charges and Expenses, Section 4.4 – Policy on Rebates and Soft Commissions

It is the Manager’s policy to credit all rebates to the account of the Fund.

However, goods and services (“soft commissions”) provided by any broker or dealer may be retained by the Manager or the fund manager if:

- (a) the soft commissions bring direct benefit or advantage to the management of the Fund and may include research and advisory related services;
- (b) any dealing with broker or dealer is executed on terms which are the most favourable for the Fund; and
- (c) the availability of soft commissions is not the sole or primary purpose to perform or arrange transactions with such broker or dealer, and the Manager or fund manager must not enter into unnecessary trades to achieve a sufficient volume of transactions to qualify for soft commissions.

Chapter 4 – Fees, Charges and Expenses, Section 4.5 – Tax

All fees and charges payable to the Manager and the Trustee are subject to any applicable taxes and/or duties and at such rate as may be imposed by the Malaysian government from time to time.

Based on the Finance Act 2021, income derived by the Fund from foreign sources and received in Malaysia from 1 January 2022 onwards will be subject to Malaysian income tax. A transitional tax rate of 3% is accorded on the gross amount of the foreign income received in Malaysia from 1 January 2022 to 30 June 2022. From 1 July 2022 onwards, the prevailing tax rate of 24% will apply to the chargeable income computed in respect of the foreign source income remitted into Malaysia by the Fund.

Where the same foreign income has been taxed in both Malaysia and the foreign country, a tax credit in the form of bilateral relief under a Double Tax Agreement (“DTA”) or unilateral relief under the domestic law (if there is no available DTA or a limited DTA which does not provide such relief) may be given in respect of such income, subject to conditions.

There are fees and charges involved and investors are advised to consider them before investing in the Fund.

Chapter 5 – Transaction Information, Section 5.5 – Pricing Error Policy, last paragraph

However, reimbursement of money shall only apply if the error is at or above the significant threshold of 0.5% of the Net Asset Value per Unit of the respective Class and the amount to be reimbursed is equivalent to RM10.00 (in the case of a foreign currency Class, 10.00 denominated in the currency denomination of the foreign currency Class) or more.

Chapter 5 – Transaction Information, Section 5.6(b) – Cooling-off Period

The cooling-off right refers to the right of an individual investor to obtain a refund of his investment if he so requests within the cooling-off period. The cooling-off right is only given to an individual investor, other than those listed below, who is investing in any unit trust funds managed by the Manager for the first time:

- (i) a staff of the Manager; and/or
- (ii) a person registered with a body approved by the Securities Commission to deal in unit trust funds.

The refund to the investor pursuant to the exercise of the investor’s cooling-off right must be as follows:

- a) the Net Asset Value per Unit at the point of exercise of the cooling-off right (“market price”), if the Net Asset Value per Unit on the day the Units were purchased (“original price”) is higher than the market price; or
- b) the original price, if the market price is higher than the original price.

If the market price is higher than the original price paid by the investor, the Manager may agree to pay the investor the excess amount, provided that such amount is not paid out of the Fund or the assets of the Fund.

The Manager must also refund the sales charge originally imposed on the day the Units were purchased.

The cooling-off period shall be within six (6) Business Days which shall be effective from the date of receipt of the application by the Manager. Where applicable, if you have invested via the EPF-MIS, the cooling-off period shall be subject to EPF’s terms and conditions.

The cooling-off right allows investors the opportunity to reverse an investment decision which could have been unduly influenced by certain external elements or factors.

Withdrawal proceeds will only be paid to the investors once the Manager has received cleared funds for the original investment. For investors who paid by cheque, the refund will be made upon clearance of the cheque. The Manager shall refund the investor in cash within seven (7) Business Days of receiving the cooling-off notice. Where applicable, if you have invested via the EPF-MIS, the refund will be credited back into your EPF accounts.

Chapter 5 – Transaction Information, Section 5.6(c) – Where Units can be Purchased or Redeemed

Units can be purchased or redeemed at the Manager’s registered/principal office or any of its branch offices or from any of its participating IUTAs and any other authorised distributors or channels as the Manager may decide from time to time. For further information, please call us at 03-9205 8000 at any time during our office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. Alternatively, investors may e-mail their enquiries to rhbiiam.enquiry@rhbgroup.com.

Please refer to our Directory of Outlets for Purchase and Sale of Units at the end of this prospectus. Application forms, redemption forms and this prospectus are also available from these distributors.

Chapter 5 – Transaction Information, Section 5.6(d) – How to Switch between Funds

Unit Holders may switch to units of any unit trust fund under the management of the Manager that are of the same currency and that allow for switching by forwarding the completed form of request to switch to the Manager’s registered/principal office or any of its branches, or to any of its participating IUTAs and any other authorised distributors before their respective cut-off times on any Business Day. The minimum amount for a switch into another fund is one hundred (100) Units or such other quantity as the Manager may from time to time decide. There is no restriction as to the number of switches a Unit Holder may perform or the frequency of switching. The minimum investment balance must be at least one hundred (100) Units or such other lower quantity as the Manager may from time to time decide after the switch. Following a switching transaction, if the quantity of Units held by a Unit Holder in the Fund falls below its minimum investment balance, the Manager can switch the entire investment and forward the proceeds to the fund that the Unit Holder intends to switch into. The Manager however, reserves the right to vary these terms.

Chapter 5 – Transaction Information, Section 5.6(f) – Unclaimed Monies

All money payable to a Unit Holder may be paid by electronic payments or cheques. However, after the lapse of one (1) year from the date of the cheque or any moneys payable to Unit Holders which remain unclaimed for such period of time, the Manager shall file and pay the unrepresented payments to the Registrar of Unclaimed Moneys in accordance with the requirements of the Unclaimed Moneys Act, 1965. Thereafter, the Unit Holders are to claim such monies from the Registrar of Unclaimed Moneys.

Chapter 5 – Transaction Information, Section 5.6(g) – Availability of Information on Investment

After purchasing Units of the Fund, the value of the investment can be monitored easily as the Unit price is published online daily on the Manager’s website, www.rhbgroup.com.

Unit Holders will receive an unaudited semi-annual report and an audited annual report of the Fund from the Manager within two (2) months after the end of the financial period/financial year end that the report covers. The Manager may also issue updates on the performance of the Fund either quarterly or semi-annually, or as and when appropriate.

Customers or investors may call us at 03-9205 8000 at any time during our office hours: Mondays through Fridays from 9.00 a.m. – 5.00 p.m. Alternatively, investors may e-mail their enquiries to rhbiiam.enquiry@rhbgroup.com.

Investors may also refer to FIMM for any queries and/or concerns regarding their investments in unit trust funds.

Investors must not make payment in cash to any individual agent when purchasing Units of the Fund.

The Fund’s annual report is available upon request.

Chapter 5 – Transaction Information, Section 5.6(h) – Dealing Hours

9:00 a.m. to 4:00 p.m. (Malaysia time) on any Business Day or such later time as the Manager may determine provided always the complete applications for the Fund are received before the next valuation point.

The Manager may also vary the dealing hours as it may deem appropriate. Investors will be notified on the change of dealing hours via email or notification published on the Manager’s website.

Chapter 5 – Transaction Information, Section 5.7 – Mode of Distribution, first paragraph

Distributions, if any, after deduction of taxation and expenses (i.e. net distribution), will be reinvested to purchase additional Units based on the Net Asset Value per Unit as at the first Business Day when Units are quoted ex-entitlement. Allotment of such Units shall be within two (2) weeks thereafter.

Chapter 6 – Salient Terms of the Deed, Section 6.1.2 – Rights of Unit Holders

Unit Holders shall have the right in respect of the Fund in which they hold Units, amongst others, to the following:

- (a) to receive distributions of the Fund (if any), to participate in any increase in the value of the Units and to enjoy such other rights and privileges as set out in the Deed;
- (b) to call for Unit Holders' meetings, and to vote for the removal of the Trustee or the Manager through a special resolution as provided for in the Deed;
- (c) to exercise the cooling-off right, if applicable; and
- (d) to receive annual reports, semi-annual reports or any other reports of the Fund.

No Unit Holder shall be entitled to require the transfer to him of any assets of the Fund or be entitled to interfere with or question the exercise by the Trustee, or the Manager on the Trustee's behalf, of the rights of the Trustee as the registered owner of such assets.

Note: If your investments are made through an IUTA which adopts the nominee system of ownership, you would not be deemed to be a Unit Holder under the Deed and as a result, you may not exercise all the rights ordinarily conferred to a Unit Holder (e.g. the right to call for Unit Holders' meetings and the right to vote at a Unit Holders' meeting). Accordingly, we will only recognise the IUTA as a Unit Holder and the IUTA shall be entitled to all the rights conferred to it under the Deed.

Chapter 7 – The Management and Administration of the Fund, Section 7.2 – Board of Directors

The board of directors of the Manager takes an active part in the affairs of the Manager and the unit trust funds under its management. The board of directors of the Manager meets at least once every three (3) months to receive recommendations and reports on investment activities from the committee undertaking the oversight function of the Fund, set policies and guidelines of the Manager and to review performance, financial and audit reports of the Manager. Additional meetings shall also be convened, should the need arise.

The list of board of directors are available on the Manager's website, www.rhbgroup.com.

Chapter 7 – The Management and Administration of the Fund, Section 7.3 – Functions of the Manager

The Manager is responsible for the day-to-day administration of the Fund in accordance with the provisions of the Deed. The main roles, duties and responsibilities of the Manager include:

- Oversight and monitor the External Investment Manager's performance of the investment management function of the Fund;
- Supervising and valuing investments of the Fund;
- Arrangement of sale and repurchase of Units;
- Keeping proper records of the Fund;
- Issuing the Fund's semi-annual and annual reports to Unit Holders;
- Distribution of income to Unit Holders (if any); and
- Marketing the Fund to potential investors.

The Manager is a member of FIMM. It maintains a tied sales agency force which is duly registered with FIMM which markets and distributes its proprietary unit trust funds to prospective investors. It also has an IUTA arrangement with RHB Bank Berhad and/or such other approved distributors as may be appointed by the Manager from time to time.

Chapter 7 – The Management and Administration of the Fund, Section 7.4 – The Investment Committee

The Functions of the Investment Committee under above section is deleted.

Chapter 7 – The Management and Administration of the Fund, Section 7.5 – The Investment Team

The Manager's designated person responsible for fund management function of the Fund is Yeoh Jun Siong, Brian.

Brian joined RHBIIAM as a senior equity analyst in January 2021, covering the construction, building material, healthcare, rubber products and automotive sectors as well as Japan for the global coverage. He was formerly an analyst with Affin Hwang Capital, where he covered automotive, electronic manufacturing services and plastic packaging sectors. He formerly covered the small-capitalisation sector during his time as an analyst at Inter-Pacific Research.

Brian graduated with a Bachelor of Commerce, majoring in Accounting and Finance from the University of Queensland. He is also a Capital Markets Services Representative's License holder for fund management.

Chapter 7 – The Management and Administration of the Fund, Section 7.7(b) – Portfolio manager of the Fund at Nomura Islamic Asset Management Sdn Bhd

Mr Aiman Anuar – portfolio manager

Mr Aiman is the designated fund manager for the Fund. Mr Aiman joined Nomura Islamic Asset Management Sdn Bhd in 2014 as a trainee of the company's Graduate Trainee Programme. Currently, Mr Aiman is a contributing member of the Global Equity Strategy

Committee and the Global Stock Selection Committee. Mr Aiman is involved in new idea generation and reviews of existing investments in the Global Equities portfolio management teams in Kuala Lumpur and London. His responsibilities also include research coverage of Australia and global healthcare.

Chapter 7 – The Management and Administration of the Fund, Section 7.8 – The Shariah Adviser, “Roles and Responsibilities of the Shariah Adviser” and “Members of RHB Islamic Bank’s Shariah Committee”

Roles and Responsibilities of the Shariah Adviser

The Shariah Adviser is backed by the respective Shariah Committee of RHB Islamic Bank, which comprises eminent Shariah scholars from various jurisdictions. The Shariah Adviser also conducts monthly review of the Fund to ensure compliance with Shariah principle.

In line with the Securities Commission’s guidelines, the roles and responsibilities of the Shariah Adviser are:

- 1) To ensure that the Fund is managed and administered in accordance with Shariah principles.
- 2) To provide expertise and advice in all matters relating to Shariah principles, including the Fund’s deed and prospectus, its structure and ensure that all aspect of the Fund are in accordance with Shariah requirement.
- 3) To consult with Securities Commission where there is any ambiguity or uncertainty as to any Shariah matters.
- 4) To ensure that all applicable Shariah rulings, principles and concepts endorsed by the SACSC are complied with.
- 5) To act with due care, skill and diligence in carrying out its duties and responsibilities.
- 6) To review the report of compliance officer or any investment transaction reports provided by, or duly approved by, the Trustee to ensure that the Fund’s management business and investments activities are Shariah-compliant.
- 7) To prepare a report to be included in the Fund’s semi-annual and annual reports certifying whether the Fund have been managed and administered in accordance with Shariah principles for the respective periods concerned.
- 8) To apply ijthid (intellectual reasoning) to ensure all aspects relating to the Fund are in compliance with Shariah, in the absence of any rulings, principles and concepts endorsed by the Securities Commission.

Members of RHB Islamic Bank’s Shariah Committee

The members of RHB Islamic Bank’s Shariah Committee are the designated persons responsible for the Shariah matters of the Fund. The list of members of RHB Islamic Bank’s Shariah Committee are available on the Manager’s website, www.rhbgroup.com.

Chapter 7 – The Management and Administration of the Fund, Section 7.9 – Other Information

Further information on the Manager, the External Investment Manager and the Shariah Adviser is provided on the Manager’s website, www.rhbgroup.com.

Chapter 8 – The Trustee of the Fund

The Trustee is HSBC (Malaysia) Trustee Berhad, a company incorporated in Malaysia since 1937 and registered as a trust company under the Trust Companies Act 1949, with its registered address at Level 19, Menara IQ, Lingkaran TRX, 55188 Tun Razak Exchange, Kuala Lumpur, Malaysia.

Chapter 8 – The Trustee of the Fund, Section 8.8 Trustee’s Delegate

The Trustee has appointed The Hongkong And Shanghai Banking Corporation Limited as the custodian of both the local and foreign assets of the Fund. For quoted and unquoted local investments of the Fund, the assets are held through their nominee company, HSBC Nominees (Tempatan) Sdn Bhd and/or HSBC Bank Malaysia Berhad. The Hongkong And Shanghai Banking Corporation Limited is a wholly owned subsidiary of HSBC Holdings Plc, the holding company of the HSBC Group. The custodian’s comprehensive custody and clearing services cover traditional settlement processing and safekeeping as well as corporate related services including cash and security reporting, income collection and corporate events processing. All investments are registered in the name of the Trustee or to the order of the Trustee. The custodian acts only in accordance with instructions from the Trustee.

The Trustee shall be responsible for the acts and omissions of its delegate as though they were its own acts and omissions.

However, the Trustee is not liable for the acts, omissions or failure of third party depository including central securities depositories, or clearing and/or settlement systems and/or authorised depository institutions, where the law or regulations of the relevant jurisdiction requires the Trustee to deal or hold any asset of the Fund through such third parties.

Particulars of the Trustee’s Delegate

For foreign asset:

The Hongkong And Shanghai Banking Corporation Limited
6/F, Tower 1,
HSBC Centre,
1 Sham Mong Road, Hong Kong.
Telephone No: (852)2288 1111

For local asset:

The Hongkong And Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Nominees (Tempatan) Sdn Bhd (Registration No: 199301004117 (258854-D))

Level 21, Menara IQ

Lingkaran TRX

55188 Tun Razak Exchange

Kuala Lumpur, Malaysia

Telephone No: (603)2075 3000

Fax No: (603)8894 2588

The Hongkong and Shanghai Banking Corporation Limited (As Custodian) and assets held through HSBC Bank Malaysia Berhad (Registration No.: 198401015221(127776-V))

Level 21, Menara IQ

Lingkaran TRX

55188 Tun Razak Exchange

Kuala Lumpur, Malaysia

Telephone No: (603)2075 3000

Fax No: (603) 8894 2588

Chapter 9 – Related-Party Transaction and Conflict of Interest, first paragraph

The directors and officers of the Manager, and the person(s) or members of a committee undertaking the oversight function of the Fund should avoid any conflict of interest arising, and if any conflict arises, should ensure that the Fund is not disadvantaged by the transaction concerned. Any transaction carried out by or on behalf of the Fund should be executed on terms which are the best available for the Fund and which are no less favourable to the Fund than an arm's length transaction between independent parties. In the event the interest of any directors and employees of the Manager, and the person(s) or members of a committee undertaking the oversight function of the Fund is directly or indirectly involved, he or she would abstain from being involved with any decision making process of the said transaction.

Chapter 9 – Related-Party Transaction and Conflict of Interest, HSBC (Malaysia) Trustee Berhad, first paragraph

As the trustee for the Fund, there may be related party transaction involving or in connection with the Fund in the following events:-

- 1) where the Fund invests in instruments offered by the related party of the Trustee (e.g placement of monies, transferable securities, etc);
- 2) where the Fund is being distributed by the related party of the Trustee as IUTA;
- 3) where the assets of the Fund are being custodised by the related party of the Trustee both as sub-custodian and/or global custodian of the Fund (Trustee's delegate); and
- 4) where the Fund obtains financing as permitted under the Guidelines, from the related party of the Trustee.

Chapter 10 – Tax Adviser's Letter on the Taxation of the Fund and Unit Holders

Tax adviser's letter has been updated.

MANAGER'S REPORT

MARKET REVIEW

For the financial year ended 31 July 2023, the Fund's benchmark index (Dow Jones Islamic Market Developed Market Index) returned +16.64% in Malaysian Ringgit ("MYR") terms and +15.17% in United States Dollar ("USD") during the same period.

Markets continued to be volatile, and the hiking cycle of the United States ("US") central bank the Federal Reserve ("Fed") continued to be the central theme. Markets continued to sell off from the period of August 2022 to October 2022, but since then have been supported, and the subsequent hawkish rhetoric appears to be balanced by underlying improving fundamentals – i.e. that things aren't as bad as once feared. From fears of an inevitable global recession led by the United States of America ("USA"), to a soft landing and a push out of expectations of recession to early year 2024, this allowed US equities to rise once more and in particular the Technology sector.

ECONOMIC REVIEW AND OUTLOOK

US inflation continued to recede and thus became less of a focal point through the second half of calendar year 2022, and first half of calendar year 2023. Headline inflation fell from a peak of 9.06% in June 2022, to 3.20% for July 2023 with core Consumer price index ("CPI") going from 5.90% to 4.70% in the same period. Expectations are for US shelter inflation to decline in the second half of calendar year 2023 in order to continue the downtrend in CPI. Meanwhile, the Fed continued to put through rate rises at an unprecedented rate, culminating in a 5.25% Fed Funds Rate as of July 2023. However, demand has not been entirely destroyed by the tighter financial conditions and has remained resilient.

Part of the explanation for this lies in the robust labour environment, with wages continuing to rise due to tight supply in the workforce. This is starting to slow down as well with the second quarter ("2Q") Employment Cost Index coming in below expectations, revealing a slowdown in both wages and salaries, and in benefits. Whilst a negative for inflation it can be argued as a net positive for the economy as real wages are now positive, with nominal wages above inflation for the first time in years and this is helping to support the consumer environment in the US. With the US economy being majority consumption-driven, and services accounting for 60.00% of consumption, it is now possible to envisage a scenario where Gross Domestic Product ("GDP") growth slows but remains positive in year 2024.

The funds continue to be invested for the long term strategy in Shariah compliant global equities and the External Investment Manager deem them as having met the investment objectives for the financial year in spite of the wobbles that growth assets have had this year 2023.

REVIEW OF FUND PERFORMANCE AND STRATEGY DURING THE FINANCIAL YEAR

For the financial year under review, the Fund registered a total return of 11.30%* and 5.45%* against its benchmark return of 16.22%* and 10.14%* for RM Class and SGD Class respectively. The Fund thus underperformed its benchmark by 4.92% and 4.69% during the financial year under review. The Net Asset Value per unit of the Fund was RM1.3434 and RM3.6025 (31 July 2022: RM1.2069 and RM3.2370) for RM Class and SGD Class respectively as at 31 July 2023. The Fund's long-term strategy of focusing on structural themes has not changed. We recognize that in year 2022, the COVID-19 winner' stocks quickly turned into losers due to crowding in these names and a derating of the multiple valuation rather than deterioration of the fundamentals. Investments in the Technology and Healthcare sector soured and this continued to October 2022, before an improvement saw risk appetite return in year 2023. Fund relative performance started to improve from February 2023.

The Fund's core strategy focuses on six key pillars/themes. These themes are: (i) Internet (including digital advertising and cloud services), (ii) Healthcare and aging population, (iii) New Consumer (including spending on Athleisure, beauty and new entertainment), (iv) Software (including Cyber Security), (v) Technology Hardware (Artificial Intelligence ("A.I."), 5G and Cloud Computing) and (vi) Energy (in particular energy transition names). The focus on long term structural winners remains amidst the market turbulence in the 2022 calendar year and our focus has been on capitalizing on longer term opportunities created by the market selloff.

Indeed, the concerns on equities and pervasive bleakness appeared overdone in early 2023, where the External Investment Manager saw an initial optimism on China reopening to start the year 2023. This was assumed to have a positive impact on global demand and whilst this optimism then faded, developed markets continued to rally from the month of March 2023. This was in spite of concerns of the bankruptcy of Silicon Valley Bank ("SVB"), which proved to be a contained financial event rather than have any contagion risks. More recently, the Fund has been helped in performance by 2 examples in A.I. and the excitement on glucagon-like peptide 1 ("GLP-1") diabetes drugs, which has shown to have highly positive effects on cardiovascular health of patients. These 2 themes fit nicely in as core holdings of the Fund.

* *Source: Lipper Investment Management ("Lipper IM"), 10 August 2023*

MARKET REVIEW AND STRATEGY GOING FORWARD

As alluded to above, our focus is on capturing opportunities from the market and remaining invested in our preferred long term structural winners. The External Investment Manager adopted a more balanced approach as of February 2023, as conditions appeared to be better than expected and this led us to deploy some cash. The External Investment Manager bottom up approach remains the same, and the long term structural winners should emerge in a stronger position in spite of possible recession scenarios. The External Investment Manager reaped the rewards in May 2023 in particular, with semis, Technology and AI-related names contributing very positively, and again in July 2023 for the Healthcare sector investments, particularly the semaglutide and GLP-1 class of diabetes drugs.

The portfolio continues to take more of an active investing approach and remains concentrated in the active weights. At present, the portfolio has positions in 59 stocks and is minimally hedged on its Foreign Exchange (“FX”) exposures. The USD strengthening (due to the Fed actions) has been a tailwind to the Fund. However, in late July 2023, the External Investment Manager saw the MYR start to strengthen against the USD. It remains to be seen if this can be sustained as a lot hinges on the actions of respective central banks (the Fed and Bank Negara Malaysia (“BNM”)). Hence, the External Investment Manager remain on the lookout for an attractive entry point for further hedging of MYR against USD in particular.

PERFORMANCE DATA

	Annual Total Returns				
	Financial Year Ended 31 July				
	2023	2022	2021	2020	2019
	%	%	%	%	%
RHB Islamic Global Developed Markets Fund - RM Class					
- Capital return	11.30	(13.36)	30.90	12.72	(3.63)
- Income return	-	3.52	3.22	3.29	6.35
- Total return	11.30	(10.32)	35.11	16.43	2.48
Islamic Global Developed Markets Fund Index**	16.22	(7.51)	34.26	22.87	5.03

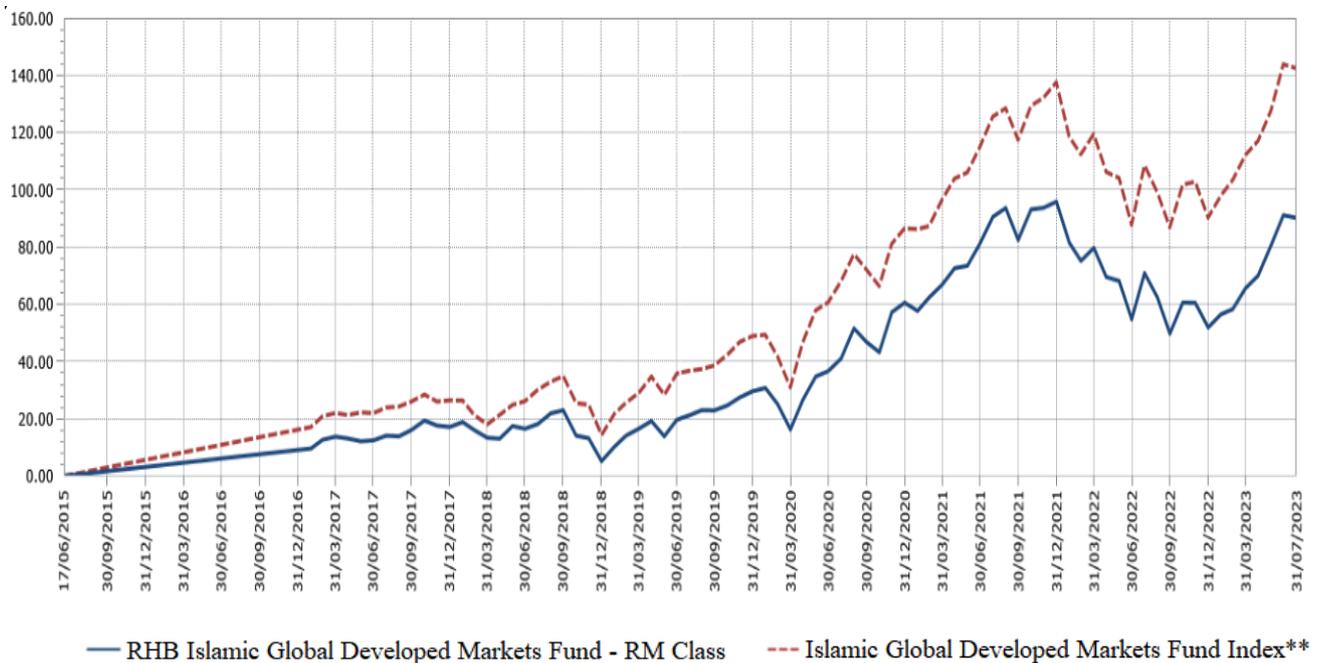
	Annual Total Returns		
	Financial Year/Period Ended 31 July		
	2023	2022	2021
	%	%	%
RHB Islamic Global Developed Markets Fund - SGD Class			
- Capital return	5.45	(13.13)	15.22
- Income return	-	-	-
- Total return	5.45	(13.13)	15.22
Islamic Global Developed Markets Fund Index**	10.14	(10.44)	11.76

	Average Annual Returns			
	1 Year	3 Years	5 Years	Since Launch
	31.07.2022-	31.07.2020-	31.07.2018-	17.06.2015*-
	31.07.2023	31.07.2023	31.07.2023	31.07.2023
	%	%	%	%
RHB Islamic Global Developed Markets Fund - RM Class	11.30	10.48	9.98	8.23
Islamic Global Developed Markets Fund Index**	16.22	13.01	13.24	11.52

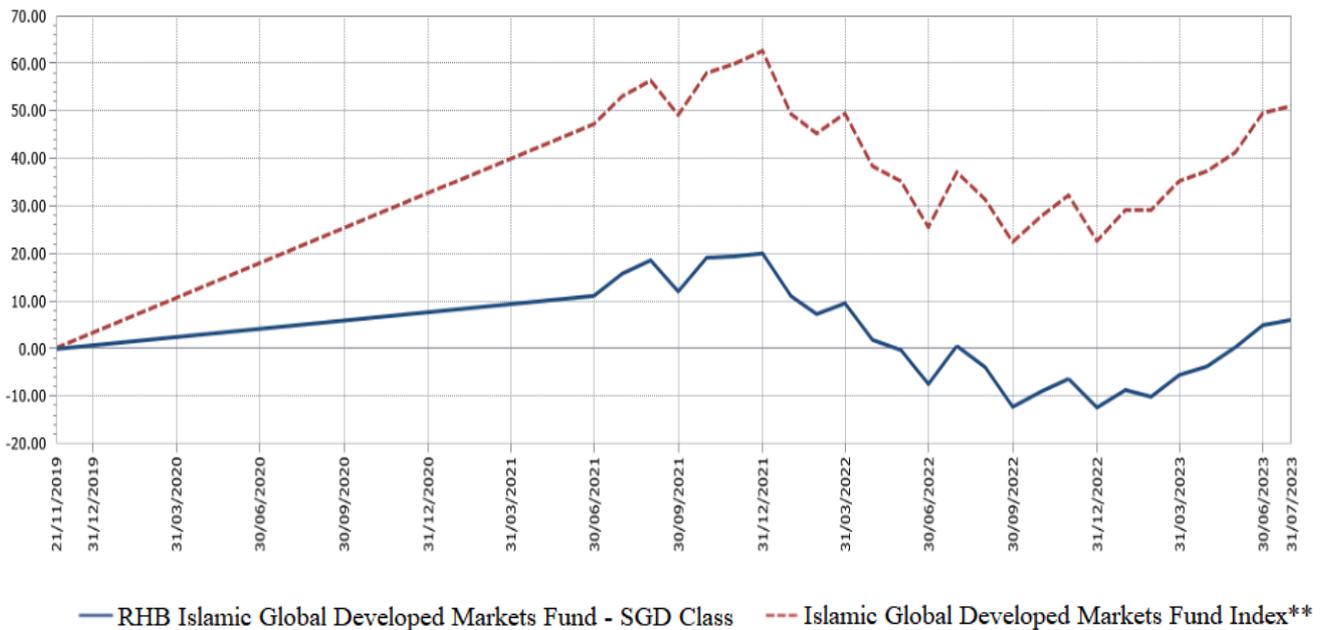
	Average Annual Returns		
	1 Year 31.07.2022- 31.07.2023 %	3 Year 31.07.2020- 31.07.2023 %	Since Inception 21.11.2019* - 31.07.2023 %
RHB Islamic Global Developed Markets Fund - SGD Class	5.45	2.00	1.62
Islamic Global Developed Markets Fund Index**	10.14	9.53	11.80

* Being the last day of Initial Offer Period

**Performance of RHB Islamic Global Developed Markets Fund - RM Class
for the period from 17 June 2015* to 31 July 2023
Cumulative Return Over The Period (%)**



**Performance of RHB Islamic Global Developed Markets Fund - SGD Class
for the period from 21 November 2019* to 31 July 2023
Cumulative Return Over The Period (%)**



* Being the last day of Initial Offer Period

Source: Lipper IM, 10 August 2023

The abovementioned performance figures are indicative returns based on daily Net Asset Value of a unit (as per Lipper Database) since inception.

The calculation of the above returns is based on computation methods of Lipper.

Note: Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

The abovementioned performance computations have been adjusted to reflect distribution payments and unit splits wherever applicable.

** Effective 1 January 2019, the Fund's composite benchmark (Islamic Global Developed Markets Fund Index) was changed from Russell-IdealRatings Islamic Developed ex-Canada Custom Index to Dow Jones Islamic Market Developed Markets Index. The Fund's composite benchmark performance has been adjusted to reflect the new benchmark.

A combination of benchmark/composite benchmark has been used for the performance computation as follows:

From 17 June 2015 to 31 December 2018	Russell-IdealRatings Islamic Developed ex-Canada Custom Index
1 January 2019 onwards	Dow Jones Islamic Market Developed Markets Index

Fund Size - RM Class	As At 31 July		
	2023	2022	2021
Net Asset Value (RM million)	199.83	217.11*	198.74*
Units In Circulation (million)	148.75	179.89	142.66
Net Asset Value Per Unit (RM)	1.3434	1.2069*	1.3931*

Fund Size - SGD Class	As At 31 July		
	2023	2022	2021
Net Asset Value (RM million)	1.57	0.97	0.74
Units In Circulation (million)	0.44	0.30	0.20
Net Asset Value Per Unit (RM)	3.6025	3.2370	3.6092

Historical Data	Financial Year 31 July		
	2023	2022	2021
Unit Prices			
<u>RM Class</u>			
NAV - Highest (RM)	1.3515	1.4656*	1.4444*
NAV - Lowest (RM)	1.0579	1.1066*	1.0733*
<u>SGD Class</u>			
NAV - Highest (SGD)	1.0611	1.2341	1.1676
NAV - Lowest (SGD)	0.8682	0.9040	1.0028
Distribution and Unit Split			
<u>RM Class</u>			
Gross Distribution Per Unit (sen)	-	4.0000	4.5000
Net Distribution Per Unit (sen)	-	3.9755	4.5000
Distribution date	-	26.07.2022	26.07.2021
NAV before distribution (cum)	-	1.1881	1.4444
NAV after distribution (ex)	-	1.1369	1.4016
Unit Split	-	-	-
Others			
Total Expense Ratio (TER) (%) #	1.91	1.91	1.95
Portfolio Turnover Ratio (PTR) (times) ##	0.54	0.85	1.25

* *The figures quoted are ex-distribution*

The TER for the financial year was consistent compared with the previous financial year.

The PTR for the financial year was lower compared with the previous financial year due to lesser investment activities for the financial year under review.

DISTRIBUTION

For the financial year under review, no distribution has been proposed by the Fund.

PORTFOLIO STRUCTURE

The asset allocations of the Fund as at reporting date were as follows:

Sectors	As at 31 July		
	2023 %	2022 %	2021 %
Equities			
Advanced Medical Equipment	4.87	7.56	4.07
Apparel/Accessories	1.32	-	-
Auto/Truck Manufacturers	1.51	0.86	1.25
Chemicals	-	-	0.83
Chemicals - Commodity	1.68	-	-
Computer Hardware	-	0.82	-
Construction & Engineering	1.37	1.67	-
Consumer Electronics	5.73	6.28	6.35
Electrical Components/Equipment	8.32	6.48	6.14
Employment Services	-	-	2.15
Financial & Commodity Market Operators	1.23	1.07	1.20
Financial Services	2.34	4.08	3.95
Food Distribution/Convenience Stores	3.60	1.59	2.99
Food Processing	2.52	5.52	2.82
Footwear	0.69	-	-
Gold	0.96	-	-
Home Improvement Products & Services			
Retailers	1.24	-	1.56
Homebuilding	-	-	2.45
Industrial Machinery/Equipment	0.96	-	3.35
Integrated Mining	0.48	0.50	1.00
IT Services/Consulting	0.85	-	-
Mining/Metals	0.56	0.76	-
Oil and Gas	4.86	5.17	2.81
Oil Related Services/Equipment	0.48	0.73	-
Online Services	5.17	0.70	1.39
Speciality Retail	0.82	-	-
Personal Products	-	1.23	1.25
Pharmaceuticals	9.63	10.59	4.88
Restaurants	-	0.65	-

PORTFOLIO STRUCTURE (CONTINUED)

The asset allocations of the Fund as at reporting date were as follows: (continued)

Sectors (continued)	As at 31 July		
	2023	2022	2021
	%	%	%
Equities (continued)			
Retail - Apparel/Accessories	-	1.27	4.20
Retail - Department Stores	5.79	6.28	-
Retail - Discount Stores	-	1.23	1.90
Retail - Internet/Catalog Order	-	-	1.52
Semiconductors	11.83	7.28	8.16
Software	9.87	12.52	13.90
Wireless Telecommunications Services	5.29	6.70	11.38
	<hr/>	<hr/>	<hr/>
	93.97	91.54	91.50
Islamic forward foreign currency contracts	0.09	-	-
Liquid assets and other current assets	5.94	8.46	8.50
	<hr/>	<hr/>	<hr/>
	100.00	100.00	100.00

The asset allocations have been structured to meet the Fund's intended objective.

SECURITIES FINANCING TRANSACTIONS

The Fund has not undertaken any securities lending or repurchase transactions for the financial year under review.

CROSS TRADE

The Fund has not carried out any cross trade transactions for the financial year under review.

SOFT COMMISSION

Soft commissions were received by the management company for the financial year under review from brokers/dealers who have also executed trades for other funds or investment managed by the management company or Fund Manager. The soft commissions were utilised for research data and materials that assist in the decision making process relating to the Fund's investment. The soft commissions received were for the benefit of the funds and there were no churning of trades.

**RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2023**

	<u>Note</u>	<u>2023</u> RM	<u>2022</u> RM
ASSETS			
Bank balances	5	9,374,935	18,710,394
Islamic deposits with licensed financial institutions	5	3,386,082	-
Investments	6	189,250,752	199,627,415
Amount due from brokers		-	2,360,879
Amount due from Manager		306,279	36,804
Dividend receivables		25,691	18,384
Tax recoverable		254,484	-
Islamic forward foreign currency contracts	7	186,100	-
TOTAL ASSETS		<u>202,784,323</u>	<u>220,753,876</u>
LIABILITIES			
Amount due to brokers		979,640	2,229,046
Amount due to Manager		70,851	57,556
Accrued management fee		304,513	322,435
Amount due to Trustee		10,150	10,748
Other payables and accruals		15,367	31,812
Tax payable		-	21,500
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>1,380,521</u>	<u>2,673,097</u>
NET ASSET VALUE		<u>201,403,802</u>	<u>218,080,779</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>201,403,802</u>	<u>218,080,779</u>

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

**RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND
STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2023 (CONTINUED)**

	<u>Note</u>	<u>2023</u> RM	<u>2022</u> RM
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS (EX-DISTRIBUTION*):			
- RM Class		199,832,329	217,113,056
- SGD Class		1,571,473	967,723
		<u>201,403,802</u>	<u>218,080,779</u>
UNITS IN CIRCULATION:			
- RM Class (Units)	9 (a)	148,753,893	179,890,360
- SGD Class (Units)	9 (b)	436,218	298,958
		<u>149,190,111</u>	<u>180,189,318</u>
NET ASSET VALUE PER UNIT (EX-DISTRIBUTION*):			
- RM Class (RM)		1.3434	1.2069*
- SGD Class (RM)		3.6025	3.2370
		<u>5.0459</u>	<u>4.4439</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES (EX-DISTRIBUTION*):			
- RM Class (RM)		1.3434	1.2069*
- SGD Class (SGD)		1.0611	1.0062
		<u>2.4045</u>	<u>2.2131</u>

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

**RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND
STATEMENT OF INCOME AND EXPENSES
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023**

	<u>Note</u>	<u>2023</u> RM	<u>2022</u> RM
INCOME/(LOSS)			
Dividend income		2,237,829	2,592,041
Profit income from Islamic deposits with licensed financial institutions		23,520	137,101
Net realised gain on disposal		452,007	2,898,527
Net unrealised gain/(loss) on changes in fair value		23,086,231	(28,805,649)
Net loss on Islamic forward foreign currency contracts	7	(1,401,700)	(483,460)
Net foreign currency exchange gain		96,855	110,866
		<u>24,494,742</u>	<u>(23,550,574)</u>
EXPENSES			
Management fee	10	(3,462,443)	(4,212,716)
Trustee's fee	11	(115,415)	(140,424)
Audit fee		(5,900)	(6,350)
Tax agent's fee		(3,800)	(3,800)
Tax agent's fee – overprovision of prior year		-	4,200
Transaction costs		(91,072)	(240,568)
Other expenses		(671,809)	(757,081)
		<u>(4,350,439)</u>	<u>(5,356,739)</u>
Net income/(loss) before finance cost and taxation		20,144,303	(28,907,313)
FINANCE COST (EXCLUDING INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)			
Distributions:			
- RM Class		-	(6,925,830)

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

**RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND
STATEMENT OF INCOME AND EXPENSES
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023 (CONTINUED)**

	<u>Note</u>	<u>2023</u> RM	<u>2022</u> RM
Net income/(loss) after finance cost and before taxation		20,144,303	(35,833,143)
Taxation	12	<u>22,488</u>	<u>(43,000)</u>
Net increase/(decrease) in net assets attributable to unit holders		<u>20,166,791</u>	<u>(35,876,143)</u>
Net increase/(decrease) in net assets attributable to unit holders is made up as follows:			
Realised amount		(3,274,062)	(7,491,997)
Unrealised amount		<u>23,440,853</u>	<u>(28,384,146)</u>
		<u>20,166,791</u>	<u>(35,876,143)</u>

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

**RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND
STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023**

	<u>2023</u> RM	<u>2022</u> RM
Net assets attributable to unit holders at the beginning of the financial year	218,080,779	199,474,655
Movement due to units created and cancelled during the financial year:		
Creation of units arising from applications		
- RM Class	35,578,284	143,286,040
- SGD Class	483,770	368,063
Creation of units arising from distributions		
- RM Class	-	6,925,830
Cancellation of units		
- RM Class	(72,842,221)	(96,052,132)
- SGD Class	(63,601)	(45,534)
Net increase/(decrease) in net assets attributable to unit holders during the financial year	<u>20,166,791</u>	<u>(35,876,143)</u>
Net assets attributable to unit holders at the end of financial year	<u>201,403,802</u>	<u>218,080,779</u>

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

**RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND
STATEMENT OF CASH FLOWS
FOR FINANCIAL YEAR ENDED 31 JULY 2023**

	<u>Note</u>	<u>2023</u> RM	<u>2022</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		122,951,575	177,182,267
Purchase of Shariah-compliant investments		(88,016,273)	(223,253,336)
Dividends received		1,653,299	2,000,301
Profit income received from Islamic deposits with licensed financial institutions		23,520	137,101
Management fee paid		(3,480,365)	(4,176,916)
Trustee's fee paid		(116,013)	(139,231)
Payment for other fees and expenses		(120,731)	(120,400)
Net realised loss on Islamic forward foreign currency contracts		(1,587,800)	(483,460)
Net realised foreign exchange loss		(71,667)	(310,637)
Taxation paid		(253,496)	(21,500)
Net cash generated from/(used in) operating activities		<u>30,982,049</u>	<u>(49,185,811)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		35,792,579	155,577,333
Cash paid for units cancelled		(72,892,527)	(96,316,205)
Net cash (used in)/generated from financing activities		<u>(37,099,948)</u>	<u>59,261,128</u>
Net (decrease)/increase in cash and cash equivalents		(6,117,899)	10,075,317
Foreign currency translation differences		168,522	421,503
Cash and cash equivalents at the beginning of the financial year		<u>18,710,394</u>	<u>8,213,574</u>
Cash and cash equivalents at the end of the financial year	5	<u>12,761,017</u>	<u>18,710,394</u>

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

**RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JULY 2023**

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

The RHB Islamic Global Developed Market Fund (hereinafter referred to as “the Fund”) was constituted pursuant to the execution of a Deed dated 17 April 2015 as modified by its First Supplemental Deed dated 17 January 2023 (“the Deed”) between RHB Islamic International Asset Management Berhad (“the Manager”) and HSBC Malaysia Trustee Berhad (“the Trustee”).

The Fund was launched on 28 May 2015 and will continue its operations until terminated according to the conditions provided in the Deed. The principal activity of the Fund is to invest in Permitted Investments as defined in the Deed.

The Fund’s activities shall be conducted strictly in accordance with the requirement of the Shariah principles and shall be monitored by the Shariah Adviser of the Fund.

All investments will be subject to the Securities Commission Malaysia (“SC”)’s Guidelines on Unit Trust Funds, SC’s requirements, the Deed, except where exemptions or variations have been approved by the SC, internal policies and procedures and objective of the Fund.

The main objective of the Fund is to provide investors with long term capital growth by investing in Shariah-compliant global equities.

The Manager, a company incorporated in Malaysia, is a wholly-owned subsidiary of RHB Asset Management Sdn Bhd, effective 1 December 2013. Its principal activities include rendering of Islamic fund management services and management of Islamic unit trust funds.

These financial statements were authorised for issue by the Manager on 22 September 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention, as modified by revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss, except those as disclosed in the summary of significant accounting policies, and in accordance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. It also requires the Manager to exercise its judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Manager’s best knowledge of current events and actions, actual results may differ. There were no areas involving higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

(a) Standards and amendments to existing standards effective 1 August 2022

There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 August 2022 that have a material effect on the financial statements of the Fund.

(b) New standards, amendments and interpretations effective after 1 August 2022 and have not been early adopted

A number of new standards and amendments to standards and interpretations are effective for the financial year beginning after 1 August 2022. None of these is expected to have a significant effect on the financial statements of the Fund, except the following set out below:

- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current’ clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The amendment is effective for the annual financial reporting period beginning on or after 1 August 2024.

The amendment shall be applied retrospectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets

Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss (“FVTPL”), and
- those to be measured at amortised cost.

The Fund classifies its investments based on both the Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund’s debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund’s business model’s objective. Consequently, all investments and deposits with licensed financial institutions are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from brokers, amount due from Manager and dividend receivables as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of income and expenses.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets (continued)

Recognition and measurement (continued)

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in statement of income and expenses within net gain or losses on investments in the year in which they arise.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of income and expenses within dividend income when the Fund's right to receive payments is established.

Quoted Shariah-compliant investments are initially recognised at fair value and subsequently re-measured at fair value based on the market price quoted on the relevant stock exchanges at the close of the business on the valuation day, where the close price falls within the bid-ask spread. In circumstances where the close price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or bases approved by the Trustee after appropriate technical consultation.

Islamic deposits with licensed financial institutions are stated at cost plus accrued profit calculated on the effective profit method over the period from the date of placement to the date of the statement of financial position, which is reasonable estimate of fair value due to the short-term nature of the deposits.

Islamic derivative investments are Islamic forward foreign currency contracts. Financial derivative position will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative financial instrument are recognised in the statement of income and expenses when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative financial instrument.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective profit method.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Financial assets (continued)

Impairment of financial assets

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on the 12-month expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due or a counterparty credit rating which has fallen below BBB/Baa.

Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on the unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

2.3 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Financial liabilities (continued)

Financial liabilities, within the scope of MFRS 9, 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 which include amount due to brokers, amount due to Manager, accrued management fee, amount due to Trustee, other payables and accruals and net assets attributable to unit holders are recognised initially at fair value plus directly attributable transaction cost and subsequently measured at amortised cost using the effective profit method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in statement of income and expenses when the liabilities are derecognised, and through the amortisation process.

The Fund's policies on Islamic derivative instruments are stated in Note 2.2 and Note 2.13.

2.4 Creation and cancellation of units

The unit holders' contribution to the Fund meet the definition of puttable instruments classified as financial liability under MFRS132 "Financial Instruments: Presentation".

The Fund issues two classes of cancellable units, which are cancelled at the unit holders' option and do not have identical features subject to restrictions as stipulated in the Prospectus and the SC Guidelines on Unit Trust Funds. The units are classified as financial liabilities.

Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value attributable to the unit class. The outstanding units are carried at the redemption amount that is payable at the statement of financial position date if the unit holders exercise the right to put the unit back to the Fund.

Units are created and cancelled at the unit holder's option at prices based on the Fund's net asset value per share of the respective classes at the close of business on the relevant dealing day. The Fund's net asset value per share of the respective classes is calculated by dividing the net assets attributable to the unit holders of each class of units with the total number of outstanding units for each respective class.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Income recognition

Dividend income from quoted Shariah-compliant investments is recognised when the Fund's right to receive payment is established. Dividend income is received from financial assets measured at FVTPL.

Profit income from Islamic deposits with licensed financial institutions is recognised on an accrual basis using the effective profit method.

Profit income is calculated by applying the effective profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective profit rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

Realised gain or loss on sale of quoted Shariah-compliant investments is arrived at after accounting for cost of investments, determined on the weighted average cost method.

Realised gain or loss on Islamic forward foreign currency contracts are measured by the net settlement amount as per the Islamic forward foreign currency contract.

Net income or loss is the total of income less expenses.

2.6 Taxation

Current tax expense is determined according to Malaysian tax laws and includes all taxes based upon the taxable income earned during the financial year.

2.7 Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balances and Islamic deposits with licensed financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

2.8 Distribution

Distribution to the Fund's unit holders is accounted for as a deduction from realised reserves. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Amount due from/to brokers

Amounts due from/to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the date of the statement of financial position respectively. The amount due from brokers balance is held for collection.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the brokers and counterparty, probability that the brokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

2.10 Presentation and functional currency

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is the Fund’s presentation and functional currency.

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in RM primarily due to the following factors:

- Part of the Fund’s cash is denominated in RM for the purpose of making settlement of the creation and cancellation.
- The Fund’s units are denominated in RM.
- The Fund’s significant expenses are denominated in RM.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Foreign currency translation

Foreign currency transactions in the Fund are accounted for at exchange rates prevailing at the transaction dates. Foreign currency monetary assets and liabilities are translated at exchange rates prevailing at the reporting date. Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are recognised in statement of income and expenses.

2.12 Increase/decrease in net assets attributable to unit holders

Income not distributed is included in net assets attributable to unit holders.

2.13 Islamic derivative financial instruments

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

The fair value of Islamic forward foreign currency contracts is determined using forward exchange rates at the date of the statement of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the Islamic derivative financial instrument is designated as a hedging instrument, and the nature of the item being hedged. Derivative financial instruments that do not qualify for hedge accounting are classified as FVTPL and accounted for in accordance with the accounting policy set out in note 2.2.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks, which include market risk, price risk, profit rate risk, currency risk, credit risk, liquidity risk, Shariah specific risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the SC Guidelines on Unit Trust Funds.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk

Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in profit or currency rates or adverse investors' sentiment generally. They may also decline due to factors that affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities. The market price of securities owned by a unit trust fund might go down or up, sometimes rapidly or unpredictably.

Price risk

Price risk is the risk that the fair value of the investments of the Fund will fluctuate because of changes in market prices.

The Fund is exposed to equity securities (other than those arising from profit rate risk) price risk for its investments of RM189,250,752 (2022: RM199,627,415) in quoted Shariah-compliant investments.

The sensitivity analysis is based on the assumption that the price of the quoted Shariah-compliant investments fluctuate by +/- 5% with all other variables held constant, the impact on the statement of income and expenses and net asset value is +/- RM9,462,538 (2022: RM9,981,371).

Profit rate risk

Profit rate risk is the risk that the cost or the value of the financial instruments will fluctuate due to changes in market profit rates. The Fund's exposure to the profit rate risk is mainly from short term Islamic placements with financial institutions. The Manager overcomes the exposure by way of maintaining Islamic deposits on short term basis. Therefore, exposure to profit rate fluctuation is minimal.

Currency risk

Currency risk is associated with financial instruments that are quoted and/or priced in foreign currency denomination. Malaysian based investor should be aware that if the Ringgit Malaysia appreciates against the currencies in which the portfolio of the investment is denominated, this will have an adverse effect on the net asset value of the Fund and vice versa. The Fund did not have any significant financial liabilities denominated in foreign currencies as at the financial year end date.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency risk (continued)

The Manager or its fund management delegate could utilise two pronged approaches in order to mitigate the currency risk; firstly by spreading the investments across different currencies (i.e. diversification) and secondly, by hedging the currencies when it deemed necessary.

The analysis is based on the assumption that the foreign exchange rate fluctuates by +/(-) 5%, with all other variables remain constants, the impact on statement of income and expenses and net asset value is +/(-)RM9,352,157 (2022: +/(-) RM10,874,537).

The following table sets out the currency risk concentration of the Fund:

	Quoted Shariah- compliant investments	Islamic forward foreign currency contracts	Cash and cash equivalents	Other financial assets/ (liabilities)*	Net assets attributable to unit holders	Total
	RM	RM	RM	RM	RM	RM
<u>2023</u>						
Australian Dollar	4,239,250	-	-	-	-	4,239,250
Danish Krone	4,279,176	-	-	-	-	4,279,176
Euro	12,989,954	-	-	(463,566)	-	12,526,388
Japanese Yen	9,666,724	-	-	-	-	9,666,724
Norwegian Krone	2,883,544	-	-	-	-	2,883,544
Pound Sterling	5,441,878	-	-	-	-	5,441,878
Singapore Dollar	-	-	1,520,958	2,724	(1,571,473)	(47,791)
Swiss Franc	4,320,024	-	-	-	-	4,320,024
United States Dollar	145,430,202	186,100	7,803,633	(490,383)	-	152,929,552
	<u>189,250,752</u>	<u>186,100</u>	<u>9,324,591</u>	<u>(951,225)</u>	<u>(1,571,473)</u>	<u>196,238,745</u>

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency risk (continued)

The following table sets out the currency risk concentration of the Fund: (continued)

	Quoted Shariah- compliant investments	Islamic forward foreign currency contracts	Cash and cash equivalents	Other financial assets/ (liabilities)*	Net assets attributable to unit holders	Total
	RM	RM	RM	RM	RM	RM
2022						
Australian Dollar	5,448,901	-	-	-	-	5,448,901
Danish Krone	2,081,249	-	-	-	-	2,081,249
Euro	6,087,072	-	-	-	-	6,087,072
Japanese Yen	8,037,008	-	-	-	-	8,037,008
Norwegian Krone	3,712,394	-	-	-	-	3,712,394
Pound Sterling	8,138,167	-	-	-	-	8,138,167
Singapore Dollar	-	-	1,028,587	11,957	(967,723)	72,821
Swiss Franc	4,498,801	-	-	643,705	-	5,142,506
United States Dollar	161,623,823	-	17,640,281	(493,487)	-	178,770,617
	<u>199,627,415</u>	<u>-</u>	<u>18,668,868</u>	<u>162,175</u>	<u>(967,723)</u>	<u>217,490,735</u>

* Comprise of amount due from/to brokers, amount due from/to Manager, and dividend receivables.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligation resulting in financial loss to the Fund. The credit risk arising from cash and cash equivalents is managed by ensuring that the Fund will only maintain cash balances and place Islamic deposits with reputable licensed financial institutions. For amount due from brokers, the settlement terms are governed by the relevant rules and regulations as prescribed by the respective countries stock exchange. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC Guidelines on Unit Trust Funds.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

The following table sets out the credit risk concentration of the Fund:

	Cash and cash equivalents	Islamic forward foreign currency contracts	Other financial assets*	Total
	RM	RM	RM	RM
<u>2023</u>				
AAA	12,761,017	186,100	-	12,947,117
Others	-	-	331,970	331,970
	<u>12,761,017</u>	<u>186,100</u>	<u>331,970</u>	<u>13,279,087</u>
<u>2022</u>				
AAA	18,710,394	-	-	18,710,394
Others	-	-	2,416,067	2,416,067
	<u>18,710,394</u>	<u>-</u>	<u>2,416,067</u>	<u>21,126,461</u>

* Comprise amount due from brokers, amount due from Manager and dividend receivables.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations.

Liquidity risk exists when particular investments are difficult to sell. As such, the Fund may not be able to sell such illiquid investments at an advantageous time or price to meet its liquidity requirements. Unit trust funds with principal investment strategies that involve securities or securities with substantial market and/or credit risk tend to have the greater exposure to liquidity risk. As part of its risk management, the Manager will attempt to manage the liquidity of the Fund through asset allocation and diversification strategies within the portfolio. The Manager will also conduct constant fundamental research and analysis to forecast future liquidity of its investments.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period from the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	<u>Less than 1 month</u> RM	<u>Between 1 month to 1 year</u> RM
<u>2023</u>		
Amount due to brokers	979,640	-
Amount due to Manager	70,851	-
Accrued management fee	304,513	-
Amount due to Trustee	10,150	-
Other payables and accruals	-	15,367
Net assets attributable to unit holders*	201,403,802	-
	<u>202,768,956</u>	<u>15,367</u>
<u>2022</u>		
Amount due to brokers	2,229,046	-
Amount due to Manager	57,556	-
Accrued management fee	322,435	-
Amount due to Trustee	10,748	-
Other payables and accruals	-	31,812
Net assets attributable to unit holders*	218,080,779	-
	<u>220,700,564</u>	<u>31,812</u>

* Outstanding units are redeemed on demand at the unit holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as unit holders typically retain them for the medium to long term.

3. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Shariah specific risk

The risk that the investments do not conform to the principle of Shariah may result in those investments being not Shariah compliant. Should the situation arise, necessary steps shall be taken to dispose of such investments in accordance with the rules of divestment of non Shariah-compliant investments. If this occurs, the Fund could suffer losses from the disposal and thus, adversely affecting the value of the Fund.

Capital risk

The capital of the Fund is represented by net assets attributable to unit holder's of RM201,403,802 (2022: RM218,080,779). The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

4. FAIR VALUE ESTIMATION

Fair value is defined as 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 (i.e. an exit price).

The fair value of financial assets and liabilities traded in an active market (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the financial year end date.

An active market is a market in which transactions for the assets or liabilities take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

4. FAIR VALUE ESTIMATION (CONTINUED)

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. The Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each financial year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The fair values are based on the following methodologies and assumptions:

- (i) For bank balances and Islamic deposits with licensed financial institutions with maturities less than 1 year, the carrying value is a reasonable estimate of fair value.
- (ii) The carrying value of receivables and payables are assumed to approximate their fair values due to their short term nature.

Fair value hierarchy

The Fund adopted MFRS 13 “Fair Value Measurement” in respect of disclosures about the degree of reliability of fair value measurement. This requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active market 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 (that is, as prices) or indirectly (that is, derived from prices)
- Level 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs)

4. FAIR VALUE ESTIMATION (CONTINUED)

Fair value hierarchy (continued)

The following table analyses within the fair value hierarchy the Fund's financial assets at fair value through profit or loss (by class) measured at fair value:

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2023</u>				
Financial assets at FVTPL:				
- Quoted Shariah-compliant investments	189,250,752	-	-	189,250,752
- Islamic forward foreign currency contracts	-	186,100	-	186,100
	<u>189,250,752</u>	<u>186,100</u>	<u>-</u>	<u>189,436,852</u>

2022

Financial assets at FVTPL:

- Quoted Shariah-compliant investments	<u>199,627,415</u>	-	-	<u>199,627,415</u>
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Investments in active listed equities, i.e. quoted Shariah-compliant investments whose values are based on quoted market prices in active markets are classified within Level 1. The Fund does not adjust the quoted prices for these instruments.

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. This include Islamic forward foreign currency contracts. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

The Fund's policies on valuation of these financial assets are stated in Note 2.2.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises:

	<u>2023</u> RM	<u>2022</u> RM
Bank balances	9,374,935	18,710,394
Islamic deposits with licensed financial institutions	3,386,082	-
	<u>12,761,017</u>	<u>18,710,394</u>

6. INVESTMENTS

	<u>2023</u> RM	<u>2022</u> RM
Investments:		
- Quoted Shariah-compliant investments - foreign	<u>189,250,752</u>	<u>199,627,415</u>

Investments as at 31 July 2023 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN				
<u>AUSTRALIA</u>				
Integrated Mining				
BHP Group Ltd	6,936	965,122	968,982	0.48
Pharmaceuticals				
CSL Limited	4,011	3,244,338	3,270,268	1.63
TOTAL AUSTRALIA		<u>4,209,460</u>	<u>4,239,250</u>	<u>2.11</u>

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>DENMARK</u>				
Pharmaceuticals				
Novo Nordisk Ordinary	5,875	3,114,995	4,279,176	2.12
TOTAL DENMARK		3,114,995	4,279,176	2.12
<u>FRANCE</u>				
Electrical				
Components/Equipment				
Schneider Electric SE	3,002	2,204,533	2,416,905	1.20
TOTAL FRANCE		2,204,533	2,416,905	1.20
<u>GERMANY</u>				
Footwear				
Puma AG Rudolf Dassler Sport	4,538	1,297,325	1,385,296	0.69
TOTAL GERMANY		1,297,325	1,385,296	0.69
<u>JAPAN</u>				
Electrical				
Components/Equipment				
Daikin Industries Ltd	1,768	1,279,818	1,609,269	0.80
Keyence Corporation	1,711	3,699,381	3,461,099	1.72
		4,979,199	5,070,368	2.52
Food Distribution/ Convenience Stores				
Kobe Bussan Co Ltd	24,165	3,053,984	2,904,106	1.44

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>JAPAN (CONTINUED)</u>				
Industrial				
Machinery/Equipment				
FANUC Ltd	7,708	1,202,198	1,063,279	0.53
Pharmaceuticals				
Astellas Pharma Inc	9,529	601,193	628,971	0.31
TOTAL JAPAN		9,836,574	9,666,724	4.80
<u>NETHERLANDS</u>				
Financial & Commodity				
Market Operators				
Adyen N.V.	295	2,707,078	2,476,761	1.23
Semiconductors				
ASML Holding N.V.	1,376	3,882,433	4,458,882	2.21
TOTAL NETHERLANDS		6,589,511	6,935,643	3.44
<u>NORWAY</u>				
Food Processing				
Mowi ASA	36,300	3,980,851	2,883,544	1.44
TOTAL NORWAY		3,980,851	2,883,544	1.44
<u>SWITZERLAND</u>				
Apparel/Accessories				
Compagnie Financiere Richemont	3,648	2,471,927	2,661,529	1.32

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>SWITZERLAND (CONTINUED)</u>				
Food Processing				
Nestle SA-Reg	2,984	1,646,812	1,658,495	0.82
Semiconductors				
STMicroelectronics N.V.	9,319	2,050,607	2,252,110	1.12
TOTAL SWITZERLAND		6,169,346	6,572,134	3.26
<u>UNITED KINGDOM</u>				
Industrial				
Machinery/Equipment				
Pentair PLC	2,747	799,491	860,461	0.43
Pharmaceuticals				
AstraZeneca PLC	6,584	3,135,534	4,270,003	2.12
GSK PLC	14,598	1,138,396	1,171,875	0.58
		4,273,930	5,441,878	2.70
TOTAL UNITED KINGDOM		5,073,421	6,302,339	3.13
<u>UNITED STATES OF AMERICA</u>				
Advanced Medical Equipment				
Boston Scientific Corp	16,228	3,087,124	3,792,288	1.88
Edwards Lifesciences Corp	5,279	2,470,105	1,952,647	0.97
Thermo Fisher Scientific Inc	1,649	4,383,093	4,077,665	2.02
		9,940,322	9,822,600	4.87

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>UNITED STATES OF AMERICA (CONTINUED)</u>				
Auto/Truck Manufacturers				
Aptiv PLC	4,000	2,159,634	1,973,886	0.98
Cummins Inc	904	979,771	1,062,585	0.53
		<u>3,139,405</u>	<u>3,036,471</u>	<u>1.51</u>
Chemicals - Commodity				
New Linde PLC	1,928	2,849,346	3,394,725	1.68
Construction & Engineering				
Jacobs Solutions Inc	4,867	2,788,737	2,750,940	1.37
Consumer Electronics				
Apple Inc	13,046	6,357,473	11,550,930	5.73
Electrical Components/Equipment				
Eaton Corp PLC	4,159	2,210,124	3,848,644	1.91
Johnson Controls International PLC	10,000	3,132,596	3,134,619	1.56
Rockwell Automation Inc	1,499	2,194,721	2,271,973	1.13
		<u>7,537,441</u>	<u>9,255,236</u>	<u>4.60</u>
Financial Services				
Mastercard Inc	2,651	3,961,617	4,710,880	2.34
Food Distribution/ Convenience Stores				
Walmart Inc	6,032	3,984,722	4,345,990	2.16
Food Processing				
Mondelez International Inc	1,542	515,865	515,188	0.26

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS - FOREIGN (CONTINUED)				
<u>UNITED STATES OF AMERICA (CONTINUED)</u>				
Gold				
Newmont Goldcorp Corp	9,985	2,044,258	1,931,503	0.96
Home Improvement Products & Services Retailers				
Floor & Decor Holdings Inc	2,491	1,202,213	1,289,414	0.64
Lowe's Companies Inc	1,147	1,196,449	1,211,066	0.60
		2,398,662	2,500,480	1.24
IT Services/Consulting				
Salesforce Inc	1,685	1,356,506	1,708,792	0.85
Mining/Metals				
Freeport-McMoRan Inc	5,578	943,581	1,122,503	0.56
Oil and Gas				
Conocophillips	4,780	2,092,838	2,536,096	1.26
EOG Resources Inc	3,268	1,576,967	1,952,018	0.97
Exxon Mobil Corporation	10,949	3,170,091	5,291,988	2.63
		6,839,896	9,780,102	4.86
Oil Related Services/Equipment				
Schlumberger Ltd	3,700	908,700	972,872	0.48
Online Services				
Meta Platforms Inc	5,012	4,265,556	7,196,882	3.57
Palo Alto Networks Inc	2,860	2,442,035	3,221,989	1.60
		6,707,591	10,418,871	5.17
Speciality Retail				
Ulta Beauty Inc	827	1,737,783	1,657,898	0.82

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2023 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS – FOREIGN (CONTINUED)				
<u>UNITED STATES OF AMERICA (CONTINUED)</u>				
Pharmaceuticals				
Abbvie Inc	1,625	1,137,657	1,095,505	0.54
Eli Lilly & Co	879	1,023,396	1,800,769	0.89
Merck & Co Inc	6,017	2,941,018	2,892,201	1.44
		<u>5,102,071</u>	<u>5,788,475</u>	<u>2.87</u>
Retail - Department Stores				
Amazon.com Inc	15,515	10,954,663	9,347,722	4.64
Five Below Inc	2,464	1,588,354	2,313,667	1.15
		<u>12,543,017</u>	<u>11,661,389</u>	<u>5.79</u>
Semiconductors				
Advanced Micro Devices Inc	1,945	602,294	1,002,843	0.50
Broadcom Inc	920	2,132,378	3,726,198	1.85
Marvell Technology Inc	8,361	1,847,725	2,454,295	1.22
Micron Technology	6,864	2,175,419	2,208,524	1.10
Nvidia Corporation	3,663	3,184,664	7,714,557	3.83
		<u>9,942,480</u>	<u>17,106,417</u>	<u>8.50</u>
Software				
Adobe Inc	583	1,226,952	1,435,106	0.71
Microsoft Corporation	8,947	8,022,178	13,545,681	6.72
Servicenow Inc	1,867	4,361,786	4,905,694	2.44
		<u>13,610,916</u>	<u>19,886,481</u>	<u>9.87</u>
Wireless Telecommunication Services				
Alphabet Inc	17,806	7,296,842	10,650,998	5.29
TOTAL UNITED STATES OF AMERICA		<u>112,507,231</u>	<u>144,569,741</u>	<u>71.78</u>
TOTAL INVESTMENTS		<u>154,983,247</u>	<u>189,250,752</u>	<u>93.97</u>

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2022 are as follows:

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS				
- FOREIGN				
<u>AUSTRALIA</u>				
Integrated Mining				
Rio Tinto Limited	3,581	1,385,249	1,087,045	0.50
Pharmaceuticals				
CSI Limited	4,850	3,922,971	4,361,856	2.00
TOTAL AUSTRALIA		5,308,220	5,448,901	2.50
<u>DENMARK</u>				
Pharmaceuticals				
Novo Nordisk Ordinary	4,000	2,013,901	2,081,249	0.95
TOTAL DENMARK		2,013,901	2,081,249	0.95
<u>JAPAN</u>				
Computer Hardware				
Baycurrent Consulting Inc	1,300	2,104,379	1,787,122	0.82
Electrical				
Components/Equipment				
Keyence Corporation	1,600	3,541,120	2,792,291	1.28
Food Distribution/				
Convenience Stores				
Kobe Bussan Co Ltd	27,444	3,559,481	3,457,595	1.59
TOTAL JAPAN		9,204,980	8,037,008	3.69

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2022 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS				
- FOREIGN (CONTINUED)				
<u>NETHERLANDS</u>				
Financial & Commodity				
Market Operators				
Adyen N.V.	295	2,707,077	2,334,369	1.07
Semiconductors				
ASML Holding N.V.	1,490	4,204,088	3,752,703	1.72
TOTAL NETHERLANDS		6,911,165	6,087,072	2.79
<u>NORWAY</u>				
Food Processing				
Mowi ASA	36,300	3,980,851	3,712,394	1.70
TOTAL NORWAY		3,980,851	3,712,394	1.70
<u>SWITZERLAND</u>				
Food Processing				
Nestle Sa-Reg	8,271	4,414,291	4,498,801	2.06
TOTAL SWITZERLAND		4,414,291	4,498,801	2.06
<u>UNITED KINGDOM</u>				
Pharmaceuticals				
AstraZeneca PLC	11,437	5,446,704	6,711,969	3.08
Restaurants				
Compass Group PLC	13,765	1,348,696	1,426,198	0.65
TOTAL UNITED KINGDOM		6,795,400	8,138,167	3.73

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2022 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS				
- FOREIGN (CONTINUED)				
<u>UNITED STATES OF AMERICA</u>				
Advanced Medical Equipment				
Boston Scientific Corp	15,100	2,871,363	2,757,115	1.27
Danaher Corporation	855	1,045,884	1,108,472	0.51
Edwards Lifesciences Corp	2,897	1,458,034	1,295,544	0.59
Medtronic PLC	9,400	4,584,477	3,868,372	1.77
Thermo Fisher Scientific Inc	2,800	7,442,487	7,452,838	3.42
		<u>17,402,245</u>	<u>16,482,341</u>	<u>7.56</u>
Auto/Truck Manufacturers				
Aptiv PLC	4,000	2,159,634	1,866,203	0.86
Construction & Engineering				
Jacobs Engineering Group Inc	6,000	3,437,933	3,664,262	1.68
Consumer Electronics				
Apple Inc	18,937	9,228,227	13,688,506	6.28
Electrical Components/ Equipment				
Eaton Corp PLC	8,550	4,543,535	5,643,331	2.59
Emerson Electric Co	8,200	3,238,510	3,285,177	1.51
Johnson Controls International PLC	10,000	3,132,596	2,397,917	1.10
		<u>10,914,641</u>	<u>11,326,425</u>	<u>5.20</u>
Financial Services				
Mastercard Inc	4,306	6,434,826	6,776,171	3.11
S&P Global Inc	1,257	2,144,819	2,107,467	0.96
		<u>8,579,645</u>	<u>8,883,638</u>	<u>4.07</u>

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2022 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT INVESTMENTS				
- FOREIGN (CONTINUED)				
<u>UNITED STATES OF AMERICA (CONTINUED)</u>				
Food Processing				
Mondelez International Inc	13,462	3,568,100	3,834,650	1.76
Mining/Metals				
Freeport-Mcmoran Inc	11,827	2,177,219	1,659,735	0.76
Oil and Gas				
Conocophillips	5,965	2,563,305	2,585,044	1.19
EOG Resources Inc	4,153	1,958,903	2,054,516	0.94
Exxon Mobil Corporation	15,359	4,446,929	6,621,951	3.04
		8,969,137	11,261,511	5.17
Oil Related Services/ Equipment				
Baker Hughes Co	13,928	1,754,640	1,591,540	0.73
Online Services				
Meta Platforms Inc	2,162	2,443,341	1,529,997	0.70
Personal Products				
The Estee Lauder Companies Inc	2,215	2,829,580	2,690,669	1.23
Pharmaceuticals				
Eli Lilly & Co	1,219	1,307,866	1,787,616	0.82
Johnson & Johnson	10,511	7,604,671	8,159,321	3.74
		8,912,537	9,946,937	4.56
Retail - Apparel/Accessories				
Nike Inc	5,400	2,945,035	2,760,286	1.27

6. INVESTMENTS (CONTINUED)

Investments as at 31 July 2022 are as follows: (continued)

<u>Name of Counter</u>	<u>Quantity</u>	<u>Cost</u> RM	<u>Fair Value</u> RM	<u>% of Net</u> <u>Asset</u> <u>Value</u> %
QUOTED SHARIAH-COMPLIANT				
INVESTMENTS - FOREIGN (CONTINUED)				
<u>UNITED STATES OF AMERICA (CONTINUED)</u>				
Retail - Department Stores				
Amazon.Com Inc	22,800	16,220,844	13,685,873	6.28
Retail - Discount Stores				
Target Corporation	3,700	3,097,402	2,688,843	1.23
Semiconductors				
Marvell Technology Group Ltd	18,858	4,167,492	4,670,460	2.14
Nvidia Corporation	9,236	6,118,930	7,461,674	3.42
		10,286,422	12,132,134	5.56
Software				
Adobe Inc	2,250	4,735,236	4,104,481	1.88
Microsoft Corporation	15,236	13,661,105	19,025,673	8.72
Servicenow Inc	2,103	4,913,142	4,178,122	1.92
		23,309,483	27,308,276	12.52
Wireless Telecommunication Services				
Alphabet Inc	28,261	11,581,268	14,621,997	6.70
TOTAL UNITED STATES OF AMERICA		149,817,333	161,623,823	74.12
TOTAL INVESTMENTS		188,446,141	199,627,415	91.54

7. ISLAMIC FORWARD FOREIGN CURRENCY CONTRACTS

As at 31 July 2023, there was one (2022: Nil) Islamic forward foreign currency contracts outstanding with RHB Islamic Bank Berhad.

The Islamic forward foreign currency contracts entered into was for hedging against the currency exposure arising from the investments in the quoted Shariah-compliant investments denominated in USD.

As the Fund has not adopted hedge accounting, the change in the fair value of the Islamic forward foreign currency contracts is recognised immediately in the statement of income and expenses.

Net loss on Islamic forward foreign currency contracts is as follows:

	<u>2023</u> RM	<u>2022</u> RM
Net loss on Islamic forward foreign currency contracts:		
- Net realised loss on Islamic forward foreign currency contracts	(1,587,800)	(483,460)
- Net unrealised gain on Islamic forward foreign currency contracts	186,100	-
	<u>(1,401,700)</u>	<u>(483,460)</u>

Islamic forward foreign currency contracts as at 31 July 2023 are as follows:

<u>Counterparties</u>	<u>Receivables</u> RM	<u>Payables</u> RM	<u>Fair Value</u> RM	<u>% of Net Asset Value</u> %
RHB Islamic Bank Berhad	<u>9,195,600</u>	<u>(9,009,500)</u>	<u>186,100</u>	<u>0.09</u>

As at 31 July 2023, there was one (31.07.2022: nil) Islamic forward foreign currency contracts outstanding with RHB Islamic Bank Berhad.

7. ISLAMIC FORWARD FOREIGN CURRENCY CONTRACTS (CONTINUED)

Set out below are the significant related party balances as at year ended and transactions during the financial year:

Related Party Balances

	<u>31.07.2023</u> RM	<u>31.07.2022</u> RM
Islamic forward foreign currency contracts: Balances outstanding with RHB Islamic Bank Berhad	186,100	-

8. SHARIAH INFORMATION OF THE FUND

The following are the Shariah information of the Fund.

(a) Investment Portfolio

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

- (i) Equity securities in foreign markets which have been classified as Shariah-compliant under the Shariah screening methodology accepted and duly verified by the Shariah Adviser and/or these securities which have been reviewed and classified as Shariah-compliant by the Shariah Adviser;
 - (ii) Investment or cash placements in Islamic liquid assets in local market, including Islamic money market, Islamic deposits with Islamic financial institutions, Islamic financial derivatives and/or Islamic collective investment schemes.
- (b) Interest from foreign currency accounts shall not be recognised as income.

A portion of the cash is maintained in foreign currency accounts outside Malaysia to facilitate the purchase and selling of securities in a particular country. Interest earned, if any, from these accounts shall not be recognised as income to the Fund. The Fund will compute the interest amount received and the interest will be channelled to *Baitulmal* or any other charitable bodies as advised by the Shariah Adviser as part of the Fund's cleansing process.

There is nil (2022: nil) interest amount received during the financial year of the Fund.

9. UNITS IN CIRCULATION

(a) RM Class

	<u>2023</u> Units	<u>2022</u> Units
At beginning of the financial year	179,890,360	142,658,901
Creation of units during the financial year:		
Arising from applications	29,379,948	105,359,004
Arising from distributions	-	5,908,403
Cancellation of units during the financial year	<u>(60,516,415)</u>	<u>(74,035,948)</u>
At end of the financial year	<u>148,753,893</u>	<u>179,890,360</u>

(b) SGD Class

	<u>2023</u> Units	<u>2022</u> Units
At beginning of the financial year	298,958	204,156
Creation of units arising from applications during the financial year	157,409	107,478
Cancellation of units during the financial year	<u>(20,149)</u>	<u>(12,676)</u>
At end of the financial year	<u>436,218</u>	<u>298,958</u>

10. MANAGEMENT FEE

In accordance with the Prospectus, the management fee provided in the financial statements is 1.80% (2022: 1.80%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year.

11. TRUSTEE'S FEE

In accordance with the Prospectus, the Trustee's fee provided in the financial statements is 0.06% (2022: 0.06%) per annum based on the net asset value of the Fund, calculated on a daily basis for the financial year.

12. TAXATION

(a) Tax charge for the financial year

	<u>2023</u> RM	<u>2022</u> RM
Current taxation	20,512	43,000
Over provision of tax in prior year	(43,000)	-
	<u>(22,488)</u>	<u>43,000</u>

(b) Numerical reconciliation of income tax expense

The numerical reconciliation between the net income/(loss) before finance cost and before taxation multiplied by the Malaysian statutory income tax rate and the tax expense of the Fund is as follows:

	<u>2023</u> RM	<u>2022</u> RM
Net income/(loss) before finance cost and before taxation	<u>20,144,303</u>	<u>(28,907,313)</u>
Tax calculated at a statutory income tax rate of 24%	4,834,633	(6,937,755)
Tax effects of:		
- (Income not subject to tax)/Loss not deductible for tax purposes	(5,858,226)	5,709,689
- Expenses not deductible for tax purposes	194,114	256,451
- Restriction on tax deductible expenses	849,991	971,615
- Foreign source of income subject to tax	-	43,000
- Over provision of tax in prior year	(43,000)	-
Tax expense	<u>(22,488)</u>	<u>43,000</u>

13. DISTRIBUTION

Distribution to unit holders is derived from the following source:

	<u>2022</u> RM
Prior financial year realised income	8,835,811
Dividend income	1,941,451
Profit income from Islamic deposits with licensed financial institutions	136,575
Net realised gain on disposal	687,434
	<hr/> 11,601,271
Less: Expenses	
Expenses	(4,632,759)
Taxation	(42,682)
Net distribution amount	<hr/> <u>6,925,830</u>

Distribution during the financial year

	<u>sen per unit</u>	
	<u>Gross</u>	<u>Net</u>
26 July 2022	<u>4.0000</u>	<u>3.9755</u>

Included in the above distributions is an amount of nil (2022: RM8,835,811) derived from previous year's realised income.

There was no distribution to unit holders for the financial year ended 31 July 2023.

14. TOTAL EXPENSE RATIO ("TER")

	<u>2023</u> %	<u>2022</u> %
TER	<hr/> 1.91	<hr/> 1.91

The TER ratio is calculated based on total expenses excluding investment transaction related costs of the Fund to the average net asset value of the Fund calculated on a daily basis.

15. PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2023</u>	<u>2022</u>
PTR (times)	<u>0.54</u>	<u>0.85</u>

The PTR ratio is calculated based on average of acquisition and disposals of the Fund for the financial year to the average net asset value of the Fund calculated on a daily basis.

16. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The number of units held by the related parties are as follows:

<u>RM Class</u>	<u>2023</u>		<u>2022</u>	
	<u>Units</u>	<u>RM</u>	<u>Units</u>	<u>RM</u>
RHB Bank Berhad*	8,070,525	10,841,943	10,338,785	12,477,880
RHB Nominees (Tempatan) Sdn Bhd	<u>36,673,635</u>	<u>49,267,361</u>	<u>40,033,398</u>	<u>48,316,309</u>

**Ultimate holding company of the Manager*

The Manager is of the opinion that all transactions with the related parties have been entered into in the normal course of business at agreed terms between the related parties.

The units held by RHB Nominees (Tempatan) Sdn Bhd, a wholly owned subsidiary of penultimate holding company of the Manager, is under the nominees structure.

Other than the above, there were no units held by the Manager, Directors or other parties related to the Manager.

The holding company and the penultimate holding company of the Manager are RHB Asset Management Sdn Bhd and RHB Investment Bank Berhad respectively. The ultimate holding company of the Manager is RHB Bank Berhad. The Manager treats RHB Bank Berhad group of companies including RHB Investment Bank Berhad and its subsidiaries as related parties.

17. TRANSACTIONS BY THE FUND

Details of transactions by the Fund for the financial year ended 31 July 2023 are as follows:

<u>Brokers/financial institutions</u>	<u>Value of trades</u> RM	<u>Percentage of total trades</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage fees</u> %
Sanford C. Bernstein & CO., LLC.	46,133,607	23.68	10,811	14.00
J.P. Morgan Securities Inc New York	38,759,597	19.90	9,898	12.82
BOFA Securities, Inc	31,539,631	16.19	8,797	11.40
Daiwa Capital Markets Hong Kong Ltd	29,401,926	15.09	7,355	9.52
Exane SA Paris, France	15,895,400	8.16	5,831	7.55
Pershing Securities Ltd London	9,630,154	4.94	9,630	12.47
CLSA Singapore Pte Ltd	8,977,053	4.61	9,874	12.79
Sanford C. Bernstein Ltd London	4,458,769	2.29	4,459	5.78
J.P. Morgan Securities Ltd London	3,988,140	2.05	3,988	5.17
CLSA Australia Pty Ltd	2,597,705	1.34	2,598	3.37
Others	3,398,971	1.75	3,958	5.13
	<u>194,780,953</u>	<u>100.00</u>	<u>77,199</u>	<u>100.00</u>

17. TRANSACTIONS BY THE FUND (CONTINUED)

Details of transactions by the Fund for the financial year ended 31 July 2022 are as follows:

<u>Brokers/financial institutions</u>	<u>Value of trades</u> RM	<u>Percentage of total trades</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage fees</u> %
J.P. Morgan Securities Inc New York	130,204,919	32.95	26,441	14.18
Sanford C. Bernstein & CO., LLC.	80,973,408	20.49	53,295	28.58
Daiwa Capital Markets Hong Kong Ltd	61,505,218	15.57	24,220	13.00
Exane SA Paris, France	58,779,890	14.88	25,287	13.56
BOFA Securities, Inc	18,149,185	4.59	4,422	2.37
J.P. Morgan Securities Ltd London	11,859,483	3.00	10,858	5.82
CLSA Singapore Pte Ltd	9,437,594	2.39	10,381	5.57
CLSA Australia Pty Ltd	7,539,983	1.91	14,027	7.52
Pershing Securities Ltd London	5,595,042	1.42	5,595	3.00
Macquarie Cap (Europe) London	5,384,326	1.36	5,384	2.89
Others	5,674,559	1.44	6,549	3.51
	<u>395,103,607</u>	<u>100.00</u>	<u>186,459</u>	<u>100.00</u>

18. FINANCIAL INSTRUMENTS BY CATEGORIES

	<u>2023</u> RM	<u>2022</u> RM
Financial assets		
Financial assets at FVTPL		
• Quoted Shariah-compliant investments	189,250,752	199,627,415
• Islamic forward foreign currency contracts	186,100	-
	<u>189,436,852</u>	<u>199,627,415</u>
Financial assets at amortised cost		
• Bank balances	9,374,935	18,710,394
• Islamic deposits with licensed financial institutions	3,386,082	-
• Amount due from brokers	-	2,360,879
• Amount due from Manager	306,279	36,804
• Dividend receivables	25,691	18,384
	<u>13,092,987</u>	<u>21,126,461</u>
Financial liabilities		
Financial liabilities at amortised cost		
• Amount due to brokers	979,640	2,229,046
• Amount due to Manager	70,851	57,556
• Accrued management fee	304,513	322,435
• Amount due to Trustee	10,150	10,748
• Other payables and accruals	15,367	31,812
• Net assets attributable to unit holders	201,403,802	218,080,779
	<u>202,784,323</u>	<u>220,732,376</u>

STATEMENT BY MANAGER
RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND

We, Dato' Darawati Hussain and Mohd Farid Bin Kamarudin, two of the Directors of RHB Islamic International Asset Management Berhad, do hereby state that in the opinion of the Directors of the Manager, the accompanying statement of financial position, statement of income and expenses, statement of changes in net asset value, statement of cash flows and the accompanying notes, 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 the Fund as at 31 July 2023 and of its financial performance and cash flows for the financial year then ended and comply with the provisions of the Deed.

On behalf of the Manager,

Dato' Darawati Hussain
Director

Mohd Farid Bin Kamarudin
Director

22 September 2023

TRUSTEE'S REPORT

To the unit holders RHB Islamic Global Developed Markets Fund (“Fund”)

We have acted as Trustee of the Fund for the financial year ended 31 July 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, RHB Islamic International Asset Management Berhad 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 Deeds, securities laws and the Guidelines on Unit Trust Funds;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
22 September 2023

**REPORT OF THE SHARIAH ADVISER
RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND**

To the unit holders RHB Islamic Global Developed Markets Fund (“the Fund”),

We have acted as the Shariah Adviser of the Fund. Our responsibility is to ensure that the procedures and processes employed by RHB Islamic International Asset Management Berhad (“the Manager”) and that the provisions of the Deed are in accordance with Shariah principles.

To the best of our knowledge, after having made all reasonable enquiries, the Manager has operated and managed the Fund in accordance with the Shariah principles and requirements and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters for the financial year ended 31 July 2023.

In addition, we also confirm that the investment portfolio of the Fund comprises instruments which have been classified as Shariah-compliant.

I, Azizi Che Seman, hereby confirm that all members of the Shariah Committee have been consulted and made aware of all the Shariah issues in relation to this report.

For and on behalf of Shariah Committee of RHB Islamic Bank Berhad
(Company No: 200501003283)

Azizi Che Seman
Chairman
Shariah Committee of RHB Islamic Bank Berhad

22 September 2023

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of RHB Islamic Global Developed Markets Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 31 July 2023 and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 July 2023, and the statement of income and expenses, statement of changes in net asset value and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 23 to 66.

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 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 Ethics Standards Board for Accountants’ 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.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises Manager's Report, 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.

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 for the financial statements

The Manager of the Fund is responsible for the preparation of the 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 terminate the Fund, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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.

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:

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF RHB ISLAMIC GLOBAL DEVELOPED MARKETS FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

- (d) 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.
- (e) 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.

OTHER MATTERS

This report is made solely to the unit holders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
22 September 2023

CORPORATE INFORMATION

MANAGER

RHB Islamic International Asset Management Berhad

REGISTERED OFFICE

Level 10, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur

PRINCIPAL AND BUSINESS OFFICE

Level 8, Tower Two & Three, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur

Email address: rhbiiam.enquiry@rhbgroup.com

Tel: 03-9205 8000

Fax: 03-9205 8107

Website: <http://www.rhbgroup.com>

BOARD OF DIRECTORS

Mr Yap Chee Meng (*Independent Non-Executive Chairman*)

(*Resigned with effect from 22 May 2023*)

Mr Chin Yoong Kheong (*Independent Non-Executive Chairman*)

(*Redesignated with effect from 22 May 2023*)

YBhg Dato' Darawati Hussain (*Senior Independent Non-Executive Director*)

(*Redesignated with effect from 22 May 2023*)

Encik Mohd Farid Bin Kamarudin (*Non-Independent Non-Executive Director*)

(*Redesignated with effect from 1 August 2023*)

Tuan Syed Ahmad Taufik Albar (*Non-Independent Non-Executive Director*)

Puan Hijah Arifakh Binti Othman (*Independent Non-Executive Director*)

(*Appointed with effect from 1 December 2022*)

(*Resigned with effect from 1 June 2023*)

Puan Sharizad Binti Juma'at (*Independent Non-Executive Director*)

(*Appointed with effect from 22 May 2023*)

INVESTMENT COMMITTEE MEMBERS

Mr Yap Chee Meng (*Independent Chairman*)

(*Resigned with effect from 22 May 2023*)

YBhg Dato' Darawati Hussain (*Independent Chairperson*)

(*Redesignated with effect from 22 May 2023*)

Puan Hijah Arifakh Binti Othman (*Appointed with effect from 30 September 2022*)

(*Resigned with effect from 1 June 2023*)

Mr Chin Yoong Kheong (*Appointed with effect from 22 May 2023*)

Puan Sharizad Binti Juma'at (*Appointed with effect from 22 May 2023*)

ACTING CHIEF EXECUTIVE OFFICER

Encik Mohd Farid Bin Kamarudin

(*Redesignated with effect from 1 August 2023*)

CORPORATE INFORMATION (CONTINUED)

SECRETARIES

Encik Azman Shah Md Yaman (LS No. 0006901)

Izafaniz Binti Abdullah Kamir (MACS01851)

TRUSTEE	HSBC (Malaysia) Trustee Berhad
EXTERNAL INVESTMENT MANAGER	Nomura Islamic Asset Management Sdn Bhd
SHARIAH ADVISER	RHB Islamic Bank Berhad
PRINCIPAL BANKER	RHB Islamic Bank Berhad
AUDITORS	PricewaterhouseCoopers PLT
TAX ADVISER	PricewaterhouseCoopers Taxation Services Sdn Bhd
DISTRIBUTORS	RHB Asset Management Sdn Bhd RHB Bank Berhad RHB Investment Bank Berhad RHB Islamic Bank Berhad Areca Capital Sdn Bhd iFAST Capital Sdn Bhd Kenanga Investors Berhad OCBC Al-Amin Bank Berhad OCBC Bank (Malaysia) Berhad Phillip Mutual Berhad Standard Chartered Saadiq Berhad UOB Kay Hian Securities (M) Sdn Bhd