

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV (formerly Prudential Global  
Funds ICAV)**

**(An Irish Collective Asset Management Vehicle constituted as an umbrella fund  
with segregated liability between sub-funds)**

**Annual Report and Audited Financial Statements**

**For the financial year ended 31 December 2021**

**Registration number: C164553**

# M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

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For the financial year ended 31 December 2021

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## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### DIRECTORS AND OTHER INFORMATION

For the financial year ended 31 December 2021

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#### DIRECTORS OF M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

Mr. Raymond O'Neill (Irish resident and national)\*  
Mr. Frank Connolly (Irish resident and national)\*\*  
Mr. Bernard Fick (South African resident and national)\*\*\*  
Mr. Pieter Hugo (South African resident and national)\*\*\*  
Mr. Tim Jones (U.K. resident and national)\*\*\*  
Mr. Brian Fennessy (Irish resident and national)\*\*\*\*

#### REGISTERED OFFICE

5 George's Dock  
IFSC  
Dublin 1  
Ireland

#### ALTERNATIVE INVESTMENT FUND MANAGER

PGF Management Company (Ireland) Limited (Up to 22 April 2022)  
5 George's Dock  
IFSC  
Dublin 1  
Ireland

KBA Consulting Management Limited (From 22 April 2022)  
5 George's Dock  
IFSC  
Dublin 1  
Ireland

#### INVESTMENT MANAGER

M&G Investment Management Limited  
10 Fenchurch Avenue  
London EC3M 5AG  
United Kingdom

#### DISTRIBUTOR

M&G Investments Unit Trusts South Africa (RF) Ltd (M&G Unit Trusts) (formerly Prudential Portfolio Managers Unit Trusts Limited)  
Protea Place  
40 Dreyer St  
Claremont  
Cape Town 7708  
South Africa

#### DEPOSITARY

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin D02 HD32  
Ireland

\*Independent Non Executive Director

\*\*Non Executive Director. Mr. Frank Connolly retired as a Director of the ICAV on 1 January 2022.

\*\*\*Non Executive Director

\*\*\*\*Non Executive Director. Mr. Brian Fennessy was appointed as a Director of the ICAV on 1 January 2022.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**DIRECTORS AND OTHER INFORMATION (continued)**

**For the financial year ended 31 December 2021**

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<b>ADMINISTRATOR</b>	State Street Fund Services (Ireland) Limited 78 Sir John Rogerson's Quay Dublin D02 HD32 Ireland
<b>INDEPENDENT AUDITORS</b>	KPMG 1 Harbourmaster Place IFSC Dublin D01 F6F5 Ireland
<b>IRISH LEGAL ADVISERS</b>	A&L Goodbody IFSC North Wall Quay Dublin D01 H104 Ireland
<b>SECRETARY</b>	Clifton Fund Consulting Limited (trading as KB Associates) 5 George's Dock IFSC Dublin D01 W213 Ireland

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### DIRECTORS' REPORT AND STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the financial year ended 31 December 2021

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The Directors present to the shareholders their annual report together with the audited financial statements for the financial year ended 31 December 2021.

#### The ICAV

M&G (South Africa) Global Funds ICAV (the "ICAV"), formally known as Prudential Global Funds ICAV, is an Irish Collective Asset-Management Vehicle created with limited liability and variable capital, which may have closed-ended, limited liquidity and open-ended funds. The ICAV is supervised by the Central Bank of Ireland (the "Central Bank") and was registered as a Retail Investor Alternative Investment Fund and an Irish Collective Asset-Management Vehicle pursuant to the Irish Collective Asset-Management Vehicles Act 2015 and 2020 (the "ICAV Act") on 15 December 2016 and was authorised by the Central Bank pursuant to Chapter 2 of the ICAV Act on 26 May 2017.

The ICAV is structured in the form of an umbrella fund with segregated liability between the funds and as at 31 December 2021 consists of ten constituent funds, (the "Funds"):

<u>Fund name</u>	<u>Launch date</u>
M&G Global Bond Fund <sup>1</sup>	9 June 2017
M&G Global Equity Fund <sup>2</sup>	9 June 2017
M&G Global Inflation Plus Fund <sup>3</sup>	9 June 2017
M&G Global Balanced Fund <sup>4</sup>	19 June 2017
M&G Worldwide Real Return Fund <sup>5</sup>	19 June 2017
M&G Worldwide Strategic Real Return Fund <sup>6</sup>	19 June 2017
M&G Worldwide Managed Fund <sup>7</sup>	26 June 2017
M&G Worldwide Strategic Managed Fund <sup>8</sup>	26 June 2017
M&G Global Fixed Income Fund <sup>9</sup>	26 March 2018
M&G Global Property Fund <sup>10</sup>	8 June 2021

<sup>1</sup> Formerly known as Prudential Global Bond Fund

<sup>2</sup> Formerly known as Prudential Global Equity Fund

<sup>3</sup> Formerly known as Prudential Global Inflation Plus Fund

<sup>4</sup> Formerly known as Prudential Global Balanced Fund

<sup>5</sup> Formerly known as Prudential Worldwide Real Return Fund

<sup>6</sup> Formerly known as Prudential Worldwide Strategic Real Return Fund

<sup>7</sup> Formerly known as Prudential Worldwide Managed Fund

<sup>8</sup> Formerly known as Prudential Worldwide Strategic Managed Fund

<sup>9</sup> Formerly known as Prudential Global Fixed Income Fund

<sup>10</sup> Formerly known as Prudential Global Property Fund

The investments held by the Funds of the ICAV as at 31 December 2021 are detailed in the individual Funds' Condensed Schedule of Investments.

Shares are issued in relation to each Fund. Different classes of shares may also be issued in relation to any Fund subject to notifying and clearing in advance with the Central Bank the creation of each class of shares and the different classes of shares available for issue in each Fund will be set out in a Supplement for the relevant Fund. The different classes of shares in a Fund may have different charging structures, different dividend or distribution policies, designation of shares in different currencies or different gains/losses on (and the costs of) financial instruments employed for currency hedging between the base currency of a Fund.

#### Shareholder information

The Prospectus and Funds' Supplements, Instrument of Incorporation, latest Net Asset Value ("NAV") of each relevant Fund and the latest annual report and financial statements will be available free of charge on request at the registered office of the ICAV.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **DIRECTORS' REPORT AND STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

**For the financial year ended 31 December 2021**

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#### **Net asset value and valuation of assets**

The NAV of each Fund is calculated by State Street Fund Services (Ireland) Limited (the "Administrator") as at the valuation point for each dealing day by valuing the assets of the relevant Fund and deducting therefrom the liabilities of the relevant Fund.

The NAV of a Fund divided by the number of shares of the relevant Fund in issue as at the relevant valuation point (where the resulting sum is rounded to four decimal places) is equal to the NAV of a share of the relevant Fund. The price at which shares of any class will be issued or redeemed on a dealing day, after the initial issue, is based on the NAV per share. The NAV per share is the resulting sum rounded to four decimal places.

#### **Participating/equity shares**

The issued participating/equity share capital of the relevant Fund is at all times equal to the NAV of the Funds. Participating shares are redeemable at the shareholders' option and are classified as financial liabilities with the exception of the Funds detailed in note 2. The movement in the number of participating/equity shares and the related cash movement are shown in note 5.

The Funds' capital is represented by the participating/equity shares outstanding. The Funds do not have any externally imposed capital requirements.

#### **Purchase of shares**

Issues of shares will normally be made with effect from a dealing day in respect of applications received on or prior to the dealing deadline for the relevant Fund. The Directors may at their sole discretion, nominate additional dealing days and shareholders in that Fund will be notified in advance.

#### **Issue price**

During the initial offer period for each Fund, the initial issue price for shares in the relevant Fund shall be the amount set out in the Supplement for the relevant Fund. The issue price at which shares of any Fund will be issued on a dealing day after the initial offer period is calculated by ascertaining the NAV per share of the relevant class on the relevant dealing day.

A Preliminary Charge may be charged as provided for in the Supplement for the relevant Fund.

#### **Redemption of shares**

The Directors may set up open-ended, limited liquidity and closed-ended funds and will set out details of repurchase mechanisms in the relevant Supplement. Requests for the repurchase of shares should be made to the ICAV care of the Administrator and may be made by post, fax, email or other electronic mechanism as the Administrator may prescribe from time to time. Requests for the repurchase of shares will be treated as definite orders and no application will be capable of withdrawal after acceptance by the Administrator without the consent of the ICAV.

#### **Redemption price**

The price at which shares will be repurchased on a dealing day is also calculated by ascertaining the NAV per share of the relevant class on the relevant dealing day. The method of establishing the NAV of any Fund and the NAV per share of any class of shares in a Fund is set out in the Instrument of Incorporation. The NAV per share as at 31 December 2021 is disclosed on the Statement of Financial Position for the relevant Fund.

#### **Minimum initial investment amount**

For details on the minimum initial investment amount for each Fund, please refer to the Prospectus for the ICAV and the Supplements for the relevant Fund.



## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **DIRECTORS' REPORT AND STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

**For the financial year ended 31 December 2021**

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#### **Minimum shareholding**

For details on the minimum shareholding for each Fund, please refer to the Prospectus for the ICAV and the Supplements for the relevant Fund.

#### **Minimum fund size**

The minimum size of each Fund will be USD 10,000,000 or foreign currency equivalent thereof or such other amount as may be determined by the Directors at their discretion.

#### **Anti-dilution levy**

When there are net subscriptions or net redemptions, the Funds may add to the subscription price or deduct from the redemption proceeds respectively, an Anti-Dilution Levy. Any such levy shall be retained for the benefit of the Funds and the Directors reserve the right to apply this levy at any time.

The Anti-Dilution Levy, which will be calculated to cover the costs of acquiring or disposing of investments as a result of net subscriptions or net redemptions on any dealing day, will include any market spreads (the difference between the prices at which assets are valued and bought), duties and charges, borrowing costs, commission and transfer taxes, deposit-break fees and other dealing costs relating to the acquisition and disposal of assets.

The Anti-Dilution Levy will be charged in circumstances where the Directors believe it is necessary to prevent an adverse effect on the NAV of the Funds. As the costs of dealing can vary with market conditions, the level of the Anti-Dilution Levy may also vary.

#### **Redemption charge**

There is no redemption charge applicable to the Funds.

#### **Investment objectives**

The investment objectives of each Fund within the ICAV are set out in the Prospectus and relevant Supplements for the Funds.

The Investment Manager's Reports and audited financial statements of the Funds are presented in their individual sections of this report as set out in the Contents page.

#### **Accounting records**

To ensure adequate accounting records are kept in accordance with the ICAV Act, the Directors of the ICAV have employed a service organisation, State Street Fund Services (Ireland) Limited. The accounting records are kept at 78 Sir John Rogerson's Quay, Dublin 2, Ireland.

#### **Review of the business**

The net assets of the Funds attributable to holders of participating/equity shares as at 31 December 2021 are detailed on the Statement of Financial Position for the relevant Fund. The results of operations are set out on the Statement of Comprehensive Income for the relevant Fund. A detailed review of the business and future developments is contained in the Investment Manager's Reports of the relevant Funds.

The Directors consider that the change in NAV per share is a key indicator of the performance of the Funds of the ICAV. Key performance indicators ("KPIs") monitored by the Directors for each of the Funds include the month to month movement in the NAV per share, the Fund's performance and the share capital movements.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **DIRECTORS' REPORT AND STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

**For the financial year ended 31 December 2021**

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#### **Results**

The results for the financial year are set out in the financial statements and notes to the financial statements.

#### **Directors' and Secretary's interests and related party transactions**

Please refer to note 6 to the financial statements for all related party interests and transactions. The Directors of the ICAV and the ICAV's Secretary had no beneficial interest in the shares of the ICAV at 31 December 2021 and during the financial year. Please refer to "Directors and other information" on page 1 for information on Directors who held office during the year.

#### **Risk management policies**

The financial instruments and risks facing the ICAV are set out in note 10 to the financial statements.

#### **Employees**

The ICAV had no employees during the financial year ended 31 December 2021 (financial year 31 December 2020: None).

#### **Soft commissions**

There are no soft commission arrangements in place for the financial year ended 31 December 2021 (financial year 31 December 2020: None).

#### **Distribution policy**

Dividends may be paid at the Directors' discretion. Details of the dividend policy can be found in the Prospectus of the ICAV and Supplements for the Funds. The Directors' of the Funds do not currently intend to pay out dividends.

#### **Contingent liability**

There are no contingent liabilities as at 31 December 2021 (31 December 2020: None).

#### **Directed brokerage services**

During the financial year, no directed brokerage services or similar arrangements were received by the Funds of the ICAV (31 December 2020: None).

#### **Significant events during the financial year**

The second Addendum to the Prospectus (the "Addendum") for the ICAV was noted by the Central Bank and became effective on 8 March 2021. The Addendum addressed the ICAV's obligations under Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector ("SFDR") due on or before 10 March 2021.

PGF Management Company (Ireland) Limited currently acts as the AIFM to the ICAV. Following the Central Bank review of the implementation of Consultation Paper 86 and the introduction of additional substance requirements for management companies such as the AIFM, the Board of Directors of the ICAV conducted a due diligence review for an appropriate service provider to support the AIFM or to act as ICAV for the ICAV going forward. The Board of Directors formally decided on 21 April 2021 to appoint KBA Consulting Management Limited as the management company for the Funds. The Central Bank approved the appointment of KB Associates as the management company on 22 April 2022.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **DIRECTORS' REPORT AND STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

**For the financial year ended 31 December 2021**

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#### **Significant events during the financial year (continued)**

The Prudential Global Property Fund was approved by the Central Bank on 29 April 2021. The Fund launched on 8 June 2021.

The ICAV changed its name from Prudential Global Funds ICAV to M&G (South Africa) Global Funds ICAV on 15 November 2021. The new Prospectus and Supplements for the Funds were issued on 15 November 2021. The ICAV's Prospectus, Fund's Supplements and Instrument of Incorporation was updated to reflect the name change.

On 15 November 2021, the Central Bank approved the following changes to the Funds' names;

- Prudential Global Balanced Fund to M&G Global Balanced Fund;
- Prudential Global Bond Fund to M&G Global Bond Fund;
- Prudential Global Equity Fund to M&G Global Equity Fund;
- Prudential Global Fixed Income Fund to M&G Global Fixed Income Fund;
- Prudential Global Inflation Plus Fund to M&G Global Inflation Plus Fund;
- Prudential Global Property Fund to M&G Global Property Fund;
- Prudential Worldwide Managed Fund to M&G Worldwide Managed Fund;
- Prudential Worldwide Real Return Fund to M&G Worldwide Real Return Fund;
- Prudential Worldwide Strategic Managed Fund to M&G Worldwide Strategic Managed Fund;
- and
- Prudential Worldwide Strategic Real Return Fund to M&G Worldwide Strategic Real Return Fund.

The Distributor changed its name from Prudential Portfolio Managers Unit Trusts Limited to M&G Investments Unit Trusts South Africa (RF) Ltd on 15 November 2021.

#### **Covid-19**

COVID-19 has lingered throughout the course of 2021 but with significant improvements, due largely to the availability of vaccines and follow on boosters, effectively lowering hospital admissions. Restrictions began to lift throughout 2021 as a result of the efficient rollout of vaccines. The vaccine rollout, weaker variants of the virus and a gradual return to 'normal' have led to a positive impact on the global economy and markets and the introduction of hybrid working models providing for a more flexible environment. The markets will continue to be monitored in line with the ever-changing guidelines regarding COVID-19 and to identify any residual effects on the economy.

There were no other significant events affecting the ICAV during the financial year which require disclosure in these financial statements.

#### **Significant events since the financial year end**

Please refer to note 11 to the financial statements for a description of significant events since the financial year end.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **DIRECTORS' REPORT AND STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

**For the financial year ended 31 December 2021**

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#### **Connected party transactions**

The Central Bank's Alternative Investment Fund ("AIF") Rulebook section on "Dealings by management company, general partner, depositary, AIFM, investment manager or by delegates or group companies of these" states that an AIF should only enter into a transaction with a management company, general partner, depositary, AIFM, investment manager or delegates or group companies of these, where it's negotiated at arm's length. Transactions must be in the best interests of the Shareholders.

The Board of Directors ("the Board") are satisfied that there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out in paragraph 1 of section 1.xii of chapter 1 of the AIF Rulebook are applied to all transactions with connected parties, and the Board is satisfied that transactions with connected parties entered into during the financial year complied with the obligations set out in this paragraph.

#### **Segregated liability**

The ICAV is an umbrella fund with segregated liability between the funds and as such, as a matter of Irish law, the assets of a fund will not be exposed to the liabilities of the ICAV's other funds.

Segregated liability ensures that the liabilities incurred on behalf of a fund will generally be discharged solely out of the assets of that fund and there can generally be no recourse to the other funds to satisfy those liabilities.

Each Fund will be responsible for paying its fees and expenses regardless of the level of profitability. Notwithstanding the foregoing there can be no guarantee or assurance that, should an action be brought against the ICAV in a court of another jurisdiction, that the segregated nature of the Funds would necessarily be upheld.

#### **Statement of compliance on Corporate Governance**

The Directors are subject to corporate governance practices imposed by the ICAV Act, which is available for inspection at the registered office of the ICAV and may also be obtained at [www.irishstatutebook.ie](http://www.irishstatutebook.ie). The ICAV has adopted in full the voluntary Corporate Governance Code for Collective Investment Schemes and Management Companies (the "Code") as published by Irish Funds, the text of which is available from the Irish Funds website, [www.irishfunds.ie](http://www.irishfunds.ie). The ICAV has been fully compliant with the Code for the financial year ended 31 December 2021.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **DIRECTORS' REPORT AND STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

**For the financial year ended 31 December 2021**

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#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The Directors are responsible for preparing the Directors' Report and financial statements of M&G Global Bond Fund, M&G Global Equity Fund, M&G Global Inflation Plus Fund, M&G Global Balanced Fund, M&G Worldwide Real Return Fund, M&G Worldwide Strategic Real Return Fund, M&G Worldwide Managed Fund, M&G Worldwide Strategic Managed Fund, M&G Global Fixed Income Fund and M&G Global Property Fund (the "Funds") of M&G (South Africa) Global Funds ICAV (the "ICAV"), in accordance with applicable law and regulations.

The Irish Collective Asset-management Vehicles Act 2015 and 2020 requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and applicable law.

The financial statements are required to give a true and fair view of the assets, liabilities and financial position of the Funds at the end of the financial year and of the changes in net assets attributable to participating shareholders/equity shareholders of the Funds of the ICAV for the financial year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Funds or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and changes in net assets attributable to holders of participating shareholders/equity shareholders in the Funds and enable them to ensure that the financial statements comply with the Irish Collective Asset-management Vehicles Act 2015 and 2020.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Funds. In this regard they have entrusted the assets of the Funds to a depositary for safe-keeping.

The Directors are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and to prevent and detect fraud and other irregularities.

The Directors are also responsible for preparing a Directors' Report that complies with the requirements of the Irish Collective Asset-management Vehicles Act 2015 and 2020.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the [www.mandg.co.za](http://www.mandg.co.za) website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**DIRECTORS' REPORT AND STATEMENT OF DIRECTORS' RESPONSIBILITIES  
(continued)**

**For the financial year ended 31 December 2021**

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**Independent auditors**

KPMG act as the independent auditor and have indicated their willingness to remain in office in accordance with section 125(2) of the ICAV Act 2015.

**On behalf of the Board of Directors:**



**Raymond O'Neill**

**28 April 2022**



**Brian Fennessy**

**28 April 2022**

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **DEPOSITARY'S REPORT**

**For the financial year ended 31 December 2021**

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We have enquired into the conduct of M&G (South Africa) Global Funds ICAV (the 'ICAV') for the financial year ended 31 December 2021, in our capacity as Depositary to the ICAV.

This report including the opinion has been prepared for and solely for the shareholders in M&G Global Balanced Fund, M&G Global Bond Fund, M&G Global Equity Fund, M&G Global Fixed Income Fund, M&G Global Inflation Plus Fund, M&G Global Property Fund, M&G Worldwide Managed Fund, M&G Worldwide Real Return Fund, M&G Worldwide Strategic Managed Fund and M&G Worldwide Strategic Real Return Fund, Funds of the ICAV. This report has been prepared in accordance with the Central Bank's AIF Rulebook, and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

#### **Responsibilities of the Depositary**

Our duties and responsibilities are outlined in Regulation 22(7)(8) & (9) of European Union (Alternative Investment Fund Managers Directive) Regulations 2013 as amended (the "Regulations") and the AIF Rulebook. One of those duties is to enquire into the conduct of the ICAV in each annual accounting period and report thereon to the shareholders.

Our report shall state whether, in our opinion, the ICAV has been managed in that period in accordance with the provisions of the ICAV's Instrument of Incorporation, AIF's constitutional documentation and the AIF Rulebook. It is the overall responsibility of the ICAV to comply with these provisions. If the ICAV has not so complied, we as Depositary must state why this is the case and outline the steps which we have taken to rectify the situation.

#### **Basis of Depositary Opinion**

The Depositary conducts such reviews as it, in its reasonable opinion, considers necessary in order to comply with its duties as outlined in Regulation 22(7)(8) & (9) of the Regulations and to ensure that, in all material respects, the ICAV has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of the constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the ICAV's constitutional documentation and the appropriate regulations.

#### **Opinion**

In our opinion, the ICAV has been managed during the financial year, in all material respects:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV by the Instrument of Incorporation, constitutional document and by the Central Bank under the powers granted to the Central Bank by the investment fund legislation; and
- (ii) otherwise in accordance with the provisions of the Instrument of Incorporation, the constitutional document and the investment fund legislation.



**For and on behalf of  
State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin D02 HD32  
Ireland**

**28 April 2022**

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE FUNDS OF M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**For the financial year ended 31 December 2021**

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

##### **Opinion**

We have audited the English language version of the financial statements of:

- M&G Global Balanced Fund
- M&G Global Bond Fund
- M&G Global Equity Fund
- M&G Global Fixed Income Fund
- M&G Global Inflation Plus Fund
- M&G Global Property Fund
- M&G Worldwide Managed Fund
- M&G Worldwide Real Return Fund
- M&G Worldwide Strategic Managed Fund
- M&G Worldwide Strategic Real Return Fund

(collectively the “Funds”) of M&G (South Africa) Global Funds ICAV (‘the ICAV’) for the year ended 31 December 2021, which comprise the Statements of Comprehensive Income, Statements of Financial Position, Statements of Changes in Equity/Statements of Changes in Net Assets Attributable to Holders of Participating Shares, Statements of Cash Flows and related notes, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Funds as at 31 December 2021 and of its changes in net assets attributable to holders of participating shareholders/equity shareholders for the year then ended;
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been properly prepared in accordance with the requirements of the Irish Collective Asset-management Vehicles Acts 2015 and 2020.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) (“ISAs (Ireland)”) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Funds in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE FUNDS OF M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV (continued)**

**For the financial year ended 31 December 2021**

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#### **Report on the audit of the financial statements (continued)**

##### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Funds ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

##### **Other information**

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Directors and Other Information, Directors' Report and Statement of Directors' Responsibilities, Depositary's Report, Investment Manager's Reports (Unaudited), Condensed Schedules of Investments (Unaudited), Supplemental Information (Unaudited) and Appendix I: Sustainable Finance Disclosure Regulations (Unaudited). The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

##### **Opinion on other matter prescribed by the Irish Collective Asset-management Vehicles Act 2015 and 2020**

In our opinion, the information given in the Directors' Report is consistent with the financial statements.

##### **Matters on which we are required to report by exception**

The Irish Collective Asset-management Vehicles Act 2015 and 2020 requires us to report to you, if in our opinion, the disclosures of Directors' remuneration specified by law are not made. We have nothing to report in this regard.

#### **Respective responsibilities and restrictions on use**

##### **Responsibilities of Directors for the financial statements**

As explained more fully in the Directors' statement set out on page 9, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Funds or to cease operations, or have no realistic alternative but to do so.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF THE FUNDS OF M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV (continued)**

**For the financial year ended 31 December 2021**

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#### **Respective responsibilities and restrictions on use (continued)**

##### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 ISAs (Ireland) 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.

A fuller description of our responsibilities is provided on IAASA's website at

<http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/Description-of-the-auditor-s-responsibilities-for>

##### **The purpose of our audit work and to whom we owe our responsibilities**

Our report is made solely to the shareholders of the Funds of the ICAV, as a body, in accordance with the Section 120 of the Irish Collective Asset-management Vehicles Act 2015. Our audit work has been undertaken so that we might state to the Funds shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Funds and the Fund's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.



**Rio Howley**  
for and on behalf of KPMG  
Chartered Accountants, Statutory Audit Firm  
1 Harbourmaster Place  
IFSC  
Dublin D01 F6F5  
Ireland

**Date 29 April 2022**

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the financial year ended 31 December 2021**

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#### **Note 1. Statement of compliance**

The Fund's financial statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), Irish statute comprising the Irish Collective Asset-Management Vehicles Act 2015 and 2020 and the European Union (Alternative Investment Fund Managers) Regulations 2013 and the Commission Delegated Regulation (EU) No. 231/2013.

#### **Note 2. Summary of significant accounting policies**

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

The financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss. The Funds are deemed to be the reporting entity for the purposes of preparing the annual report and audited financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Fund's accounting policies.

##### ***New accounting standards and interpretations adopted***

There are no new standards, amendments or interpretations issued and effective for the financial year beginning 1 January 2021 that have a significant impact on the Fund's financial position, performance or disclosures in its financial statements.

##### **Standards and interpretations applicable to future reporting periods**

There are no new standards, amendments or interpretations applicable to future reporting periods, that have a significant impact on the Fund's financial position, performance or disclosures in its financial statements.

##### **Functional and presentational currency**

Items included in each Fund's financial statements are measured using the currency of the primary economic environment in which the relevant Fund operates (the "functional currency"). This is the US Dollar ("USD"), which reflects the fact that the Funds' shareholders invest in USD, the majority of purchases and sales of financial assets and liabilities are made in USD, active share classes are in USD and the majority of the investments held by each Fund are denominated in USD. The Funds have also adopted the functional currency as the presentation currency of each of the Funds.

Transactions in foreign currencies are translated into the functional currency at the exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency of the Funds at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency of the Funds at the exchange rate at the date on which fair value was determined.

Any foreign currency differences arising on retranslation are recognised in the Statement of Comprehensive Income as a component of net gain/loss on investments and derivatives, including those arising on financial instruments at fair value through profit or loss ("FVTPL").

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

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#### Note 2. Summary of significant accounting policies (continued)

##### Financial instruments

###### *Classification of financial assets and financial liabilities*

IFRS 9 contains three principle classification categories for financial instruments: measured at amortised cost, fair value through other comprehensive income ("FVOCI") and FVTPL. The classification (and subsequent measurement) of financial instrument is based on the business model in which the financial instrument is managed, and where relevant, its cash flow characteristics. Since the Fund manages and evaluates the performance of some of its financial instrument on fair value basis in accordance with documented investment strategy it must classify its financial assets and financial liabilities as FVTPL. Cash, receivables, payables and other accrued expenses are measured at amortised cost.

###### *Recognition and derecognition*

###### Recognition and initial measurement

Purchases and sales of investments are recognised as of the day the transaction takes place (trade date), the date on which the Fund commits to purchase or sell the asset. Other financial assets and liabilities are recognised on the date on which they originated. Investments are initially recognised at fair value, and costs for all financial assets and financial liabilities carried at FVTPL are expensed as incurred. A financial asset or financial liability is measured initially at fair value plus, transaction costs that are directly attributable to its acquisition or issue.

###### De-recognition

Investments are de-recognised when the rights to receive cash flows from the investments have expired or the relevant Fund has transferred substantially all risks and rewards of ownership. On de-recognition of a financial asset, the difference between the carrying amount of the asset and consideration received is recognised in the Statement of Comprehensive Income. Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or expired.

###### *Subsequent measurement*

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income. Assets and liabilities not carried at fair value are carried at amortised cost; their carrying values are reasonable approximation of fair value.

###### *Amortised cost*

Financial assets and financial liabilities other than those at FVTPL are held at amortised cost. The amortised cost of the financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the accumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, and for financial assets, adjusted for any loss allowance.

###### *Fair value measurement*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the relevant Fund has access at that date. The fair value of a liability reflects its non-performance risk.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

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#### Note 2. Summary of significant accounting policies (continued)

##### Financial instruments (continued)

###### i) Equities and fixed income securities

When available, the Funds measure the fair value of an investment using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The Funds measure instruments quoted in an active market at a last traded price, because this price provides a reasonable approximation of exit price. If there is no quoted price in an active market, then the Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. The Fund recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

###### ii) Investment funds

The fair value of investment funds is based on the underlying fund administrator's calculation of the net asset value per share (market value of the fund's assets less liabilities divided by the number of shares) which will be the latest bid price published by the investment funds taking into account any adjustments that may be required to account for illiquidity, low trading volumes or any such factors that may indicate that the bid price may not be fair value.

The fair value of any investments in closed-ended investment funds is based on the bid prices available on the principal market for such security at the valuation date taking into account any adjustments that may be required to account for illiquidity, low trading volumes or any such factors that may indicate that the bid price may not be fair value.

###### iii) Futures contracts

Futures contracts are commitments either to purchase or sell a designated financial instrument, currency, commodity or an index at a specified future date for a specified price and may be settled in cash or another financial asset. Futures are standardised exchange-traded contracts. Initial margin requirements for futures are met in cash or other instruments, and changes in the future contract values are settled daily. Futures contracts have little credit risk because the counterparties are futures exchanges. Daily fluctuations in the value of a futures contract are recorded for financial reporting purposes as unrealised gains or losses by the Funds and are recorded as a realised gain or loss when the position is closed.

###### iv) Forward foreign currency exchange contracts

The unrealised appreciation or depreciation on open forward foreign exchange contracts is calculated by reference to the difference between the contracted rate and the forward rate to close out the contract as at the financial period end. Unrealised appreciation or depreciation on forward contracts is reported in the Statement of Financial Position and the Statement of Comprehensive Income. Realised gains and losses are reported with all other foreign currency gains and losses in the Statement of Comprehensive Income.

##### Impairment

IFRS 9 requires an impairment assessment to be carried out on its financial assets held at amortised cost. The Directors consider the probability of default to be close to zero, as these assets 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 in the financial statements based on lifetime expected credit loss as any such impairment would be wholly insignificant to the Funds.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

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**Note 2. Summary of significant accounting policies (continued)**

**Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**Interest income and expense**

Interest income and expense presented in the Statement of Comprehensive Income comprise interest on financial assets and financial liabilities measured at amortised cost.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to: the gross carrying amount of the financial asset; or the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Bond interest income is reported gross of irrecoverable withholding tax, which is disclosed separately in the Statement of Comprehensive Income, and net of any tax credits, it is included in "Net gain/(loss) on investments and derivatives" in the Statement of Comprehensive Income.

**Dividend income**

Dividend income is recognised through profit and loss on an ex-dividend basis. Dividend income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income.

**Expenses**

All expenses are recognised in the Statement of Comprehensive Income on an accruals basis.

**Net gains or losses from financial instruments at fair value through profit or loss**

Realised gains or losses on the disposal of investments from financial instruments and unrealised gains and losses on the valuation of investments at the financial year end are calculated on an average cost basis and included in the Statement of Comprehensive Income.

**Cash and margin cash**

Cash comprises current deposits held with the Depositary and any amounts held with Bank of America Corporation in respect of the Funds subscription and redemption account. Margin cash is deposited by or on behalf of the Funds for initial margin purposes with brokers for futures contracts. Margin cash is restricted from other cash of the Funds.

**Broker cash held as collateral for financial derivative instruments**

Counterparty cash received by a Fund as collateral for financial derivative instrument transactions is valued at its fair value and recorded as an asset on the Statement of Financial Position. A related liability to repay the counterparty cash collateral is recorded as a liability on the Statement of Financial Position and is also valued at its fair value.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

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**Note 2. Summary of significant accounting policies (continued)**

**Broker cash held as collateral for financial derivative instruments (continued)**

A Fund may also pay cash to a counterparty for financial derivative instrument transactions. Such cash will remain in the ownership of the relevant Fund and is recorded as an asset on the Statement of Financial Position. Cash pledged by a Fund as collateral is recognised on the Statement of Financial Position within 'Broker cash held as collateral for financial derivative instruments'.

**Accrued income and expenses**

Accrued income and expenses comprise of investment income receivable, other assets and expenses payable. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

Rebate is received by a Fund by virtue of its investment in the shares of another investment fund where the Investment Manager has negotiated a discounted management fee on its investment in the shares of the underlying investment fund. Rebate is accounted for on an accruals basis in the Statement of Comprehensive Income.

**Participating/equity shares**

All participating/equity shares issued by the ICAV in relation to the Funds provide the shareholders with the right to require redemption for cash at the value proportionate to the investor's share in the relevant Funds' net assets at the redemption date. In accordance with IAS 32 such instruments give rise to a financial liability for the present value of the redemption amount. These Funds may satisfy the redemption request by a distribution of investments in-specie. However, the shares in M&G Global Fixed Income Fund, M&G Worldwide Real Return Fund, M&G Worldwide Strategic Managed Fund and M&G Worldwide Strategic Real Return Fund are classified as equity under IAS 32. The shares in a Fund are classified as equity if it meets the following conditions:

- It entitles the holder to a pro rata share of the Funds' net assets in the event of a Funds' liquidation;
- It is in the class of instruments that is a subordinate to all other classes of instruments;
- All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- Apart from the contractual obligation for the Funds to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- The total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Funds over the life of the instrument.

**Distributions**

Dividends may be paid at the Directors' discretion. Details of the dividend policy can be found in the Prospectus of the ICAV and Supplements for the Funds. The Directors of the ICAV do not currently intend to pay out dividends.

**Taxation**

Under current law and practice, the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. On that basis, it is not chargeable to Irish tax on its income or gains.

However, Irish tax may arise on the happening of a 'chargeable event'. A chargeable event includes any distribution payments to shareholders, any encashment, redemption, cancellation or transfer of shares and the holding of shares at the end of each eight year period beginning with the acquisition of such shares.



## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

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#### **Note 2. Summary of significant accounting policies (continued)**

##### **Taxation (continued)**

No Irish tax will arise on the ICAV in respect of chargeable events in respect of:

a) a shareholder who is neither Irish resident nor ordinarily resident in Ireland for tax purposes, at the time of the chargeable event, provided appropriate valid declarations in accordance with the provisions of the Taxes Consolidation Act, 1997, as amended, are held by the ICAV, or the ICAV has been authorised by the Irish Revenue to make gross payments in the absence of appropriate declarations; and

b) certain exempted Irish tax resident shareholders who have provided the ICAV with the necessary signed statutory declarations.

Dividends, interest and capital gains (if any) received on investments made by the ICAV may be subject to withholding taxes imposed by the country from which the investment income/gains are received and such taxes may not be recoverable by the ICAV or its shareholders.

##### **Use of estimates and judgements**

The preparation of financial statements in accordance with IFRS requires the Directors of the ICAV to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, disclosure of contingent assets or liabilities, the reported amounts of income and expenses. The estimates and associated assumptions are based on various factors that are believed to be reasonable under the circumstances, the results of which forms the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimates are revised and in any future years affected.

Information about significant areas of estimation, uncertainty and judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in notes 9 and 10.

There were no contingent assets or liabilities during the financial year ended 31 December 2021 (31 December 2020: None).

##### **Transactions costs**

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the entity had not acquired, issued or disposed of the financial instrument. When a financial asset or financial liability is recognised initially, an entity shall measure it at its fair value through profit or loss which is inclusive of transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Transaction costs on the purchase and sale of fixed income securities and open forward foreign exchange currency contracts are included in the purchase and sale price of the investment and are not separately identifiable. Transaction costs on the purchases and sales of equities, futures contracts and investment funds are included in Net gain/(loss) on investments and derivatives in the Statement of Comprehensive Income for each Fund.



## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

**Note 3. Cash, Margin Cash and Broker cash held as collateral for financial derivative instrument**

All cash represents cash held with State Street Custodial Services (Ireland) Limited, (the "Depositary"). As at 31 December 2021, the Funds did not hold any short-term investments (31 December 2020: None).

Cash is also deposited by or on behalf of the Funds for initial margin purposes with brokers for futures contracts. For the year ended 31 December 2021, this cash was held with Merrill Lynch International. There was no cash held for initial margin purposes with brokers for futures contracts for the year ended 31 December 2020.

Counterparty cash pledged to a counterparty for financial derivative instrument transactions is recorded as an asset on the Statement of Financial Position within 'Broker cash held as collateral for financial derivative instruments'. At 31 December 2021, this cash collateral was pledged to JP Morgan Securities Plc. There was no cash held as collateral for financial derivative instrument transactions for the year ended 31 December 2020.

Cash account arrangements have been put in place in respect of the ICAV and the Funds relating to the subscription and redemption collection accounts pursuant to the Central Bank of Ireland (Supervision and Enforcement) Act 2013 (Section 48 (i)) Investor Money Regulations 2015 for Fund Service Providers (the "Investor Money Regulations").

These cash accounts, held with Bank of America Corporation for collection of subscriptions, payment of redemptions and dividends for the ICAV are deemed assets of the ICAV. As at 31 December 2021, there were no amounts held in the cash accounts for the Funds in relation to either subscription monies or redemption and dividend payments (31 December 2020: None).

**Note 4. Operating expenses/payables and other accrued expenses**

**Operating expenses**

The following tables represent operating expenses as at 31 December 2021:

31 December 2021	M&G Global Balanced Fund USD	M&G Global Bond Fund USD	M&G Global Equity Fund USD	M&G Global Fixed Income Fund USD	M&G Global Inflation Plus Fund USD
Management fees	(277,213)	(203,844)	(554,489)	(327,948)	(118,697)
Administration fees	(27,504)	(27,008)	(54,620)	(42,311)	(11,996)
Depositary fees	(19,663)	(18,978)	(66,967)	(23,115)	(15,018)
Audit fees	(3,062)	(2,742)	(5,893)	(4,482)	(993)
Directors' fees	(852)	(870)	(1,828)	(1,438)	(346)
Establishment costs	(2,723)	(3,365)	(3,672)	(248)	(4,168)
Consultancy fees	(453)	(451)	(919)	(700)	(168)
Other operating expenses	(17,021)	(12,224)	(14,014)	(12,301)	(12,916)
	<u>(348,491)</u>	<u>(269,482)</u>	<u>(702,402)</u>	<u>(412,543)</u>	<u>(164,302)</u>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 4. Operating expenses/payables and other accrued expenses (continued)**

31 December 2021	M&G	M&G	M&G	M&G	M&G Global Property Fund USD
	Worldwide Managed Fund USD	Worldwide Real Return Fund USD	Worldwide Strategic Managed Fund USD	Worldwide Strategic Real Return Fund USD	
Management fees	(3,283,380)	(1,483,590)	(626,262)	(550,620)	(45)
Administration fees	(313,237)	(147,708)	(62,024)	(55,156)	(2,512)
Depositary fees	(155,954)	(72,259)	(30,686)	(28,580)	(1,186)
Audit fees	(37,601)	(14,409)	(7,017)	(5,652)	(250)
Directors' fees	(11,396)	(5,842)	(2,104)	(2,023)	(82)
Establishment costs	(24,035)	(30,215)	(5,716)	(8,369)	(6,906)
Consultancy fees	(5,676)	(2,619)	(1,063)	(952)	(39)
Other operating expenses	(51,420)	(25,964)	(12,269)	(12,705)	(3,718)
	<u>(3,882,699)</u>	<u>(1,782,606)</u>	<u>(747,141)</u>	<u>(664,057)</u>	<u>(14,738)</u>

**Payables and other accrued expenses**

The following tables represent payables and other accrued expenses as at 31 December 2021:

31 December 2021	M&G	M&G	M&G	M&G	M&G Global Inflation Plus Fund USD
	Global Balanced Fund USD	Global Bond Fund USD	Global Equity Fund USD	Global Fixed Income Fund USD	
Management fees payables	(24,718)	(15,535)	(46,492)	(28,834)	(11,933)
Administration fees payables	(14,956)	(13,322)	(27,940)	(22,878)	(7,228)
Depositary fees payables	(8,737)	(7,736)	(38,796)	(11,112)	(6,312)
Audit fees payables	(2,968)	(2,838)	(5,970)	(4,616)	(1,249)
Directors' fees payables	(2)	–	–	–	(12)
Other operating expenses payables	(12,414)	(14,160)	(17,284)	(11,137)	(14,396)
	<u>(63,795)</u>	<u>(53,591)</u>	<u>(136,482)</u>	<u>(78,577)</u>	<u>(41,130)</u>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 4. Operating expenses/payables and other accrued expenses (continued)**

	<b>M&amp;G Worldwide Managed Fund USD</b>	<b>M&amp;G Worldwide Real Return Fund USD</b>	<b>M&amp;G Worldwide Strategic Managed Fund USD</b>	<b>M&amp;G Worldwide Strategic Real Return Fund USD</b>	<b>M&amp;G Global Property Fund USD</b>
<b>31 December 2021</b>					
Management fees payables	(259,952)	(104,058)	(50,550)	(43,883)	(36)
Administration fees payables	(151,735)	(67,540)	(31,276)	(27,131)	(2,512)
Depositary fees payables	(113,851)	(51,027)	(17,280)	(16,076)	(1,186)
Audit fees payables	(35,544)	(15,918)	(6,753)	(5,933)	(314)
Directors' fees payables	–	–	–	–	(82)
Other operating expenses payables	(40,171)	(19,615)	(5,783)	(10,178)	(3,600)
	<b>(601,253)</b>	<b>(258,158)</b>	<b>(111,642)</b>	<b>(103,201)</b>	<b>(7,730)</b>

**Operating expenses**

The following tables represent operating expenses as at 31 December 2020:

	<b>Prudential Global Balanced Fund USD</b>	<b>Prudential Global Bond Fund USD</b>	<b>Prudential Global Equity Fund USD</b>	<b>Prudential Global Fixed Income Fund USD</b>	<b>Prudential Global Inflation Plus Fund USD</b>
<b>31 December 2020</b>					
Management fees	(217,824)	(204,955)	(490,260)	(263,722)	(349,972)
Administration fees	(18,733)	(22,600)	(43,145)	(29,766)	(31,680)
Depositary fees	(24,113)	(26,904)	(53,580)	(18,752)	(29,817)
Audit fees	(2,763)	(3,411)	(6,500)	(4,259)	(4,396)
Directors' fees	(722)	(866)	(1,609)	(1,129)	(1,160)
Establishment costs	(2,046)	(2,679)	(3,163)	(1,923)	(3,311)
Consultancy fees	(198)	(233)	(466)	(309)	(320)
Other operating expenses	(11,759)	(10,361)	(13,527)	20	(13,304)
	<b>(278,158)</b>	<b>(272,009)</b>	<b>(612,250)</b>	<b>(319,840)</b>	<b>(433,960)</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 4. Operating expenses/payables and other accrued expenses (continued)**

	Prudential Worldwide Managed Fund USD	Prudential Worldwide Real Return Fund USD	Prudential Worldwide Strategic Managed Fund USD	Prudential Worldwide Strategic Real Return Fund USD
<b>31 December 2020</b>				
Management fees	(2,865,630)	(1,783,538)	(532,346)	(610,846)
Administration fees	(246,583)	(156,366)	(46,225)	(53,763)
Depositary fees	(129,749)	(91,518)	(28,361)	(39,034)
Audit fees	(35,390)	(19,308)	(6,586)	(7,500)
Directors' fees	(9,505)	(5,801)	(1,752)	(1,989)
Establishment costs	(19,897)	(25,886)	(4,550)	(6,869)
Consultancy fees	(2,713)	(1,670)	(494)	(575)
Other operating expenses	(32,213)	(19,881)	(7,287)	(8,674)
	<u>(3,341,680)</u>	<u>(2,103,968)</u>	<u>(627,601)</u>	<u>(729,250)</u>

**Payables and other accrued expenses**

The following tables represent payables and other accrued expenses as at 31 December 2020:

	Prudential Global Balanced Fund USD	Prudential Global Bond Fund USD	Prudential Global Equity Fund USD	Prudential Global Fixed Income Fund USD	Prudential Global Inflation Plus Fund USD
<b>31 December 2020</b>					
Management fees payables	(20,598)	(17,984)	(41,241)	(23,043)	(8,246)
Administration fees payables	(3,633)	(4,228)	(6,968)	(4,956)	(4,287)
Depositary fees payables	(8,258)	(9,409)	(20,197)	(7,300)	(10,745)
Audit fees payables	(2,232)	(2,720)	(4,868)	(3,530)	(3,626)
Directors' fees payables	(87)	(91)	(78)	(19)	(47)
Consultancy fees payables	(93)	(111)	(195)	(135)	(139)
Other operating expenses payables	(9,658)	(13,527)	(14,098)	(7,944)	(12,404)
	<u>(44,559)</u>	<u>(48,070)</u>	<u>(87,645)</u>	<u>(46,927)</u>	<u>(39,494)</u>

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 4. Operating expenses/payables and other accrued expenses (continued)

31 December 2020	Prudential Worldwide Managed Fund USD	Prudential Worldwide Real Return Fund USD	Prudential Worldwide Strategic Managed Fund USD	Prudential Worldwide Strategic Real Return Fund USD
Management fees payables	(264,619)	(129,938)	(48,696)	(47,034)
Administration fees payables	(39,099)	(21,704)	(7,981)	(7,935)
Depository fees payables	(59,960)	(37,735)	(11,418)	(14,597)
Audit fees payables	(29,024)	(17,754)	(5,358)	(6,077)
Directors' fees payables	(595)	54	(117)	–
Consultancy fees payables	(1,191)	(656)	(217)	(228)
Other operating expenses payables	(38,659)	(26,291)	(7,435)	(12,057)
	<u>(433,147)</u>	<u>(234,024)</u>	<u>(81,222)</u>	<u>(87,928)</u>

The audit fee (including expenses, excluding VAT) for the ICAV for the financial year was USD 82,101 (financial year 31 December 2020: USD 79,531) with USD 82,101 (31 December 2020: USD 79,531) outstanding at the end of the financial year, being remuneration for the provision of statutory audit work only. No other services were provided by the statutory auditors and no other fees were paid to the audit firm.

#### Depository and Administrator Fees

The ICAV has appointed State Street Custodial Services (Ireland) Limited, (the "Depository") as depository of its assets pursuant to the Depository Agreement and State Street Fund Services (Ireland) Limited as administrator, registrar and transfer agent, (the "Administrator") of the ICAV pursuant to the Administration Agreement.

The Funds shall pay the Depository a base trustee fee up to a maximum of 0.05% per annum of the NAV of each Fund accrued daily and payable monthly in arrears.

The Funds shall pay the Administrator (including all fees payable to the transfer agent) a base fee which shall not exceed 0.40% per annum of the NAV of each Fund. The Administrator's fees will be accrued daily and payable monthly in arrears.

The Depository and Administrator will also be entitled to be reimbursed their reasonable out of pocket expenses from the assets of each Fund in respect of which such charges and expenses were incurred.

The Depository is further entitled to be reimbursed any sub-custody fees and expenses, at normal commercial rates.

#### Note 5. Participating/equity shares

##### Authorised

The authorised share capital of the ICAV is two subscriber shares of EUR 1.00 each and 1,000,000,000,000,000 shares of no par value initially designated as unclassified shares. The Directors have the power to issue all of the shares of the ICAV on such terms as they think fit.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 5. Participating/equity shares (continued)

##### Subscriber Shares

The issued share capital of the ICAV as at the date of authorisation of the ICAV by the Central Bank was EUR 2.00 represented by two shares (the "subscriber shares") issued for the purposes of the registration of the ICAV at an issue price of EUR 1 per share. As at 31 December 2021, the subscriber shares were held by M&G Portfolio Managers (South Africa) (Pty) Ltd and M&G Limited. The subscriber shares do not form part of the NAV of the Funds and are only disclosed by way of this note.

##### Participating/Equity Shares

Each of the participating/equity shares entitles the holder to attend and vote at meetings of the ICAV and to participate equally in the profits and assets of the Fund to which the shares relate, subject to any differences between fees, charges and expenses applicable to different classes. Each shareholder shall have one vote for each whole share held. The liability of the shareholders shall be limited to the amount, if any, unpaid on the shares respectively held by them. Minimum subscription and redemption amounts are specified in the relevant supplement for each Fund.

##### Share transactions

The following tables represent the movements in the number of participating/equity shares during the financial year ended 31 December 2021.

	M&G Global Balanced Fund		M&G Global Bond Fund	
	Class B Acc	Class C Acc	Class B Acc	Class C Acc
Shares at beginning of financial year	1,830,168	28,914,725	2,428,460	32,444,924
Shares issued	968,319	28,806,513	229,601	7,299,101
Shares redeemed	(197,586)	(27,687,685)	(2,271,893)	(7,514,056)
Shares at end of financial year	2,600,901	30,033,553	386,168	32,229,969

	USD	USD	USD	USD
Proceeds from participating shares issued	1,249,396	39,009,048	259,364	8,460,000
Payments for redemption of participating shares	(256,078)	(37,511,048)	(2,589,952)	(8,659,000)

	M&G Global Equity Fund		M&G Global Fixed Income Fund
	Class B Acc	Class C Acc	Class C Acc
Shares at beginning of financial year	701,680	57,514,930	46,845,773
Shares issued	320,698	4,323,915	21,068,330
Shares redeemed	(24,386)	(9,493,168)	(7,017,157)
Shares at end of financial year	997,992	52,345,677	60,896,946

	USD	USD	USD
Proceeds from participating/equity shares issued	496,536	6,763,000	24,168,000
Payments for redemption of participating/equity shares	(38,310)	(14,836,000)	(8,049,000)

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 5. Participating/equity shares (continued)**

**Share transactions (continued)**

	<b>M&amp;G Global Inflation Plus Fund</b>		<b>M&amp;G Global Property Fund<sup>1</sup></b>	
	<b>Class B Acc</b>	<b>Class C Acc</b>	<b>Class B Acc</b>	<b>Class C Acc<sup>2</sup></b>
Shares at beginning of financial year	2,238,952	10,218,184	-	-
Shares issued	2,667,394	2,902,426	1,000	62,500
Shares redeemed	(534,118)	(284,572)	-	-
Shares at end of financial year	<u>4,372,228</u>	<u>12,836,038</u>	<u>1,000</u>	<u>62,500</u>

	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Proceeds from participating shares issued	3,232,816	3,635,000	1,000	62,500
Payments for redemption of participating shares	(648,183)	(357,000)	-	-

	<b>M&amp;G Global Property Fund<sup>1</sup> Class G Acc</b>
Shares at beginning of financial year	-
Shares issued	7,501,034
Shares redeemed	-
Shares at end of financial year	<u>7,501,034</u>

	<b>USD</b>
Proceeds from participating shares issued	7,506,903
Payments for redemption of participating shares	-

	<b>M&amp;G Worldwide Managed Fund</b>		<b>M&amp;G Worldwide Real Return Fund</b>
	<b>Class C Acc</b>	<b>Class E Acc</b>	<b>Class C Acc</b>
Shares at beginning of financial year	370,569,665	12,415,236	193,705,764
Shares issued	76,961,634	2,082,162	28,527,664
Shares redeemed	(123,960,209)	(8,937,542)	(79,149,863)
Shares at end of financial year	<u>323,571,090</u>	<u>5,559,856</u>	<u>143,083,565</u>

	<b>USD</b>	<b>USD</b>	<b>USD</b>
Proceeds from participating shares issued	110,289,769	2,998,000	37,608,000
Payments for redemption of participating shares	(176,583,000)	(12,958,000)	(104,997,975)

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 5. Participating/equity shares (continued)

##### Share transactions (continued)

	M&G Worldwide Strategic Managed Fund Class C Acc	M&G Worldwide Strategic Real Return Fund Class C Acc
Shares at beginning of financial year	69,873,124	70,612,747
Shares issued	3,743,784	2,638,143
Shares redeemed	(10,075,959)	(13,719,699)
Shares at end of financial year	63,540,949	59,531,191
	<b>USD</b>	<b>USD</b>
Proceeds from equity shares issued	5,361,999	3,541,000
Payments for redemption of equity shares	(14,627,000)	(17,989,000)

<sup>1</sup> Fund launched on 8 June 2021.

<sup>2</sup> This class launched on 25 November 2021.

The following tables represent the movements in the number of participating/equity shares during the financial year ended 31 December 2020.

	Prudential Global Balanced Fund		Prudential Global Bond Fund	
	Class B Acc	Class C Acc	Class B Acc	Class C Acc
Shares at beginning of financial year	2,388,127	28,122,896	5,303,973	32,302,617
Shares issued	578,167	827,041	1,468,450	9,470,370
Shares redeemed	(1,136,126)	(35,212)	(4,343,963)	(9,328,063)
Shares at end of financial year	1,830,168	28,914,725	2,428,460	32,444,924
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Proceeds from participating shares issued	617,372	927,000	1,617,634	10,642,000
Payments for redemption of participating shares	(1,200,380)	(38,000)	(4,957,383)	(9,960,000)
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Shares at beginning of financial year	628,729	91,024,179	60,252,564	
Shares issued	218,660	1,313,917	17,117,027	
Shares redeemed	(145,709)	(34,823,166)	(30,523,818)	
Shares at end of financial year	701,680	57,514,930	46,845,773	
	<b>USD</b>	<b>USD</b>	<b>USD</b>	
Proceeds from participating/equity shares issued	231,667	1,585,000	19,145,000	
Payments for redemption of participating/equity shares	(166,763)	(36,953,000)	(32,260,000)	



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 5. Participating/equity shares (continued)**

**Share transactions (continued)**

	<b>Prudential Global Inflation Plus Fund Class B Acc</b>	<b>Class C Acc</b>	<b>Prudential Worldwide Managed Fund Class C Acc</b>	<b>Class E Acc</b>
Shares at beginning of financial year	1,784,622	50,940,103	474,422,151	24,145,508
Shares issued	884,246	3,164,488	67,425,951	3,557,390
Shares redeemed	(429,916)	(43,886,407)	(171,278,437)	(15,287,662)
Shares at end of financial year	<u>2,238,952</u>	<u>10,218,184</u>	<u>370,569,665</u>	<u>12,415,236</u>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Proceeds from participating shares issued	935,928	3,539,000	77,914,000	4,065,000
Payments for redemption of participating shares	(483,693)	(51,198,709)	(173,190,000)	(16,510,000)
			<b>Prudential Worldwide Real Return Fund Class C Acc</b>	<b>Prudential Worldwide Strategic Managed Fund Class C Acc</b>
Shares at beginning of financial year		379,742,731		92,247,880
Shares issued		17,407,413		3,448,658
Shares redeemed		(203,444,380)		(25,823,414)
Shares at end of financial year		<u>193,705,764</u>		<u>69,873,124</u>
		<b>USD</b>		<b>USD</b>
Proceeds from equity shares issued		20,273,000		4,075,000
Payments for redemption of equity shares		(213,583,497)		(25,155,000)
			<b>Prudential Worldwide Strategic Real Return Fund Class C Acc</b>	
Shares at beginning of financial year		126,343,029		
Shares issued		1,699,566		
Shares redeemed		(57,429,848)		
Shares at end of financial year		<u>70,612,747</u>		
		<b>USD</b>		
Proceeds from equity shares issued		2,075,000		
Payments for redemption of equity shares		(59,173,000)		

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 5. Participating/equity shares (continued)

##### Significant shareholders

The following table details the number of shareholders with significant holdings of at least 20% of the relevant Fund and the aggregate value and percentage of that holding as at 31 December 2021.

##### 31 December 2021

Fund	Number of Shareholders	Number of Shares	Value of Holding USD	Holding % of Fund
M&G Global Balanced Fund	1	22,900,889	31,775,739	70.32
M&G Global Bond Fund	1	32,229,969	36,070,396	98.85
M&G Global Equity Fund	3	52,345,677	83,984,870	98.18
M&G Global Fixed Income Fund	2	50,571,467	57,379,196	83.04
M&G Global Inflation Plus Fund	1	12,836,038	16,185,653	75.17
M&G Global Property Fund <sup>1</sup>	3	6,473,000	7,029,031	85.57
M&G Worldwide Managed Fund	1	135,969,300	200,725,494	41.31
M&G Worldwide Real Return Fund	1	102,722,399	139,166,662	71.79
M&G Worldwide Strategic Managed Fund	1	63,540,949	94,126,411	100.00
M&G Worldwide Strategic Real Return Fund	1	58,708,896	79,574,860	98.62

<sup>1</sup>Fund launched on 8 June 2021.

The following table details the number of shareholders with significant holdings of at least 20% of the relevant Fund and the aggregate value and percentage of that holding as at 31 December 2020.

##### 31 December 2020

Fund	Number of Shareholders	Number of Shares	Value of Holding USD	Holding % of Fund
Prudential Global Balanced Fund	1	27,487,307	33,884,703	89.54
Prudential Global Bond Fund	1	32,444,923	38,451,290	93.19
Prudential Global Equity Fund	3	57,514,930	75,493,235	98.83
Prudential Global Fixed Income Fund	2	39,016,891	45,966,306	83.29
Prudential Global Inflation Plus Fund	1	10,218,184	12,355,215	82.46
Prudential Worldwide Managed Fund	1	185,842,842	240,051,898	48.52
Prudential Worldwide Real Return Fund	1	132,481,781	165,226,773	68.39
Prudential Worldwide Strategic Managed Fund	1	69,873,124	90,162,441	100.00
Prudential Worldwide Strategic Real Return Fund	1	69,674,898	86,706,229	98.67

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 6. Related party transactions

##### Alternative Investment Fund Manager

PGF Management Company (Ireland) Limited, an Alternative Investment Management Company in Ireland, acted as the Alternative Investment Fund Manager ("AIFM") for the financial year. The AIFM is regulated by the Central Bank.

The AIFM is entitled to receive out of the assets of each Fund an annual management fee in respect of each share class as set out in the table below.

Fund Name	% of the NAV of the Fund			
	Class B Acc	Class C Acc	Class E Acc	Class G Acc
M&G Global Balanced Fund	0.75%	0.65%	-	-
M&G Global Bond Fund	0.60%	0.50%	-	-
M&G Global Equity Fund	0.75%	0.65%	-	-
M&G Global Fixed Income Fund	-	0.50%	-	-
M&G Global Inflation Plus Fund	0.75%	0.65%	-	-
M&G Global Property Fund <sup>1</sup>	0.75%	0.65%	-	Nil
M&G Worldwide Managed Fund	-	0.65%	0.55%	-
M&G Worldwide Real Return Fund	-	0.65%	-	-
M&G Worldwide Strategic Managed Fund	-	0.65%	-	-
M&G Worldwide Strategic Real Return Fund	-	0.65%	-	-

<sup>1</sup>Fund launched on 8 June 2021.

The AIFM is responsible for discharging the fees of M&G Investment Management Limited (the "Investment Manager") and the fees of M&G Investments Unit Trusts South Africa (RF) Ltd (M&G Unit Trusts) (the "Distributor").

Such fees shall accrue and be calculated on each dealing day and be payable monthly in arrears.

The AIFM and delegates of the AIFM will also be entitled to be reimbursed out of the assets of the Funds for all their own reasonable out of pocket costs and expenses.

##### Rebate

In order to avoid the double charging of fees on cross investments in other funds managed by the Investment Manager, the Investment Manager has agreed to rebate the full amount of investment management fees charged on such cross investments in other funds to the Funds. The rebate amount is shown in the Statement of Comprehensive Income under "Rebate".

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

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#### **Note 6. Related party transactions (continued)**

##### **Investment Manager**

The AIFM has appointed M&G Investment Management Limited as the Investment Manager of the Funds to provide discretionary investment management services to the Funds pursuant to an Investment Management Agreement. The Investment Manager is authorised and regulated by the Financial Conduct Authority. Fees of the Investment Manager will be borne by the AIFM.

The Funds invest in a number of other funds/collective investment schemes managed by the Investment Manager. Further details of such funds/collective investment schemes are shown in the Condensed Schedules of Investments (Unaudited) and the Other Information (Unaudited) sections of the Annual Report and Audited Financial Statements.

##### **Distributor**

M&G Investments Unit Trusts South Africa (RF) Ltd (M&G Unit Trusts) has been appointed to act as the Distributor of the Funds pursuant to a Distribution Agreement and will promote the distribution and marketing of the shares.

The Distributor has authority pursuant to the Distribution Agreement to delegate some or all of its duties as distributor to sub-distributors in accordance with the requirements of the Central Bank, only with the prior consent of the Funds in writing. The Distributor is regulated by the South African Financial Services Conduct Authority.

Fees of the Distributor, sub-distributors and paying agents will be borne by the AIFM.

##### **Directors' interests**

The Directors will be entitled to remuneration for their services as directors provided however that the aggregate emoluments in respect of any twelve month accounting period shall not exceed EUR 60,000 per Director or such higher amount as may be approved by the Board of Directors. The Directors will be entitled to be reimbursed for their reasonable out of pocket expenses incurred in discharging their duties as directors. All Directors of the ICAV are also directors of the AIFM.

As at financial year ended 31 December 2021 Mr. Frank Connolly was a Director and principal with Clifton Fund Consulting Limited (trading as KB Associates). Clifton Fund Consulting Limited (trading as KB Associates) provides a range of advisory and project management services to the ICAV. The fees paid and payable to Clifton Fund Consulting Limited (trading as KB Associates) during the financial year ended 31 December 2021 are disclosed in note 4 under Consultancy fees. Mr. Bernard Fick is no longer employed by M&G Investment Managers SA, but remains as a Director of the ICAV at the financial year end. Mr. Pieter Hugo is employed by M&G Investments Unit Trusts South Africa (RF) Ltd (M&G Unit Trusts) an affiliate of the Investment Manager and the AIFM. Mr. Pieter Hugo has an indirect holding in M&G Global Equity Fund through an investment in a shareholder of the Fund. The holding in the shareholder does not give rise to control or significant influence. Mr. Frank Connolly retired as a Director of the ICAV on 1 January 2022 and Mr. Brian Fennessy was appointed as a replacement Director of the ICAV on the same date. Mr. Brian Fennessy is an associate director and principal with KB Associates.

##### **Directors' fees**

The Directors of the ICAV earned fees of USD 26,781 (financial year 31 December 2020: USD 24,534) during the financial year, of which USD 96 (31 December 2020: USD 980) was outstanding at the financial year end.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 6. Related party transactions (continued)

##### Transactions with other related parties

As at 31 December 2021 and 31 December 2020, the subscriber shares were held by M&G Portfolio Managers (South Africa) (Pty) Ltd and M&G Limited.

PGF Management Company (Ireland) Limited, the AIFM of the ICAV, holds 100 shares of M&G Global Bond Fund Class B (31 December 2020: 100 shares), 100 shares of M&G Global Balanced Fund Class B (31 December 2020: 100 shares), 100 shares of M&G Global Inflation Plus Fund Class B (31 December 2020: 100 shares), 100 shares of M&G Global Equity Fund Class B (31 December 2020: 100 shares) and 1000 shares of M&G Global Property Fund Class B (31 December 2020: Nil) as at 31 December 2021.

As at 31 December 2021 and 31 December 2020, all remaining shares in the Funds are held by investments funds managed by or discretionary clients of M&G Investment Managers SA. Such investment funds managed by M&G Investment Managers SA can be deemed affiliates with significant influence over the Funds.

#### 31 December 2021

Name of Fund	Units in issue as at 31 December 2020	Shares issued during the financial year	Shares redeemed during the financial year	Units in issue as at 31 December 2021
M&G Global Balanced Fund	30,744,893	29,774,832	(27,885,271)	32,634,454
M&G Global Bond Fund	34,873,384	7,528,702	(9,785,949)	32,616,137
M&G Global Equity Fund	58,216,610	4,644,613	(9,517,554)	53,343,669
M&G Global Fixed Income Fund	46,845,773	21,068,330	(7,017,157)	60,896,946
M&G Global Inflation Plus Fund	12,457,136	5,569,820	(818,690)	17,208,266
M&G Global Property Fund <sup>1</sup>	-	7,564,534	-	7,564,534
M&G Worldwide Managed Fund	382,984,901	79,043,796	(132,897,751)	329,130,946
M&G Worldwide Real Return Fund	193,705,764	28,527,664	(79,149,863)	143,083,565
M&G Worldwide Strategic Managed Fund	69,873,124	3,743,784	(10,075,959)	63,540,949
M&G Worldwide Strategic Real Return Fund	70,612,747	2,638,143	(13,719,699)	59,531,191

<sup>1</sup>Fund launched on 8 June 2021.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 6. Related party transactions (continued)**

**Transactions with other related parties (continued)**

**31 December 2020**

Name of Fund	Units in issue as at 31 December 2019	Shares issued during the financial year	Shares redeemed during the financial year	Units in issue as at 31 December 2020
Prudential Global Balanced Fund	30,511,023	1,405,208	(1,171,338)	30,744,893
Prudential Global Bond Fund	37,606,590	10,938,820	(13,672,026)	34,873,384
Prudential Global Equity Fund	91,652,908	1,532,577	(34,968,875)	58,216,610
Prudential Global Fixed Income Fund	60,252,564	17,117,027	(30,523,818)	46,845,773
Prudential Global Inflation Plus Fund	52,724,725	4,048,734	(44,316,323)	12,457,136
Prudential Worldwide Managed Fund	498,567,659	70,983,341	(186,566,099)	382,984,901
Prudential Worldwide Real Return Fund	379,742,731	17,407,413	(203,444,380)	193,705,764
Prudential Worldwide Strategic Managed Fund	92,247,880	3,448,658	(25,823,414)	69,873,124
Prudential Worldwide Strategic Real Return Fund	126,343,029	1,699,566	(57,429,848)	70,612,747

Details of cross-holdings between Funds of the ICAV are disclosed in note 7 below.

**Note 7. Cross-holdings**

M&G Global Balanced Fund held 2,356,000 shares (31 December 2020: Nil) in the M&G Global Property Fund Class G at the financial year ended 31 December 2021, which represents 31.15% of the shares in issue of the M&G Global Property Fund at that date.

M&G Global Equity Fund held 2,346,000 shares (31 December 2020: Nil) in the M&G Global Property Fund Class G at the financial year ended 31 December 2021, which represents 31.01% of the shares in issue of the M&G Global Property Fund at that date.

M&G Global Inflation Plus Fund held 1,028,034 shares (31 December 2020: Nil) in the M&G Global Property Fund Class G at the financial year ended 31 December 2021, which represents 13.59% of the shares in issue of the M&G Global Property Fund at that date.

The fair value of the investment in M&G Global Property Fund is detailed in the Condensed Schedule of Investments.

The purchases and sales of shares in M&G Global Property Fund during the year are detailed below:

**31 December 2021**

Name of Fund	Purchase USD	Sale USD
M&G Global Balanced Fund	2,356,000	-
M&G Global Equity Fund	2,346,000	-
M&G Global Inflation Plus Fund	1,033,903	-

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 8. Interests in other entities

##### Interests in unconsolidated structured entities

The ICAV meets the definition of an investment entity in accordance with IFRS 10 'Consolidated Financial Statements' and is therefore not subject to consolidation. The disclosures below are designed to meet the requirements of IFRS 12 Disclosure of Interests in Other Entities.

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes; (a) restricted activities, (b) a narrow and well defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Funds considers all of its investments in Investee Funds, i.e. any collective investment scheme including exchange traded funds that the Funds has an interest from time to time, to be investments in unconsolidated structured entities. The Funds invests in Investee Funds whose objectives range from achieving medium to long term capital growth and whose investment strategies do not include the use of leverage. The Investee Funds are managed by related and unrelated investment managers and apply various investment strategies to accomplish their respective investment objectives. The Investee Funds finance their operations by accepting subscriptions for shares. The Funds hold shares in each of its Investee Funds. The change in fair value of each Investee Fund is included in the Statement of Comprehensive Income in 'Net gain/(loss) on investments'.

The carrying value of these investments is equivalent to fair value, and the Funds' maximum exposure to loss from these investments is equal to their total fair value. Once a Fund has disposed of its holding in any of these investments, the Fund ceases to be exposed to any risk from that investment.

At 31 December 2021 and 31 December 2020, there were no significant restrictions on the ability of the structured entity to transfer funds to the Funds in the form of redemption of the shares held by the Funds. The Funds have no commitments or intentions to provide financial support or other support to the structured entity.

The table below describes the types of structured entities that the Funds do not consolidate but in which they hold an interest.

Type of structured entity	Nature and purpose	Interest held by the Fund
Investment funds	To manage assets on behalf of third party investors. These vehicles are financed through the issue of shares to investors	Investment in shares issued by these funds

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 8. Interests in other entities (continued)

##### Interests in unconsolidated structured entities (continued)

The table below set out interests held by the Funds at 31 December 2021 and 31 December 2020 in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the Investee Funds held by the Funds.

Fund	Fund Currency	Total Net Assets of the underlying Structured Entity <sup>1</sup>	No. of Investments	Carrying amount included in 'Financial assets at fair value through profit or loss'	% of Total Net Assets of the underlying Structured Entity
<b>M&amp;G Global Balanced Fund</b>					
<1%	USD	87,293,795,477	15	29,707,120	0.03%
1% - 5%	USD	283,783,784	3	6,305,930	2.22%
5% - 10%	USD	-	-	-	-
10% - 20%	USD	-	-	-	-
>20%	USD	8,211,612	1	2,558,380	31.16%
<b>M&amp;G Global Bond Fund</b>					
<1%	USD	13,025,615,442	5	13,366,759	0.10%
1% - 5%	USD	703,562,162	3	11,593,106	1.65%
5% - 10%	USD	-	-	-	-
10% - 20%	USD	-	-	-	-
>20%	USD	-	-	-	-
<b>M&amp;G Global Equity Fund</b>					
<1%	USD	27,000,000,000	2	5,571,934	0.02%
1% - 5%	USD	-	-	-	-
5% - 10%	USD	-	-	-	-
10% - 20%	USD	-	-	-	-
>20%	USD	8,211,612	1	2,547,521	31.02%
<b>M&amp;G Global Inflation Plus Fund</b>					
<1%	USD	42,254,081,174	16	14,947,646	0.04%
1% - 5%	USD	83,108,338	1	1,467,269	1.77%
5% - 10%	USD	-	-	-	-
10% - 20%	USD	8,211,612	1	1,116,342	13.59%
>20%	USD	-	-	-	-
<b>M&amp;G Global Property Fund<sup>2</sup></b>					
<1%	USD	337,610,000	1	686,648	0.20%
1% - 5%	USD	-	-	-	-
5% - 10%	USD	-	-	-	-
10% - 20%	USD	-	-	-	-
>20%	USD	-	-	-	-



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 8. Interests in other entities (continued)**

**Interests in unconsolidated structured entities (continued)**

<b>Fund</b>	<b>Fund Currency</b>	<b>Total Net Assets of the underlying Structured Entity<sup>1</sup></b>	<b>No. of Investments</b>	<b>Carrying amount included in 'Financial assets at fair value through profit or loss'</b>	<b>% of Total Net Assets of the underlying Structured Entity</b>
<b>M&amp;G Worldwide Managed Fund</b>					
<1%	USD	122,453,548,968	7	94,363,120	0.08%
1% - 5%	USD	11,029,298,033	4	137,529,152	1.25%
5% - 10%	USD	1,114,426,757	3	68,675,932	6.16%
10% - 20%	USD	266,075,773	1	28,692,283	10.78%
>20%	USD	184,783,784	2	90,204,033	48.82%

<b>M&amp;G Worldwide Real Return Fund</b>					
<1%	USD	22,769,359,017	6	41,441,065	0.18%
1% - 5%	USD	2,259,223,683	6	49,266,479	2.18%
5% - 10%	USD	99,000,000	1	9,060,492	9.15%
10% - 20%	USD	-	-	-	-
>20%	USD	184,783,784	2	47,194,737	25.54%

<b>M&amp;G Worldwide Strategic Managed Fund</b>					
<1%	USD	133,482,847,001	11	45,546,957	0.03%
1% - 5%	USD	1,380,502,530	4	18,980,027	1.37%
5% - 10%	USD	89,608,108	1	7,263,180	8.11%
10% - 20%	USD	95,175,676	1	9,674,295	10.16%
>20%	USD	-	-	-	-

<b>M&amp;G Worldwide Strategic Real Return Fund</b>					
<1%	USD	24,023,902,698	8	27,909,437	0.12%
1% - 5%	USD	1,084,394,692	5	16,717,254	1.54%
5% - 10%	USD	89,608,108	1	7,458,023	8.32%
10% - 20%	USD	95,175,676	1	10,238,675	10.76%
>20%	USD	-	-	-	-

<sup>1</sup> Based on the latest available Net Assets of the Structured Entities.

<sup>2</sup> Fund launched on 8 June 2021.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

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**Note 8. Interests in other entities (continued)**

**Interests in unconsolidated structured entities (continued)**

The table below sets out the holdings held by the Funds in unconsolidated structured entities greater than 50% at 31 December 2021.

<b>Investing Fund</b>	<b>Name of Investee</b>	<b>Place of Business</b>	<b>% Ownership</b>
M&G Worldwide Managed Fund	M&G Global Enhanced Equity Premia Fund	United Kingdom	54.61

Per IFRS, an entity has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Fund does not have sufficient power to affect the returns of the underlying structured entities.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 8. Interests in other entities (continued)**

**Interests in unconsolidated structured entities (continued)**

There were no holdings held by the Funds in unconsolidated structured entities greater than 50% at 31 December 2020.

<b>Fund</b>	<b>Fund Currency</b>	<b>Total Net Assets of the underlying Structured Entity*</b>	<b>No. of Investments</b>	<b>Carrying amount included in 'Financial assets at fair value through profit or loss'</b>	<b>% of Total Net Assets of the underlying Structured Entity</b>
<b>Prudential Global Balanced Fund</b>					
<1%	USD	63,895,557,451	20	27,678,199	0.04%
1% - 5%	USD	243,157,864	3	5,458,972	2.25%
5% - 10%	USD	-	-	-	-
10% - 20%	USD	-	-	-	-
>20%	USD	-	-	-	-

<b>Prudential Global Bond Fund</b>					
<1%	USD	26,394,849,898	6	17,343,251	0.07%
1% - 5%	USD	716,909,317	3	14,478,998	2.02%
5% - 10%	USD	-	-	-	-
10% - 20%	USD	-	-	-	-
>20%	USD	-	-	-	-

<b>Prudential Global Equity Fund</b>					
<1%	USD	5,775,694,497	2	13,554,527	0.23%
1% - 5%	USD	-	-	-	-
5% - 10%	USD	-	-	-	-
10% - 20%	USD	-	-	-	-
>20%	USD	-	-	-	-

<b>Prudential Global Inflation Plus Fund</b>					
<1%	USD	48,547,371,513	21	11,382,678	0.02%
1% - 5%	USD	109,254,864	1	1,398,942	1.28%
5% - 10%	USD	-	-	-	-
10% - 20%	USD	-	-	-	-
>20%	USD	-	-	-	-

<b>Prudential Worldwide Managed Fund</b>					
<1%	USD	69,125,674,503	5	82,437,491	0.12%
1% - 5%	USD	11,039,373,570	6	157,734,887	1.43%
5% - 10%	USD	1,386,196,678	5	87,140,512	6.29%
10% - 20%	USD	207,877,544	1	34,805,656	16.74%
>20%	USD	133,903,000	2	72,633,485	54.24%

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 8. Interests in other entities (continued)**

**Interests in unconsolidated structured entities (continued)**

<b>Fund</b>	<b>Fund Currency</b>	<b>Total Net Assets of the underlying Structured Entity*</b>	<b>No. of Investments</b>	<b>Carrying amount included in 'Financial assets at fair value through profit or loss'</b>	<b>% of Total Net Assets of the underlying Structured Entity</b>
<b>Prudential Worldwide Real Return Fund</b>					
<1%	USD	23,330,101,625	9	66,685,236	0.29%
1% - 5%	USD	1,641,390,394	5	43,718,191	2.66%
5% - 10%	USD	583,492,997	2	37,094,789	6.36%
10% - 20%	USD	109,254,864	1	12,439,898	11.39%
>20%	USD	133,903,000	2	40,858,122	30.51%

<b>Prudential Worldwide Strategic Managed Fund</b>					
<1%	USD	78,501,001,011	11	43,097,711	0.05%
1% - 5%	USD	1,594,074,221	6	22,849,395	1.43%
5% - 10%	USD	-	-	-	-
10% - 20%	USD	133,903,000	2	13,638,087	10.19%
>20%	USD	-	-	-	-

<b>Prudential Worldwide Strategic Real Return Fund</b>					
<1%	USD	23,688,880,532	10	25,633,097	0.11%
1% - 5%	USD	1,975,359,348	7	33,732,522	1.71%
5% - 10%	USD	-	-	-	-
10% - 20%	USD	133,903,000	2	14,249,712	10.64%
>20%	USD	-	-	-	-

\* Based on the latest available Net Assets of the Structured Entities.

**Note 9. Fair Value Hierarchy**

The Funds are required 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 market price in an active market for an identical instrument.
- Level 2 - Valuation techniques based on observable inputs. This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3 - Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs could have a significant impact on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 9. Fair Value Hierarchy (continued)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the AIFM. The AIFM considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

For each class of assets and liabilities not measured at fair value in the Statement of Financial Position but for which fair value is disclosed, the Funds are required to disclose the Level within the fair value hierarchy which the fair value measurement would be categorised and a description of the valuation technique and inputs used in the technique.

Assets and liabilities not carried at fair value are carried at amortised cost, their carrying values are reasonable approximations of fair value. Cash includes deposits held with banks and other short term investments in an active market and are categorised as Level 1.

The financial instruments held at 31 December 2021 and 31 December 2020 are classified into the following Levels:

Financial Instruments	Level
Equities	1
Fixed Income	2
Investment Funds	1
Futures contracts	1
Open forward foreign currency exchange contracts	2

During the financial year ended 31 December 2021, there were some exceptions to the Fixed Income, Investment Funds and Equities as outlined below.

Fund	Investment Type	Opening Balance of Level 2	Transfer from Level 1 to Level 2	Transfer from Level 2 to Level 1	Value of positions sold/matured in the year	Closing Balance of Level 2
M&G Global Property Fund	Equities	-	443,023	-	-	443,023
M&G Global Property Fund	Investment Funds	-	686,648	-	-	686,648
M&G Worldwide Real Return Fund	Investment Funds	-	10,811,934	-	-	10,811,934
M&G Worldwide Strategic Real Return Fund	Investment Funds	-	4,039,299	-	-	4,039,299

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 9. Fair Value Hierarchy (continued)**

<b>Fund</b>	<b>Investment Type</b>	<b>Opening Balance of Level 2</b>	<b>Transfer from Level 1 to Level 2</b>	<b>Transfer from Level 2 to Level 1</b>	<b>Value of positions sold/matured in the year</b>	<b>Closing Balance of Level 2</b>
M&G Global Bond Fund	Investment Funds	-	2,983,192	-	-	2,983,192
M&G Global Balanced Fund	Investment Funds	-	2,443,792	-	-	2,443,792
M&G Global Inflation Plus Fund	Investment Funds	-	1,128,098	-	-	1,128,098
M&G Worldwide Managed Fund	Investment Funds	-	29,252,575	-	-	29,252,575
M&G Worldwide Strategic Managed Fund	Investment Funds	-	5,382,673	-	-	5,382,673

<b>Fund</b>	<b>Investment Type</b>	<b>Opening Balance of Level 1</b>	<b>Transfer from Level 2 to Level 1</b>	<b>Transfer from Level 1 to Level 2</b>	<b>Value of positions sold/matured in the year</b>	<b>Closing Balance of Level 1</b>
M&G Worldwide Real Return Fund	Fixed Income	25,293,103	31,841,656	-	(25,293,103)	31,841,656
M&G Worldwide Strategic Real Return Fund	Fixed Income	9,305,821	12,737,595	-	(9,305,821)	12,737,595
M&G Global Bond Fund	Fixed Income	5,925,896	7,395,941	-	(5,925,896)	7,395,941
M&G Global Balanced Fund	Fixed Income	2,644,605	3,705,147	-	(2,644,605)	3,705,147
M&G Global Inflation Plus Fund	Fixed Income	1,094,149	2,248,500	-	(1,094,149)	2,248,500
M&G Worldwide Managed Fund	Fixed Income	36,067,893	33,821,315	-	(36,067,893)	33,821,315
M&G Worldwide Strategic Managed Fund	Fixed Income	6,556,161	6,443,663	-	(6,556,161)	6,443,663
M&G Global Fixed Income Fund	Fixed Income	1,586,872	10,394,508	-	-	11,981,380

The transfers of the equities and investment funds was a result of low trading activity as at 31 December 2021. The fixed income positions were transferred as the market data as at 31 December 2021 indicates they are highly liquid investments.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

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#### Note 9. Fair Value Hierarchy (continued)

There were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy during the financial year ended 31 December 2020, with the exception of Japan Government Two Year Bond 0.100% 01/02/2021 held on M&G Global Bond Fund (Fair value USD 3,766,900) and M&G Global Inflation Plus Fund (Fair value USD 292,072) which was transferred from Level 2 to Level 1.

Receivables include the contractual amounts for settlement of trades and other obligations due to the Funds. Payables and other accrued expenses represent the contractual amounts and obligations due by the Funds for settlement of trades and other obligations due by the Funds for expenses. All of the receivable and payable balances are categorised as Level 2.

The puttable value of participating shares is calculated based on the net difference between total assets and all other liabilities of each Fund in accordance with the Funds' offering memorandum. These shares are not traded on an active market. A demand feature is attached to these shares, as they are redeemable at the holders' option and can be put back to the Funds at any dealing date for cash/assets equal to a proportionate share of the relevant Fund's NAV attributable to the share class. The fair value is based on the amount payable on demand, discounted from the first date that the amount could be required to be paid. The impact of discounting in this instance is not material. As such, Level 2 is deemed to be the most appropriate categorisation for net assets attributable to holders of participating/equity shares.

There were no financial assets or financial liabilities classified at Level 3 at the financial year end (financial year end 31 December 2020: no Level 3).

#### Note 10. Financial instruments and associated risks

The Fund's investment activities expose it to the various types of risk which are associated with the financial instruments and markets in which it invests. The following information is not intended to be a comprehensive summary of all risks and investors should refer to the Prospectus and Supplements for a more detailed discussion of the risks inherent in investing in the Funds.

##### Market risk

Market price risk is the risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices. The Funds' financial assets at fair value through profit or loss consist of equities, fixed income securities, investment funds, futures contracts and forward foreign exchange contracts. The values of these instruments are determined by market forces and accordingly there is a risk that market prices can change in a way that is adverse to the Funds' performance.

The Funds have adopted a number of investment restrictions which are set out in the Funds' Supplements to the ICAV's Prospectus and which limit the exposure of the Funds to adverse changes in the price of any individual financial asset. In accordance with the ICAV's policy, the AIFM monitor the Funds' positions on a daily basis and reports regularly to the AIFM's Risk Committee and Board of Directors. The ICAV's Board reviews the information on the Funds' overall market exposure provided by the AIFM at its periodic meetings.

In addition, the AIFM manage the exposure of the Funds' portfolios to the risk of adverse changes in the general level of market prices through adhering to its formal risk management process, which includes the use of systems and technology to monitor overall market and position risk on a daily basis.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 10. Financial instruments and associated risks (continued)

##### Market risk (continued)

Market risk exposures to the Funds are measured using an Absolute Value at Risk ("VaR") methodology, which estimates the maximum expected loss over a defined period given a specified confidence level. The Absolute VaR methodology is a statistically defined, probability-based approach that takes into account estimates for market volatilities and correlations between assets in the portfolio. Risks can be measured consistently across markets and products, and risk measures can be aggregated to arrive at a single risk number.

The AIFM calculates a 20 day VaR using Monte Carlo Simulation with a 99% confidence interval. Disclosed in the table below is the VaR as at 31 December 2021 and the minimum and maximum month end VaR figures:

Fund Name	31 Dec 2021 %	Maximum %	Minimum %
M&G Global Balanced Fund	6.98%	10.64%	6.98%
M&G Global Bond Fund	3.13%	4.34%	3.00%
M&G Global Equity Fund	11.23%	15.29%	10.91%
M&G Global Fixed Income Fund	3.22%	4.11%	3.18%
M&G Global Inflation Plus Fund	4.65%	6.66%	4.65%
M&G Global Property Fund <sup>1</sup>	13.15%	15.56%	12.84%
M&G Worldwide Managed Fund	7.69%	11.72%	7.69%
M&G Worldwide Real Return Fund	5.68%	8.27%	5.37%
M&G Worldwide Strategic Managed Fund	7.69%	11.85%	7.69%
M&G Worldwide Strategic Real Return Fund	5.59%	8.36%	5.28%

<sup>1</sup> Fund launched on 8 June 2021.

The Funds use a Monte-Carlo 20 Day Absolute VaR using the Normal Distribution with 5 Degrees of Freedom, with a 99% confidence interval for the financial year ended 31 December 2020.

Fund Name	31 Dec 2020 %	Maximum %	Minimum %
Prudential Global Balanced Fund	11.27%	14.76%	4.96%
Prudential Global Bond Fund	4.25%	5.23%	2.01%
Prudential Global Equity Fund	14.89%	20.12%	6.71%
Prudential Global Fixed Income Fund	4.25%	5.59%	2.64%
Prudential Global Inflation Plus Fund	7.33%	9.93%	3.22%
Prudential Global Property Fund	12.21%	17.26%	6.22%
Prudential Worldwide Managed Fund	9.12%	14.04%	4.61%
Prudential Worldwide Real Return Fund	12.48%	17.22%	6.22%
Prudential Worldwide Strategic Managed Fund	9.21%	13.91%	4.65%



## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 10. Financial instruments and associated risks (continued)

##### Leverage risk

Subject to any investment restrictions contained in the Funds' Supplements to the Prospectus, the Funds may use a degree of leverage in making investments. The extent of such leverage is outlined in the Funds' Supplements to the Prospectus which states that the relevant leverage ratio should not be exceeded using the commitment method or the gross method as defined in the Regulations. The Funds may obtain leverage by, among other methods, purchasing or entering into derivative instruments that are inherently leveraged, such as options, futures, forward contracts and swaps. The use of leverage increases risk and results in material interest expense.

A Funds' use of leverage and derivative instruments results in certain additional risks. Leveraged investments, by their nature, increase the potential loss to investors resulting from any depreciation in the value of such investments.

Consequently, a relatively small price movement in the security underlying a leveraged instrument may result in substantial losses.

Furthermore, the use of leverage exposes each Fund to the risk of counterparties foreclosing on the collateral used to margin leveraged positions, resulting in materially increased losses on such positions. Access to leverage and financing could be impaired by many factors, including market forces or regulatory changes, and there can be no assurance that each Fund will be able to secure or maintain adequate leverage or financing.

Disclosed in the table below is the leverage employed during the financial year ended 31 December 2021:

<b>Fund Name</b>	<b>Gross Method</b>	<b>Commitment Method</b>
M&G Global Balanced Fund	101.95%	97.84%
M&G Global Bond Fund	116.44%	98.20%
M&G Global Equity Fund	102.15%	102.15%
M&G Global Fixed Income Fund	89.20%	89.20%
M&G Global Inflation Plus Fund	101.48%	97.55%
M&G Global Property Fund <sup>1</sup>	99.12%	99.12%
M&G Worldwide Managed Fund	104.25%	98.26%
M&G Worldwide Real Return Fund	104.46%	97.98%
M&G Worldwide Strategic Managed Fund	103.79%	98.14%
M&G Worldwide Strategic Real Return Fund	103.88%	97.70%

<sup>1</sup> Fund launched on 8 June 2021.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 10. Financial instruments and associated risks (continued)

##### Leverage risk (continued)

Disclosed in the table below is the leverage employed during the financial year ended 31 December 2020:

Fund Name	Gross Method	Commitment Method
Prudential Global Balanced Fund	103.31%	99.27%
Prudential Global Bond Fund	117.00%	99.34%
Prudential Global Equity Fund	103.29%	103.29%
Prudential Global Fixed Income Fund	91.55%	91.55%
Prudential Global Inflation Plus Fund	103.78%	99.16%
Prudential Worldwide Managed Fund	103.29%	98.83%
Prudential Worldwide Real Return Fund	111.00%	98.82%
Prudential Worldwide Strategic Managed Fund	103.63%	99.25%
Prudential Worldwide Strategic Real Return Fund	110.97%	99.25%

##### (i) Foreign currency risk

Foreign currency risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in the rate of exchange between the currency in which the financial asset or financial liability is denominated and the functional currency of the Funds. The value of the investments of a Fund denominated in a currency other than the functional currency may rise and fall due to exchange rate fluctuations in respect of the relevant currencies.

The table below summarises the foreign currency risk exposure of the Funds' monetary assets and liabilities, and reflects the way the risk is monitored and managed. The tables below also detail currency sensitivity analysis for the Funds. The sensitivity analysis illustrates the impact of a 5% exchange rate increase or decrease between the USD and the monetary assets and monetary liabilities denominated in foreign currency relevant to the Funds. This analysis is based on the assumption that all other variables remain constant. The impact on the Funds is the change in the NAV of the Funds in terms of USD (the functional currency of the Funds). The sensitivity analysis details the effect of a change in exchange rates on monetary assets and monetary liabilities only.

The foreign currency risk exposure of the monetary net assets and liabilities as at 31 December 2021 are detailed below.

##### M&G Global Balanced Fund

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Brazilian Real	164,635	8,232
Chilean Peso	369,555	18,478
Chinese Yuan Renminbi Onshore	701,634	35,082
Euro	2,309	115
Pound Sterling	(1,350,633)	(67,532)
Mexican Peso	159,791	7,990
South African Rand	627,201	31,360
Turkish Lira	413,804	20,690
	<b>1,088,296</b>	<b>54,415</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(i) Foreign currency risk (continued)**

**M&G Global Bond Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Brazilian Real	640,673	32,034
Chilean Peso	581,911	29,096
Chinese Yuan Renminbi Onshore	2,136,510	106,826
Colombian Peso	168,856	8,443
Euro	1,620,406	81,020
Japanese Yen	3,758,903	187,945
Mexican Peso	636,302	31,815
Pound Sterling	(2,008,272)	(100,414)
South African Rand	1,090,271	54,514
Turkish Lira	435,052	21,753
	<b>9,060,612</b>	<b>453,032</b>

**M&G Global Equity Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Chinese Yuan Renminbi Offshore	(1,021,033)	(51,052)
Chinese Yuan Renminbi Onshore	1,095,486	54,774
Danish Krone	797	40
Euro	2,991	150
Norwegian Krone	2,666	133
Taiwan New Dollar	18,947	947
	<b>99,854</b>	<b>4,992</b>

**M&G Global Fixed Income Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Euro	16,687,688	834,384
Pound Sterling	2,943,073	147,154
	<b>19,630,761</b>	<b>981,538</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(i) Foreign currency risk (continued)**

**M&G Global Inflation Plus Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Brazilian Real	110,258	5,513
Chilean Peso	94,962	4,748
Chinese Yuan Renminbi Onshore	554,121	27,706
Euro	129,700	6,485
Japanese Yen	258,911	12,946
Mexican Peso	106,845	5,342
Pound Sterling	(264,044)	(13,202)
South African Rand	279,008	13,950
Turkish Lira	162,395	8,120
	<b>1,432,156</b>	<b>71,608</b>

**M&G Global Property Fund<sup>1</sup>**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Canadian Dollar	1,006	50
Euro	(1,365)	(68)
Japanese Yen	2,936	147
Pound Sterling	119	6
	<b>2,696</b>	<b>135</b>

**M&G Worldwide Managed Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Brazilian Real	3,550,835	177,542
Chilean Peso	3,089,044	154,452
Chinese Yuan Renminbi Onshore	5,349,379	267,469
Euro	4,782,756	239,138
Japanese Yen	(7,533,187)	(376,659)
Mexican Peso	3,442,423	172,121
Pound Sterling	(10,269,018)	(513,451)
South African Rand	8,344,876	417,244
Turkish Lira	5,379,735	268,987
	<b>16,136,843</b>	<b>8,654,076</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(i) Foreign currency risk (continued)**

**M&G Worldwide Real Return Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Brazilian Real	842,553	42,128
Chilean Peso	731,763	36,588
Chinese Yuan Renminbi Onshore	5,511,482	275,574
Euro	4,723,608	236,180
Japanese Yen	1,768,013	88,401
Mexican Peso	816,604	40,830
Pound Sterling	(2,869,695)	(143,485)
South African Rand	6,012,402	300,620
Turkish Lira	2,639,901	131,995
	<b>20,176,631</b>	<b>1,008,831</b>

**M&G Worldwide Strategic Managed Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Brazilian Real	663,618	33,181
Chilean Peso	575,355	28,768
Chinese Yuan Renminbi Onshore	1,021,245	51,062
Euro	906,280	45,314
Japanese Yen	(1,432,961)	(71,648)
Mexican Peso	643,457	32,173
Pound Sterling	(1,774,867)	(88,743)
South African Rand	1,523,556	76,178
Turkish Lira	987,144	49,357
	<b>3,112,827</b>	<b>155,642</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(i) Foreign currency risk (continued)**

**M&G Worldwide Strategic Real Return Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
Brazilian Real	282,606	14,130
Chilean Peso	245,783	12,289
Chinese Yuan Renminbi Onshore	2,261,328	113,066
Euro	1,993,919	99,696
Japanese Yen	609,703	30,485
Mexican Peso	273,791	13,690
Pound Sterling	(1,211,192)	(60,560)
South African Rand	2,011,594	100,580
Turkish Lira	962,529	48,126
	<b>7,430,061</b>	<b>371,502</b>

<sup>1</sup> Fund launched on 8 June 2021.

The foreign currency risk exposure of the monetary net assets and liabilities as at 31 December 2020 are detailed below.

**Prudential Global Balanced Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
Australian Dollar	174,314	8,716
Euro	2,126	106
Pound Sterling	(623,210)	(31,161)
South African Rand	690,327	34,516
Turkish Lira	786,968	39,348
	<b>1,030,525</b>	<b>51,525</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(i) Foreign currency risk (continued)**

**Prudential Global Bond Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Australian Dollar	202,998	10,150
Brazilian Real	241,340	12,067
Chinese Yuan Renminbi Onshore	998,490	49,925
Colombian Peso	241,064	12,053
Euro	2,832,135	141,607
Japanese Yen	5,047,924	252,396
Mexican Peso	235,220	11,761
Pound Sterling	(1,226,450)	(61,323)
South African Rand	1,196,858	59,843
Turkish Lira	827,378	41,369
	<b>10,596,957</b>	<b>529,848</b>

**Prudential Global Equity Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Brazilian Real	507	25
Canadian Dollar	5,096	255
Chinese Yuan Renminbi Offshore	1,375,597	68,780
Chinese Yuan Renminbi Onshore	(1,301,891)	(65,095)
Danish Krone	857	43
Euro	4,148	207
Japanese Yen	9,529	476
Norwegian Krone	2,746	137
Pound Sterling	3,757	188
Taiwan New Dollar	97,922	4,896
	<b>198,268</b>	<b>9,912</b>

**Prudential Global Fixed Income Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Euro	9,515,407	475,770
Pound Sterling	2,158,805	107,940
	<b>11,674,212</b>	<b>583,710</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(i) Foreign currency risk (continued)**

**Prudential Global Inflation Plus Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Australian Dollar	73,550	3,678
Chinese Yuan Renminbi Onshore	200,706	10,035
Euro	139,570	6,979
Japanese Yen	292,194	14,610
South African Rand	305,934	15,297
Turkish Lira	308,842	15,442
	<b>1,320,796</b>	<b>66,041</b>

**Prudential Worldwide Managed Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Australian Dollar	2,119,714	105,986
Pound Sterling	(10,371,042)	(518,552)
South African Rand	9,188,010	459,401
Turkish Lira	10,231,131	511,557
	<b>11,167,813</b>	<b>558,392</b>

**Prudential Worldwide Real Return Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Australian Dollar	1,239,319	61,966
Chinese Yuan Renminbi Onshore	1,956,233	97,812
Euro	10,599,617	529,981
Japanese Yen	1,972,414	98,621
Pound Sterling	(9,114,548)	(455,727)
South African Rand	6,613,218	330,661
Turkish Lira	5,020,538	251,027
	<b>18,286,791</b>	<b>914,341</b>



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(i) Foreign currency risk (continued)**

**Prudential Worldwide Strategic Managed Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
Australian Dollar	392,758	19,638
Euro	2	-
Pound Sterling	(1,792,500)	(89,625)
South African Rand	1,678,459	83,923
Turkish Lira	1,877,342	93,867
	<b>2,156,061</b>	<b>107,803</b>

**Prudential Worldwide Strategic Real Return Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
Australian Dollar	428,797	21,440
Chinese Yuan Renminbi Onshore	674,623	33,731
Euro	3,681,069	184,053
Japanese Yen	680,191	34,010
Pound Sterling	(3,177,336)	(158,867)
South African Rand	2,213,031	110,652
Turkish Lira	1,830,529	91,526
	<b>6,330,904</b>	<b>316,545</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Funds are exposed to interest rate risk through their cash holdings including margin cash held with brokers. The Funds are also exposed to interest rate risk through their in fixed income securities where the value of these securities may fluctuate as a result of a change in interest rates. The Funds also have indirect exposure to interest rate risk through their investments into futures contracts, whereby the value of the underlying asset may fluctuate as a result of a change in interest rates.

The interest rate profile of the financial assets and liabilities of the Funds at 31 December 2021 was as follows:

**M&G Global Balanced Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	2,681,902	-	2,462,523	38,937,273	44,081,698
Financial derivative instruments	-	-	-	46,640	46,640
Cash	1,053,474	-	-	-	1,053,474
Other assets	-	-	-	103,052	103,052
<b>Total assets</b>	<b>3,735,376</b>	<b>-</b>	<b>2,462,523</b>	<b>39,086,965</b>	<b>45,284,864</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(33,655)	(33,655)
Other liabilities	-	-	-	(63,795)	(63,795)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(97,450)</b>	<b>(97,450)</b>
				<b>45,187,414</b>	

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(ii) Interest rate risk (continued)**

**M&G Global Bond Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	4,761,041	-	5,990,230	24,959,865	35,711,136
Financial derivative instruments	-	-	-	55,930	55,930
Cash	699,789	-	-	-	699,789
Other assets	-	-	-	159,381	159,381
<b>Total assets</b>	<b>5,460,830</b>	<b>-</b>	<b>5,990,230</b>	<b>25,175,176</b>	<b>36,626,236</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(80,805)	(80,805)
Other liabilities	-	-	-	(53,591)	(53,591)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(134,396)</b>	<b>(134,396)</b>

**36,491,840**

**M&G Global Fixed Income Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	2,760,825	16,506,583	41,765,818	-	61,033,226
Cash	6,368,015	-	-	-	6,368,015
Other assets	-	-	-	1,771,972	1,771,972
<b>Total assets</b>	<b>9,128,840</b>	<b>16,506,583</b>	<b>41,765,818</b>	<b>1,771,972</b>	<b>69,173,213</b>
<b>Financial liabilities</b>					
Other liabilities	-	-	-	(78,577)	(78,577)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(78,577)</b>	<b>(78,577)</b>

**69,094,636**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(ii) Interest rate risk (continued)**

**M&G Global Inflation Plus Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	1,574,950	-	1,561,744	17,814,767	20,951,461
Financial derivative instruments	-	-	-	18,839	18,839
Cash	545,127	-	-	-	545,127
Other assets	-	-	-	66,115	66,115
<b>Total assets</b>	<b>2,120,077</b>	<b>-</b>	<b>1,561,744</b>	<b>17,899,721</b>	<b>21,581,542</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(9,760)	(9,760)
Other liabilities	-	-	-	(41,130)	(41,130)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(50,890)</b>	<b>(50,890)</b>

**21,530,652**

**M&G Global Property Fund<sup>1</sup>**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	-	-	-	7,958,678	7,958,678
Financial derivative instruments	-	-	-	3,160	3,160
Cash	515,883	-	-	-	515,883
Other assets	-	-	-	337,073	337,073
<b>Total assets</b>	<b>515,883</b>	<b>-</b>	<b>-</b>	<b>8,298,911</b>	<b>8,814,794</b>
<b>Financial liabilities</b>					
Other liabilities	-	-	-	(603,182)	(603,182)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(603,182)</b>	<b>(603,182)</b>

**8,211,612**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(ii) Interest rate risk (continued)**

**M&G Worldwide Managed Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	23,934,059	-	29,275,785	421,453,897	474,663,741
Financial derivative instruments	-	-	-	719,318	719,318
Cash	7,501,581	-	-	-	7,501,581
Other assets	-	-	-	3,891,448	3,891,448
<b>Total assets</b>	<b>31,435,640</b>	<b>-</b>	<b>29,275,785</b>	<b>426,064,663</b>	<b>486,776,088</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(255,885)	(255,885)
Other liabilities	-	-	-	(601,253)	(601,253)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(857,138)</b>	<b>(857,138)</b>

**485,918,950**

**M&G Worldwide Real Return Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	23,217,871	-	17,452,159	148,588,379	189,258,409
Financial derivative instruments	-	-	-	317,724	317,724
Cash	4,085,867	-	-	-	4,085,867
Other assets	-	-	-	536,778	536,778
<b>Total assets</b>	<b>27,303,738</b>	<b>-</b>	<b>17,452,159</b>	<b>149,442,881</b>	<b>194,198,778</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(93,225)	(93,225)
Other liabilities	-	-	-	(258,158)	(258,158)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(351,383)</b>	<b>(351,383)</b>

**193,847,395**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(ii) Interest rate risk (continued)**

**M&G Worldwide Strategic Managed Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	4,576,322	-	5,471,607	81,988,202	92,036,131
Financial derivative instruments	-	-	-	132,733	132,733
Cash	1,199,222	-	-	-	1,199,222
Other assets	-	-	-	914,193	914,193
<b>Total assets</b>	<b>5,775,544</b>	<b>-</b>	<b>5,471,607</b>	<b>83,035,128</b>	<b>94,282,279</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(44,226)	(44,226)
Other liabilities	-	-	-	(111,642)	(111,642)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(155,868)</b>	<b>(155,868)</b>
					<b>94,126,411</b>

**M&G Worldwide Strategic Real Return Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	9,434,713	-	6,246,005	62,885,402	78,566,120
Financial derivative instruments	-	-	-	117,004	117,004
Cash	1,956,954	-	-	-	1,956,954
Other assets	-	-	-	190,205	190,205
<b>Total assets</b>	<b>11,391,667</b>	<b>-</b>	<b>6,246,005</b>	<b>63,192,611</b>	<b>80,830,283</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(37,670)	(37,670)
Other liabilities	-	-	-	(103,201)	(103,201)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(140,871)</b>	<b>(140,871)</b>
					<b>80,689,412</b>

<sup>1</sup> Fund launched on 8 June 2021.

M&G Global Equity Fund is not subject to significant interest rate risk and hence has been excluded from the tables as a result.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

The interest rate profile of the financial assets and liabilities of the Funds at 31 December 2020 was as follows:

**Prudential Global Balanced Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	749,726	-	3,301,084	33,489,583	37,540,393
Financial derivative instruments	-	-	-	27,247	27,247
Cash	226,869	-	-	-	226,869
Other assets	-	-	-	105,261	105,261
<b>Total assets</b>	<b>976,595</b>	<b>-</b>	<b>3,301,084</b>	<b>33,622,091</b>	<b>37,899,770</b>

**Financial liabilities**

Financial derivative instruments	-	-	-	(11,321)	(11,321)
Other liabilities	-	-	-	(44,559)	(44,559)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(55,880)</b>	<b>(55,880)</b>

**37,843,890**

**Prudential Global Bond Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	4,562,222	-	4,418,952	31,822,250	40,803,424
Financial derivative instruments	-	-	-	71,729	71,729
Cash	346,905	-	-	-	346,905
Other assets	-	-	-	1,003,481	1,003,481
<b>Total assets</b>	<b>4,909,127</b>	<b>-</b>	<b>4,418,952</b>	<b>32,897,460</b>	<b>42,225,539</b>

**Financial liabilities**

Financial derivative instruments	-	-	-	(23,226)	(23,226)
Other liabilities	-	-	-	(941,454)	(941,454)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(964,680)</b>	<b>(964,680)</b>

**41,260,859**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(ii) Interest rate risk (continued)**

**Prudential Global Fixed Income Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	373,344	9,663,522	40,012,278	-	50,049,144
Cash	4,741,017	-	-	-	4,741,017
Other assets	-	-	-	446,357	446,357
<b>Total assets</b>	<b>5,114,361</b>	<b>9,663,522</b>	<b>40,012,278</b>	<b>446,357</b>	<b>55,236,518</b>

**Financial liabilities**

Other liabilities	-	-	-	(46,927)	(46,927)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(46,927)</b>	<b>(46,927)</b>

**55,189,591**

**Prudential Global Inflation Plus Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	588,442	-	1,293,422	12,950,156	14,832,020
Financial derivative instruments	-	-	-	12,157	12,157
Cash	135,350	-	-	-	135,350
Other assets	-	-	-	42,646	42,646
<b>Total assets</b>	<b>723,792</b>	<b>-</b>	<b>1,293,422</b>	<b>13,004,959</b>	<b>15,022,173</b>

**Financial liabilities**

Financial derivative instruments	-	-	-	(245)	(245)
Other liabilities	-	-	-	(39,494)	(39,494)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(39,739)</b>	<b>(39,739)</b>

**14,982,434**



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(ii) Interest rate risk (continued)**

**Prudential Worldwide Managed Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	9,809,735	-	41,563,818	437,599,361	488,972,914
Financial derivative instruments	-	-	-	354,228	354,228
Cash	5,458,957	-	-	-	5,458,957
Other assets	-	-	-	591,776	591,776
<b>Total assets</b>	<b>15,268,692</b>	<b>-</b>	<b>41,563,818</b>	<b>438,545,365</b>	<b>495,377,875</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(188,390)	(188,390)
Other liabilities	-	-	-	(433,147)	(433,147)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(621,537)</b>	<b>(621,537)</b>

**494,756,338**

**Prudential Worldwide Real Return Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	4,797,528	-	31,288,849	202,856,326	238,942,703
Financial derivative instruments	-	-	-	305,667	305,667
Cash	2,309,087	-	-	-	2,309,087
Other assets	-	-	-	427,702	427,702
<b>Total assets</b>	<b>7,106,615</b>	<b>-</b>	<b>31,288,849</b>	<b>203,589,695</b>	<b>241,985,159</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(167,954)	(167,954)
Other liabilities	-	-	-	(234,024)	(234,024)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(401,978)</b>	<b>(401,978)</b>

**241,583,181**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(ii) Interest rate risk (continued)**

**Prudential Worldwide Strategic Managed Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	1,787,024	-	7,606,582	80,089,710	89,483,316
Financial derivative instruments	-	-	-	64,999	64,999
Cash	615,170	-	-	-	615,170
Other assets	-	-	-	112,739	112,739
<b>Total assets</b>	<b>2,402,194</b>	<b>-</b>	<b>7,606,582</b>	<b>80,267,448</b>	<b>90,276,224</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(32,561)	(32,561)
Other liabilities	-	-	-	(81,222)	(81,222)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(113,783)</b>	<b>(113,783)</b>

**90,162,441**

**Prudential Worldwide Strategic Real Return Fund**

	Up to 1 year USD	1 - 5 years USD	Over 5 years USD	Non-interest bearing USD	Total USD
<b>Financial assets</b>					
Investments	1,744,728	-	11,180,420	74,331,880	87,257,028
Financial derivative instruments	-	-	-	109,124	109,124
Cash	509,487	-	-	-	509,487
Other assets	-	-	-	144,176	144,176
<b>Total assets</b>	<b>2,254,215</b>	<b>-</b>	<b>11,180,420</b>	<b>74,585,180</b>	<b>88,019,815</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(58,540)	(58,540)
Other liabilities	-	-	-	(87,928)	(87,928)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(146,468)</b>	<b>(146,468)</b>

**87,873,347**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**(ii) Interest rate risk (continued)**

**Sensitivity analysis**

A 1% increase/decrease in interest rate, would have decreased/increased the Net Asset Value (NAV) by:

	<b>31 December 2021</b>
M&G Global Balanced Fund	451,874
M&G Global Bond Fund	364,918
M&G Global Fixed Income Fund	690,946
M&G Global Inflation Plus Fund	215,307
M&G Global Property Fund <sup>1</sup>	82,116
M&G Worldwide Managed Fund	4,859,190
M&G Worldwide Real Return Fund	1,938,474
M&G Worldwide Strategic Managed Fund	941,264
M&G Worldwide Strategic Real Return Fund	806,894

<sup>1</sup>Fund launched on 8 June 2021.

	<b>31 December 2020</b>
Prudential Global Balanced Fund	378,439
Prudential Global Bond Fund	412,609
Prudential Global Fixed Income Fund	551,896
Prudential Global Inflation Plus Fund	149,824
Prudential Worldwide Managed Fund	4,947,563
Prudential Worldwide Real Return Fund	2,415,832
Prudential Worldwide Strategic Managed Fund	901,624
Prudential Worldwide Strategic Real Return Fund	878,733

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**Credit risk**

Credit risk is the risk that the counterparty or issuer to a financial instrument will fail to discharge an obligation or commitment that it has entered into with a Fund. The Funds' main credit risk concentrations arise from trading bonds in addition to cash balances held at the Depositary. Refer to the Condensed Schedule of Investments (Unaudited) for the relevant fund for details of the monetary values relating to the above. All transactions involving equities and fixed income securities are settled upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet their obligations.

The tables below detail the Condensed Schedule of Investments (Unaudited) by rating category for the Funds which invest in bonds as at 31 December 2021.

<b>2021</b>	<b>M&amp;G Global Balanced Fund</b>	<b>M&amp;G Global Bond Fund</b>	<b>M&amp;G Global Fixed Income Fund</b>
	<b>% of Investments As at 31 December 2021</b>	<b>% of Investments As at 31 December 2021</b>	<b>% of Investments As at 31 December 2021</b>
<b>Portfolio by rating category</b>			

A rating	72.49%	69.19%	62.49%
B rating	27.51%	30.81%	37.51%

<b>2021</b>	<b>M&amp;G Global Inflation Plus Fund</b>	<b>M&amp;G Worldwide Managed Fund</b>	<b>M&amp;G Worldwide Real Return Fund</b>
	<b>% of Investments As at 31 December 2021</b>	<b>% of Investments As at 31 December 2021</b>	<b>% of Investments As at 31 December 2021</b>
<b>Portfolio by rating category</b>			

A rating	70.53%	60.65%	72.19%
B rating	29.47%	39.35%	27.81%

<b>2021</b>	<b>M&amp;G Worldwide Strategic Managed Fund</b>	<b>M&amp;G Worldwide Strategic Real Return Fund</b>
	<b>% of Investments As at 31 December 2021</b>	<b>% of Investments As at 31 December 2021</b>
<b>Portfolio by rating category</b>		

A rating	61.25%	75.89%
B rating	38.75%	24.11%

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 10. Financial instruments and associated risks (continued)

##### Credit risk (continued)

The tables below detail the Condensed Schedule of Investments (Unaudited) by rating category for the Funds which invest in bonds as at 31 December 2020.

2020	Prudential Global Balanced Fund	Prudential Global Bond Fund	Prudential Global Fixed Income Fund
Portfolio by rating category	% of Investments As at 31 December 2020	% of Investments As at 31 December 2020	% of Investments As at 31 December 2020
A rating	69.59%	68.24%	53.75%
B rating	30.41%	31.76%	46.25%

2020	Prudential Global Inflation Plus Fund	Prudential Worldwide Managed Fund	Prudential Worldwide Real Return Fund
Portfolio by rating category	% of Investments As at 31 December 2020	% of Investments As at 31 December 2020	% of Investments As at 31 December 2020
A rating	62.05%	74.33%	73.52%
B rating	37.95%	25.67%	26.48%

2020	Prudential Worldwide Strategic Managed Fund	Prudential Worldwide Strategic Real Return Fund
Portfolio by rating category	% of Investments As at 31 December 2020	% of Investments As at 31 December 2020
A rating	73.97%	75.31%
B rating	26.03%	24.69%

M&G Global Equity Fund and M&G Global Property Fund are not included as this Fund comprises solely of securities that do not have a credit rating.

The carrying amounts of financial assets best represent the maximum credit risk exposure at the Statement of Financial Position date. All investments and cash at bank balances are held by the Depositary, through its affiliate, State Street Bank and Trust Company ("State Street") or through a sub-custodian. Bankruptcy or insolvency of the Depositary or State Street may cause the Funds' rights with respect to cash and securities held by State Street to be delayed or limited. Cash, unlike securities is fungible and cannot be registered in the name of, or identified as beneficially owned by a client, nor can it practically be held in physical segregation. All cash was deposited with the Depositary. The long-term credit rating of State Street Corporation, the ultimate parent of the Depositary, as of 31 December 2021 rated based on S&P rating agency ratings was A (31 December 2020: A). Please refer to Counterparty Risk note on the next page.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

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#### Note 10. Financial instruments and associated risks (continued)

##### Counterparty Risk

The Funds may have credit exposure to counterparties by virtue of investment positions in forward foreign currency exchange contracts and futures contracts held by the Funds. To the extent that a counterparty defaults on its obligations and the Funds are delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. The Investment Manager may engage in various portfolio strategies on behalf of the Funds through the use of forward foreign currency exchange contracts and futures contracts. Due to the nature of futures contracts, cash to meet margin monies may be held by a broker and there can be no guarantee that such monies will be returned to the Funds. For the year ended 31 December 2021, all margin cash was held with the broker Merrill Lynch International which had a credit rating of A+. There was no cash held for initial margin purposes with brokers for futures contracts for the year ended 31 December 2020. At 31 December 2021, the counterparties to the forward foreign currency exchange contracts and their associated long-term credit rating were as follows: HSBC Bank Plc (A+) (31 December 2020 : A+), JP Morgan Securities Plc (A+) (31 December 2020: A+) and UBS AG (A+) (31 December 2020: A+).

Counterparty cash received by a Fund as collateral for financial derivative instrument transactions is recorded as an asset on the Statement of Financial Position within "Broker cash held as collateral for financial derivative instrument transactions". For the year ended 31 December 2021, the cash collateral was held with JP Morgan Securities Plc and was subject to the counterparty risk of those entities. The credit rating of JP Morgan Securities Plc as at 31 December 2021 was A+. There was no counterparty cash received by a Fund as collateral for financial derivative instrument transactions at 31 December 2021 or 31 December 2020.

##### Concentration Risk

The Funds' investments greater than 5% as detailed in the Condensed Schedule of Investments (Unaudited) are in diversified ETFs, fixed income and Funds and do not give rise to significant concentration risk.

##### Offsetting

Disclosures are required on the presentation of gross and net information about transactions that are (i) offset in the financial statements or (ii) subject to an enforceable master netting arrangement ("MNA") or similar agreement, regardless of whether the transactions are actually offset in the Statement of Financial Position.

For financial reporting purposes, the Funds do not offset derivative assets and derivative liabilities that are subject to netting arrangements in the statement of assets and liabilities – the gross derivative assets are presented as financial assets at fair value through profit or loss: held for trading and the gross derivative liabilities are presented as financial liabilities at fair value through profit or loss: held for trading.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**Offsetting (continued)**

Below are the disclosures per counterparty as at 31 December 2021 detailing the impact of an MNA and similar agreements.

**31 December 2021**

**M&G Global Balanced Fund**

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
UBS AG	46,640	-	46,640	-	-	46,640
	<b>46,640</b>	<b>-</b>	<b>46,640</b>	<b>-</b>	<b>-</b>	<b>46,640</b>

**Derivative Liabilities**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
HSBC Bank Plc	(33,655)	-	(33,655)	-	-	(33,655)
	<b>(33,655)</b>	<b>-</b>	<b>(33,655)</b>	<b>-</b>	<b>-</b>	<b>(33,655)</b>

**M&G Global Bond Fund**

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
JP Morgan Securities Plc	6,894	-	6,894	-	-	6,894
UBS AG	49,036	-	49,036	(30,763)	-	18,273
	<b>55,930</b>	<b>-</b>	<b>55,930</b>	<b>(30,763)</b>	<b>-</b>	<b>25,167</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

Offsetting (continued)

M&G Global Bond Fund (continued)

Derivative Liabilities	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
Counterparty						
HSBC Bank Plc	(50,042)	-	(50,042)	-	-	(50,042)
UBS AG	(30,763)	-	(30,763)	30,763	-	-
	<b>(80,805)</b>	<b>-</b>	<b>(80,805)</b>	<b>30,763</b>	<b>-</b>	<b>(50,042)</b>

M&G Global Inflation Plus Fund

Derivative Assets	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
Counterparty						
JP Morgan Securities Plc	535	-	535	-	-	535
UBS AG	18,304	-	18,304	(3,180)	-	15,124
	<b>18,839</b>	<b>-</b>	<b>18,839</b>	<b>(3,180)</b>	<b>-</b>	<b>15,659</b>

Derivative Liabilities	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
Counterparty						
HSBC Bank Plc	(6,580)	-	(6,580)	-	-	(6,580)
UBS AG	(3,180)	-	(3,180)	3,180	-	-
	<b>(9,760)</b>	<b>-</b>	<b>(9,760)</b>	<b>3,180</b>	<b>-</b>	<b>(6,580)</b>



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

Offsetting (continued)

M&G Worldwide Managed Fund

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
JP Morgan Securities Plc	20,434	-	20,434	-	-	20,434
UBS AG	698,884	-	698,884	-	-	698,884
	<b>719,318</b>	<b>-</b>	<b>719,318</b>	<b>-</b>	<b>-</b>	<b>719,318</b>

**Derivative Liabilities**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
HSBC Bank Plc	(255,885)	-	(255,885)	-	-	(255,885)
JP Morgan Securities Plc	-	-	-	-	25,558	25,558
	<b>(255,885)</b>	<b>-</b>	<b>(255,885)</b>	<b>-</b>	<b>25,558</b>	<b>(230,327)</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

Offsetting (continued)

M&G Worldwide Real Return Fund

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
JP Morgan Securities Plc	20,181	-	20,181	-	-	20,181
UBS AG	297,543	-	297,543	(21,718)	-	275,825
	<b>317,724</b>	<b>-</b>	<b>317,724</b>	<b>(21,718)</b>	<b>-</b>	<b>296,006</b>

**Derivative Liabilities**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
HSBC Bank Plc	(71,507)	-	(71,507)	-	-	(71,507)
JP Morgan Securities Plc	-	-	-	-	20,000	20,000
UBS AG	(21,718)	-	(21,718)	21,718	-	-
	<b>(93,225)</b>	<b>-</b>	<b>(93,225)</b>	<b>21,718</b>	<b>20,000</b>	<b>(51,507)</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**Offsetting (continued)**

**M&G Worldwide Strategic Managed Fund**

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
JP Morgan Securities Plc	3,871	-	3,871	-	-	3,871
UBS AG	128,862	-	128,862	-	-	128,862
	<b>132,733</b>	<b>-</b>	<b>132,733</b>	<b>-</b>	<b>-</b>	<b>132,733</b>

**Derivative Liabilities**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
HSBC Bank Plc	(44,226)	-	(44,226)	-	-	(44,226)
JP Morgan Securities Plc	-	-	-	-	10,000	10,000
	<b>(44,226)</b>	<b>-</b>	<b>(44,226)</b>	<b>-</b>	<b>10,000</b>	<b>(34,226)</b>

**M&G Worldwide Strategic Real Return Fund**

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
JP Morgan Securities Plc	8,518	-	8,518	-	-	8,518
UBS AG	108,486	-	108,486	(7,489)	-	100,997
	<b>117,004</b>	<b>-</b>	<b>117,004</b>	<b>(7,489)</b>	<b>-</b>	<b>109,515</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

Offsetting (continued)

M&G Worldwide Strategic Real Return Fund (continued)

**Derivative Liabilities**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
HSBC Bank Plc	(30,181)	-	(30,181)	-	-	(30,181)
JP Morgan Securities Plc.	-	-	-	-	10,000	10,000
UBS AG	(7,489)	-	(7,489)	7,489	-	-
	<b>(37,670)</b>	<b>-</b>	<b>(37,670)</b>	<b>7,489</b>	<b>10,000</b>	<b>(20,181)</b>

M&G Global Property Fund<sup>1</sup>

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
Merrill Lynch International	3,160	-	3,160	-	-	3,160
	<b>3,160</b>	<b>-</b>	<b>3,160</b>	<b>-</b>	<b>-</b>	<b>3,160</b>

<sup>1</sup>Fund launched on 8 June 2021, therefore there are no 2020 comparatives.

Below are the disclosures per counterparty as at 31 December 2020 detailing the impact of an MNA and similar agreements.

**31 December 2020**

**Prudential Global Balanced Fund**

**Derivative Assets**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
JP Morgan Securities Plc	27,247	-	27,247	-	-	27,247
	<b>27,247</b>	<b>-</b>	<b>27,247</b>	<b>-</b>	<b>-</b>	<b>27,247</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

Offsetting (continued)

Prudential Global Balanced Fund (continued)

Derivative Liabilities	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
Counterparty						
State Street Bank London	(11,321)	-	(11,321)	-	-	(11,321)
	<b>(11,321)</b>	<b>-</b>	<b>(11,321)</b>	<b>-</b>	<b>-</b>	<b>(11,321)</b>

Prudential Global Bond Fund

Derivative Assets	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
Counterparty						
Citigroup Global Markets Limited	30,733	-	30,733	-	-	30,733
JP Morgan Securities Plc	40,996	-	40,996	-	-	40,996
	<b>71,729</b>	<b>-</b>	<b>71,729</b>	<b>-</b>	<b>-</b>	<b>71,729</b>

Derivative Liabilities	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
Counterparty						
HSBC Bank Plc	(948)	-	(948)	-	-	(948)
State Street Bank London	(22,278)	-	(22,278)	-	-	(22,278)
	<b>(23,226)</b>	<b>-</b>	<b>(23,226)</b>	<b>-</b>	<b>-</b>	<b>(23,226)</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**Offsetting (continued)**

**Prudential Global Inflation Plus Fund**

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
Citigroup Global Markets Limited	1,464	-	1,464	-	-	1,464
JP Morgan Securities Plc	10,693	-	10,693	-	-	10,693
	<b>12,157</b>	<b>-</b>	<b>12,157</b>	<b>-</b>	<b>-</b>	<b>12,157</b>

**Derivative Liabilities**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
HSBC Bank Plc	(245)	-	(245)	-	-	(245)
	<b>(245)</b>	<b>-</b>	<b>(245)</b>	<b>-</b>	<b>-</b>	<b>(245)</b>

**Prudential Worldwide Managed Fund**

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
JP Morgan Securities Plc	354,228	-	354,228	-	-	354,228
	<b>354,228</b>	<b>-</b>	<b>354,228</b>	<b>-</b>	<b>-</b>	<b>354,228</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

Offsetting (continued)

Prudential Worldwide Managed Fund (continued)

**Derivative Liabilities**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
State Street Bank London	(188,390)	-	(188,390)	-	-	(188,390)
	<b>(188,390)</b>	-	<b>(188,390)</b>	-	-	<b>(188,390)</b>

Prudential Worldwide Real Return Fund

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
Citigroup Global Markets Limited	115,023	-	115,023	-	-	115,023
JP Morgan Securities Plc	190,644	-	190,644	-	-	190,644
	<b>305,667</b>	-	<b>305,667</b>	-	-	<b>305,667</b>

**Derivative Liabilities**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
HSBC Bank Plc	(2,389)	-	(2,389)	-	-	(2,389)
State Street Bank London	(165,565)	-	(165,565)	-	-	(165,565)
	<b>(167,954)</b>	-	<b>(167,954)</b>	-	-	<b>(167,954)</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**Offsetting (continued)**

**Prudential Worldwide Strategic Managed Fund**

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
JP Morgan Securities Plc	64,999	-	64,999	-	-	64,999
	<b>64,999</b>	-	<b>64,999</b>	-	-	<b>64,999</b>

**Derivative Liabilities**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
State Street Bank London	(32,561)	-	(32,561)	-	-	(32,561)
	<b>(32,561)</b>	-	<b>(32,561)</b>	-	-	<b>(32,561)</b>

**Prudential Worldwide Strategic Real Return Fund**

**Derivative Assets**

Counterparty	Derivative assets subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral received	
Citigroup Global Markets Limited	39,946	-	39,946	-	-	39,946
JP Morgan Securities Plc	69,178	-	69,178	-	-	69,178
	<b>109,124</b>	-	<b>109,124</b>	-	-	<b>109,124</b>



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**Offsetting (continued)**

**Prudential Worldwide Strategic Real Return Fund (continued)**

**Derivative Liabilities**

Counterparty	Derivative liabilities subject to a MNA by counterparty	Amount offset in Statement of Financial Position	Net amount presented in Statement of Financial Position	Related amounts not offset in Statement of Financial Position		Net amount of derivative exposure
				Financial Instruments	Cash collateral pledged	
HSBC Bank Plc State Street Bank London	(824)	-	(824)	-	-	(824)
	(57,716)	-	(57,716)	-	-	(57,716)
	<b>(58,540)</b>	-	<b>(58,540)</b>	-	-	<b>(58,540)</b>

**Liquidity risk**

Investors often describe the speed and ease with which an asset can be sold and converted into cash as its liquidity. Most of the investments owned by the Funds can usually be sold promptly at a fair price and therefore can be described as relatively liquid but the Funds may also hold investments that may become illiquid, which means they can't be sold quickly or easily. Some investments are illiquid because of legal restrictions, the nature of the investment itself, settlement terms, or for other reasons. Sometimes, there may simply be a shortage of buyers. If the Funds have trouble selling an investment, it can lose value or incur extra costs. In addition, illiquid investments may be more difficult to value accurately and may experience larger price changes. This can cause greater fluctuations in the Funds' value. Certain securities may be difficult or impossible to sell at the time and the price that the seller would like. The seller may have to lower the price to effect a secondary market sale, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on fund management or performance.

The Funds employs appropriate liquidity management procedures to enable it to monitor the liquidity risk of the Funds so as to ensure that the liquidity profile of investments of the Funds comply with the underlying obligations of the Funds taking into account the Funds' investment strategy, liquidity profile and the redemption policy. Tools and arrangements such as the ability to limit redemptions, apply redemption fees and temporary suspension of trading may be imposed with the approval of the Directors in order to manage the liquidity risk of the Funds and to ensure the fair treatment of shareholders. In addition, Shareholders have the ability to redeem their investments in the Funds in accordance with the redemption policies of the Funds as set out in the Prospectus.

Each Fund's financial liabilities comprise unrealised losses on forward currency contracts, payables and other accrued expenses and net assets attributable to participating/equity shareholders. All financial liabilities have a maturity of not greater than three months at 31 December 2021 with the exception of some forward currency contracts. All financial liabilities have a maturity of not greater than three months at 31 December 2020 with the exception of some forward currency contracts.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**Liquidity risk (continued)**

The tables below set out the Funds' gross-settled derivative financial instruments at 31 December 2021.

<b>M&amp;G Global Balanced Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	1,283,323	413,804	1,697,127
Liability - Forward foreign exchange contracts	-	(1,316,978)	(367,164)	(1,684,142)
	-	<b>(33,655)</b>	<b>46,640</b>	<b>12,985</b>

<b>M&amp;G Global Bond Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	6,026,607	435,052	6,461,659
Liability - Forward foreign exchange contracts	-	(6,100,516)	(386,018)	(6,486,534)
	-	<b>(73,909)</b>	<b>49,034</b>	<b>(24,875)</b>

<b>M&amp;G Global Inflation Plus Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	635,151	162,395	797,546
Liability - Forward foreign exchange contracts	-	(644,375)	(144,092)	(788,467)
	-	<b>(9,224)</b>	<b>18,303</b>	<b>9,079</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**Liquidity risk (continued)**

The tables below set out the Funds' gross-settled derivative financial instruments at 31 December 2021 (continued).

<b>M&amp;G Worldwide Managed Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	22,258,266	5,379,735	27,638,001
Liability - Forward foreign exchange contracts	-	(22,401,182)	(4,773,386)	(27,174,568)
	-	<b>(142,916)</b>	<b>606,349</b>	<b>463,433</b>

<b>M&amp;G Worldwide Real Return Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	9,218,297	2,639,901	11,858,198
Liability - Forward foreign exchange contracts	-	(9,291,341)	(2,342,358)	(11,633,699)
	-	<b>(73,044)</b>	<b>297,543</b>	<b>224,499</b>

<b>M&amp;G Worldwide Strategic Managed Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	4,060,607	987,143	5,047,750
Liability - Forward foreign exchange contracts	-	(4,083,360)	(875,883)	(4,959,243)
	-	<b>(22,753)</b>	<b>111,260</b>	<b>88,507</b>

<b>M&amp;G Worldwide Strategic Real Return Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	3,754,195	962,529	4,716,724
Liability - Forward foreign exchange contracts	-	(3,783,347)	(854,043)	(4,637,390)
	-	<b>(29,152)</b>	<b>108,486</b>	<b>79,334</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**Liquidity risk (continued)**

The tables below set out the Funds' gross-settled derivative financial instruments at 31 December 2020.

<b>Prudential Global Balanced Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	600,569	786,969	1,387,538
Liability - Forward foreign exchange contracts	-	(611,890)	(759,722)	(1,371,612)
	-	<b>(11,321)</b>	<b>27,247</b>	<b>15,926</b>

<b>Prudential Global Bond Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	6,291,763	827,378	7,119,141
Liability - Forward foreign exchange contracts	-	(6,271,906)	(798,732)	(7,070,638)
	-	<b>19,857</b>	<b>28,646</b>	<b>48,503</b>

<b>Prudential Global Inflation Plus Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	335,601	308,842	644,443
Liability - Forward foreign exchange contracts	-	(334,382)	(298,149)	(632,531)
	-	<b>1,219</b>	<b>10,693</b>	<b>11,912</b>

<b>Prudential Worldwide Managed Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	9,994,268	10,231,131	20,225,399
Liability - Forward foreign exchange contracts	-	(10,182,658)	(9,876,903)	(20,059,561)
	-	<b>(188,390)</b>	<b>354,228</b>	<b>165,838</b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**For the financial year ended 31 December 2021**

**Note 10. Financial instruments and associated risks (continued)**

**Liquidity risk (continued)**

The tables below set out the Funds' gross-settled derivative financial instruments at 31 December 2020 (continued).

<b>Prudential Worldwide Real Return Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	23,311,680	5,020,538	28,332,218
Liability - Forward foreign exchange contracts	-	(23,347,790)	(4,846,715)	(28,194,505)
	-	<b>(36,110)</b>	<b>173,823</b>	<b>137,713</b>

<b>Prudential Worldwide Strategic Managed Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	1,727,380	1,877,343	3,604,723
Liability - Forward foreign exchange contracts	-	(1,759,941)	(1,812,344)	(3,572,285)
	-	<b>(32,561)</b>	<b>64,999</b>	<b>32,438</b>

<b>Prudential Worldwide Strategic Real Return Fund</b>	<b>Less than 1 month</b>	<b>1-3 months</b>	<b>Greater than 3 months</b>	<b>Total</b>
Asset - Forward foreign exchange contracts	-	8,097,787	1,830,530	9,928,317
Liability - Forward foreign exchange contracts	-	(8,110,581)	(1,767,152)	(9,877,733)
	-	<b>(12,794)</b>	<b>63,378</b>	<b>50,584</b>

The following tables detail the liquidity profile of the Funds as at 31 December 2021. There is no guarantee that this level of liquidity will be maintained.

<b>Liquidity Bucket</b>	<b>M&amp;G Global Balanced Fund</b>	<b>M&amp;G Global Bond Fund</b>	<b>M&amp;G Global Equity Fund</b>	<b>M&amp;G Global Inflation Plus Fund</b>	<b>M&amp;G Worldwide Managed Fund</b>
0-1	82.99%	67.27%	98.24%	74.89%	84.39%
1-7	15.22%	31.60%	1.76%	23.89%	13.78%
7-30	1.53%	1.13%	0.00%	1.06%	1.56%
30-90	0.23%	0.00%	0.00%	0.14%	0.25%
90-180	0.02%	0.00%	0.00%	0.02%	0.02%
>180	0.00%	0.00%	0.00%	0.00%	0.00%

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2021

#### Note 10. Financial instruments and associated risks (continued)

##### Liquidity risk (continued)

Liquidity Bucket	M&G Worldwide Strategic Managed Fund	M&G Worldwide Real Return Fund	M&G Worldwide Strategic Real Return Fund	M&G Global Property Fund	M&G Global Fixed Income Fund
0-1	85.19%	75.36%	82.05%	99.86%	100.00%
1-7	12.96%	23.06%	16.34%	0.14%	0.00%
7-30	1.57%	1.36%	1.39%	0.00%	0.00%
30-90	0.25%	0.20%	0.20%	0.00%	0.00%
90-180	0.02%	0.02%	0.02%	0.00%	0.00%
>180	0.00%	0.00%	0.00%	0.00%	0.00%

#### Note 11. Significant events since the financial year end

Mr. Frank Connolly retired as a Director of the ICAV on 1 January 2022. Brian Fennessy was appointed as a replacement Director of the ICAV on the same date.

The Central Bank of Ireland approved the appointment of KB Associates as the management company on 22 April 2022.

On 22 April 2022, KBA Consulting Management Limited replaced PGF Management Company (Ireland) Limited as the Alternative Investment Fund Manager.

The Board has noted the recent developments in the Ukraine and the sanctions being imposed on Russia by many countries as a result. Given the absence of exposure in the region, the Board's view is that those developments and sanctions are unlikely to have a significant direct adverse impact on the ICAV. Nonetheless, the situation continues to evolve, and it remains difficult at this stage to estimate all direct and indirect impacts which may arise from these emerging developments. The Board continues to monitor the developments closely and to take all the necessary actions.

There were no other significant events affecting the ICAV since the financial year end date which require adjustment to or disclosure in these financial statements.

#### Note 12. Approval of the financial statements

The financial statements were approved by the Directors of the ICAV on 28 April 2022.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited)**

**As at 31 December 2021**

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**M&G Global Balanced Fund**

**Market commentary**

Most stock-markets generated robust gains in 2021, helped by multi-trillion dollar support packages from governments and central banks, as well as the reopening of businesses as vaccines were rolled out around the world. This all helped the global economy to recover from the coronavirus pandemic and also contributed to healthy growth in corporate earnings. This was despite notable sell-offs when inflation began to rise rapidly in September, and when the Omicron variant was discovered in November.

The strongest-performing equity markets included France, the S&P 500 in the US and Italy. Emerging markets were weaker, particularly China, along with Brazil, Turkey and Hong Kong.

Fixed income markets had a fairly poor year as central banks became gradually more hawkish in the face of inflation that appeared to be higher and more persistent than had been forecast. As a result, government bond markets declined over the year. Most credit markets also weakened, although high yield bonds rallied modestly.

Many emerging market currencies declined, especially the Turkish lira, which collapsed as interest rates were cut despite soaring inflation. In this environment, the fund produced an absolute return of 12.6%.

**Relative performance**

Overall, the portfolio produced a return of 0.5% relative to its reference index.

The return from equity was positive, owing mostly to selection, although allocation also played a part. The underweight to fixed income was also positive, with selection also contributing.

*Fixed income*

The allocation to corporate debt detracted, led by the underweight to China and the overweight to the euro. For sovereign debt, which was positive overall, the overweight to South African government debt and long-dated US Treasuries were the main contributors, while the overweight to Chile was the largest detractor.

*Equities*

For equities, selection was positive, with the largest contributions coming from US dollar, Japanese yen and euro stocks (although allocation was negative, particularly for the dollar). The overweight exposure to the Hong Kong dollar and Indonesian rupiah were the largest detractors. Sector allocation had a small effect overall, with the largest share of outperformance coming from selection within industrials, consumer discretionary and IT (although the underweight allocation to IT was negative). Energy and financials detracted, mainly owing to selection.

At individual holding level, being underweight to Nvidia, and overweight to Alibaba and WH Smith were the largest detractors, while the overweights to Manhattan Associates and Johnson Controls were the main contributors.

**Positioning/changes**

In the first half of the year we reduced equity exposure, particularly to the US, following very strong price performance. Later in the year we added to Chinese equities on the basis of their very rapid sell-off.

Over the course of the year we reduced our exposure to investment grade credit on the basis of increasingly tight spreads and meaningful duration risk in favour of emerging market bonds. The increasing weight to local and hard currency emerging market positions was based on their attractive yield coupled with bouts of price weakness. Initially, in order to maintain portfolio duration, we also increased exposure to 30-year US Treasuries. Towards the end of the year, we reduced and then closed exposure to 30-year US Treasuries in response to the decline in yields, with the proceeds going to cash. We also chose to replace a passive property equity holding with exposure to the new M&G Global Property Fund as we consider it more attractive in terms of potential returns.

We now have a more muted preference for equities than previously, although we retain a preference for ex-US equity exposure. However, we still favour equities over government bonds. We are constructive on emerging market hard currency and local debt.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **INVESTMENT MANAGER'S REPORTS (Unaudited) (continued)**

**As at 31 December 2021**

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#### **M&G Global Balanced Fund (continued)**

##### **Outlook**

As we enter 2022, our stance remains largely unchanged. We will continue to closely evaluate price movements in markets, while holding a range of relatively riskier assets in view of our belief in an ongoing global recovery.

We expect continued near-term pressure on bonds and equities as rates adjust to more hawkish central bank rhetoric, albeit offset in the case of equities by robust growth. However, we consider that the market could well become too hawkish for its own good, particularly if inflation does moderate somewhat. We continue to value selected emerging market bonds for their attractive yield.

We maintain a significant allocation to cash to allow us to respond to market volatility – though we will also make the decision to maintain our existing positioning where we consider this to be more appropriate.

**M&G Investment Management Limited**  
**28 April 2022**



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF COMPREHENSIVE INCOME**

**M&G Global Balanced Fund**

	Note	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Income</b>			
Interest income		-	540
Dividend income		57,591	96,141
Other income		352	2,454
Net gain from financial instruments at fair value through profit or loss		5,023,745	2,328,341
<b>Total income</b>		<b>5,081,688</b>	<b>2,427,476</b>
<b>Expenses</b>			
Operating expenses	4	(348,491)	(278,158)
<b>Total operating expenses</b>		<b>(348,491)</b>	<b>(278,158)</b>
Rebate	6	120,853	126,696
<b>Profit for the financial year before finance costs</b>		<b>4,854,050</b>	<b>2,276,014</b>
<b>Finance costs</b>			
Interest paid		-	(1,377)
<b>Profit for the financial year before taxation</b>		<b>4,854,050</b>	<b>2,274,637</b>
<b>Taxation</b>			
Withholding tax	2	(1,844)	-
<b>Total taxation</b>		<b>(1,844)</b>	<b>-</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>4,852,206</b>	<b>2,274,637</b>

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

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF FINANCIAL POSITION

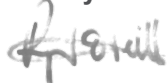
#### M&G Global Balanced Fund

	Note	As at 31 December 2021 USD	As at 31 December 2020 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	44,081,698	37,540,393
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	46,640	27,247
Cash	2	1,053,474	226,869
Receivables		103,052	105,261
<b>Total assets</b>		<b>45,284,864</b>	<b>37,899,770</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(33,655)	(11,321)
Payables and other accrued expenses		(63,795)	(44,559)
<b>Total liabilities (excluding net assets attributable to participating shareholders)</b>		<b>(97,450)</b>	<b>(55,880)</b>
<b>Net assets attributable to participating shareholders</b>		<b>45,187,414</b>	<b>37,843,890</b>
<b>Net asset value (NAV) per participating share</b>		<b>As at 31 December 2021</b>	<b>As at 31 December 2020</b>
Number of Shares:			
- Class B Acc		2,600,901	1,830,168
- Class C Acc		30,033,553	28,914,725
Net assets attributable to participating shareholders			
- Class B Acc	<b>USD</b>	3,514,876	2,199,551
- Class C Acc	<b>USD</b>	41,672,538	35,644,339
NAV per Share			
- Class B Acc	<b>USD</b>	1.3514	1.2018
- Class C Acc	<b>USD</b>	1.3875	1.2327

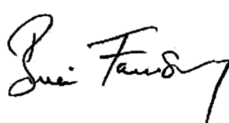
The accompanying notes are an integral part of these financial statements.

**For and on behalf of the Board**

**Director: Raymond O'Neill**



**Director: Brian Fennessy**



28 April 2022

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES

#### M&G Global Balanced Fund

	Notes	For the year ended December 2021 USD	For the year ended December 2020 USD
<b>Net assets attributable to participating shareholders at the beginning of the financial year</b>		<b>37,843,890</b>	<b>35,263,261</b>
Proceeds from participating shares issued	5	40,258,444	1,544,372
Payments for redemption of participating shares	5	(37,767,126)	(1,238,380)
<b>Net increase from share transactions</b>		<b>2,491,318</b>	<b>305,992</b>
Changes in net assets attributable to holders of participating shares		4,852,206	2,274,637
<b>Net assets attributable to participating shareholders at the end of the financial year</b>		<b>45,187,414</b>	<b>37,843,890</b>

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

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CASH FLOWS

#### M&G Global Balanced Fund

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to participating shareholders	4,852,206	2,274,637
<b>Adjustments to reconcile changes in net assets attributable to holders of participating shares to net cash (outflows) from operating activities</b>		
Financial assets at fair value through profit or loss	(6,560,698)	(3,657,317)
Operating receivables	(12,391)	(34,737)
Financial liabilities at fair value through profit or loss	22,334	(9,631)
Accrued expenses	19,236	(3,976)
<b>Net cash (outflows) from operating activities</b>	<b>(1,679,313)</b>	<b>(1,431,024)</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	40,273,044	1,502,961
Payments from redemption of participating shares	(37,767,126)	(1,238,380)
<b>Net cash inflows from financing activities</b>	<b>2,505,918</b>	<b>264,581</b>
Net increase/(decrease) in cash	826,605	(1,166,443)
<b>Net increase/decrease in cash and cash equivalents</b>	<b>826,605</b>	<b>(1,166,443)</b>
Cash at beginning of the year	226,869	1,393,312
<b>Cash and cash equivalents at beginning of the year</b>	<b>226,869</b>	<b>1,393,312</b>
Cash at the end of the year	1,053,474	226,869
<b>Cash and cash equivalents at end of the year</b>	<b>1,053,474</b>	<b>226,869</b>
<b>Supplemental information</b>		
Interest received	132,601	77,491
Interest paid	-	(1,377)
Dividends received	66,824	86,826

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited)**

**As at 31 December 2021**

**M&G Global Balanced Fund**

Investments 97.55% (31 December 2020: 99.20%)

Principal Amount	Security Description	Fair Value USD	% of Net Assets
	<b>Equities Nil (31 December 2020: 0.93%)</b>		
	<b>Fixed Income 11.38% (31 December 2020: 10.70%)</b>		
	Brazil	150,838	0.33
	Chile	368,068	0.81
	China	679,359	1.50
	Mexico	159,016	0.35
	South Africa	603,276	1.34
	Turkey	501,967	1.11
	United States of America	<u>2,681,901</u>	<u>5.94</u>
	<b>Total Fixed Income</b>	<b><u>5,144,425</u></b>	<b><u>11.38</u></b>

Number of Shares	Security Description	Fair Value USD	% of Net Assets
	<b>Investment Funds 86.17% (31 December 2020: 87.57%)</b>		
	<b>Ireland</b>		
2,356,000	M&G Global Property Fund	2,558,381	5.66
22,022	Vanguard FTSE All-World UCITS ETF	2,604,762	5.77
	Other Ireland	<u>2,258,937</u>	<u>5.00</u>
		<u>7,422,080</u>	<u>16.43</u>
	<b>Luxembourg</b>		
200,662	M&G Lux Investment Funds 1 - M&G Lux European Strategic Value Fund	2,320,235	5.13
97,608	Xtrackers S&P 500 Swap UCITS ETF	8,881,353	19.66
	Other Luxembourg	<u>7,418,454</u>	<u>16.42</u>
		<u>18,620,042</u>	<u>41.21</u>
	<b>United Kingdom</b>		
102,424	M&G Investment Funds 1 - M&G Global Select Fund	4,775,886	10.57
1,800,000	M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund	3,178,434	7.03
	Other United Kingdom	<u>4,940,831</u>	<u>10.93</u>
		<u>12,895,151</u>	<u>28.53</u>
	<b>Total Investment Funds</b>	<b><u>38,937,273</u></b>	<b><u>86.17</u></b>
	<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>44,081,698</u></b>	<b><u>97.55</u></b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited) (continued)**

**As at 31 December 2021**

**M&G Global Balanced Fund (continued)**

**Financial Derivative Instruments 0.03% (31 December 2020: 0.04%)**

**Open Forward Foreign Currency Exchange Contracts 0.03% (31 December 2020: 0.04%)**

<b>Maturity Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Gain USD</b>	<b>% of Net Assets</b>
19/09/2022	TRY	6,711,760	USD	367,164	46,640	0.10
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>46,640</b>	<b>0.10</b>
<b>Maturity Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Loss USD</b>	<b>% of Net Assets</b>
11/03/2022	USD	1,316,978	GBP	997,461	(33,655)	(0.07)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(33,655)</b>	<b>(0.07)</b>
<b>Total Financial Derivative Instruments</b>					<b>12,985</b>	<b>0.03</b>
<b>Total Investments (31 December 2020: 99.24%)</b>					<b>44,094,683</b>	<b>97.58</b>
<b>Other Net Assets (31 December 2020: 0.76%)</b>					<b>1,092,731</b>	<b>2.42</b>
<b>Net Assets Attributable to Participating Shareholders</b>					<b>45,187,414</b>	<b>100.00</b>

The counterparties for the open forward foreign currency exchange contracts are HSBC Bank Plc and UBS AG.

Full portfolio statement is available on demand of unit holders.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****OTHER INFORMATION (Unaudited)****M&G Global Balanced Fund****For the financial year ended 31 December 2021****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>159,874</b>	<b>93,634</b>
<b>Realised gain on:</b>		
Investments	1,514,565	601,868
Derivatives	303	493,045
Foreign currency	3,674	3,098
	<u>1,518,542</u>	<u>1,098,011</u>
<b>Realised loss on:</b>		
Investments	(250,988)	(1,113,107)
Derivatives	-	(55,761)
Foreign currency	(305,625)	(29,264)
	<u>(556,613)</u>	<u>(1,198,132)</u>
<b>Net realised gain/(loss) on investments and derivatives</b>	<b>961,929</b>	<b>(100,121)</b>
<b>Unrealised gain on:</b>		
Investments	5,615,005	3,203,477
Derivatives	19,393	36,878
Foreign currency	105	4,516
	<u>5,634,503</u>	<u>3,244,871</u>
<b>Unrealised loss on:</b>		
Investments	(1,706,278)	(845,180)
Derivatives	(22,334)	(64,644)
Foreign currency	(3,949)	(219)
	<u>(1,732,561)</u>	<u>(910,043)</u>
<b>Net unrealised gain on investments and derivatives</b>	<b>3,901,942</b>	<b>2,334,828</b>
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>5,023,745</b>	<b>2,328,341</b>

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Global Balanced Fund

#### For the financial year ended 31 December 2021

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##### Net asset value per participating share

The following tables show the NAV attributable to holders of participating shares, the number of shares and the NAV per share at 31 December 2021, 31 December 2020 and 31 December 2019.

	<b>NAV attributable to holders of participating shares at 31 December 2021 USD</b>	<b>Number of shares at 31 December 2021</b>	<b>NAV per share at 31 December 2021 USD</b>
B Acc	3,514,876	2,600,901	1.3514
C Acc	41,672,538	30,033,553	1.3875
	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>
B Acc	2,199,551	1,830,168	1.2018
C Acc	35,644,339	28,914,725	1.2327
	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>
B Acc	2,698,702	2,388,127	1.1300
C Acc	32,564,559	28,122,896	1.1579



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited)**

**As at 31 December 2021**

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**M&G Global Bond Fund**

**Market commentary**

Multi-trillion dollar support packages from governments and central banks, as well as the reopening of businesses as vaccines were rolled out around the world all helped the global economy to recover from the coronavirus pandemic. This was despite notable sell-offs when inflation began to rise rapidly in September, and when the Omicron variant was discovered in November.

Fixed income markets had a fairly poor year as central banks became gradually more hawkish in the face of inflation that appeared to be higher and more persistent than had been forecast. As a result, government bond markets declined over the year. Most credit markets also weakened, although high yield bonds rallied modestly.

Many emerging market currencies declined, especially the Turkish lira, which collapsed as interest rates were cut despite soaring inflation. The fund produced an absolute return of -5.6%.

**Absolute performance**

*Main contributors:* US Treasuries held for diversification and duration management purposes; Chinese government bonds

*Main detractors:* US dollar corporate bonds; Japanese government bonds

**Relative performance**

Overall, the portfolio delivered -0.9% relative to its reference index, the Bloomberg Global Aggregate Bond index.

**Contributors**

The underweight to government debt; and overweight to corporate debt. Selection within government debt through both the long-duration positioning on the US curve (and scaling as it rallied), as well as exposure to South Africa and China.

**Detractors**

Overweight emerging market government allocation to Chile, Brazil and Colombia; the underweight to Chinese corporate debt; the overweight to Japanese government debt.

**Positioning/changes**

Portfolio positioning continues to reflect our preference for emerging market government bonds, both local (e.g. South African bonds) and hard currency.

Over the course of the year we reduced our exposure to investment grade credit on the basis of increasingly tight spreads and meaningful duration risk in favour of emerging market bonds. The increasing weight to local and hard currency emerging market positions was based on their attractive yield coupled with bouts of price weakness. Initially, in order to maintain portfolio duration, we also increased exposure to 30-year US Treasuries. Towards the end of the year, in response to the decline in yields, we reduced and then closed exposure to 30-year US Treasuries, with the proceeds going to cash.

**Outlook**

We remain highly active within the global bond asset class, seeking positive exposures on emerging market government bonds, both hard currency and soft currency, investment grade corporate bonds because of the better real yields they can offer compared to developed market government bonds, where we tend to be under-weight versus the reference index. Spreads in developed market investment grade and high yield credit have become increasingly tight, leaving only emerging market hard currency and local currency debt as offering fair yields, in our view. Despite ongoing weakness in emerging market bonds, we believe that the meaningful real yields on offer are attractive for investors with longer time horizons.

**M&G Investment Management Limited**  
**28 April 2022**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF COMPREHENSIVE INCOME**

**M&G Global Bond Fund**

	Note	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Income</b>			
Interest income		256	722
Dividend income		147,167	321,992
Other income		1,722	82
Net (loss)/gain from financial instruments at fair value through profit or loss		(2,199,051)	3,309,245
<b>Total (expense)/income</b>		<b>(2,049,906)</b>	<b>3,632,041</b>
<b>Expenses</b>			
Operating expenses	4	(269,482)	(272,009)
<b>Total operating expenses</b>		<b>(269,482)</b>	<b>(272,009)</b>
Rebate	6	90,059	94,400
<b>(Loss)/profit for the financial year before finance costs</b>		<b>(2,229,329)</b>	<b>3,454,432</b>
<b>Finance costs</b>			
Interest paid		(576)	(441)
<b>(Loss)/profit for the financial year before taxation</b>		<b>(2,229,905)</b>	<b>3,453,991</b>
<b>Taxation</b>			
Withholding tax	2	(9,526)	(1,437)
<b>Total taxation</b>		<b>(9,526)</b>	<b>(1,437)</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>(2,239,431)</b>	<b>3,452,554</b>

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

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF FINANCIAL POSITION

#### M&G Global Bond Fund

	Note	As at 31 December 2021 USD	As at 31 December 2020 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	35,711,136	40,803,424
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	55,930	71,729
Cash	2	699,789	346,905
Receivables		159,381	1,003,481
<b>Total assets</b>		<b>36,626,236</b>	<b>42,225,539</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(80,805)	(23,226)
Payables and other accrued expenses		(53,591)	(941,454)
<b>Total liabilities (excluding net assets attributable to participating shareholders)</b>		<b>(134,396)</b>	<b>(964,680)</b>
<b>Net assets attributable to participating shareholders</b>		<b>36,491,840</b>	<b>41,260,859</b>
<b>Net asset value (NAV) per participating share</b>		<b>As at 31 December 2021</b>	<b>As at 31 December 2020</b>
Number of Shares:			
- Class B Acc		386,168	2,428,460
- Class C Acc		32,229,969	32,444,924
Net assets attributable to participating shareholders			
- Class B Acc	<b>USD</b>	421,429	2,809,555
- Class C Acc	<b>USD</b>	36,070,411	38,451,304
NAV per Share			
- Class B Acc	<b>USD</b>	1.0913	1.1569
- Class C Acc	<b>USD</b>	1.1192	1.1851

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

**For and on behalf of the Board**

**Director: Raymond O'Neill**



**Director: Brian Fennessy**



28 April 2022

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES

#### M&G Global Bond Fund

	Notes	For the year ended December 2021 USD	For the year ended December 2020 USD
<b>Net assets attributable to participating shareholders at the beginning of the financial year</b>		<b>41,260,859</b>	<b>40,466,054</b>
Proceeds from participating shares issued	5	8,719,364	12,259,634
Payments for redemption of participating shares	5	(11,248,952)	(14,917,383)
<b>Net (decrease) from share transactions</b>		<b>(2,529,588)</b>	<b>(2,657,749)</b>
Changes in net assets attributable to holders of participating shares		(2,239,431)	3,452,554
<b>Net assets attributable to participating shareholders at the end of the financial year</b>		<b>36,491,840</b>	<b>41,260,859</b>

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

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CASH FLOWS

#### M&G Global Bond Fund

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to participating shareholders	(2,239,431)	3,452,554
<b>Adjustments to reconcile changes in net assets attributable to holders of participating shares to net cash inflows from operating activities</b>		
Financial assets at fair value through profit or loss	4,214,703	(1,070,005)
Operating receivables	(70,453)	(38,257)
Financial liabilities at fair value through profit or loss	57,579	19,827
Accrued expenses	5,521	1,591
<b>Net cash inflows from operating activities</b>	<b>1,967,919</b>	<b>2,365,710</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	9,633,917	11,345,081
Payments from redemption of participating shares	(11,248,952)	(14,917,383)
<b>Net cash (outflows) from financing activities</b>	<b>(1,615,035)</b>	<b>(3,572,302)</b>
Net increase/(decrease) in cash	352,884	(1,206,592)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>352,884</b>	<b>(1,206,592)</b>
Cash at beginning of the year	346,905	1,553,497
<b>Cash and cash equivalents at the beginning of the year</b>	<b>346,905</b>	<b>1,553,497</b>
Cash at end of the year	699,789	346,905
<b>Cash and cash equivalents at end of the year</b>	<b>699,789</b>	<b>346,905</b>
<b>Supplemental information</b>		
Interest received	273,109	187,564
Interest paid	(576)	(441)
Dividends received	146,989	322,007
Taxation paid	(4,543)	(1,230)

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited) (continued)**

**As at 31 December 2021**

**M&G Global Bond Fund**

Investments 97.86% (31 December 2020: 98.89%)

Principal Amount	Security Description	Fair Value USD	% of Net Assets
	<b>Fixed Income 29.46% (31 December 2020: 21.77%)</b>		
	Brazil	593,397	1.63
	Chile	580,683	1.59
	<b>China</b>		
13,180,000	China Government Bond 3.010% 13/05/2028	2,096,945	5.75
	Colombia	165,303	0.45
	Japan	1,253,156	3.43
	Mexico	633,215	1.74
	South Africa	1,048,239	2.87
	Turkey	872,448	2.39
	<b>United States of America</b>		
2,690,500	United States Treasury Bill 0.000% 02/03/2022	2,690,442	7.37
	Other United States of America	817,443	2.24
		<u>3,507,885</u>	<u>9.61</u>
	<b>Total Fixed Income</b>	<b><u>10,751,271</u></b>	<b><u>29.46</u></b>

Number of Shares	Security Description	Fair Value USD	% of Net Assets
	<b>Investment Funds 68.40% (31 December 2020: 77.12%)</b>		
	<b>Ireland</b>		
1,161,790	iShares Core Global Aggregate Bond UCITS ETF	6,058,155	16.61
18,303	iShares EUR Corp Bond Interest Rate Hedged UCITS ETF	1,994,205	5.46
	Other Ireland	988,986	2.71
		<u>9,041,346</u>	<u>24.78</u>
	<b>Luxembourg</b>		
202,785	Eastspring Investments - US Investment Grade Bond Fund	5,458,567	14.96
380,758	M&G Lux Investment Funds 1 - M&G Lux Emerging Markets Hard Currency Bond Fund USD (Acc)	4,624,496	12.67
	Other Luxembourg	1,426,938	3.91
		<u>11,510,001</u>	<u>31.54</u>
	<b>United Kingdom</b>		
1,662,754	M&G Strategic Corporate Bond Fund	2,898,475	7.94
	Other United Kingdom	1,510,043	4.14
		<u>4,408,518</u>	<u>12.08</u>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited) (continued)**

**As at 31 December 2021**

**M&G Global Bond Fund (continued)**

**Investments 97.86% (31 December 2020: 98.89%)**

	Fair Value USD	% of Net Assets
<b>Total Investment Funds</b>	<b><u>24,959,865</u></b>	<b><u>68.40</u></b>
<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>35,711,136</u></b>	<b><u>97.86</u></b>

**Financial Derivative Instruments (0.07)% (31 December 2020: 0.12%)**

**Open Forward Foreign Currency Exchange Contracts (0.07)% (31 December 2020: 0.12%)**

Maturity Date	Currency Bought	Amount Bought	Currency Sold	Amount Sold	Unrealised Gain USD	% of Net Assets
11/03/2022	EUR	1,417,398	USD	1,607,130	6,894	0.02
19/09/2022	TRY	7,056,400	USD	386,018	49,036	0.13
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b><u>55,930</u></b>	<b><u>0.15</u></b>

Maturity Date	Currency Bought	Amount Bought	Currency Sold	Amount Sold	Unrealised Loss USD	% of Net Assets
11/03/2022	JPY	288,249,000	USD	2,535,156	(30,763)	(0.08)
11/03/2022	USD	1,958,229	GBP	1,483,136	(50,042)	(0.14)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b><u>(80,805)</u></b>	<b><u>(0.22)</u></b>

<b>Total Financial Derivative Instruments</b>	<b><u>(24,875)</u></b>	<b><u>(0.07)</u></b>
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<b>Total Investments (31 December 2020: 99.01%)</b>	<b>35,686,261</b>	<b>97.79</b>
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<b>Other Net Assets (31 December 2020: 0.99%)</b>	<b>805,579</b>	<b>2.21</b>
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<b>Net Assets Attributable to Participating Shareholders</b>	<b><u>36,491,840</u></b>	<b><u>100.00</u></b>
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The counterparties for the open forward foreign currency exchange contracts are HSBC Bank Plc, JP Morgan Securities Plc and UBS AG.

Full portfolio statement is available on demand of unit holders.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****OTHER INFORMATION (Unaudited)****M&G Global Bond Fund****For the financial year ended 31 December 2021****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>352,390</b>	<b>225,836</b>
<b>Realised gain on:</b>		
Investments	1,315,357	1,769,939
Derivatives	55	12,147
Foreign currency	2,420	182,398
	<u>1,317,832</u>	<u>1,964,484</u>
<b>Realised loss on:</b>		
Investments	(263,419)	(786,837)
Derivatives	-	(57,226)
Foreign currency	(551,475)	(6,674)
	<u>(814,894)</u>	<u>(850,737)</u>
<b>Net realised gain on investments and derivatives</b>	<b>502,938</b>	<b>1,113,747</b>
<b>Unrealised gain on:</b>		
Investments	70,407	2,476,235
Foreign currency	178	3,083
	<u>70,585</u>	<u>2,479,318</u>
<b>Unrealised loss on:</b>		
Investments	(3,044,171)	(410,945)
Derivatives	(73,378)	(97,285)
Foreign currency	(7,415)	(1,426)
	<u>(3,124,964)</u>	<u>(509,656)</u>
<b>Net unrealised (loss)/gain on investments and derivatives</b>	<b>(3,054,379)</b>	<b>1,969,662</b>
<b>Net (loss)/gain from financial instruments at fair value through profit or loss</b>	<b>(2,199,051)</b>	<b>3,309,245</b>



## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Global Bond Fund

#### For the financial year ended 31 December 2021

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##### Net asset value per participating share

The following tables show the NAV attributable to holders of participating shares, the number of shares and the NAV per share at 31 December 2021, 31 December 2020 and 31 December 2019.

	<b>NAV attributable to holders of participating shares at 31 December 2021 USD</b>	<b>Number of shares at 31 December 2021</b>	<b>NAV per share at 31 December 2021 USD</b>
B Acc	421,429	386,168	1.0913
C Acc	36,070,411	32,229,969	1.1192
	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>
B Acc	2,809,555	2,428,460	1.1569
C Acc	38,451,304	32,444,924	1.1851
	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>
B Acc	5,595,400	5,303,973	1.0549
C Acc	34,870,654	32,302,617	1.0795

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited)**

**As at 31 December 2021**

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**M&G Global Equity Fund**

**Market commentary**

Most stock-markets generated robust gains in 2021, helped by multi-trillion dollar support packages from governments and central banks, as well as the reopening of businesses as vaccines were rolled out around the world. This all helped the global economy to recover from the coronavirus pandemic and also contributed to healthy growth in corporate earnings. This was despite notable sell-offs when inflation began to rise rapidly in September, and when the Omicron variant was discovered in November.

The strongest-performing equity markets included France, the S&P 500 in the US and Italy. Emerging markets were weaker, particularly China, along with Brazil, Turkey and Hong Kong. This was a positive environment for global equities overall, with the fund returning 22.2% in absolute terms over the year.

**Relative performance**

*Statistical and style-based return drivers*

Overall, the portfolio produced a return of 3.7% relative to its reference index, the MSCI All Country World Index. The portfolio outperformed on 133 of 261 days, offering a hit rate for the year of ca. 51%. This slightly positive hit rate, in conjunction with a positive skew (difference in magnitude of winning vs losing stock bets) resulted in outperformance of the fund over the period.

Style had a negligible impact on the portfolio's returns as headwinds from its smaller size exposure and high earnings variability exposure were offset by contributions from the portfolio's active exposure to high momentum and cheap value.

*Stock level contributors*

At the stock level TCS Group Holdings, a provider of branchless retail financial services in Russia and Crocs Inc., a leading global footwear manufacturer were the biggest contributors. TCS Group has seen earnings upgrades as it expands its core lending capabilities from retail into the SME segment, while Crox reaped the benefits of a multi-year turnaround that has rightsized the company's cost structure and driven top line growth through increased brand relevance.

*Stock level detractors*

Banco Pan, a Brazilian consumer bank and Organogenesis Holdings Inc., a US pharmaceutical company focused on wound care products were the largest detractors to performance from stocks with positive active exposure. Additionally, underweight exposures to Apple Inc. and Microsoft Corp. detracted from performance.

**Positioning/Changes**

Towards the end of the year, the fund managers increased the portion of the fund managed using its proprietary machine learning model to approximately 90%, with the balance of approximately 10% remaining in strategic ETFs. The ETF allocation is primarily used for liquidity purposes. Furthermore, the factor exposures now exhibit an underweight to high profitability, while maintaining earlier exposures to smaller cap, high earnings variability and high momentum companies.

**Outlook**

As we enter 2022, our stance remains largely unchanged. The valuation of equities is such that long-run potential returns are substantially lower than those available in 2020. The tailwinds that have delivered exceptional earnings delivery since Covid are fading, and equities are now challenged on a number of fronts. Alongside increasing hawkish central bank rhetoric, pressurised margins from cost increases, and potential taxation increases all contribute to a more challenging earnings and return outlook for the asset class. Within equities, there are compelling valuation signals to suggest that some of the reversal in sectoral, factor and country leadership witnessed during the month of December can carry on into the new year.

**M&G Investment Management Limited**  
**28 April 2022**

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF COMPREHENSIVE INCOME

#### M&G Global Equity Fund

	Note	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Income</b>			
Interest income		1,928	1,783
Dividend income		1,554,070	694,645
Other income		2,518	920
Net gain from financial instruments at fair value through profit or loss		16,371,125	3,761,539
<b>Total income</b>		<b>17,929,641</b>	<b>4,458,887</b>
<b>Expenses</b>			
Operating expenses	4	(702,402)	(612,250)
<b>Total operating expenses</b>		<b>(702,402)</b>	<b>(612,250)</b>
Rebate	6	-	167,213
<b>Profit for the financial year before finance costs</b>		<b>17,227,239</b>	<b>4,013,850</b>
<b>Finance costs</b>			
Interest paid		(2,199)	(6,786)
<b>Profit for the financial year before taxation</b>		<b>17,225,040</b>	<b>4,007,064</b>
<b>Taxation</b>			
Withholding tax	2	(236,265)	(103,885)
Capital gains tax		(222,728)	(61,151)
<b>Total taxation</b>		<b>(458,993)</b>	<b>(165,036)</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>16,766,047</b>	<b>3,842,028</b>

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

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF FINANCIAL POSITION

#### M&G Global Equity Fund

	Note	As at 31 December 2021 USD	As at 31 December 2020 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	85,223,767	76,087,656
Cash	2	1,334,109	354,005
Receivables		1,451,521	34,484
<b>Total assets</b>		<b>88,009,397</b>	<b>76,476,145</b>
<b>Liabilities:</b>			
Payables and other accrued expenses		(2,469,624)	(87,645)
<b>Total liabilities (excluding net assets attributable to participating shareholders)</b>		<b>(2,469,624)</b>	<b>(87,645)</b>
<b>Net assets attributable to participating shareholders</b>		<b>85,539,773</b>	<b>76,388,500</b>
<b>Net asset value (NAV) per participating share</b>			
		As at 31 December 2021	As at 31 December 2020
Number of Shares:			
- Class B Acc		997,992	701,680
- Class C Acc		52,345,677	57,514,930
Net assets attributable to participating shareholder			
- Class B Acc	USD	1,554,908	895,271
- Class C Acc	USD	83,984,865	75,493,229
NAV per Share			
- Class B Acc	USD	1.5580	1.2759
- Class C Acc	USD	1.6044	1.3126

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

For and on behalf of the Board

Director: Raymond O'Neill



Director: Brian Fennessy



28 April 2022

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES**

**M&G Global Equity Fund**

	Notes	For the year ended December 2021 USD	For the year ended December 2020 USD
<b>Net assets attributable to participating shareholders at the beginning of the financial year</b>		<b>76,388,500</b>	<b>107,849,568</b>
Proceeds from participating shares issued	5	7,259,536	1,816,667
Payments for redemption of participating shares	5	(14,874,310)	(37,119,763)
<b>Net (decrease) from share transactions</b>		<b>(7,614,774)</b>	<b>(35,303,096)</b>
Changes in net assets attributable to holders of participating shares		16,766,047	3,842,028
<b>Net assets attributable to participating shareholders at the end of the financial year</b>		<b>85,539,773</b>	<b>76,388,500</b>

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

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CASH FLOWS

#### M&G Global Equity Fund

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to participating shareholders	16,766,047	3,842,028
<b>Adjustments to reconcile changes in net assets attributable to holders of participating shares to net cash inflows from operating activities</b>		
Financial assets at fair value through profit or loss	(8,199,682)	28,062,023
Operating receivables	(20,324)	8,774
Financial liabilities at fair value through profit or loss	-	(103,218)
Accrued expenses	48,837	(60,196)
<b>Net cash inflows from operating activities</b>	<b>8,594,878</b>	<b>31,749,411</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	7,259,536	1,816,667
Payments from redemption of participating shares	(14,874,310)	(37,120,169)
<b>Net cash (outflows) from financing activities</b>	<b>(7,614,774)</b>	<b>(35,303,502)</b>
Net increase/(decrease) in cash	980,104	(3,554,091)
<b>Net increase/decrease in cash and cash equivalents</b>	<b>980,104</b>	<b>(3,554,091)</b>
Cash at beginning of the year	354,005	3,908,096
<b>Cash and cash equivalents at the beginning of the year</b>	<b>354,005</b>	<b>3,908,096</b>
Cash at end of the year	1,334,109	354,005
<b>Cash and cash equivalents at the end of the year</b>	<b>1,334,109</b>	<b>354,005</b>
<b>Supplemental information</b>		
Interest received	1,928	1,783
Interest paid	(2,199)	(6,786)
Dividends received	1,522,548	700,993
Taxation paid	(451,467)	(165,773)

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited)**

**As at 31 December 2021**

**M&G Global Equity Fund**

**Investments 99.63% (31 December 2020: 99.61%)**

Security Description	Fair Value USD	% of Net Assets
<b>Equities 90.14% (31 December 2020: 81.87%)</b>		
Australia	1,544,874	1.81
Bermuda	869,412	1.02
Brazil	1,581,975	1.85
Canada	807,818	0.94
Cayman Islands	2,579,136	3.02
China	4,483,404	5.24
Denmark	1,737,924	2.03
France	2,324,623	2.72
Germany	778,661	0.91
India	2,263,693	2.65
Israel	1,416,548	1.66
Italy	773,708	0.90
Japan	2,979,192	3.48
Korea	772,240	0.90
Malaysia	822,199	0.96
Panama	868,261	1.02
Poland	789,500	0.92
Spain	842,605	0.99
Sweden	2,439,662	2.85
Taiwan	2,393,718	2.80
Thailand	711,278	0.83
United Kingdom	794,331	0.93
United States of America	<u>42,529,549</u>	<u>49.71</u>
<b>Total Equities</b>	<b><u>77,104,311</u></b>	<b><u>90.14</u></b>
<b>Investment Funds 9.49% (31 December 2020: 17.74%)</b>		
Ireland	<u>8,119,456</u>	<u>9.49</u>
<b>Total Investment Funds</b>	<b><u>8,119,456</u></b>	<b><u>9.49</u></b>
<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>85,223,767</u></b>	<b><u>99.63</u></b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited) (continued)**

**As at 31 December 2021**

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**M&G Global Equity Fund (continued)**

	<b>Fair Value USD</b>	<b>% of Net Assets</b>
<b>Total Investments (31 December 2020: 99.61%)</b>	<b>85,223,767</b>	<b>99.63</b>
<b>Other Net Assets (31 December 2020: 0.39%)</b>	<b>316,006</b>	<b>0.37</b>
<b>Net Assets Attributable to Participating Shareholders</b>	<b><u>85,539,773</u></b>	<b><u>100.00</u></b>

Full portfolio statement is available on demand of unit holders.



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****OTHER INFORMATION (Unaudited)****M&G Global Equity Fund****For the financial year ended 31 December 2021****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	-	-
<b>Realised gain on:</b>		
Investments	37,157,495	22,468,947
Derivatives	612	993,324
Foreign currency	55,614	182,951
	<u>37,213,721</u>	<u>23,645,222</u>
<b>Realised loss on:</b>		
Investments	(14,406,458)	(18,650,341)
Derivatives	-	(216,718)
Foreign currency	(118,868)	(49,457)
	<u>(14,525,326)</u>	<u>(18,916,516)</u>
<b>Net realised gain on investments and derivatives</b>	<u><b>22,688,395</b></u>	<u><b>4,728,706</b></u>
<b>Unrealised gain on:</b>		
Investments	5,298,686	9,689,013
Derivatives	-	103,218
Foreign currency	19,625	53,934
	<u>5,318,311</u>	<u>9,846,165</u>
<b>Unrealised loss on:</b>		
Investments	(11,581,341)	(10,556,381)
Derivatives	-	(256,889)
Foreign currency	(54,240)	(62)
	<u>(11,635,581)</u>	<u>(10,813,332)</u>
<b>Net unrealised (loss) on investments and derivatives</b>	<u><b>(6,317,270)</b></u>	<u><b>(967,167)</b></u>
<b>Net gain from financial instruments at fair value through profit or loss</b>	<u><b>16,371,125</b></u>	<u><b>3,761,539</b></u>

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Global Equity Fund

#### For the financial year ended 31 December 2021

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##### Net asset value per participating share

The following tables show the NAV attributable to holders of participating shares, the number of shares and the NAV per share at 31 December 2021, 31 December 2020 and 31 December 2019.

	<b>NAV attributable to holders of participating shares at 31 December 2021 USD</b>	<b>Number of shares at 31 December 2021</b>	<b>NAV per share at 31 December 2021 USD</b>
B Acc	1,554,908	997,992	1.5580
C Acc	83,984,865	52,345,677	1.6044
	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>
B Acc	895,271	701,680	1.2759
C Acc	75,493,229	57,514,930	1.3126
	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>
B Acc	719,985	628,729	1.1451
C Acc	107,129,583	91,024,179	1.1769

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited)**

**As at 31 December 2021**

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**M&G Global Fixed Income Fund**

**Market Review and Outlook - 2021**

The first quarter saw little relief from the turbulence of prior quarters. Markets were volatile, with government bond yields rising generally, particularly US Treasuries and those at longer maturities. Ten-year US Treasury yields increased by more than 80 basis points during the quarter, propelled higher by increased concerns that the extensive reflation efforts and forthcoming US\$ 1.9 trillion stimulus package would trigger higher inflation. Similar concerns arose about the effects reflationary policies might have on inflation in other markets, to lesser degrees. European government bond yields increased, as did UK gilt yields.

Against the reflationary backdrop, policy responses had been largely absent. None of the major central banks had made changes to interest rate policies in the beginning months, although the US Federal Reserve announced a subtle shift in its policy of targeting inflation, looking at achieving a 2% level over the longer term. This was expected to allow it to take a more sanguine view over a shorter term should inflation run above that level for a while. Risk assets continued to thrive, particularly relative to government bonds, and both investment grade and high yield corporate markets outperformed their government counterparts, with credit spread levels tightening still further supported by continuing Covid-related central bank purchases. However, the weakness in underlying government markets meant that investment grade sectors did not generally deliver positive returns, unlike the high yield market that was able to post gains overall.

The second quarter brought some relative calm to bond and equity markets compared to previous ones, despite concerns about building inflation evident in data releases. Economic data continues to point to a strong recovery from the COVID-19 induced weakness of 2020, with much of the market's attention focussing on the inflation numbers. In the US, leading indicators point to a strong second quarter, with the ISM Manufacturing and Non-manufacturing Purchasing Managers indices both stronger once more, as were the Michigan Consumer Sentiment and Expectations indices. The unemployment rate declined further, to 5.8% for May, less than half what was recorded the previous May at the height of the pandemic. Inflation reached 5% for only the second time in almost 30 years, but despite this, U.S. Treasury yields declined as the Federal Reserve indicated it may consider whether some curbing of its stimulatory policies could be required. Nonetheless, few commentators anticipated higher official interest rates until later in 2022, at the earliest.

The third quarter was a mainly flat or negative for the majority of fixed income markets as the surge in inflation expectations, notably in the US, UK and some emerging economies, led to rising concerns of tighter monetary policy which dampened investor appetite for both government debt and corporate debt. Yields rose on core government bonds such as UK gilts; US Treasuries and Bunds were largely unchanged and some weakness was seen in emerging markets – especially Latin America - and peripheral eurozone government bonds. Focussing on credit, UK corporate bonds fared poorly against US and European equivalents. The latter received a double boost from improving economic fundamentals and lower COVID-19 rates/increasing vaccine numbers (meaning more economies could reopen). Meanwhile, bond investors continued to gauge what impact a better outlook for the global economy would have on fixed income assets in the following months, given rising uncertainty on inflation and potentially higher interest rates, and the need for Central Banks to 'taper' their bond buying programmes.

During the fourth quarter, sovereign bonds underperformed as central banks were expected to tighten policy. The Federal reserve (Fed) announced it would double the pace of its tapering, while the Bank of England increased interest rates for the first time this cycle. At first, policy makers had focused on the inflationary pressures being 'transitory', but as the third and fourth quarters demonstrated it has become increasingly 'embedded'. Even as Covid saw a resurgence during the fourth quarter, we witnessed levels of inflation not seen for over a decade or more in the major developed markets. Government bond yields remained highly volatile, driven by rising inflation and expectations of higher official interest rates. In the US Treasury market intermediate and longer dated bond yields typically moved higher by 0.3% during December alone, and by 1.0% during the year. As we approached year end, central banks have begun to accelerate the removal of their stimulus, with the Fed increasing the pace of tapering; despite this, at its last meeting of the year their own forecasts had moved to imply three rate increases in 2022.

**Positioning/Changes**

During the first quarter the fund experienced net inflows of approximately \$1.9m, bringing net inflows during Q1 2021 to c.\$7.4m. The manager purchased attractive names such as Intel, Oracle, Fox Corporation, Coca Cola, Disney and BMW.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **INVESTMENT MANAGER'S REPORTS (Unaudited) (continued)**

**As at 31 December 2021**

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#### **M&G Global Fixed Income Fund (continued)**

##### **Positioning/Changes (continued)**

In the second quarter the fund experienced net inflows of approximately \$2.5m, bringing net inflows during Q2 2021 to c.\$9.5m. The manager purchased attractively priced names such as GSK, Unilever, Apple, Microsoft, Alphabet, Credit Agricole, Bank of America and ING.

Over the third quarter the fund experienced net inflows of approximately \$1m, bringing net outflows during Q3 2021 to c.\$1.7m. The manager did not make any purchases or sales during the quarter.

Throughout the fourth quarter the fund experienced net inflows of approximately \$1.9m. During the quarter, the manager purchased USD denominated bonds issued by Santander, UBS, The Royal Bank of Canada, and a GBP denominated bond issued by Santander, which looked to appear attractive on a relative value basis compared to other assets of a similar credit quality. The fund experienced net outflows of approximately \$1.0m across November and December 2021. During this period the manager did not make any purchases or sales.

##### **Outlook**

We believe that credit markets remain overvalued, even allowing for the modest weakness seen during the end of 2021. In the face of an uncertain inflation outlook, the dampening effects of Omicron, and reduction in support programmes, the risk of a central bank policy error are high. These evolving risks, as ever, highlight the need for rigorous credit analysis to identify opportunities and ensure returns are not compromised by defaults or impairments.

We continue to be very defensively positioned, and will seek to capture credit opportunities where market pricing and fundamental risks become increasingly out of alignment in 2022.

**M&G Investment Management Limited**  
**28 April 2022**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****STATEMENT OF COMPREHENSIVE INCOME****M&G Global Fixed Income Fund**

		For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Income</b>			
Interest income		–	664
Other income		1,419	417
Net (loss)/gain from financial instruments at fair value through profit or loss		(1,802,572)	3,935,620
<b>Total (expense)/income</b>		<b>(1,801,153)</b>	<b>3,936,701</b>
<b>Expenses</b>			
Operating expenses	4	(412,543)	(319,840)
<b>Total operating expenses</b>		<b>(412,543)</b>	<b>(319,840)</b>
<b>(Loss)/profit for the financial year before finance costs</b>		<b>(2,213,696)</b>	<b>3,616,861</b>
<b>Finance costs</b>			
Interest paid		(259)	(256)
<b>(Loss)/profit for the financial year before taxation</b>		<b>(2,213,955)</b>	<b>3,616,605</b>
<b>Changes in net assets attributable to equity shareholders</b>		<b>(2,213,955)</b>	<b>3,616,605</b>

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF FINANCIAL POSITION**

**M&G Global Fixed Income Fund**

	Note	As at 31 December 2021 USD	As at 31 December 2020 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	61,033,226	50,049,144
Cash	2	6,368,015	4,741,017
Receivables		1,771,972	446,357
<b>Total assets</b>		<b>69,173,213</b>	<b>55,236,518</b>
<b>Liabilities:</b>			
Payables and other accrued expenses		(78,577)	(46,927)
<b>Total liabilities</b>		<b>(78,577)</b>	<b>(46,927)</b>
<b>Net assets attributable to equity shareholders</b>		<b>69,094,636</b>	<b>55,189,591</b>
<b>Net asset value (NAV) per equity share</b>		<b>As at 31 December 2021</b>	<b>As at 31 December 2020</b>
Number of Shares:			
- Class C Acc		60,896,946	46,845,773
Net assets attributable to equity shareholders			
- Class C Acc	<b>USD</b>	69,094,636	55,189,591
NAV per Share			
- Class C Acc	<b>USD</b>	1.1346	1.1781

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

**For and on behalf of the Board**

**Director: Raymond O'Neill**



**Director: Brian Fennessy**



28 April 2022

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CHANGES IN EQUITY

#### M&G Global Fixed Income Fund

	Notes	For the year ended December 2021 USD	For the year ended December 2020 USD
<b>Net assets attributable to equity shareholders at the beginning of the financial year</b>		<b>55,189,591</b>	<b>64,687,986</b>
Proceeds from equity shares issued	5	24,168,000	19,145,000
Payments for redemption of equity shares	5	(8,049,000)	(32,260,000)
<b>Net increase/(decrease) from share transactions</b>		<b>16,119,000</b>	<b>(13,115,000)</b>
Changes in net assets attributable to holders of equity shares		(2,213,955)	3,616,605
<b>Net assets attributable to equity shareholders at the end of the financial year</b>		<b>69,094,636</b>	<b>55,189,591</b>

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF CASH FLOWS**

**M&G Global Fixed Income Fund**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to equity shareholders	(2,213,955)	3,616,605
<b>Adjustments to reconcile changes in net assets attributable to holders of equity shares to net cash (outflows)/inflows from operating activities</b>		
Financial assets at fair value through profit or loss	(10,984,082)	10,647,619
Operating receivables	(99,615)	158,015
Accrued expenses	31,650	(15,555)
<b>Net cash (outflows)/inflows from operating activities</b>	<b>(13,266,002)</b>	<b>14,406,684</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity shares issued	22,942,000	20,547,000
Payments from redemption of equity shares	(8,049,000)	(32,260,000)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>14,893,000</b>	<b>(11,713,000)</b>
Net increase in cash	1,626,998	2,693,684
<b>Net increase in cash and cash equivalents</b>	<b>1,626,998</b>	<b>2,693,684</b>
Cash at beginning of the year	4,741,017	2,047,333
<b>Cash and cash equivalents at the beginning of the year</b>	<b>4,741,017</b>	<b>2,047,333</b>
Cash at end of the year	6,368,015	4,741,017
<b>Cash and cash equivalents at the end of the year</b>	<b>6,368,015</b>	<b>4,741,017</b>
<b>Supplemental information</b>		
Interest received	1,635,220	1,658,274
Interest paid	(259)	(256)

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



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited)**

**As at 31 December 2021**

**M&G Global Fixed Income Fund**

**Investments 88.33% (31 December 2020: 90.69%)**

Security Description	Fair Value USD	% of Net Assets
<b>Fixed Income 88.33% (31 December 2020: 90.69%)</b>		
Australia	1,340,426	1.94
Belgium	350,066	0.51
Canada	1,777,736	2.57
Cayman Islands	468,210	0.68
Denmark	670,219	0.97
Finland	269,008	0.39
France	3,931,058	5.69
Germany	1,544,132	2.23
Ireland	829,968	1.20
Italy	286,920	0.42
Japan	969,639	1.40
Jersey	469,793	0.68
Luxembourg	887,723	1.28
Netherlands	4,638,643	6.71
Spain	339,795	0.49
Sweden	935,962	1.35
Switzerland	899,085	1.30
United Kingdom	6,243,070	9.04
United States of America	<u>34,181,773</u>	<u>49.48</u>
<b>Total Fixed Income</b>	<b><u>61,033,226</u></b>	<b><u>88.33</u></b>
<b>Total Investments (31 December 2020: 90.69%)</b>	<b>61,033,226</b>	<b>88.33</b>
<b>Other Net Assets (31 December 2020: 9.31%)</b>	<b>8,061,410</b>	<b>11.67</b>
<b>Net Assets Attributable to Participating Shareholders</b>	<b><u><u>69,094,636</u></u></b>	<b><u><u>100.00</u></u></b>

Full portfolio statement is available on demand of unit holders.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****OTHER INFORMATION (Unaudited)****M&G Global Fixed Income Fund****For the financial year ended 31 December 2021****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>1,735,084</b>	<b>1,499,040</b>
<b>Realised gain on:</b>		
Investments	511,156	1,044,402
Foreign currency	13,163	2,373
	<u>524,319</u>	<u>1,046,775</u>
<b>Realised loss on:</b>		
Investments	(2,773)	(1,441,832)
Foreign currency	-	(9,028)
	<u>(2,773)</u>	<u>(1,450,860)</u>
<b>Net realised gain/(loss) on investments and derivatives</b>	<b>521,546</b>	<b>(404,085)</b>
<b>Unrealised gain on:</b>		
Investments	140,694	3,917,503
Foreign currency	-	7,923
	<u>140,694</u>	<u>3,925,426</u>
<b>Unrealised loss on:</b>		
Investments	(4,180,577)	(1,084,761)
Foreign currency	(19,319)	-
	<u>(4,199,896)</u>	<u>(1,084,761)</u>
<b>Net unrealised (loss)/gain on investments and derivatives</b>	<b>(4,059,202)</b>	<b>2,840,665</b>
<b>Net (loss)/gain from financial instruments at fair value through profit or loss</b>	<b>(1,802,572)</b>	<b>3,935,620</b>

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Global Fixed Income Fund

#### For the financial year ended 31 December 2021

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##### Net asset value per equity share

The following tables show the NAV attributable to holders of equity shares, the number of shares and the NAV per share at 31 December 2021, 31 December 2020 and 31 December 2019.

	<b>NAV attributable to holders of equity shares at 31 December 2021 USD</b>	<b>Number of shares at 31 December 2021</b>	<b>NAV per share at 31 December 2021 USD</b>
C Acc	69,094,636	60,896,946	1.1346
	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>
C Acc	55,189,591	46,845,773	1.1781
	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>
C Acc	64,687,986	60,252,564	1.0736

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited)**

**As at 31 December 2021**

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**M&G Global Inflation Plus Fund**

**Market commentary**

Most stock-markets generated robust gains in 2021, helped by multi-trillion dollar support packages from governments and central banks, as well as the reopening of businesses as vaccines were rolled out around the world. This all helped the global economy to recover from the coronavirus pandemic and also contributed to healthy growth in corporate earnings. This was despite notable sell-offs when inflation began to rise rapidly in September, and when the Omicron variant was discovered in November.

The strongest-performing equity markets included France, the S&P 500 in the US and Italy. Emerging markets were weaker, particularly China, along with Brazil, Turkey and Hong Kong.

Fixed income markets had a fairly poor year as central banks became gradually more hawkish in the face of inflation that appeared to be higher and more persistent than had been forecast. As a result, government bond markets declined over the year. Most credit markets also weakened, although high yield bonds rallied modestly.

Many emerging market currencies declined, especially the Turkish lira, which collapsed as interest rates were cut despite soaring inflation. The fund produced a return for the year (4.3%) which underperformed global inflation for the year (5.4% for the rolling year ended 30 November 2021).

**Absolute performance**

*Main contributors:* diverse global equities particularly from the US; M&G's factor investing and machine learning funds; property

*Main detractors:* European corporate bonds; Chinese equities

**Relative performance**

Overall, the portfolio delivered -0.7% in relation to the reference index.

The underweight allocation to fixed income was positive, while a greater share of outperformance came from selection. Equities slightly outperformed, with a robust return from allocation, although this was nearly outweighed by a negative return from selection.

*Fixed income*

For fixed income, the overweight to long-dated US Treasuries and was the key contributor to performance within government debt, followed by South African and Chinese government bonds while Chilean and Japanese government debt, and the Turkish lira detracted. The overweight to corporate debt produced a small positive return.

*Equities*

For equities, country allocation detracted from performance, primarily driven by overweights to Hong Kong and Indonesian equities, and an underweight position in US equities. At sector level, allocation had a minimal impact (with the exception of underperformance from the underweight to IT), while selection within industrials was strongly positive (with the reverse true for financials).

At individual holding level, the overweight to Greencoat Renewables was the largest detractor.

**Positioning/changes**

Early in the year, we reduced equity exposure following very strong price performance. Later in the year we added to Chinese equities on the basis of their very rapid sell-off.

Over the course of the year we reduced our exposure to investment grade credit on the basis of increasingly tight spreads and meaningful duration risk in favour of emerging market bonds. The increasing weight to local and hard currency emerging market positions was based on their attractive yield coupled with bouts of price weakness. Initially, in order to maintain portfolio duration, we also increased exposure to 30-year US Treasuries. We also chose to replace a passive property equity holding with exposure to the new M&G Global Property Fund as we consider it more attractive in terms of potential returns. Towards the end of the year, we reduced and then closed exposure to 30-year US Treasuries in response to the decline in yields, with the proceeds going to cash.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **INVESTMENT MANAGER'S REPORTS (Unaudited) (continued)**

**As at 31 December 2021**

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#### **M&G Global Inflation Plus Fund (continued)**

##### **Positioning/changes (continued)**

We now have a more muted preference for equities than previously, although we retain a preference for ex-US equity exposure. However, we still favour equities over government bonds. We are constructive on emerging market hard currency and local debt.

##### **Outlook**

As we enter 2022, our stance remains largely unchanged. We will continue to closely evaluate price movements in markets, while holding a range of relatively riskier assets in view of our belief in an ongoing global recovery.

We expect continued near-term pressure on bonds and equities as rates adjust to more hawkish central bank rhetoric, albeit offset in the case of equities by robust growth. However, we consider that the market could well become too hawkish for its own good, particularly if inflation does moderate somewhat. We continue to value selected emerging market bonds for their attractive yield.

We maintain a significant allocation to cash to allow us to respond to market volatility – though we will also make the decision to maintain our existing positioning where we consider this to be more appropriate.

**M&G Investment Management Limited**  
**28 April 2022**

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF COMPREHENSIVE INCOME

#### M&G Global Inflation Plus Fund

		For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Income</b>			
Interest income		10	521
Dividend income		46,053	260,631
Other income		101	526
Net gain from financial instruments at fair value through profit or loss		761,844	2,576,118
<b>Total income</b>		<b>808,008</b>	<b>2,837,796</b>
<b>Expenses</b>			
Operating expenses	4	(164,302)	(433,960)
<b>Total operating expenses</b>		<b>(164,302)</b>	<b>(433,960)</b>
Rebate	6	43,106	187,871
<b>Profit for the financial year before finance costs</b>		<b>686,812</b>	<b>2,591,707</b>
<b>Finance costs</b>			
Interest paid		(35)	(1,081)
<b>Profit for the financial year before taxation</b>		<b>686,777</b>	<b>2,590,626</b>
<b>Taxation</b>	2		
Withholding tax		(1,192)	-
<b>Total taxation</b>		<b>(1,192)</b>	<b>-</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>685,585</b>	<b>2,590,626</b>

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

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF FINANCIAL POSITION

#### M&G Global Inflation Plus Fund

	Note	As at 31 December 2021 USD	As at 31 December 2020 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	20,951,461	14,832,020
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	18,839	12,157
Cash	2	545,127	135,350
Receivables		66,115	42,646
<b>Total assets</b>		<b>21,581,542</b>	<b>15,022,173</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(9,760)	(245)
Payables and other accrued expenses		(41,130)	(39,494)
<b>Total liabilities (excluding net assets attributable to participating shareholders)</b>		<b>(50,890)</b>	<b>(39,739)</b>
<b>Net assets attributable to participating shareholders</b>		<b>21,530,652</b>	<b>14,982,434</b>
<b>Net asset value (NAV) per participating share</b>		<b>As at 31 December 2021</b>	<b>As at 31 December 2020</b>
Number of Shares:			
- Class B Acc		4,372,228	2,238,952
- Class C Acc		12,836,038	10,218,184
Net assets attributable to participating shareholder			
- Class B Acc	<b>USD</b>	5,344,996	2,627,217
- Class C Acc	<b>USD</b>	16,185,656	12,355,217
NAV per Share			
- Class B Acc	<b>USD</b>	1.2225	1.1734
- Class C Acc	<b>USD</b>	1.2610	1.2091

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

**For and on behalf of the Board**

**Director: Raymond O'Neill**



**Director: Brian Fennessy**



28 April 2022

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES**

**M&G Global Inflation Plus Fund**

	Notes	For the year ended December 2021 USD	For the year ended December 2020 USD
<b>Net assets attributable to participating shareholders at the beginning of the financial year</b>		<b>14,982,434</b>	<b>59,599,282</b>
Proceeds from participating shares issued	5	6,867,816	4,474,928
Payments for redemption of participating shares	5	(1,005,183)	(51,682,402)
<b>Net increase/(decrease) from share transactions</b>		<b>5,862,633</b>	<b>(47,207,474)</b>
Changes in net assets attributable to holders of participating shares		685,585	2,590,626
<b>Net assets attributable to participating shareholders at the end of the financial year</b>		<b>21,530,652</b>	<b>14,982,434</b>

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



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF CASH FLOWS**

**M&G Global Inflation Plus Fund**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to participating shareholders	685,585	2,590,626
<b>Adjustments to reconcile changes in net assets attributable to holders of participating shares to net cash (outflows)/inflows from operating activities</b>		
Financial assets at fair value through profit or loss	(6,126,123)	43,662,388
Operating receivables	(15,608)	19,786
Financial liabilities at fair value through profit or loss	9,515	(6,135)
Accrued expenses	1,636	(29,815)
<b>Net cash (outflows)/inflows from operating activities</b>	<b>(5,444,995)</b>	<b>46,236,850</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	6,859,955	4,525,194
Payments from redemption of participating shares	(1,005,183)	(51,682,680)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>5,854,772</b>	<b>(47,157,486)</b>
Net increase/(decrease) in cash	409,777	(920,636)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>409,777</b>	<b>(920,636)</b>
Cash at beginning of the year	135,350	1,055,986
<b>Cash and cash equivalents at the beginning of the year</b>	<b>135,350</b>	<b>1,055,986</b>
Cash at end of the year	545,127	135,350
<b>Cash and cash equivalents at the end of the year</b>	<b>545,127</b>	<b>135,350</b>
<b>Supplemental information</b>		
Interest received	69,645	172,782
Interest paid	(35)	(1,081)
Dividends received	46,346	260,245

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited)**

**As at 31 December 2021**

**M&G Global Inflation Plus Fund**

Investments 97.31% (31 December 2020: 99.00%)

Principal Amount	Security Description	Fair Value USD	% of Net Assets
	<b>Equities 0.87% (31 December 2020: 1.12%)</b>		
	<b>Ireland</b>	<u>188,292</u>	<u>0.87</u>
	<b>Total Equities</b>	<u><b>188,292</b></u>	<u><b>0.87</b></u>
	<b>Fixed Income 14.57% (31 December 2020: 12.56%)</b>		
	Brazil	101,018	0.47
	Chile	94,962	0.44
	China	542,533	2.52
	Mexico	106,327	0.49
	South Africa	268,202	1.25
	Turkey	448,702	2.08
	<b>United States of America</b>		
1,239,000	United States Treasury Bill 0.000% 03/02/2022	1,238,973	5.76
	Other United States of America	<u>335,977</u>	<u>1.56</u>
		<u>1,574,950</u>	<u>7.32</u>
	<b>Total Fixed Income</b>	<u><b>3,136,694</b></u>	<u><b>14.57</b></u>
Number of Shares	Security Description	Fair Value USD	% of Net Assets
	<b>Investment Funds 81.87% (31 December 2020: 85.32%)</b>		
	<b>Ireland</b>		
518,313	iShares Core Global Aggregate Bond UCITS ETF	2,702,743	12.55
1,028,034	M&G Global Property Fund	1,116,342	5.18
13,598	Vanguard FTSE All-World UCITS ETF	1,608,371	7.47
	Other Ireland	<u>463,260</u>	<u>2.16</u>
		<u>5,890,716</u>	<u>27.36</u>
	<b>Luxembourg</b>		
86,771	Eastspring Investments - US Investment Grade Bond Fund	2,335,702	10.85
96,489	M&G Lux Investment Funds 1 - M&G Lux Emerging Markets Hard Currency Bond Fund USD (Acc)	1,171,907	5.44
17,312	Xtrackers S&P 500 Swap UCITS ETF	1,575,219	7.32
	Other Luxembourg	<u>2,112,199</u>	<u>9.81</u>
		<u>7,195,027</u>	<u>33.42</u>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited) (continued)**

**As at 31 December 2021**

**M&G Global Inflation Plus Fund (continued)**

**Investments 97.31% (31 December 2020: 99.00%) (continued)**

Number of Shares	Security Description	Fair Value USD	% of Net Assets
<b>Investment Funds 81.87% (31 December 2020: 85.32%) (continued)</b>			
<b>United Kingdom</b>			
993,940	M&G Investment Funds 3 - European Corporate Bond Fund	1,467,269	6.81
	Other United Kingdom	<u>3,073,463</u>	<u>14.28</u>
		<u>4,540,732</u>	<u>21.09</u>
	<b>Total Investment Funds</b>	<b><u>17,626,475</u></b>	<b><u>81.87</u></b>
	<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>20,951,461</u></b>	<b><u>97.31</u></b>

**Financial Derivative Instruments 0.04% (31 December 2020: 0.08%)**

**Open Forward Foreign Currency Exchange Contracts 0.04% (31 December 2020: 0.08%)**

Maturity Date	Currency Bought	Amount Bought	Currency Sold	Amount Sold	Unrealised Gain USD	% of Net Assets
11/03/2022	EUR	2,634,000	USD	144,092	535	0.00
19/09/2022	TRY	110,083	USD	124,819	<u>18,304</u>	<u>0.08</u>
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b><u>18,839</u></b>	<b><u>0.08</u></b>

Maturity Date	Currency Bought	Amount Bought	Currency Sold	Amount Sold	Unrealised Loss USD	% of Net Assets
11/03/2022	JPY	29,800,000	USD	262,092	(3,180)	(0.01)
11/03/2022	USD	257,464	GBP	195,000	<u>(6,580)</u>	<u>(0.03)</u>
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b><u>(9,760)</u></b>	<b><u>(0.04)</u></b>

<b>Total Financial Derivative Instruments</b>	<b><u>9,079</u></b>	<b><u>0.04</u></b>
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<b>Total Investments (31 December 2020: 99.08%)</b>	<b>20,960,540</b>	<b>97.35</b>
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<b>Other Net Assets (31 December 2020: 0.92%)</b>	<b>570,112</b>	<b>2.65</b>
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<b>Net Assets Attributable to Participating Shareholders</b>	<b><u>21,530,652</u></b>	<b><u>100.00</u></b>
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The counterparties for the open forward foreign currency exchange contracts are HSBC Bank Plc, JP Morgan Securities Plc and UBS AG.

Full portfolio statement is available on demand of unit holders.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**OTHER INFORMATION (Unaudited)**

**M&G Global Inflation Plus Fund**

**For the financial year ended 31 December 2021**

**Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>90,534</b>	<b>151,725</b>
<b>Realised gain on:</b>		
Investments	420,012	6,991,702
Derivatives	142	29,509
Foreign currency	3,792	27,986
	<u>423,946</u>	<u>7,049,197</u>
<b>Realised loss on:</b>		
Investments	(35,501)	(1,867,693)
Derivatives	-	(52,785)
Foreign currency	(126,005)	-
	<u>(161,506)</u>	<u>(1,920,478)</u>
<b>Net realised gain on investments and derivatives</b>	<b>262,440</b>	<b>5,128,719</b>
<b>Unrealised gain on:</b>		
Investments	1,270,301	675,058
Derivatives	6,682	9,447
Foreign currency	15	1,932
	<u>1,276,998</u>	<u>686,437</u>
<b>Unrealised loss on:</b>		
Investments	(854,669)	(3,371,660)
Derivatives	(9,515)	(18,020)
Foreign currency	(3,944)	(1,083)
	<u>(868,128)</u>	<u>(3,390,763)</u>
<b>Net unrealised gain/(loss) on investments and derivatives</b>	<b>408,870</b>	<b>(2,704,326)</b>
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>761,844</b>	<b>2,576,118</b>

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Global Inflation Plus Fund

#### For the financial year ended 31 December 2021

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##### Net asset value per participating share

The following tables show the NAV attributable to holders of participating shares, the number of shares and the NAV per share at 31 December 2021, 31 December 2020 and 31 December 2019.

	<b>NAV attributable to holders of participating shares at 31 December 2021 USD</b>	<b>Number of shares at 31 December 2021</b>	<b>NAV per share at 31 December 2021 USD</b>
B Acc	5,344,996	4,372,228	1.2225
C Acc	16,185,656	12,836,038	1.2610
	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>
B Acc	2,627,217	2,238,952	1.1734
C Acc	12,355,217	10,218,184	1.2091
	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>
B Acc	1,961,550	1,784,622	1.0991
C Acc	57,637,732	50,940,103	1.1315

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited)**

**As at 31 December 2021**

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**M&G Global Property Fund**

**Market commentary**

Most stock-markets generated robust gains in 2021, helped by multi-trillion dollar support packages from governments and central banks, as well as the reopening of businesses as vaccines were rolled out around the world. This all helped the global economy to recover from the coronavirus pandemic and also contributed to healthy growth in corporate earnings. This was despite notable sell-offs when inflation began to rise rapidly in September, and when the Omicron variant was discovered in November. The REIT index produced a credible 31% over the year as property continued to recover from COVID fears.

In second half of 2021, REITs outperformed broader equities with North American exposure providing the best returns, as European REITs lagged. At the sectoral level, industrial and residential REITs led returns, while hotel and resort REITs underperformed. Since inception on 8 June 2021 the fund has produced 8.6%

**Relative performance**

*Statistical and style-based return drivers*

In the second half of 2021, the portfolio produced a return of 0.03% relative to its reference index, the FTSE EPRA/Nareit Global REITs Net Tax Index. The portfolio outperformed on 65 of 132 days, offering a hit rate of just under 50%. This combined with slightly positive skew resulted in performance at the portfolio level that was roughly in line with the benchmark.

The impact from style exposure varied greatly from Q3 to Q4 2021. Q3 provided a strong style tailwind as the portfolio's high dividend yield and positive momentum exposure were additive to performance. However, style returns in the last quarter unwound all the benefits from Q3, with exposure to small size and high earnings variability hurting performance, and as a result style had a negligible contribution over the entirety of the half-year.

*Stock level contributors/detractors*

At the stock level City Office REIT Inc. and Outfront Media Inc. were the largest contributors to performance while an underweight to Prologis Inc alongside positive active positions in Braemar Hotels & Resorts and Civitas Social Housing PLC were the biggest detractors.

**Positioning/changes**

The portfolio is managed by a machine learning algorithm similar to the Global Equity Fund. Geographically, it is currently weighted around 65% to the US, around 10% to Asia ex Japan, 7% to the UK and the rest divided fairly equally between Europe and Japan. Less than 1% is held in emerging markets. By sector, the largest allocation is to retail (20.8%) followed by specialised REITS (16.3%), and the residential sector (12.7%).

**Outlook**

Property has recovered well from the COVID-19 lows and 2021 delivered particularly strong returns at the aggregate index level, which outperformed broader equities. However, this headline performance masks underlying sectoral divergences that saw a continuation of outperformance of industrial, logistics and storage-exposed sectors vs hospitality and retail-exposed REITs. While many of the underlying trends are structural, there are also temporary impacts arising from COVID-19 lockdowns and supply chain bottlenecks amplifying a divergence of fundamentals across sectors. With cross-sector valuations becoming more extreme, we see compelling opportunities in the asset class.

At a higher level, REITs face a more challenging rate environment from here. REITs as a sector have historically been sensitive to interest rates due to their typically higher financial gearing and income-generating properties (making them sometimes viewed as bond proxies). However, the underlying real asset base, valuations and mix of geographic and sectoral exposures should mean that they are still able to offer diversification alongside positive real returns over longer time horizons.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF COMPREHENSIVE INCOME

#### M&G Global Property Fund

		For the period from 8 June 2021 to 31 December 2021 <sup>1</sup> USD
<b>Income</b>	<b>Note</b>	
Dividend income		145,941
Other income		5,216
Net gain from financial instruments at fair value through profit or loss		538,491
<b>Total income</b>		<b>689,648</b>
<b>Expenses</b>		
Operating expenses	4	(14,738)
<b>Total operating expenses</b>		<b>(14,738)</b>
<b>Profit for the financial year before finance costs</b>		<b>674,910</b>
<b>Finance costs</b>		
Interest paid		(14)
<b>Profit for the financial year before taxation</b>		<b>674,896</b>
<b>Taxation</b>	2	
Withholding tax		(33,687)
<b>Total taxation</b>		<b>(33,687)</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>641,209</b>

<sup>1</sup>Fund launched on 8 June 2021, therefore there are no 2020 comparatives.

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF FINANCIAL POSITION**

**M&G Global Property Fund**

	Note	As at 31 December 2021 <sup>1</sup> USD
<b>Assets:</b>		
Investments	2 i), 2 ii)	7,958,678
Unrealised gain on futures contracts		3,160
Cash	2	509,572
Margin cash		6,311
Receivables		337,073
<b>Total assets</b>		<b>8,814,794</b>
<b>Liabilities:</b>		
Payables and other accrued expenses		(603,182)
<b>Total liabilities (excluding net assets attributable to participating shareholders)</b>		<b>(603,182)</b>
<b>Net assets attributable to participating shareholders</b>		<b>8,211,612</b>
<b>Net asset value (NAV) per participating share</b>		<b>As at 31 December 2021</b>
Number of Shares:		
- Class B Acc		1,000
- Class C Acc		62,500
- Class G Acc		7,501,034
Net assets attributable to participating shareholders		
- Class B Acc	USD	1,083
- Class C Acc	USD	64,887
- Class G Acc	USD	8,145,642
NAV per Share		
- Class B Acc	USD	1.0831
- Class C Acc	USD	1.0382
- Class G Acc	USD	1.0859

<sup>1</sup> Fund launched on 8 June 2021, therefore there are no 2020 comparatives.


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

**For and on behalf of the Board**

**Director: Raymond O'Neill**



**Director: Brian Fennessy**



**28 April 2022**



## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES

#### M&G Global Property Fund

	Notes	For the period from 8 June 2021 to 31 December 2021 <sup>1</sup> USD
<b>Net assets attributable to participating shareholders at the beginning of the financial period</b>		-
Proceeds from participating shares issued	5	7,570,403
Payments for redemption of participating shares	5	-
<b>Net increase from share transactions</b>		<b>7,570,403</b>
Changes in net assets attributable to holders of participating shares		641,209
<b>Net assets attributable to participating shareholders at the end of the financial period</b>		<b>8,211,612</b>

<sup>1</sup> Fund launched on 8 June 2021, therefore there are no 2020 comparatives.

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

# M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

## STATEMENT OF CASH FLOWS

### M&G Global Property Fund

For the period  
from 8 June 2021  
to 31 December 2021<sup>1</sup>  
USD

#### Cash flows from operating activities

Changes in net assets attributable to participating shareholders 641,209

#### Adjustments to reconcile changes in net assets attributable to holders of participating shares to net cash (outflows) from operating activities

Financial assets at fair value through profit or loss (7,658,230)

Operating receivables (45,229)

Financial liabilities at fair value through profit or loss

Accrued expenses 7,730

**Net cash (outflows) from operating activities** (7,054,520)

#### Cash flows from financing activities

Proceeds from participating shares issued 7,570,403

**Net cash inflows from financing activities** 7,570,403

Net increase in cash 509,572

Net increase in margin cash 6,311

**Net increase in cash and cash equivalents** 515,883

Cash at beginning of the year -

Margin cash at beginning of the year -

**Cash and cash equivalents at beginning of the year** -

Cash at end of the year 509,572

Margin cash at the end of the year 6,311

**Cash and cash equivalents at end of the year** 515,883

#### Supplemental information

Interest paid (14)

Dividends received 125,878

Taxation paid (28,526)

<sup>1</sup> Fund launched on 8 June 2021, therefore there are no 2020 comparatives.

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited)**

**As at 31 December 2021**

**M&G Global Property Fund**

**Investments 96.92%**

	<b>Security Description</b>	<b>Fair Value USD</b>	<b>% of Net Assets</b>
	<b>Equities 88.56%</b>		
	Canada	582,428	7.09
	France	113,714	1.38
	Hong Kong	148,975	1.81
	Japan	837,076	10.20
	Singapore	293,105	3.57
	Spain	129,921	1.58
	United Kingdom	445,711	5.43
	United States of America	<u>4,721,100</u>	<u>57.50</u>
	<b>Total Equities</b>	<b><u>7,272,030</u></b>	<b><u>88.56</u></b>
<b>Number of Shares</b>	<b>Security Description</b>	<b>Fair Value USD</b>	<b>% of Net Assets</b>
	<b>Investment Funds 8.36%</b>		
	<b>Ireland</b>		
15,902	SPDR Dow Jones Global Real Estate UCITS ETF	<u>686,648</u>	<u>8.36</u>
	<b>Total Investment Funds</b>	<b><u>686,648</u></b>	<b><u>8.36</u></b>
	<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>7,958,678</u></b>	<b><u>96.92</u></b>

Full portfolio statement is available on demand of unit holders.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited)**

**As at 31 December 2021**

M&G Global Property Fund (continued)

Financial Derivative Instruments 0.04%

Futures Contracts 0.04%

Notional Amount USD	Description	Unrealised Gain USD	% of Net Assets
177,800	DJ US Real Estate Long Futures Contracts Expiring March 2022	3,160	0.04
<b>Unrealised gain on futures contracts</b>		<b><u>3,160</u></b>	<b><u>0.04</u></b>
<b>Total Financial Derivative Instruments</b>		<b><u>3,160</u></b>	<b><u>0.04</u></b>
<b>Total Investments</b>		<b>7,961,838</b>	<b>96.96</b>
<b>Other Net Assets</b>		<b>249,774</b>	<b>3.04</b>
<b>Net Assets Attributable to Participating Shareholders</b>		<b><u>8,211,612</u></b>	<b><u>100.00</u></b>

The broker for the futures contract is Merrill Lynch International.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Global Property Fund

For the financial year ended 31 December 2021

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#### Net gains or losses from financial instruments at fair value through profit or loss

	For the period from 8 June 2021 to 31 December 2021 <sup>1</sup> USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	-
<b>Realised gain on:</b>	
Investments	682,827
Derivatives	14,942
Foreign currency	7
	<u>697,776</u>
<b>Realised loss on:</b>	
Investments	(414,083)
Derivatives	(7,099)
Foreign currency	(7,695)
	<u>(428,877)</u>
<b>Net realised gain on investments and derivatives</b>	<u>268,899</u>
<b>Unrealised gain on:</b>	
Investments	388,647
Derivatives	3,160
Foreign currency	446
	<u>392,253</u>
<b>Unrealised loss on:</b>	
Investments	(121,883)
Foreign currency	(778)
	<u>(122,661)</u>
<b>Net unrealised gain on investments and derivatives</b>	<u>269,592</u>
<b>Net gain from financial instruments at fair value through profit or loss</b>	<u>538,491</u>

<sup>1</sup> Fund launched on 8 June 2021, therefore there are no 2020 comparatives.

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Global Property Fund

#### For the financial year ended 31 December 2021

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##### Net asset value per participating share

The following tables show the NAV attributable to holders of participating shares, the number of shares and the NAV per share at 31 December 2021.

	NAV attributable to holders of participating shares at 31 December 2021 <sup>1</sup> USD	Number of shares at 31 December 2021 <sup>1</sup>	NAV per share at 31 December 2021 <sup>1</sup> USD
B Acc	1,083	1,000	1.0830
C Acc	64,887	62,500	1.0382
G Acc	8,145,642	7,501,034	1.0859

<sup>1</sup> Fund launched on 8 June 2021, therefore there are no 2020 and 2019 comparatives.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited)**

**As at 31 December 2021**

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**M&G Worldwide Managed Fund**

**Market commentary**

Most stock-markets generated robust gains in 2021, helped by multi-trillion dollar support packages from governments and central banks, as well as the reopening of businesses as vaccines were rolled out around the world. This all helped the global economy to recover from the coronavirus pandemic and also contributed to healthy growth in corporate earnings. This was despite notable sell-offs when inflation began to rise rapidly in September, and when the Omicron variant was discovered in November.

The strongest-performing equity markets included France, the S&P 500 in the US and Italy. Emerging markets were weaker, particularly China, along with Brazil, Turkey and Hong Kong.

Fixed income markets had a fairly poor year as central banks became gradually more hawkish in the face of inflation that appeared to be higher and more persistent than had been forecast. As a result, government bond markets declined over the year. Most credit markets also weakened, although high yield bonds rallied modestly.

Many emerging market currencies declined, especially the Turkish lira, which collapsed as interest rates were cut despite soaring inflation. In this environment, the funds produced an absolute return of 14.3%.

**Absolute performance**

*Main contributors:* Broad global equities particularly from the US; M&G's factor investing and machine learning funds

*Main detractors:* European corporate bonds; Chinese equities; broad emerging market equities; US Treasuries held for diversification and duration management purposes

**Relative performance**

Overall, the portfolios produced a return of 0.6% relative to its reference index.

The return from equity was positive, owing mostly to selection, although allocation also played a part. The underweight allocation to fixed income was also positive, while selection detracted slightly.

*Fixed income*

The allocation to corporate debt detracted. For sovereign debt, which was positive overall, the overweight to South African government debt and long-dated US Treasuries, and the underweight to the euro were the main contributors, while the overweights to Chile and Brazil were the largest detractors.

*Equities*

For equities, selection was positive, with the largest contributions coming from US dollar, Japanese yen and euro stocks (although allocation was negative, particularly for the dollar and the yen). The overweight exposure to the Indonesian rupiah, sterling and Hong Kong dollar were the largest detractors. Sector allocation had a small effect overall, with the largest share of outperformance coming from selection within industrials, consumer discretionary, IT and materials. Energy and financials detracted, mainly owing to selection.

At individual holding level, being underweight to Nvidia and Apple and overweight to WH Smith were the largest detractors, while the overweights to Mitsui Osk Lines, Manhattan Associates and Johnson Controls were the main contributors.

**Positioning/changes**

In the first half of the year we reduced equity exposure, particularly to the US, following very strong price performance. Later in the year we added to Chinese equities on the basis of their very rapid sell-off.

Over the course of the year we reduced our exposure to investment grade credit on the basis of increasingly tight spreads and meaningful duration risk in favour of emerging market bonds. The increasing weight to local and hard currency emerging market positions was based on their attractive yield coupled with bouts of price weakness. Initially, in order to maintain portfolio duration, we also increased exposure to 30-year US Treasuries. Towards the end of the year, we reduced and then closed exposure to 30-year US Treasuries in response to the decline in yields, with the proceeds going to cash.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **INVESTMENT MANAGER'S REPORTS (Unaudited) (continued)**

**As at 31 December 2021**

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#### **M&G Worldwide Managed Fund (continued)**

##### **Positioning/changes (continued)**

We now have a more muted preference for equities than previously, although we retain a preference for ex-US equity exposure. However, we still favour equities over government bonds. We are constructive on emerging market hard currency and local debt.

##### **Outlook**

As we enter 2022, our stance remains largely unchanged. We will continue to closely evaluate price movements in markets, while holding a range of relatively riskier assets in view of our belief in an ongoing global recovery.

We expect continued near-term pressure on bonds and equities as rates adjust to more hawkish central bank rhetoric, albeit offset in the case of equities by robust growth. However, we consider that the market could well become too hawkish for its own good, particularly if inflation does moderate somewhat. We continue to value selected emerging market bonds for their attractive yield.

We maintain a significant allocation to cash to allow us to respond to market volatility – though we will also make the decision to maintain our existing positioning where we consider this to be more appropriate.

**M&G Investment Management Limited**  
**28 April 2022**



## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF COMPREHENSIVE INCOME

#### M&G Worldwide Managed Fund

		For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Income</b>			
Interest income		1,418	2,152
Dividend income		569,583	653,005
Other income		5,483	48,016
Net gain from financial instruments at fair value through profit or loss		69,425,249	8,376,467
<b>Total income</b>		<b>70,001,733</b>	<b>9,079,640</b>
<b>Expenses</b>			
Operating expenses	4	(3,882,699)	(3,341,680)
<b>Total operating expenses</b>		<b>(3,882,699)</b>	<b>(3,341,680)</b>
Rebate	6	1,336,782	1,543,156
<b>Profit for the financial year before finance costs</b>		<b>67,455,816</b>	<b>7,281,116</b>
<b>Finance costs</b>			
Interest paid		(1,589)	(4,096)
<b>Profit for the financial year before taxation</b>		<b>67,454,227</b>	<b>7,277,020</b>
<b>Taxation</b>	2		
Withholding tax		(38,384)	–
<b>Total taxation</b>		<b>(38,384)</b>	<b>–</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>67,415,843</b>	<b>7,277,020</b>

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF FINANCIAL POSITION**

**M&G Worldwide Managed Fund**

	Note	As at 31 December 2021 USD	As at 31 December 2020 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	474,663,741	488,972,914
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	719,318	354,228
Cash	2	7,476,023	5,458,957
Broker cash held as collateral for financial derivative instruments		25,558	-
Receivables		3,891,448	591,776
<b>Total assets</b>		<b>486,776,088</b>	<b>495,377,875</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(255,885)	(188,390)
Payables and other accrued expenses		(601,253)	(433,147)
<b>Total liabilities (excluding net assets attributable to participating shareholders)</b>		<b>(857,138)</b>	<b>(621,537)</b>
<b>Net assets attributable to participating shareholders</b>		<b>485,918,950</b>	<b>494,756,338</b>
<b>Net asset value (NAV) per participating share</b>			
		<b>As at 31 December 2021</b>	<b>As at 31 December 2020</b>
Number of Shares:			
- Class C Acc		323,571,090	370,569,665
- Class E Acc		5,559,856	12,415,236
Net assets attributable to participating shareholder			
- Class C Acc	<b>USD</b>	477,673,770	478,662,268
- Class E Acc	<b>USD</b>	8,245,180	16,094,070
NAV per Share			
- Class C Acc	<b>USD</b>	1.4763	1.2917
- Class E Acc	<b>USD</b>	1.4830	1.2963

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

**For and on behalf of the Board**

**Director: Raymond O'Neill**



**Director: Brian Fennessy**



**28 April 2022**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING SHARES**

**M&G Worldwide Managed Fund**

	Notes	For the year ended December 2021 USD	For the year ended December 2020 USD
<b>Net assets attributable to participating shareholders at the beginning of the financial year</b>		<b>494,756,338</b>	<b>595,200,318</b>
Proceeds from participating shares issued	5	113,287,769	81,979,000
Payments for redemption of participating shares	5	(189,541,000)	(189,700,000)
<b>Net (decrease) from share transactions</b>		<b>(76,253,231)</b>	<b>(107,721,000)</b>
Changes in net assets attributable to holders of participating shares		67,415,843	7,277,020
<b>Net assets attributable to participating shareholders at the end of the financial year</b>		<b>485,918,950</b>	<b>494,756,338</b>

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

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CASH FLOWS

#### M&G Worldwide Managed Fund

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to participating shareholders	67,415,843	7,277,020
<b>Adjustments to reconcile changes in net assets attributable to holders of participating shares to net cash inflows from operating activities</b>		
Financial assets at fair value through profit or loss	13,944,083	98,852,225
Operating receivables	(348,672)	(191,004)
Financial liabilities at fair value through profit or loss	67,495	(240,925)
Accrued expenses	168,106	(140,091)
<b>Net cash inflows from operating activities</b>	<b>81,246,855</b>	<b>105,557,225</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	110,336,769	82,171,000
Payments from redemption of participating shares	(189,541,000)	(189,700,000)
<b>Net cash (outflows) from financing activities</b>	<b>(79,204,231)</b>	<b>(107,529,000)</b>
Net increase/(decrease) in cash	2,017,066	(1,971,775)
Net increase in broker cash held as collateral for financial derivative instruments	25,558	-
<b>Net increase/decrease in cash and cash equivalents</b>	<b>2,042,624</b>	<b>(1,971,775)</b>
Cash at beginning of the year	5,458,957	7,430,732
<b>Cash and cash equivalents at the beginning of the year</b>	<b>5,458,957</b>	<b>7,430,732</b>
Cash at end of the year	7,476,023	5,458,957
Broker cash held as collateral for financial derivative instruments at end of the year	25,558	-
<b>Cash and cash equivalents at the end of the year</b>	<b>7,501,581</b>	<b>5,458,957</b>
<b>Supplemental information</b>		
Interest received	1,635,096	1,182,812
Interest paid	(1,589)	(4,096)
Dividends received	568,408	653,005

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited)**

**As at 31 December 2021**

**M&G Worldwide Managed Fund**

**Investments 97.68% (31 December 2020: 98.83%)**

Security Description	Fair Value USD	% of Net Assets
<b>Equities Nil (31 December 2020: 0.58%)</b>		
<b>Fixed Income 10.95% (31 December 2020: 10.38%)</b>		
Brazil	3,253,264	0.67
Chile	3,089,044	0.64
China	5,250,317	1.08
Mexico	3,425,721	0.70
South Africa	8,027,022	1.65
Turkey	6,230,417	1.28
United States of America	<u>23,934,059</u>	<u>4.93</u>
<b>Total Fixed Income</b>	<b><u>53,209,844</u></b>	<b><u>10.95</u></b>
<b>Number of Shares</b>	<b>Fair Value USD</b>	<b>% of Net Assets</b>
<b>Investment Funds 86.73% (31 December 2020: 87.87%)</b>		
<b>Ireland</b>		
378,920 Vanguard S&P 500 UCITS ETF	33,106,240	6.81
Other Ireland	<u>27,651,142</u>	<u>5.69</u>
	<u>60,757,382</u>	<u>12.50</u>
<b>Luxembourg</b>		
5,701,681 Amundi MSCI Emerging Markets UCITS ETF	32,639,273	6.72
2,461,740 M&G Lux Investment Funds 1 - M&G Lux Global Maxima Fund	38,231,561	7.87
998,001 Xtrackers S&P 500 Swap UCITS ETF	90,808,111	18.69
Other Luxembourg	<u>52,098,029</u>	<u>10.71</u>
	<u>213,776,974</u>	<u>43.99</u>
<b>United Kingdom</b>		
734,951 M&G Investment Funds 1 - Japan Fund	28,692,283	5.90
1,037,747 M&G Investment Funds 1 - M&G Global Select Fund	48,388,659	9.96
29,432,876 M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund	51,972,473	10.70
Other United Kingdom	<u>17,866,126</u>	<u>3.68</u>
	<u>146,919,541</u>	<u>30.24</u>
<b>Total Investment Funds</b>	<b><u>421,453,897</u></b>	<b><u>86.73</u></b>
<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>474,663,741</u></b>	<b><u>97.68</u></b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited) (continued)**

**As at 31 December 2021**

**M&G Worldwide Managed Fund (continued)**

**Financial Derivative Instruments 0.10% (31 December 2020: 0.03%)**

**Open Forward Foreign Currency Exchange Contracts 0.10% (31 December 2020: 0.03%)**

<b>Maturity Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Gain USD</b>	<b>% of Net Assets</b>
11/03/2022	EUR	4,200,099	USD	4,762,322	20,434	0.00
11/03/2022	USD	7,625,723	JPY	867,050,000	92,535	0.02
19/09/2022	TRY	87,257,500	USD	4,773,386	606,349	0.13
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>719,318</b>	<b>0.15</b>

<b>Maturity Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Loss USD</b>	<b>% of Net Assets</b>
11/03/2022	USD	10,013,133	GBP	7,583,810	(255,885)	(0.05)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(255,885)</b>	<b>(0.05)</b>

<b>Total Financial Derivative Instruments</b>	<b>463,433</b>	<b>0.10</b>
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<b>Total Investments (31 December 2020: 98.86%)</b>	<b>475,127,174</b>	<b>97.78</b>
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<b>Other Net Assets (31 December 2020: 1.14%)</b>	<b>10,791,776</b>	<b>2.22</b>
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<b>Net Assets Attributable to Participating Shareholders</b>	<b>485,918,950</b>	<b>100.00</b>
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The counterparties for the open forward foreign currency exchange contracts are HSBC Bank Plc, JP Morgan Securities Plc and UBS AG.

Full portfolio statement is available on demand of unit holders.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****OTHER INFORMATION (Unaudited)****M&G Worldwide Managed Fund****For the financial year ended 31 December 2021****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>2,061,080</b>	<b>1,274,275</b>
<b>Realised gain on:</b>		
Investments	38,916,222	13,796,715
Derivatives	668	5,336,685
Foreign currency	38,222	2,985
	<u>38,955,112</u>	<u>19,136,385</u>
<b>Realised loss on:</b>		
Investments	(3,835,989)	(41,755,879)
Derivatives	-	(52,333)
Foreign currency	(3,953,819)	(274,459)
	<u>(7,789,808)</u>	<u>(42,082,671)</u>
<b>Net realised gain/(loss) on investments and derivatives</b>	<b>31,165,304</b>	<b>(22,946,286)</b>
<b>Unrealised gain on:</b>		
Investments	52,338,357	42,286,864
Derivatives	365,090	595,153
Foreign currency	1,175	17,358
	<u>52,704,622</u>	<u>42,899,375</u>
<b>Unrealised loss on:</b>		
Investments	(16,385,451)	(12,850,897)
Derivatives	(67,495)	-
Foreign currency	(52,811)	-
	<u>(16,505,757)</u>	<u>(12,850,897)</u>
<b>Net unrealised gain on investments and derivatives</b>	<b>36,198,865</b>	<b>30,048,478</b>
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>69,425,249</b>	<b>8,376,467</b>

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Worldwide Managed Fund

#### For the financial year ended 31 December 2021

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##### Net asset value per participating share

The following tables show the NAV attributable to holders of participating shares, the number of shares and the NAV per share at 31 December 2021, 31 December 2020 and 31 December 2019.

	<b>NAV attributable to holders of participating shares at 31 December 2021 USD</b>	<b>Number of shares at 31 December 2021</b>	<b>NAV per share at 31 December 2021 USD</b>
C Acc	477,673,770	323,571,090	1.4763
E Acc	8,245,180	5,559,856	1.4830
	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>
C Acc	478,662,268	370,569,665	1.2917
E Acc	16,094,070	12,415,236	1.2963
	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>
C Acc	566,304,213	474,422,151	1.1937
E Acc	28,896,105	24,145,508	1.1967



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited)**

**As at 31 December 2021**

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**M&G Worldwide Real Return Fund**

**Market commentary**

Most stock-markets generated robust gains in 2021, helped by multi-trillion dollar support packages from governments and central banks, as well as the reopening of businesses as vaccines were rolled out around the world. This all helped the global economy to recover from the coronavirus pandemic and also contributed to healthy growth in corporate earnings. This was despite notable sell-offs when inflation began to rise rapidly in September, and when the Omicron variant was discovered in November.

The strongest-performing equity markets included France, the S&P 500 in the US and Italy. Emerging markets were weaker, particularly China, along with Brazil, Turkey and Hong Kong.

Fixed income markets had a fairly poor year as central banks became gradually more hawkish in the face of inflation that appeared to be higher and more persistent than had been forecast. As a result, government bond markets declined over the year. Most credit markets also weakened, although high yield bonds rallied modestly.

Many emerging market currencies declined, especially the Turkish lira, which collapsed as interest rates were cut despite soaring inflation. In this environment, the funds produced an absolute return of 8.6%.

**Absolute performance**

*Main contributors:* Broad global equities particularly from the US; M&G's factor investing and machine learning funds; Chinese government bonds

*Main detractors:* European corporate bonds; Chinese equities

**Relative performance**

Overall, the portfolios outperformed the reference index by 2.1%. The underweight to fixed income was positive owing to both allocation and selection. The overweight to equity was positive owing to a robust return from both allocation and, to a lesser extent, selection.

*Fixed income*

For fixed income, the overweight to long-dated US Treasuries was the key contributor to performance within government debt, followed by the South African rand and Chinese renminbi while Chilean and Turkish debt detracted. The overweight to corporate debt produced a small positive return.

*Equities*

Equities contributed to performance, driven by selection, while country allocation detracted. The underweight position in the US dollar, South Korean won and Hong Kong dollar contributed, as did the overweight to the Japanese yen. By contrast, overweight exposure to the Indonesian rupiah and sterling detracted. Sector allocation had a small effect overall, with the largest share of outperformance mainly coming from selection within industrials, consumer discretionary and IT (although the underweight allocation to IT was negative).

At individual holding level, being underweight to Nvidia, Apple and Tesla were the largest detractors, while the overweights to Manhattan Associates and Johnson Controls were the main contributors.

**Positioning/changes**

Early in the year, we reduced equity exposure, particularly to the US, following very strong price performance. Later in the year we added to Chinese equities on the basis of their very rapid sell-off.

Over the course of the year we reduced our exposure to investment grade credit on the basis of increasingly tight spreads and meaningful duration risk in favour of emerging market bonds. The increasing weight to local and hard currency emerging market positions was based on their attractive yield coupled with bouts of price weakness. Initially, in order to maintain portfolio duration, we also increased exposure to 30-year US Treasuries. Towards the end of the year, we reduced and then closed exposure to 30-year US Treasuries in response to the decline in yields, with the proceeds going to cash.

We now have a more muted preference for equities than previously, although we retain a preference for ex-US equity exposure. However, we still favour equities over government bonds. We are constructive on emerging market hard currency and local debt.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **INVESTMENT MANAGER'S REPORTS (Unaudited) (continued)**

**As at 31 December 2021**

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#### **M&G Worldwide Real Return Fund (continued)**

##### **Outlook**

As we enter 2022, our stance remains largely unchanged. We will continue to closely evaluate price movements in markets, while holding a range of relatively riskier assets in view of our belief in an ongoing global recovery.

We expect continued near-term pressure on bonds and equities as rates adjust to more hawkish central bank rhetoric, albeit offset in the case of equities by robust growth. However, we consider that the market could well become too hawkish for its own good, particularly if inflation does moderate somewhat. We continue to value selected emerging market bonds for their attractive yield.

We maintain a significant allocation to cash to allow us to respond to market volatility – though we will also make the decision to maintain our existing positioning where we consider this to be more appropriate.

**M&G Investment Management Limited**  
**28 April 2022**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF COMPREHENSIVE INCOME**

**M&G Worldwide Real Return Fund**

		For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Income</b>			
Interest income		865	2,032
Dividend income		471,560	692,314
Other income		4,319	1,430
Net gain/(loss) from financial instruments at fair value through profit or loss		20,364,964	(4,833,432)
<b>Total income/(expense)</b>		<b>20,841,708</b>	<b>(4,137,656)</b>
<b>Expenses</b>			
Operating expenses	4	(1,782,606)	(2,103,968)
<b>Total operating expenses</b>		<b>(1,782,606)</b>	<b>(2,103,968)</b>
Rebate	6	606,148	1,052,490
<b>Profit/(loss) for the financial year before finance costs</b>		<b>19,665,250</b>	<b>(5,189,134)</b>
<b>Finance costs</b>			
Interest paid		(1,953)	(2,638)
<b>Profit/(loss) for the financial year before taxation</b>		<b>19,663,297</b>	<b>(5,191,772)</b>
<b>Taxation</b>	2		
Withholding tax		(9,108)	—
<b>Total taxation</b>		<b>(9,108)</b>	<b>—</b>
<b>Changes in net assets attributable to equity shareholders</b>		<b>19,654,189</b>	<b>(5,191,772)</b>

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

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF FINANCIAL POSITION

#### M&G Worldwide Real Return Fund

	Note	As at 31 December 2021 USD	As at 31 December 2020 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	189,258,409	238,942,703
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	317,724	305,667
Cash	2	4,065,867	2,309,087
Broker cash held as collateral for financial derivative instruments		20,000	-
Receivables		536,778	427,702
<b>Total assets</b>		<b>194,198,778</b>	<b>241,985,159</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(93,225)	(167,954)
Payables and other accrued expenses		(258,158)	(234,024)
<b>Total liabilities</b>		<b>(351,383)</b>	<b>(401,978)</b>
<b>Net assets attributable to equity shareholders</b>		<b>193,847,395</b>	<b>241,583,181</b>
<b>Net asset value (NAV) per equity share</b>			
		As at 31 December 2021	As at 31 December 2020
Number of Shares:			
- Class C Acc		143,083,565	193,705,764
Net assets attributable to equity shareholders			
- Class C Acc	<b>USD</b>	193,847,395	241,583,181
NAV per Share			
- Class C Acc	<b>USD</b>	1.3548	1.2472

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

**For and on behalf of the Board**

**Director: Raymond O'Neill**



**Director: Brian Fennessy**



**28 April 2022**

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CHANGES IN EQUITY

#### M&G Worldwide Real Return Fund

	Notes	For the year ended December 2021 USD	For the year ended December 2020 USD
<b>Net assets attributable to equity shareholders at the beginning of the financial year</b>		<b>241,583,181</b>	<b>440,085,450</b>
Proceeds from equity shares issued	5	37,608,000	20,273,000
Payments for redemption of equity shares	5	(104,997,975)	(213,583,497)
<b>Net (decrease) from share transactions</b>		<b>(67,389,975)</b>	<b>(193,310,497)</b>
Changes in net assets attributable to holders of equity shares		19,654,189	(5,191,772)
<b>Net assets attributable to equity shareholders at the end of the financial year</b>		<b>193,847,395</b>	<b>241,583,181</b>

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF CASH FLOWS**

**M&G Worldwide Real Return Fund**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to equity shareholders	19,654,189	(5,191,772)
<b>Adjustments to reconcile changes in net assets attributable to holders of equity shares to net cash inflows from operating activities</b>		
Financial assets at fair value through profit or loss	49,672,237	189,932,459
Operating receivables	(90,076)	(65,936)
Financial liabilities at fair value through profit or loss	(74,729)	(293,128)
Accrued expenses	24,134	(206,753)
<b>Net cash inflows from operating activities</b>	<b>69,185,755</b>	<b>184,174,870</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity shares issued	37,589,000	25,920,000
Payments from redemption of equity shares	(104,997,975)	(214,235,497)
<b>Net cash (outflows) from financing activities</b>	<b>(67,408,975)</b>	<b>(188,315,497)</b>
Net increase/(decrease) in cash	1,756,780	(4,140,627)
Net increase in broker cash held as collateral for financial derivative	20,000	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,776,780</b>	<b>(4,140,627)</b>
Cash at the beginning of the year	2,309,087	6,449,714
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,309,087</b>	<b>6,449,714</b>
Cash at end of the year	4,065,867	2,309,087
Broker cash held as collateral for financial derivative instrument at the end of the year	20,000	-
<b>Cash and cash equivalents at the end of the year</b>	<b>4,085,867</b>	<b>2,309,087</b>
<b>Supplemental information</b>		
Interest received	1,147,012	921,310
Interest paid	(1,953)	(2,638)
Dividends received	471,281	692,314

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited) (continued)**

**As at 31 December 2021**

**M&G Worldwide Real Return Fund**

Investments 97.63% (31 December 2020: 98.91%)

Principal Amount	Security Description	Fair Value USD	% of Net Assets
<b>Equities Nil (31 December 2020: 0.85%)</b>			
<b>Fixed Income 20.98% (31 December 2020: 14.94%)</b>			
	Brazil	771,944	0.40
	Chile	731,763	0.38
	China	5,409,418	2.79
	Mexico	812,642	0.42
	South Africa	5,782,452	2.98
	Turkey	3,943,941	2.03
<b>United States of America</b>			
18,472,000	United States Treasury Bill 0.000% 02/03/2022	18,471,601	9.53
	Other United States of America	4,746,269	2.45
		<u>23,217,870</u>	<u>11.98</u>
	<b>Total Fixed Income</b>	<b><u>40,670,030</u></b>	<b><u>20.98</u></b>
Number of Shares	Security Description	Fair Value USD	% of Net Assets
<b>Investment Funds 76.65% (31 December 2020: 83.12%)</b>			
	<b>Ireland</b>	<u>10,221,873</u>	<u>5.27</u>
<b>Luxembourg</b>			
487,415	Eastspring Investments - US Investment Grade Bond Fund	13,120,237	6.77
1,387,266	M&G Lux Investment Funds 1 - M&G Lux Global Maxima Fund	21,544,657	11.12
227,730	Xtrackers S&P 500 Swap UCITS ETF	20,721,153	10.69
	Other Luxembourg	17,531,996	9.04
		<u>72,918,043</u>	<u>37.62</u>
<b>United Kingdom</b>			
305,954	M&G Investment Funds 1 - M&G Global Select Fund	14,266,198	7.36
14,526,067	M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund	25,650,080	13.23
	Other United Kingdom	25,532,185	13.17
		<u>65,448,463</u>	<u>33.76</u>
	<b>Total Investment Funds</b>	<b><u>148,588,379</u></b>	<b><u>76.65</u></b>
	<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>189,258,409</u></b>	<b><u>97.63</u></b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited) (continued)**

**As at 31 December 2021**

**M&G Worldwide Real Return Fund**

**Financial Derivative Instruments 0.12% (31 December 2020: 0.05%)**

**Open Forward Foreign Currency Exchange Contracts 0.12% (31 December 2020: (0.05%))**

<b>Maturity Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Gain USD</b>	<b>% of Net Assets</b>
11/03/2022	EUR	4,148,157	USD	4,703,427	20,181	0.01
19/09/2022	TRY	42,818,300	USD	2,342,358	297,543	0.16
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>317,724</b>	<b>0.17</b>

<b>Maturity Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Loss USD</b>	<b>% of Net Assets</b>
11/03/2022	JPY	203,493,000	USD	1,789,725	(21,718)	(0.01)
11/03/2022	USD	2,798,188	GBP	2,119,309	(71,507)	(0.04)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(93,225)</b>	<b>(0.05)</b>

<b>Total Financial Derivative Instruments</b>	<b>224,499</b>	<b>0.12</b>
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<b>Total Investments (31 December 2020: 98.96%)</b>	<b>189,482,908</b>	<b>97.75</b>
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<b>Other Net Assets (31 December 2020: 1.04%)</b>	<b>4,364,487</b>	<b>2.25</b>
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<b>Net Assets Attributable to Participating Shareholders</b>	<b>193,847,395</b>	<b>100.00</b>
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The counterparties for the open forward foreign currency exchange contracts are HSBC Bank Plc, JP Morgan Securities Plc and UBS AG.

Full portfolio statement is available on demand of unit holders.



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****OTHER INFORMATION (Unaudited)****M&G Worldwide Real Return Fund****For the financial year ended 31 December 2021****Net gains or losses from financial instruments at fair value through profit or loss**

	<b>For the year ended 31 December 2021 USD</b>	<b>For the year ended 31 December 2020 USD</b>
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>1,299,617</b>	<b>948,158</b>
<b>Realised gain on:</b>		
Investments	23,759,591	16,401,061
Derivatives	1,128	3,474,818
Foreign currency	41,863	457,171
	<u>23,802,582</u>	<u>20,333,050</u>
<b>Realised loss on:</b>		
Investments	(2,977,174)	(27,733,981)
Derivatives	–	(178,395)
Foreign currency	(2,759,816)	–
	<u>(5,736,990)</u>	<u>(27,912,376)</u>
<b>Net realised gain/(loss) on investments and derivatives</b>	<b>18,065,592</b>	<b>(7,579,326)</b>
<b>Unrealised gain on:</b>		
Investments	12,706,179	13,628,725
Derivatives	86,786	373,307
Foreign currency	279	33,614
	<u>12,793,244</u>	<u>14,035,646</u>
<b>Unrealised loss on:</b>		
Investments	(11,757,991)	(12,111,142)
Derivatives	–	(102,476)
Foreign currency	(35,498)	(24,292)
	<u>(11,793,489)</u>	<u>(12,237,910)</u>
<b>Net unrealised gain on investments and derivatives</b>	<b>999,755</b>	<b>1,797,736</b>
<b>Net gain/(loss) from financial instruments at fair value through profit or loss</b>	<b>20,364,964</b>	<b>(4,833,432)</b>

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Worldwide Real Return Fund

#### For the financial year ended 31 December 2021

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#### Net asset value per equity share

The following tables show the NAV attributable to holders of equity shares, the number of shares and the NAV per share at 31 December 2021, 31 December 2020 and 31 December 2019.

	<b>NAV attributable to holders of equity shares at 31 December 2021 USD</b>	<b>Number of shares at 31 December 2021</b>	<b>NAV per share at 31 December 2021 USD</b>
C Acc	193,847,395	143,083,565	1.3548
	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>
C Acc	241,583,181	193,705,764	1.2472
	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>
C Acc	440,085,450	379,742,731	1.1589

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited)**

**As at 31 December 2021**

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**M&G Worldwide Strategic Managed Fund**

**Market commentary**

Most stock-markets generated robust gains in 2021, helped by multi-trillion dollar support packages from governments and central banks, as well as the reopening of businesses as vaccines were rolled out around the world. This all helped the global economy to recover from the coronavirus pandemic and also contributed to healthy growth in corporate earnings. This was despite notable sell-offs when inflation began to rise rapidly in September, and when the Omicron variant was discovered in November.

The strongest-performing equity markets included France, the S&P 500 in the US and Italy. Emerging markets were weaker, particularly China, along with Brazil, Turkey and Hong Kong.

Fixed income markets had a fairly poor year as central banks became gradually more hawkish in the face of inflation that appeared to be higher and more persistent than had been forecast. As a result, government bond markets declined over the year. Most credit markets also weakened, although high yield bonds rallied modestly.

Many emerging market currencies declined, especially the Turkish lira, which collapsed as interest rates were cut despite soaring inflation. In this environment, the funds produced an absolute return of 14.8%.

**Absolute performance**

*Main contributors:* Broad global equities particularly from the US; M&G's factor investing and machine learning funds

*Main detractors:* European corporate bonds; Chinese equities; broad emerging market equities; US Treasuries held for diversification and duration management purposes

**Relative performance**

Overall, the portfolios produced a return of 1.1% relative to its reference index.

The return from equity was positive, owing mostly to selection, although allocation also played a part. The underweight allocation to fixed income was also positive, while selection detracted slightly.

*Fixed income*

The allocation to corporate debt detracted. For sovereign debt, which was positive overall, the overweight to South African government debt and long-dated US Treasuries, and the underweight to the euro were the main contributors, while the overweights to Chile and Brazil were the largest detractors.

*Equities*

For equities, selection was positive, with the largest contributions coming from US dollar, Japanese yen and euro stocks (although allocation was negative, particularly for the dollar and the yen). The overweight exposure to the Indonesian rupiah, sterling and Hong Kong dollar were the largest detractors. Sector allocation had a small effect overall, with the largest share of outperformance coming from selection within industrials, consumer discretionary, IT and materials. Energy and financials detracted, mainly owing to selection.

At individual holding level, being underweight to Nvidia and Apple and overweight to WH Smith were the largest detractors, while the overweights to Mitsui Osk Lines, Manhattan Associates and Johnson Controls were the main contributors.

**Positioning/changes**

In the first half of the year we reduced equity exposure, particularly to the US, following very strong price performance. Later in the year we added to Chinese equities on the basis of their very rapid sell-off.

Over the course of the year we reduced our exposure to investment grade credit on the basis of increasingly tight spreads and meaningful duration risk in favour of emerging market bonds. The increasing weight to local and hard currency emerging market positions was based on their attractive yield coupled with bouts of price weakness. Initially, in order to maintain portfolio duration, we also increased exposure to 30-year US Treasuries. Towards the end of the year, we reduced and then closed exposure to 30-year US Treasuries in response to the decline in yields, with the proceeds going to cash.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **INVESTMENT MANAGER'S REPORTS (Unaudited) (continued)**

**As at 31 December 2021**

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#### **M&G Worldwide Strategic Managed Fund (continued)**

##### **Positioning/changes (continued)**

We now have a more muted preference for equities than previously, although we retain a preference for ex-US equity exposure. However, we still favour equities over government bonds. We are constructive on emerging market hard currency and local debt.

##### **Outlook**

As we enter 2022, our stance remains largely unchanged. We will continue to closely evaluate price movements in markets, while holding a range of relatively riskier assets in view of our belief in an ongoing global recovery.

We expect continued near-term pressure on bonds and equities as rates adjust to more hawkish central bank rhetoric, albeit offset in the case of equities by robust growth. However, we consider that the market could well become too hawkish for its own good, particularly if inflation does moderate somewhat. We continue to value selected emerging market bonds for their attractive yield.

We maintain a significant allocation to cash to allow us to respond to market volatility – though we will also make the decision to maintain our existing positioning where we consider this to be more appropriate.

**M&G Investment Management Limited**  
**28 April 2022**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF COMPREHENSIVE INCOME**

**M&G Worldwide Strategic Managed Fund**

		For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Income</b>			
Interest income		56	456
Dividend income		99,417	118,865
Other income		1,116	–
Net gain from financial instruments at fair value through profit or loss		13,613,696	1,368,499
<b>Total income</b>		<b>13,714,285</b>	<b>1,487,820</b>
<b>Expenses</b>			
Operating expenses	4	(747,141)	(627,601)
<b>Total operating expenses</b>		<b>(747,141)</b>	<b>(627,601)</b>
Rebate	6	269,172	301,281
<b>Profit for the financial year before finance costs</b>		<b>13,236,316</b>	<b>1,161,500</b>
<b>Finance costs</b>			
Interest paid		(171)	(312)
<b>Profit for the financial year before taxation</b>		<b>13,236,145</b>	<b>1,161,188</b>
<b>Taxation</b>	2		
Withholding tax		(7,174)	–
<b>Total taxation</b>		<b>(7,174)</b>	<b>–</b>
<b>Changes in net assets attributable to equity shareholders</b>		<b>13,228,971</b>	<b>1,161,188</b>

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

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF FINANCIAL POSITION

#### M&G Worldwide Strategic Managed Fund

	Note	As at 31 December 2021 USD	As at 31 December 2020 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	92,036,131	89,483,316
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	132,733	64,999
Cash	2	1,189,222	615,170
Broker cash held as collateral for financial derivative instruments		10,000	-
Receivables		914,193	112,739
<b>Total assets</b>		<b>94,282,279</b>	<b>90,276,224</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(44,226)	(32,561)
Payables and other accrued expenses		(111,642)	(81,222)
<b>Total liabilities</b>		<b>(155,868)</b>	<b>(113,783)</b>
<b>Net assets attributable to equity shareholders</b>		<b>94,126,411</b>	<b>90,162,441</b>
<b>Net asset value (NAV) per equity share</b>			
		As at 31 December 2021	As at 31 December 2020
Number of Shares:			
- Class C Acc		63,540,949	69,873,124
Net assets attributable to equity shareholders			
- Class C Acc	<b>USD</b>	94,126,411	90,162,441
NAV per Share			
- Class C Acc	<b>USD</b>	1.4814	1.2904

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

For and on behalf of the Board

Director: Raymond O'Neill



Director: Brian Fennessy



28 April 2022

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CHANGES IN EQUITY

#### M&G Worldwide Strategic Managed Fund

	Notes	For the year ended December 2021 USD	For the year ended December 2020 USD
<b>Net assets attributable to equity shareholders at the beginning of the financial year</b>		<b>90,162,441</b>	<b>110,081,253</b>
Proceeds from equity shares issued	5	5,361,999	4,075,000
Payments for redemption of equity shares	5	(14,627,000)	(25,155,000)
<b>Net (decrease) from share transactions</b>		<b>(9,265,001)</b>	<b>(21,080,000)</b>
Changes in net assets attributable to holders of equity shares		13,228,971	1,161,188
<b>Net assets attributable to equity shareholders at the end of the financial year</b>		<b>94,126,411</b>	<b>90,162,441</b>

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF CASH FLOWS**

**M&G Worldwide Strategic Managed Fund**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to equity shareholders	13,228,971	1,161,188
<b>Adjustments to reconcile changes in net assets attributable to holders of equity shares to net cash inflows from operating activities</b>		
Financial assets at fair value through profit or loss	(2,620,549)	19,502,030
Operating receivables	(63,454)	(28,899)
Financial liabilities at fair value through profit or loss	11,665	(42,875)
Accrued expenses	30,420	(29,068)
<b>Net cash inflows from operating activities</b>	<b>10,587,053</b>	<b>20,562,376</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity shares issued	4,623,999	4,075,000
Payments from redemption of equity shares	(14,627,000)	(25,155,000)
<b>Net cash (outflows) from financing activities</b>	<b>(10,003,001)</b>	<b>(21,080,000)</b>
Net increase/(decrease) in cash	574,052	(517,624)
Net increase in broker cash held as collateral for financial derivative instruments	10,000	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>584,052</b>	<b>(517,624)</b>
Cash at beginning of the year	615,170	1,132,794
<b>Cash and cash equivalents at beginning of the year</b>	<b>615,170</b>	<b>1,132,794</b>
Cash at end of the year	1,189,222	615,170
Broker cash held as collateral for financial derivative instruments at end of the year	10,000	-
<b>Cash and cash equivalents at end of the year</b>	<b>1,199,222</b>	<b>615,170</b>
<b>Supplemental information</b>		
Interest received	303,758	229,360
Interest paid	(171)	(312)
Dividends received	99,197	118,865

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



## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### CONDENSED SCHEDULE OF INVESTMENTS (Unaudited)

As at 31 December 2021

#### M&G Worldwide Strategic Managed Fund

Investments 97.78% (31 December 2020: 99.25%)

Security Description	Fair Value USD	% of Net Assets	
<b>Equities Nil (31 December 2020: 0.56%)</b>			
<b>Fixed Income 10.67% (31 December 2020: 10.42%)</b>			
Brazil	608,005	0.65	
Chile	575,355	0.61	
China	1,002,333	1.06	
Mexico	640,335	0.68	
South Africa	1,465,661	1.56	
Turkey	1,179,918	1.25	
United States of America	<u>4,576,322</u>	<u>4.86</u>	
<b>Total Fixed Income</b>	<b><u>10,047,929</u></b>	<b><u>10.67</u></b>	
Number of Shares	Fair Value USD	% of Net Assets	
<b>Investment Funds 87.11% (31 December 2020: 88.27%)</b>			
<b>Ireland</b>			
76,323	Vanguard S&P 500 UCITS ETF	6,668,341	7.08
	Other Ireland	<u>5,930,249</u>	<u>6.30</u>
		<u>12,598,590</u>	<u>13.38</u>
<b>Luxembourg</b>			
1,123,358	Amundi MSCI Emerging Markets UCITS ETF	6,430,663	6.83
467,678	M&G Lux Investment Funds 1 - M&G Lux Global Maxima Fund	7,263,180	7.72
194,821	Xtrackers S&P 500 Swap UCITS ETF	17,726,763	18.83
	Other Luxembourg	<u>9,790,560</u>	<u>10.41</u>
		<u>41,211,166</u>	<u>43.79</u>
<b>United Kingdom</b>			
142,847	M&G Investment Funds 1 - Japan Fund	5,576,707	5.92
207,568	M&G Investment Funds 1 - M&G Global Select Fund	9,678,599	10.28
5,478,714	M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund	9,674,295	10.28
	Other United Kingdom	<u>3,248,845</u>	<u>3.46</u>
		<u>28,178,446</u>	<u>29.94</u>
<b>Total Investment Funds</b>	<b><u>81,988,202</u></b>	<b><u>87.11</u></b>	
<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>92,036,131</u></b>	<b><u>97.78</u></b>	

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited) (continued)**

**As at 31 December 2021**

**M&G Worldwide Strategic Managed Fund (continued)**

**Financial Derivative Instruments 0.09% (31 December 2020: 0.03%)**

**Open Forward Foreign Currency Exchange Contracts 0.09% (31 December 2020: 0.03%)**

<b>Maturity Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Gain USD</b>	<b>% of Net Assets</b>
11/03/2022	EUR	795,651	USD	902,156	3,871	0.00
11/03/2022	USD	1,450,563	JPY	164,930,000	17,602	0.02
19/09/2022	TRY	16,011,150	USD	875,883	111,260	0.12
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>132,733</b>	<b>0.14</b>

<b>Maturity Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Loss USD</b>	<b>% of Net Assets</b>
11/03/2021	USD	1,730,640	GBP	1,310,763	(44,226)	(0.05)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(44,226)</b>	<b>(0.05)</b>

<b>Total Financial Derivative Instruments</b>	<b>88,507</b>	<b>0.09</b>
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<b>Total Investments (31 December 2020: 99.28%)</b>	<b>92,124,638</b>	<b>97.87</b>
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<b>Other Net Assets (31 December 2020: 0.72%)</b>	<b>2,001,773</b>	<b>2.13</b>
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<b>Net Assets Attributable to Participating Shareholders</b>	<b>94,126,411</b>	<b>100.00</b>
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The counterparties for the open forward foreign currency exchange contracts are HSBC Bank Plc, JP Morgan Securities Plc and UBS AG.

Full portfolio statement is available on demand of unit holders.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****OTHER INFORMATION (Unaudited)****M&G Worldwide Strategic Managed Fund****For the financial year ended 31 December 2021****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>384,359</b>	<b>238,415</b>
<b>Realised gain on:</b>		
Investments	5,902,352	2,469,682
Derivatives	120	998,614
Foreign currency	4,567	2,571
	<u>5,907,039</u>	<u>3,470,867</u>
<b>Realised loss on:</b>		
Investments	(776,573)	(7,067,822)
Derivatives	-	(120)
Foreign currency	(727,788)	(61,401)
	<u>(1,504,361)</u>	<u>(7,129,343)</u>
<b>Net realised gain/(loss) on investments and derivatives</b>	<b>4,402,678</b>	<b>(3,658,476)</b>
<b>Unrealised gain on:</b>		
Investments	11,880,690	7,206,044
Derivatives	67,734	107,874
Foreign currency	222	2,710
	<u>11,948,646</u>	<u>7,316,628</u>
<b>Unrealised loss on:</b>		
Investments	(3,100,687)	(2,528,068)
Derivatives	(11,665)	-
Foreign currency	(9,635)	-
	<u>(3,121,987)</u>	<u>(2,528,068)</u>
<b>Net unrealised gain on investments and derivatives</b>	<b>8,826,659</b>	<b>4,788,560</b>
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>13,613,696</b>	<b>1,368,499</b>

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Worldwide Strategic Managed Fund

For the financial year ended 31 December 2021

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#### Net asset value per equity share

The following tables show the NAV attributable to holders of equity shares, the number of shares and the NAV per share at 31 December 2021, 31 December 2020 and 31 December 2019.

	<b>NAV attributable to holders of equity shares at 31 December 2021 USD</b>	<b>Number of shares at 31 December 2021</b>	<b>NAV per share at 31 December 2021 USD</b>
C Acc	94,126,411	63,540,949	1.4814
	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>
C Acc	90,162,441	69,873,124	1.2904
	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>
C Acc	110,081,253	92,247,880	1.1933
E Acc*	-	-	-

\*This class terminated on 29 September 2019.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited)**

**As at 31 December 2021**

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**M&G Worldwide Strategic Real Return Fund**

**Market commentary**

Most stock-markets generated robust gains in 2021, helped by multi-trillion dollar support packages from governments and central banks, as well as the reopening of businesses as vaccines were rolled out around the world. This all helped the global economy to recover from the coronavirus pandemic and also contributed to healthy growth in corporate earnings. This was despite notable sell-offs when inflation began to rise rapidly in September, and when the Omicron variant was discovered in November.

The strongest-performing equity markets included France, the S&P 500 in the US and Italy. Emerging markets were weaker, particularly China, along with Brazil, Turkey and Hong Kong.

Fixed income markets had a fairly poor year as central banks became gradually more hawkish in the face of inflation that appeared to be higher and more persistent than had been forecast. As a result, government bond markets declined over the year. Most credit markets also weakened, although high yield bonds rallied modestly.

Many emerging market currencies declined, especially the Turkish lira, which collapsed as interest rates were cut despite soaring inflation. In this environment, the funds produced an absolute return of 8.9%.

**Absolute performance**

*Main contributors:* Broad global equities particularly from the US; M&G's factor investing and machine learning funds; Chinese government bonds

*Main detractors:* European corporate bonds; Chinese equities

**Relative performance**

Overall, the portfolios outperformed the reference index by 2.4%. The underweight to fixed income was positive owing to both allocation and selection. The overweight to equity was positive owing to a robust return from both allocation and, to a lesser extent, selection.

*Fixed income*

For fixed income, the overweight to long-dated US Treasuries was the key contributor to performance within government debt, followed by the South African rand and Chinese renminbi while Chilean and Turkish debt detracted. The overweight to corporate debt produced a small positive return.

*Equities*

Equities contributed to performance, driven by selection, while country allocation detracted. The underweight position in the US dollar, South Korean won and Hong Kong dollar contributed, as did the overweight to the Japanese yen. By contrast, overweight exposure to the Indonesian rupiah and sterling detracted. Sector allocation had a small effect overall, with the largest share of outperformance mainly coming from selection within industrials, consumer discretionary and IT (although the underweight allocation to IT was negative).

At individual holding level, being underweight to Nvidia, Apple and Tesla were the largest detractors, while the overweights to Manhattan Associates and Johnson Controls were the main contributors.

**Positioning/changes**

Early in the year, we reduced equity exposure, particularly to the US, following very strong price performance. Later in the year we added to Chinese equities on the basis of their very rapid sell-off.

Over the course of the year we reduced our exposure to investment grade credit on the basis of increasingly tight spreads and meaningful duration risk in favour of emerging market bonds. The increasing weight to local and hard currency emerging market positions was based on their attractive yield coupled with bouts of price weakness. Initially, in order to maintain portfolio duration, we also increased exposure to 30-year US Treasuries. Towards the end of the year, we reduced and then closed exposure to 30-year US Treasuries in response to the decline in yields, with the proceeds going to cash.

We now have a more muted preference for equities than previously, although we retain a preference for ex-US equity exposure. However, we still favour equities over government bonds. We are constructive on emerging market hard currency and local debt.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**INVESTMENT MANAGER'S REPORTS (Unaudited) (continued)**

**As at 31 December 2021**

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**M&G Worldwide Strategic Real Return Fund (continued)**

**Outlook**

As we enter 2022, our stance remains largely unchanged. We will continue to closely evaluate price movements in markets, while holding a range of relatively riskier assets in view of our belief in an ongoing global recovery.

We expect continued near-term pressure on bonds and equities as rates adjust to more hawkish central bank rhetoric, albeit offset in the case of equities by robust growth. However, we consider that the market could well become too hawkish for its own good, particularly if inflation does moderate somewhat. We continue to value selected emerging market bonds for their attractive yield.

We maintain a significant allocation to cash to allow us to respond to market volatility – though we will also make the decision to maintain our existing positioning where we consider this to be more appropriate.

**M&G Investment Management Limited**  
**28 April 2022**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF COMPREHENSIVE INCOME**

**M&G Worldwide Strategic Real Return Fund**

		For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Income</b>			
Interest income		86	787
Dividend income		150,424	235,346
Other income		1,496	58
Net gain/(loss) from financial instruments at fair value through profit or loss		7,540,411	(1,362,852)
<b>Total income/(expense)</b>		<b>7,692,417</b>	<b>(1,126,661)</b>
<b>Expenses</b>			
Operating expenses	4	(664,057)	(729,250)
<b>Total operating expenses</b>		<b>(664,057)</b>	<b>(729,250)</b>
Rebate	6	239,237	360,393
<b>Profit/(loss) for the financial year before finance costs</b>		<b>7,267,597</b>	<b>(1,495,518)</b>
<b>Finance costs</b>			
Interest paid		(477)	(875)
<b>Profit/(loss) for the financial year before taxation</b>		<b>7,267,120</b>	<b>(1,496,393)</b>
<b>Taxation</b>	2		
Withholding tax		(3,055)	–
<b>Total taxation</b>		<b>(3,055)</b>	<b>–</b>
<b>Changes in net assets attributable to equity shareholders</b>		<b>7,264,065</b>	<b>(1,496,393)</b>

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF FINANCIAL POSITION**

**M&G Worldwide Strategic Real Return Fund**

	Note	As at 31 December 2021 USD	As at 31 December 2020 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	78,566,120	87,257,028
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	117,004	109,124
Cash	2	1,946,954	509,487
Broker cash held as collateral for financial derivative instruments		10,000	-
Receivables		190,205	144,176
<b>Total assets</b>		<b>80,830,283</b>	<b>88,019,815</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(37,670)	(58,540)
Payables and other accrued expenses		(103,201)	(87,928)
<b>Total liabilities</b>		<b>(140,871)</b>	<b>(146,468)</b>
<b>Net assets attributable to equity shareholders</b>		<b>80,689,412</b>	<b>87,873,347</b>
<b>Net asset value (NAV) per equity share</b>		<b>As at 31 December 2021</b>	<b>As at 31 December 2020</b>
Number of Shares:			
- Class C Acc		59,531,191	70,612,747
Net assets attributable to equity shareholders			
- Class C Acc	<b>USD</b>	80,689,412	87,873,347
NAV per Share			
- Class C Acc	<b>USD</b>	1.3554	1.2444

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

**For and on behalf of the Board**

**Director: Raymond O'Neill**



**Director: Brian Fennessy**



**28 April 2022**



## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### STATEMENT OF CHANGES IN EQUITY

#### M&G Worldwide Strategic Real Return Fund

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		For the year ended December 2021 USD	For the year ended December 2020 USD
<b>Net assets attributable to equity shareholders at the beginning of the financial year</b>	Notes	<b>87,873,347</b>	<b>146,467,740</b>
Proceeds from equity shares issued	5	3,541,000	2,075,000
Payments for redemption of equity shares	5	(17,989,000)	(59,173,000)
<b>Net (decrease) from share transactions</b>		<b>(14,448,000)</b>	<b>(57,098,000)</b>
Changes in net assets attributable to holders of equity shares		7,264,065	(1,496,393)
<b>Net assets attributable to equity shareholders at the end of the financial year</b>		<b>80,689,412</b>	<b>87,873,347</b>

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**STATEMENT OF CASH FLOWS**

**M&G Worldwide Strategic Real Return Fund**

	For the year ended 31 December 2021 USD	For the year ended 31 December 2020 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to equity shareholders	7,264,065	(1,496,393)
<b>Adjustments to reconcile changes in net assets attributable to holders of equity shares to net cash inflows from operating activities</b>		
Financial assets at fair value through profit or loss	8,683,028	57,088,768
Operating receivables	(41,029)	(40,898)
Financial liabilities at fair value through profit or loss	(20,870)	(70,821)
Accrued expenses	15,273	(60,454)
<b>Net cash inflows from operating activities</b>	<b>15,900,467</b>	<b>55,420,202</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity shares issued	3,536,000	2,075,000
Payments from redemption of equity shares	(17,989,000)	(59,173,000)
<b>Net cash (outflows) from financing activities</b>	<b>(14,453,000)</b>	<b>(57,098,000)</b>
Net increase/(decrease) in cash	1,437,467	(1,677,798)
Net increase in broker cash held as collateral for financial derivative	10,000	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,447,467</b>	<b>(1,677,798)</b>
Cash at beginning of the year	509,487	2,187,285
<b>Cash and cash equivalents at beginning of the year</b>	<b>509,487</b>	<b>2,187,285</b>
Cash at end of the year	1,946,954	509,487
Broker cash held as collateral for financial derivative instruments at end of the year	10,000	-
<b>Cash and cash equivalents at end of the year</b>	<b>1,956,954</b>	<b>509,487</b>
<b>Supplemental information</b>		
Interest received	389,106	292,461
Interest paid	(477)	(875)
Dividends received	150,330	235,346

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

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**  
**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited)**

**As at 31 December 2021**

**M&G Worldwide Strategic Real Return Fund**

**Investments 97.37% (31 December 2020: 84.59%)**

Principal Amount	Security Description	Fair Value USD	% of Net Assets
<b>Equities Nil (31 December 2020: 0.82%)</b>			
<b>Fixed Income 19.43% (31 December 2020: 14.71%)</b>			
	Brazil	258,923	0.32
	Chile	245,783	0.30
	China	2,219,452	2.75
	Mexico	272,463	0.34
	South Africa	1,934,718	2.40
	Turkey	1,314,666	1.63
<b>United States of America</b>			
7,693,000	United States Treasury Bill 0.000% 02/03/2022	7,692,834	9.53
	Other United States of America	1,741,879	2.16
		<u>9,434,713</u>	<u>11.69</u>
	<b>Total Fixed Income</b>	<b><u>15,680,718</u></b>	<b><u>19.43</u></b>
Number of Shares	Security Description	Fair Value USD	% of Net Assets
<b>Investment Funds 77.94% (31 December 2020: 83.77%)</b>			
	<b>Ireland</b>	<u>4,512,212</u>	<u>5.59</u>
<b>Luxembourg</b>			
207,239	Eastspring Investments - US Investment Grade Bond Fund	5,578,463	6.91
480,224	M&G Lux Investment Funds 1 - M&G Lux Global Maxima Fund	7,458,023	9.24
97,027	Xtrackers S&P 500 Swap UCITS ETF	8,828,486	10.95
	Other Luxembourg	7,916,288	9.81
		<u>29,781,260</u>	<u>36.91</u>
<b>United Kingdom</b>			
161,464	M&G Investment Funds 1 - M&G Global Select Fund	7,528,836	9.33
5,798,332	M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund	10,238,674	12.70
	Other United Kingdom	10,824,420	13.41
		<u>28,591,930</u>	<u>35.44</u>
	<b>Total Investment Funds</b>	<b><u>62,885,402</u></b>	<b><u>77.94</u></b>
	<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>78,566,120</u></b>	<b><u>97.37</u></b>

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**CONDENSED SCHEDULE OF INVESTMENTS (Unaudited) (continued)**

**As at 31 December 2021**

**M&G Worldwide Strategic Real Return Fund (continued)**

**Financial Derivative Instruments 0.10% (31 December 2020: 0.06%)**

**Open Forward Foreign Currency Exchange Contracts 0.10% (31 December 2020: 0.06%)**

<b>Maturity Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Gain USD</b>	<b>% of Net Assets</b>
11/03/2022	EUR	1,750,785	USD	1,985,144	8,518	0.01
19/09/2022	TRY	15,611,900	USD	854,043	108,486	0.14
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>117,004</b>	<b>0.15</b>

<b>Maturity Date</b>	<b>Currency Bought</b>	<b>Amount Bought</b>	<b>Currency Sold</b>	<b>Amount Sold</b>	<b>Unrealised Loss USD</b>	<b>% of Net Assets</b>
11/03/2022	JPY	70,175,000	USD	617,191	(7,489)	(0.01)
11/03/2022	USD	1,181,012	GBP	894,482	(30,181)	(0.04)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(37,670)</b>	<b>(0.05)</b>

<b>Total Financial Derivative Instruments</b>					<b>79,334</b>	<b>0.10</b>
<b>Total Investments (31 December 2020: 99.36)</b>					<b>78,645,454</b>	<b>97.47</b>
<b>Other Net Assets (31 December 2020: 0.64%)</b>					<b>2,043,958</b>	<b>2.53</b>
<b>Net Assets Attributable to Participating Shareholders</b>					<b>80,689,412</b>	<b>100.00</b>

The counterparties for the open forward foreign currency exchange contracts are HSBC Bank Plc, JP Morgan Securities Plc and UBS AG.

Full portfolio statement is available on demand of unit holders.

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****OTHER INFORMATION (Unaudited)****M&G Worldwide Strategic Real Return Fund****For the financial year ended 31 December 2021****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2021	For the year ended 31 December 2020 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>446,947</b>	<b>315,855</b>
<b>Realised gain on:</b>		
Investments	6,022,698	4,594,454
Derivatives	374	1,165,862
Foreign currency	12,103	155,735
	<u>6,035,175</u>	<u>5,916,051</u>
<b>Realised loss on:</b>		
Investments	(1,046,223)	(8,723,925)
Derivatives	-	(59,102)
Foreign currency	(1,002,661)	-
	<u>(2,048,884)</u>	<u>(8,783,027)</u>
<b>Net realised gain/(loss) on investments and derivatives</b>	<b><u>3,986,291</u></b>	<b><u>(2,866,976)</u></b>
<b>Unrealised gain on:</b>		
Investments	6,606,117	4,904,308
Derivatives	28,750	112,853
Foreign currency	96	5,832
	<u>6,634,963</u>	<u>5,022,993</u>
<b>Unrealised loss on:</b>		
Investments	(3,515,994)	(3,798,753)
Derivatives	-	(32,686)
Foreign currency	(11,796)	(3,285)
	<u>(3,527,790)</u>	<u>(3,834,724)</u>
<b>Net unrealised gain on investments and derivatives</b>	<b><u>3,107,173</u></b>	<b><u>1,188,269</u></b>
<b>Net gain/(loss) from financial instruments at fair value through profit or loss</b>	<b><u>7,540,411</u></b>	<b><u>(1,362,852)</u></b>

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### OTHER INFORMATION (Unaudited)

#### M&G Worldwide Strategic Real Return Fund

For the financial year ended 31 December 2021

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#### Net asset value per equity share

The following tables show the NAV attributable to holders of equity shares, the number of shares and the NAV per share at 31 December 2021, 31 December 2020 and 31 December 2019.

	<b>NAV attributable to holders of equity shares at 31 December 2021 USD</b>	<b>Number of shares at 31 December 2021</b>	<b>NAV per share at 31 December 2021 USD</b>
C Acc	80,689,412	59,531,191	1.3554
	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>	<b>at 31 December 2020</b>
C Acc	87,873,347	70,612,747	1.2444
	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>	<b>at 31 December 2019</b>
C Acc	146,467,740	126,343,029	1.1593

## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### SUPPLEMENTAL INFORMATION (Unaudited)

For the financial year ended 31 December 2021

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#### Schedule of Investments

A full Schedule of Investments for each Fund as at 31 December 2021 is available upon request from the Administrator free of charge.

#### Significant portfolio movements

A complete list of significant portfolio movements for the financial year ended 31 December 2021 is available upon request from the Administrator free of charge.

#### Exchange rates

The applicable financial year end exchange rates were as follows:

	As at 31 December 2021 Exchange Rate to USD	As at 31 December 2020 Exchange Rate to USD
Australian Dollar	1.3754	1.2959
Brazilian Real	5.5700	5.1942
Canadian Dollar	1.2632	1.2740
Chinese Yuan Renminbi Offshore	6.3591	6.4967
Chinese Yuan Renminbi Onshore	6.3734	6.5398
Chilean Peso	852.0000	710.5000
Colombian Peso	4,070.0000	3,420.5000
Danish Krone	6.5403	6.0835
Euro	0.8794	0.8173
Hong Kong Dollar	7.7963	7.7539
Indian Rupee	74.3357	73.0675
Indonesia Rupiah	14,252.5000	14,050.0000
Israeli Shekel	3.1124	3.2108
Japanese Yen	115.1550	103.2450
Malaysian Ringgit	4.1660	4.0225
Mexican Peso	20.4650	19.9255
Nigerian Naira	413.7500	394.7500
Norwegian Krone	8.8183	8.5620
Polsih Zloty	4.0304	3.7260
Pound Sterling	0.7383	0.7316
Singapore Dollar	1.3482	1.32165
South African Rand	15.9600	14.6888
South Korean Won	1,188.7500	1,086.3000
Swedish Krone	9.0539	8.2126
Taiwan New Dollar	27.6670	28.0980
Thai Baht	33.4050	29.9600
Turkish Lira	13.2798	7.4325

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **SUPPLEMENTAL INFORMATION (Unaudited)**

**For the financial year ended 31 December 2021**

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#### **Remuneration policy and practices of the Investment Manager**

The M&G group of companies (M&G Group) which includes M&G Investment Management Limited operates a remuneration policy which is consistent with the AIFMD, CRD III and UCITS Regulations. M&G Group is regulated by the Financial Conduct Authority (FCA). As such, M&G Group's remuneration policy is designed to ensure that it is consistent with the principles outlined in both SYSC19B (AIFM Remuneration Code) and SYSC19E (UCITS Remuneration Code) of the FCA Handbook, as required. The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its staff is in line with the risk policies and objectives. The remuneration policies and procedures of M&G Group are available at <http://www.mandg.com>.

M&G Group has identified populations of staff, known as Code Staff, in accordance with the BIPRU Remuneration Code (SYSC 19C.3.4R of the FCA Handbook) who have the ability to have a material impact on the risk profile of either M&G Group itself or any of M&G's authorised AIFMs or UCITS Managers (or any of the individual AIFs or UCITS funds). These populations are identified in line with the criteria included within relevant guidance but broadly include the relevant Boards of Directors, senior management, senior control function staff and other key risk takers. M&G Group ensures that it applies all of the necessary remuneration requirements that are required with consideration for the size, complexity and riskiness of the regulated entities in question. M&G Group discloses certain quantitative remuneration information for its Code Staff population in a manner that is appropriate to its size, internal organisation and the nature, scope and complexity of its activities.



## M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

### SUPPLEMENTAL INFORMATION (Unaudited)

For the financial year ended 31 December 2021

#### Underlying Collective Investment Schemes

The following table sets out information in respect of the underlying collective investment schemes held during the financial year ended 31 December 2021 and as at the financial year ended 31 December 2021. The information has been sourced from the underlying collective investment schemes' prospectuses.

Collective Investment Schemes	Domicile	Regulated by
Amundi MSCI Emerging Markets UCITS ETF	France	Autorité des marchés financiers (AMF)
Eastspring Investments - US Investment Grade Bond Fund	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
iShares Core Global Aggregate Bond Fund ETF	Ireland	Central Bank of Ireland (CBI)
iShares Core MSCI World UCITS ETF	Ireland	Central Bank of Ireland (CBI)
iShares EUR Corp Bond Interest Rate Hedged UCITS ETF	Ireland	Central Bank of Ireland (CBI)
iShares JP Morgan EM Local Government Bond UCITS ETF	Ireland	Central Bank of Ireland (CBI)
Lyxor MSCI China ESG Leaders Extra (DR) UCITS ETF	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
M&G Investment Funds 1 - M&G Global Sustain Paris Aligned Fund	United Kingdom	Financial Conduct Authority (FCA)
M&G Investment Funds 1 - M&G European Sustain Paris Aligned Fund	United Kingdom	Financial Conduct Authority (FCA)
M&G Investment Funds 1 - Japan Fund	United Kingdom	Financial Conduct Authority (FCA)
M&G Investment Funds 10 - Global Enhanced Equity Premia Fund	United Kingdom	Financial Conduct Authority (FCA)
M&G Investment Funds 3 - European Corporate Bond Fund	United Kingdom	Financial Conduct Authority (FCA)
M&G (Lux) Investment Funds 1 - M&G Lux Emerging Markets Hard Currency Bond Fund	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
M&G (Lux) Investment Funds 1 - M&G Lux Emerging Markets Hard Currency Bond Fund	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
M&G (Lux) Investment Funds 1 - M&G Lux European Strategic Value Fund	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
M&G (Lux) Investment Funds 1 - M&G (Lux) Global Maxima Fund	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
M&G Strategic Corporate Bond Fund	United Kingdom	Financial Conduct Authority (FCA)
SPDR Dow Jones Global Real Estate UCITS ETF	Ireland	Central Bank of Ireland (CBI)
Vanguard FTSE All-World UCITS ETF	Ireland	Central Bank of Ireland (CBI)
Vanguard S&P 500 UCITS ETF	Ireland	Central Bank of Ireland (CBI)
x-trackers MSCI Indonesia Swap UCITS ETF	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
x-trackers S&P 500 Swap UCITS ETF	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**SUPPLEMENTAL INFORMATION (Unaudited)**

**For the financial year ended 31 December 2021**

**Underlying Collective Investment Schemes (continued)**

<b>Collective Investment Schemes</b>	<b>Ongoing Charges (before any Rebates)</b>	<b>Performance Fees</b>	<b>Subscription Fees</b>	<b>Redemption Fees</b>	<b>Rebates</b>
Amundi MSCI Emerging Markets UCITS ETF	0.20% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Eastspring Investments - US Investment Grade Bond Fund	0.06% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
iShares Core Global Aggregate Bond Fund ETF	0.10% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
iShares Core MSCI World UCITS ETF	0.20% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
iShares EUR Corp Bond Interest Rate Hedged UCITS ETF	0.25% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
iShares JP Morgan EM Local Government Bond UCITS ETF	0.50% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Lyxor MSCI China ESG Leaders Extra (DR) UCITS ETF	0.65% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
M&G Investment Funds 1 - M&G Global Sustain Paris Aligned Fund	0.90% per annum	Not Applicable	Not Applicable	Not Applicable	0.90% per annum
M&G Investment Funds 1 - M&G European Sustain Paris Aligned Fund	0.55% per annum	Not Applicable	Not Applicable	Not Applicable	0.55% per annum
M&G Investment Funds 1 - Japan Fund	0.90% per annum	Not Applicable	Not Applicable	Not Applicable	0.90% per annum
M&G Investment Funds 10 - Global Enhanced Equity Premia Fund	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
M&G Investment Funds 3 - European Corporate Bond Fund	0.75% per annum	Not Applicable	Not Applicable	Not Applicable	0.75% per annum
M&G (Lux) Investment Funds 1 - M&G Lux Emerging Markets Hard Currency Bond Fund	0.76% per annum	Not Applicable	Not Applicable	Not Applicable	0.75% per annum
M&G (Lux) Investment Funds 1 - M&G Lux Emerging Markets Hard Currency Bond Fund	0.82% per annum	Not Applicable	Not Applicable	Not Applicable	0.75% per annum
M&G (Lux) Investment Funds 1 - M&G Lux European Strategic Value Fund	0.94% per annum	Not Applicable	Not Applicable	Not Applicable	0.88% per annum

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

**SUPPLEMENTAL INFORMATION (Unaudited)**

**For the financial year ended 31 December 2021**

**Underlying Collective Investment Schemes (continued)**

<b>Collective Investment Schemes</b>	<b>Ongoing Charges (before any Rebates)</b>	<b>Performance Fees</b>	<b>Subscription Fees</b>	<b>Redemption Fees</b>	<b>Rebates</b>
M&G (Lux) Investment Funds 1 - M&G (Lux)	0.19% per annum	Not Applicable	Not Applicable	Not Applicable	0.15% per annum
Global Maxima Fund	0.81% per annum	Not Applicable	Not Applicable	Not Applicable	0.81% per annum
M&G Strategic Corporate Bond Fund	0.40% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
SPDR Dow Jones Global Real Estate UCITS ETF	0.40% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Vanguard FTSE All-World UCITS ETF	0.22% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Vanguard S&P 500 UCITS ETF	0.07% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
x-trackers MSCI Indonesia Swap UCITS ETF	0.65% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
x-trackers S&P 500 Swap UCITS ETF	0.15% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable

The underlying securities of the funds don't take into account the EU criteria for ESG activities.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **Appendix I**

#### **Sustainable Finance Disclosure Regulation**

##### **For the financial year ended 31 December 2021**

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Regulation EU/2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability related disclosures in the financial services sector, as may be supplemented, consolidated, substituted in any form or otherwise modified from time to time Sustainable Finance Disclosure Regulation ("SFDR"), (the Taxonomy Regulation) came into force on 1 January 2022.

The Funds are classified as Article 6 pursuant to the SFDR. Accordingly, SFDR does not require the ICAV to provide any ongoing disclosures in the Semi-Annual or Annual Report for the Funds. For the purpose of the Taxonomy Regulation, it should be noted that the investments underlying each Fund do not take into account the EU criteria for environmentally sustainable economic activities.

## **M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV**

### **Appendix II**

#### **Securities Financing Transactions Regulation (Unaudited)**

##### **For the financial year ended 31 December 2021**

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Article 13 of Regulation (EU) 2015/2365 on transparency of securities financing transactions (SFTs) and of reuse and amending Regulation (EU) No 648/2012, requires UCITS investment companies to provide information in their annual and semi-annual reports, on the use made of SFTs, triggered by the need for enhanced transparency and reduced risk around SFTs. No such transactions were entered into by the Funds during the financial year ended 31 December 2021.