

**M&G (SOUTH AFRICA) 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 2022**

**Registration number: C164553**

# M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

## CONTENTS

For the financial year ended 31 December 2022

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### CONTENTS

Directors and Other Information	1
Directors' Report and Statement of Directors' Responsibilities	3
Depositary's Report	10
Independent Auditor's Report to the Shareholders of the Funds of M&G (South Africa) Global Funds ICAV	11
M&G Global Balanced Fund	
- Investment Manager's Report (Unaudited)	14
- Statement of Comprehensive Income	16
- Statement of Financial Position	17
- Statement of Changes in Net Assets Attributable to Holders of Participating Shares	18
- Statement of Cash Flows	19
- Condensed Schedule of Investments (Unaudited)	20
- Other Information (Unaudited)	22
M&G Global Bond Fund	
- Investment Manager's Report (Unaudited)	24
- Statement of Comprehensive Income	26
- Statement of Financial Position	27
- Statement of Changes in Net Assets Attributable to Holders of Participating Shares	28
- Statement of Cash Flows	29
- Condensed Schedule of Investments (Unaudited)	30
- Other Information (Unaudited)	33
M&G Global Equity Fund	
- Investment Manager's Report (Unaudited)	35
- Statement of Comprehensive Income	36
- Statement of Financial Position	37
- Statement of Changes in Net Assets Attributable to Holders of Participating Shares	38
- Statement of Cash Flows	39
- Condensed Schedule of Investments (Unaudited)	40
- Other Information (Unaudited)	42
M&G Global Fixed Income Fund	
- Investment Manager's Report (Unaudited)	44
- Statement of Comprehensive Income	46
- Statement of Financial Position	47
- Statement of Changes in Equity	48
- Statement of Cash Flows	49
- Condensed Schedule of Investments (Unaudited)	50
- Other Information (Unaudited)	51

# M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

## CONTENTS

For the financial year ended 31 December 2022

---

M&G Global Inflation Plus Fund	
- Investment Manager's Report (Unaudited)	53
- Statement of Comprehensive Income	55
- Statement of Financial Position	56
- Statement of Changes in Net Assets Attributable to Holders of Participating Shares	57
- Statement of Cash Flows	58
- Condensed Schedule of Investments (Unaudited)	59
- Other Information (Unaudited)	61
M&G Global Property Fund	
- Investment Manager's Report (Unaudited)	63
- Statement of Comprehensive Income	64
- Statement of Financial Position	65
- Statement of Changes in Net Assets Attributable to Holders of Participating Shares	66
- Statement of Cash Flows	67
- Condensed Schedule of Investments (Unaudited)	68
- Other Information (Unaudited)	69
M&G Worldwide Managed Fund	
- Investment Manager's Report (Unaudited)	71
- Statement of Comprehensive Income	73
- Statement of Financial Position	74
- Statement of Changes in Net Assets Attributable to Holders of Participating Shares	75
- Statement of Cash Flows	76
- Condensed Schedule of Investments (Unaudited)	77
- Other Information (Unaudited)	79
M&G Worldwide Real Return Fund	
- Investment Manager's Report (Unaudited)	81
- Statement of Comprehensive Income	83
- Statement of Financial Position	84
- Statement of Changes in Equity	85
- Statement of Cash Flows	86
- Condensed Schedule of Investments (Unaudited)	87
- Other Information (Unaudited)	89
M&G Worldwide Strategic Managed Fund	
- Investment Manager's Report (Unaudited)	91
- Statement of Comprehensive Income	93
- Statement of Financial Position	94
- Statement of Changes in Equity	95
- Statement of Cash Flows	96
- Condensed Schedule of Investments (Unaudited)	97
- Other Information (Unaudited)	99

# M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV

## CONTENTS

For the financial year ended 31 December 2022

---

M&G Worldwide Strategic Real Return Fund	
- Investment Manager's Report (Unaudited)	101
- Statement of Comprehensive Income	103
- Statement of Financial Position	104
- Statement of Changes in Equity	105
- Statement of Cash Flows	106
- Condensed Schedule of Investments (Unaudited)	107
- Other Information (Unaudited)	109
Notes to the Financial Statements	111
Supplemental Information (Unaudited)	183
Appendix I	188
Appendix II	189

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

### **DIRECTORS AND OTHER INFORMATION**

**For the financial year ended 31 December 2022**

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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)<sup>1</sup>  
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)<sup>2</sup>  
Mr. Brian Dunleavy (Irish resident and national)<sup>3</sup>

#### **REGISTERED OFFICE**

5 George's Dock (Up to 12 December 2022)  
IFSC  
Dublin 1  
Ireland

35 Shelbourne Road (From 12 December 2022)  
4th Floor Ballsbridge  
Dublin D04 A4E  
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)  
35 Shelbourne Road  
4th Floor Ballsbridge  
Dublin D04 A4E  
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)  
Protea Place  
40 Dreyer St  
Claremont  
Cape Town 7708  
South Africa

All Directors are Non Executive.

\*Independent

<sup>1</sup> retired on 1 January 2022

<sup>2</sup> appointed on 1 January 2022 and retired on 20 December 2022

<sup>3</sup> appointed on 20 December 2022

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

**For the financial year ended 31 December 2022**

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<b>DEPOSITARY</b>	State Street Custodial Services (Ireland) Limited 78 Sir John Rogerson's Quay Dublin D02 HD32 Ireland
<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 2022

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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 2022.

#### The ICAV

M&G (South Africa) Global Funds ICAV (the "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 to 2021 (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 2022 consists of ten constituent funds, (the "Funds"):

<u>Fund name</u>	<u>Launch date</u>
M&G Global Bond Fund	9 June 2017
M&G Global Equity Fund	9 June 2017
M&G Global Inflation Plus Fund	9 June 2017
M&G Global Balanced Fund	19 June 2017
M&G Worldwide Real Return Fund	19 June 2017
M&G Worldwide Strategic Real Return Fund	19 June 2017
M&G Worldwide Managed Fund	26 June 2017
M&G Worldwide Strategic Managed Fund	26 June 2017
M&G Global Fixed Income Fund	26 March 2018
M&G Global Property Fund	8 June 2021

The investments held by the Funds of the ICAV as at 31 December 2022 are detailed in the individual Funds' Condensed Schedule of Investments (Unaudited).

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.

#### 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.

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

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

**For the financial year ended 31 December 2022**

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#### **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 2022 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.

#### **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, except for M&G Global Property 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.



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

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

**For the financial year ended 31 December 2022**

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#### **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 2022 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.

#### **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 2022 and during the financial year other than those disclosed in note 6. Please refer to "Directors and other information" on page 1 for information on Directors who held office during the year.

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

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

**For the financial year ended 31 December 2022**

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#### **Risk management policies**

The financial instruments and risks facing the Funds of 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 2022 (31 December 2021: None).

#### **Soft commissions**

There are no soft commission arrangements in place for the financial year ended 31 December 2022 (31 December 2021: 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 2022 (31 December 2021: 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 2021: None).

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

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.

On 22 April 2022, with the approval of the Central Bank of Ireland, KBA Consulting Management Limited replaced PGF Management Company (Ireland) Limited as the Alternative Investment Fund Manager ("AIFM").

As a result of the appointment of KBA Consulting Management Limited, the below documents were updated and approval received from the Central Bank on 22 April 2022:

1. Depositary Novation Agreement
2. Administration Novation Agreement
3. Investment Management Novation and Amendment Agreement
4. Distribution Novation and Amendment Agreement
5. AIFM Agreement
6. Prospectus and Supplements

Supplements to the Prospectus dated 22 April 2022 for the M&G Global Bond Fund and the M&G Global Equity Fund was noted by the Central Bank of Ireland on 23 November 2022.

On 28 October 2022, KBA Consulting Management Limited and Clifton Fund Consulting Limited (trading as KB Associates) became members of the Waystone Group and, on 12 December 2022, changed their address to 35 Shelbourne Road, 4th Floor, Ballsbridge, Dublin, D04 A4E, Ireland. As part of the change, the registered office of the ICAV also changed to the same address.

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

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

**For the financial year ended 31 December 2022**

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

M&G Global Bond Fund Class G and M&G Global Equity Fund Class G launched on 28 November 2022.

Mr. Brian Fennessy retired as a Director of the ICAV on 20 December 2022. Mr. Brian Dunleavy was appointed as a replacement Director of the ICAV on the same date.

The Board of Directors has noted the ongoing 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 of Directors' view is that those developments and sanctions are unlikely to have a significant direct adverse impact on the Funds of 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 of Directors continues to monitor the developments closely and to take all the necessary actions.

There were no other significant events affecting the ICAV during the financial year which require adjustment to or 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.

#### **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 2022.

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

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

**For the financial year ended 31 December 2022**

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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 to 2021 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 holders of participating shares/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 to 2021.

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 to 2021.

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 2022**

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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:**

DocuSigned by:  
*Raymond O'Neill*  
603247CB1E284E8...  
**Raymond O'Neill**

**25 April 2023**

DocuSigned by:  
*Brian Dunleavy*  
51957C14C6DA4CB...  
**Brian Dunleavy**

**25 April 2023**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****DEPOSITARY'S REPORT****For the financial year ended 31 December 2022**

We have enquired into the conduct of M&G (South Africa) Global Funds ICAV (the 'ICAV') for the financial year ended 31 December 2022, 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.

**Sinead Murphy** Digitally signed by Sinead  
Murphy  
Date: 2023.04.28 09:39:35 +01'00'

**Simon Firbank** Digitally signed by Simon Firbank  
Date: 2023.04.28 09:47:08 +01'00'

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

**25 April 2023**

## **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 2022**

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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 2022, 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 2022 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 to 2021.

##### **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 2022**

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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 to 2021**

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 to 2021 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 8, 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 2022**

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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 28 April 2023**

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

**As at 31 December 2022**

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**M&G Global Balanced Fund**

**Market commentary**

It was a challenging year for investors, who became increasingly concerned about the impact of the higher interest rates being imposed to control inflation, which led to significant selling of both stocks and bonds. Russia's invasion of Ukraine was another negative factor. Later, investors began to hope that signs of weakening inflation might cause central banks to slow the pace of their interest rate increases, leading to strong rallies. However, central banks dashed this optimism by asserting that interest rates will stay high, reigniting fears that the global economy might tip into recession.

The prospect of multiple interest rate increases weighed heavily on government bond markets, which fell sharply in price, with yields ending the year at multi-decade highs. Investment grade corporate bonds reflected the weakness, as did high yield bonds and emerging market bonds.

Among equities, the weakest performers included the Nasdaq in the US, where investors questioned the valuations of high-growth companies in a high interest rate environment. Russia, China and other emerging markets also fell sharply, as did the FTSE 250, which was hit by recession fears. The UK's FTSE 100 rose slightly, helped by a high weighting of oil companies and exporters who could benefit from sterling weakness. Several Latin American countries also performed well, helped by higher commodity prices.

In currency markets, the US dollar appreciated significantly against most of its rivals.

In this environment, the Fund produced an absolute return of -13.51%.

**Absolute performance**

The Fund's negative return was overwhelmingly driven by the significant allocation to equities.

*Main contributors:* Indonesian equities, infrastructure stocks, US Treasuries, bonds from Turkey and Chile

*Main detractors:* US equities, global equities, global REITS, emerging market governments bonds in hard currencies.

**Relative performance**

Overall, the portfolio produced a return of +3.45% relative to its reference index.

The return from equity was positive, owing to stock selection. Holding cash was positive as other assets declined. The underweight to property was also positive.

*Fixed income*

The allocation to emerging market local currency debt and bonds from China and Turkey all supported relative performance, although emerging market governments bonds in hard currencies, broader global fixed income assets and European corporate bonds were detrimental.

*Equities*

For equities, selection was positive, with the largest contributions coming from exposure to European, Japanese and global stocks. By contrast, global REITs and Chinese stocks detracted.

**Positioning/changes**

Early in the year, exposure to Indonesian equities was closed after good performance against a falling market.

Over the course of the year we reduced our underweight in duration, mainly by adding exposure to 30-year US Treasuries after they sold off in the second and fourth quarters, which we saw as offering potential diversification in the event of a negative growth shock or panic in equity markets. By the fourth quarter we moved to a long position in duration, although this was subsequently trimmed back to neutral after a rapid rise in US government bond prices. We also reduced our overweight position in emerging market hard currency bonds in favour of US corporate bonds. EM hard currency bonds were no longer offering levels of value that justified a large overweight in the asset class. We also thought investment grade corporate bonds looked more attractive as credit spreads have widened. The purchase reduced the underweight in this area to a more neutral position relative to benchmark.

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

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

**As at 31 December 2022**

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

##### **Positioning/changes (continued)**

In the third quarter, following a rapid decline in the UK government bond prices, triggered by the announcement of unwise government policies, we initiated a tactical position in 30-year gilts. The position was closed after prices rallied when the Bank of England intervened to support the market.

The Fund continues to hold a relatively high level of cash, as we believe it is a valuable asset in the current environment of heightened volatility.

##### **Outlook**

While there is a lot of negativity about the prospects for growth, there are few signs of capitulation in asset markets. At the same time, there is a strong consensus that inflation has peaked, which has been supportive of asset prices recently. Valuations have improved almost everywhere but, as always, are dependent on the path for cash interest rates and the extent of optimism in profit forecasts.

In these extremely volatile, narrative-driven times we remain alert to opportunities that are created by 'episodic', or sentiment-driven, changes in asset prices.

As the likelihood of economic downturn has increased, we remain cautious and have adopted a more neutral positioning. However, we continue to hold a reasonable level of cash, enabling us to act quickly if and when market turbulence presents attractive opportunities.

**M&G Investment Management Limited**  
**25 April 2023**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****STATEMENT OF COMPREHENSIVE INCOME****M&G Global Balanced Fund**

		For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Income</b>			
Interest income		4,586	-
Dividend income		76,688	57,591
Other income		2,050	352
Net (loss)/gain from financial instruments at fair value through profit or loss		(7,924,608)	5,023,745
<b>Total (expense)/income</b>		<b>(7,841,284)</b>	<b>5,081,688</b>
<b>Expenses</b>			
Operating expenses	4	(368,827)	(348,491)
<b>Total operating expenses</b>		<b>(368,827)</b>	<b>(348,491)</b>
Rebate	6	96,799	120,853
<b>(Loss)/profit for the financial year before finance costs</b>		<b>(8,113,312)</b>	<b>4,854,050</b>
<b>Taxation</b>	2		
Withholding tax		(1,879)	(1,844)
<b>Total taxation</b>		<b>(1,879)</b>	<b>(1,844)</b>
<b>(Loss)/profit for the financial year after taxation</b>		<b>(8,115,191)</b>	<b>4,852,206</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>(8,115,191)</b>	<b>4,852,206</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 2022 USD	As at 31 December 2021 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	121,317,852	44,081,698
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	35,036	46,640
Cash	2, 3	988,545	1,053,474
Receivables		65,004	103,052
<b>Total assets</b>		<b>122,406,437</b>	<b>45,284,864</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(44,042)	(33,655)
Payables and other accrued expenses		(93,350)	(63,795)
<b>Total liabilities</b> (excluding net assets attributable to holders of participating shares)		<b>(137,392)</b>	<b>(97,450)</b>
<b>Net assets attributable to holders of participating shares</b>		<b>122,269,045</b>	<b>45,187,414</b>
<b>Net asset value (NAV) per participating share</b>			
		<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
Number of Shares:			
- Class B Acc	5	3,229,826	2,600,901
- Class C Acc	5	98,750,119	30,033,553
Net assets attributable to holders of participating shares			
- Class B Acc	<b>USD</b>	3,771,151	3,514,876
- Class C Acc	<b>USD</b>	118,497,894	41,672,538
NAV per Share			
- Class B Acc	<b>USD</b>	1.1676	1.3514
- Class C Acc	<b>USD</b>	1.2000	1.3875

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

For and on behalf of the Board

DocuSigned by:

*Raymond O'Neill*

603247CB1E284E8

Director: Raymond O'Neill

DocuSigned by:

*Brian Dunleavy*

51957C14C6DA4CB

Director: Brian Dunleavy

25 April 2023

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

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

#### M&G Global Balanced Fund

		For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net assets attributable to holders of participating shares at the beginning of the financial year</b>		<b>45,187,414</b>	<b>37,843,890</b>
Issuance of participating shares	5	85,610,843	40,258,444
Redemption of participating shares	5	(414,021)	(37,767,126)
<b>Net increase from share transactions</b>		<b>85,196,822</b>	<b>2,491,318</b>
Changes in net assets attributable to holders of participating shares		(8,115,191)	4,852,206
<b>Net assets attributable to holders of participating shares at the end of the financial year</b>		<b>122,269,045</b>	<b>45,187,414</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 2022 USD	For the year ended 31 December 2021 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to holders of participating shares	(8,115,191)	4,852,206
<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	(77,224,550)	(6,560,698)
Operating receivables	14,704	(12,391)
Financial liabilities at fair value through profit or loss	10,387	22,334
Accrued expenses	29,555	19,236
<b>Net cash (outflows) from operating activities</b>	<b>(85,285,095)</b>	<b>(1,679,313)</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	85,634,187	40,273,044
Payments from redemption of participating shares	(414,021)	(37,767,126)
<b>Net cash inflows from financing activities</b>	<b>85,220,166</b>	<b>2,505,918</b>
Net (decrease)/increase in cash and cash equivalents	(64,929)	826,605
Cash and cash equivalents at beginning of the year	1,053,474	226,869
<b>Cash and cash equivalents at end of the year</b>	<b>988,545</b>	<b>1,053,474</b>
<b>Supplemental information</b>		
Interest received	177,015	132,601
Dividends received	78,721	66,824
Taxation paid	(3,723)	-

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 2022**

**M&G Global Balanced Fund**

**Investments 99.22% (31 December 2021: 97.55%)**

Principal Amount	Security Description	Fair Value USD	% of Net Assets
<b>Fixed Income 10.38% (31 December 2021: 11.38%)</b>			
<b>United States of America</b>			
8,722,300	United States Treasury Bill 0.000% 26/01/2023	8,700,704	7.12
	Other United States of America	3,995,328	3.26
		<u>12,696,032</u>	<u>10.38</u>
	<b>Total Fixed Income</b>	<b><u>12,696,032</u></b>	<b><u>10.38</u></b>
Number of Shares	Security Description	Fair Value USD	% of Net Assets
<b>Investment Funds 88.84% (31 December 2021: 86.17%)</b>			
<b>Ireland</b>			
143,619	iShares JP Morgan EM Local Government Bond UCITS ETF	6,289,076	5.14
18,250,985	M&G Global Bond Fund	18,362,316	15.02
234,377	Vanguard FTSE All-World UCITS ETF	22,701,757	18.57
	Other Ireland	5,499,669	4.50
		<u>52,852,818</u>	<u>43.23</u>
	United Kingdom	<u>4,486,612</u>	<u>3.67</u>
	<b>Luxembourg</b>		
1,751,062	M&G Lux Investment Funds 1 - M&G Lux Global Maxima Fund	22,988,816	18.80
286,961	Xtrackers S&P 500 Swap UCITS ETF	21,250,897	17.38
	Other Luxembourg	7,042,677	5.76
		<u>51,282,390</u>	<u>41.94</u>
	<b>Total Investment Funds</b>	<b><u>108,621,820</u></b>	<b><u>88.84</u></b>
	<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>121,317,852</u></b>	<b><u>99.22</u></b>



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

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

**As at 31 December 2022**

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

**Financial Derivative Instruments (0.01)% (31 December 2021: 0.03%)**

**Open Forward Foreign Currency Exchange Contracts (0.01)% (31 December 2021: 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>
13/01/2023	EUR	4,055,361	USD	4,319,775	11,026	0.01
19/01/2023	TRY	6,711,760	USD	330,043	24,010	0.02
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>35,036</b>	<b>0.03</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>
13/01/2023	USD	1,156,091	GBP	997,461	(44,042)	(0.04)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(44,042)</b>	<b>(0.04)</b>

**Total Financial Derivative Instruments** **(9,006)** **(0.01)**

**Total Investments (31 December 2021: 97.58%)** **121,308,846** **99.21**

**Other Net Assets (31 December 2021: 2.42%)** **960,199** **0.79**

**Net Assets Attributable to Participating Shareholders** **122,269,045** **100.00**

The counterparties for the open forward foreign currency exchange contracts are State Street Bank London and JP Morgan Securities Plc.

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 2022****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>157,593</b>	<b>159,874</b>
<b>Realised gain on:</b>		
Investments	2,287,809	1,514,565
Derivatives	15,980	303
Foreign currency	172,970	3,674
	<u>2,476,759</u>	<u>1,518,542</u>
<b>Realised loss on:</b>		
Investments	(1,332,407)	(250,988)
Derivatives	(15)	-
Foreign currency	(2,896)	(305,625)
	<u>(1,335,318)</u>	<u>(556,613)</u>
<b>Net realised gain on investments and derivatives</b>	<b><u>1,141,441</u></b>	<b><u>961,929</u></b>
<b>Unrealised gain on:</b>		
Investments	228,598	5,615,005
Derivatives	-	19,393
Foreign currency	2,129	105
	<u>230,727</u>	<u>5,634,503</u>
<b>Unrealised loss on:</b>		
Investments	(9,427,008)	(1,706,278)
Derivatives	(21,991)	(22,334)
Foreign currency	(5,370)	(3,949)
	<u>(9,454,369)</u>	<u>(1,732,561)</u>
<b>Net unrealised (loss)/gain on investments and derivatives</b>	<b><u>(9,223,642)</u></b>	<b><u>3,901,942</u></b>
<b>Net (loss)/gain from financial instruments at fair value through profit or loss</b>	<b><u>(7,924,608)</u></b>	<b><u>5,023,745</u></b>

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

**OTHER INFORMATION (Unaudited) (continued)**

**M&G Global Balanced Fund**

**For the financial year ended 31 December 2022**

**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 2022, 31 December 2021 and 31 December 2020.

	<b>NAV attributable to holders of participating shares at 31 December 2022 USD</b>	<b>Number of shares at 31 December 2022</b>	<b>NAV per share at 31 December 2022 USD</b>
B Acc	3,771,151	3,229,826	1.1676
C Acc	118,497,894	98,750,119	1.2000
	<b>at 31 December 2021</b>	<b>at 31 December 2021</b>	<b>at 31 December 2021</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

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

**As at 31 December 2022**

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**M&G Global Bond Fund**

**Market commentary**

It was a challenging year for investors, who became increasingly concerned about the impact of the higher interest rates being imposed to control inflation, which led to significant selling of both stocks and bonds. Russia's invasion of Ukraine was another negative factor. Later, investors began to hope that signs of weakening inflation might cause central banks to slow the pace of their interest rate increases, leading to strong rallies. However, central banks dashed this optimism by asserting that interest rates will stay high, reigniting fears that the global economy might tip into recession.

The prospect of multiple interest rate increases weighed heavily on government bond markets, which fell sharply in price, with yields ending the year at multi-decade highs. Investment grade corporate bonds reflected the weakness, as did high yield bonds and emerging market bonds.

Many emerging market currencies declined over the year as the US dollar appreciated strongly, with the Brazilian real and Mexican peso notable exceptions.

The Fund produced an absolute return of -15.0%.

**Absolute performance**

*Main contributors:* long-dated US Treasuries; Chile government bonds

*Main detractors:* broad global bonds, emerging market government bonds, corporate bonds

**Relative performance**

Overall, the portfolio delivered +1.25% relative to its reference index, the Bloomberg Global Aggregate Bond index, which delivered -16.25%.

*Contributors*

The allocation to cash: underweight to fixed income generally; China and Turkey government bonds.

*Detractors*

Overweight emerging market government denominated in hard currencies, exposure to corporate bonds and government bonds from Germany.

**Positioning/changes**

Over the course of the year we reduced our underweight in duration, mainly by adding exposure to 30-year US Treasuries after they sold off in the second and fourth quarters, which we saw as offering potential diversification in the event of a negative growth shock or panic in equity markets. By the fourth quarter we moved to a long position in duration, although this was subsequently trimmed back to neutral after a rapid rise in US government bond prices. We also reduced our overweight position in emerging market hard currency bonds in favour of US corporate bonds. EM hard currency bonds were no longer offering levels of value that justified a large overweight in the asset class. We also thought investment grade corporate bonds looked more attractive as credit spreads have widened. The purchase reduced the underweight in this area to a more neutral position relative to benchmark.

In the third quarter, following a rapid decline in the UK government bond prices, triggered by the announcement of unwise government policies, we initiated a tactical position in 30-year gilts. The position was closed after prices rallied when the Bank of England intervened to support the market.

The Fund continues to hold a relatively high level of cash, as we believe it is a valuable asset in the current environment of heightened volatility.

In mid-December, the management of the Fund was taken on by M&G's retail fixed income team, where it will be run as a global managed bond portfolio. Several changes were made to bring the fund into line with the new management team. This included reducing exposure to corporate bond funds and China and replacing them with US Treasuries and a diversified range of sovereign debt and individual corporate bonds.

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

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

**As at 31 December 2022**

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

##### **Outlook**

Going forward all eyes are on wages and the labour markets. Wages are unlikely to rise at the real cost of living rate, leaving consumers feeling the pinch. Labour markets are still tight, but data is starting to come in a little weaker. This, coupled with the frailty of the housing market, will probably prevent the central banks hiking as much as the markets predict.

At a time when government bond yields are falling because of weak future growth expectations and the borrowing basket has been filled with low-rate debt, companies might find themselves refinancing at much higher interest rates. We are currently reducing our credit exposure using credit derivatives, as we believe the volatility and weakness in overall credit will continue into 2023.

We remain flexible, open to change and focused on the longer-term themes that may, and will, affect financial markets going forward.

**M&G Investment Management Limited**  
**25 April 2023**

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

**STATEMENT OF COMPREHENSIVE INCOME**

**M&G Global Bond Fund**

		For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Income</b>			
Interest income		2,475	256
Dividend income		268,783	147,167
Other income		616	1,722
Net (loss) from financial instruments at fair value through profit or loss		(7,334,646)	(2,199,051)
<b>Total (expense)</b>		<b>(7,062,772)</b>	<b>(2,049,906)</b>
<b>Expenses</b>			
Operating expenses	4	(235,942)	(269,482)
<b>Total operating expenses</b>		<b>(235,942)</b>	<b>(269,482)</b>
Rebate	6	59,056	90,059
<b>(Loss) for the financial year before finance costs</b>		<b>(7,239,658)</b>	<b>(2,229,329)</b>
<b>Finance costs</b>			
Interest paid		(1,351)	(576)
<b>(Loss) for the financial year before taxation</b>		<b>(7,241,009)</b>	<b>(2,229,905)</b>
<b>Taxation</b>	2		
Withholding tax		(35,273)	(9,526)
<b>Total taxation</b>		<b>(35,273)</b>	<b>(9,526)</b>
<b>(Loss) for the financial year after taxation</b>		<b>(7,276,282)</b>	<b>(2,239,431)</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>(7,276,282)</b>	<b>(2,239,431)</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 2022 USD	As at 31 December 2021 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	125,650,318	35,711,136
Unrealised gain on futures contracts	2 iii)	139,200	-
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	470,504	55,930
Credit default swaps	2 v)	102,880	-
Cash	2, 3	25,475,834	699,789
Margin cash		767,341	-
Receivables		1,001,620	159,381
<b>Total assets</b>		<b>153,607,697</b>	<b>36,626,236</b>
<b>Liabilities:</b>			
Unrealised loss on futures contracts	2 iii)	(295,357)	-
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(356,361)	(80,805)
Credit default swaps	2 v)	(290,549)	-
Payables and other accrued expenses		(53,500)	(53,591)
<b>Total liabilities (excluding net assets attributable to holders of participating shares)</b>		<b>(995,767)</b>	<b>(134,396)</b>
<b>Net assets attributable to holders of participating shares</b>		<b>152,611,930</b>	<b>36,491,840</b>
<b>Net asset value (NAV) per participating share</b>			
		<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
Number of Shares:			
- Class B Acc	5	508,291	386,168
- Class C Acc	5	34,069,180	32,229,969
- Class G Acc <sup>1</sup>	5	119,002,421	-
Net assets attributable to holders of participating shares			
- Class B Acc	USD	471,095	421,429
- Class C Acc	USD	32,413,758	36,070,411
- Class G Acc <sup>1</sup>	USD	119,727,077	-
NAV per Share			
- Class B Acc	USD	0.9268	1.0913
- Class C Acc	USD	0.9514	1.1192
- Class G Acc <sup>1</sup>	USD	1.0061	-

<sup>1</sup> This class launched on 28 November 2022.

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

**For and on behalf of the Board**

DocuSigned by:

*Raymond O'Neill*

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Director: **Raymond O'Neill**  
25 April 2023

DocuSigned by:

*Brian Dunleavy*

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Director: **Brian Dunleavy**

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

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

#### M&G Global Bond Fund

		For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net assets attributable to holders of participating shares at the beginning of the financial year</b>	Notes	<b>36,491,840</b>	<b>41,260,859</b>
Issuance of participating shares	5	134,556,514	8,719,364
Redemption of participating shares	5	(11,160,142)	(11,248,952)
<b>Net increase/(decrease) from share transactions</b>		<b>123,396,372</b>	<b>(2,529,588)</b>
Changes in net assets attributable to holders of participating shares		(7,276,282)	(2,239,431)
<b>Net assets attributable to holders of participating shares at the end of the financial year</b>		<b>152,611,930</b>	<b>36,491,840</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 2022 USD	For the year ended 31 December 2021 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to holders of participating shares	(7,276,282)	(2,239,431)
<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	(90,595,836)	4,214,703
Margin cash	(767,341)	-
Operating receivables	(837,138)	(70,453)
Financial liabilities at fair value through profit or loss	861,462	57,579
Accrued expenses	(91)	5,521
<b>Net cash (outflows)/inflows from operating activities</b>	<b>(98,615,226)</b>	<b>1,967,919</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	134,551,413	9,633,917
Payments from redemption of participating shares	(11,160,142)	(11,248,952)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>123,391,271</b>	<b>(1,615,035)</b>
Net increase in cash and cash equivalents	24,776,045	352,884
Cash and cash equivalents at beginning of the year	699,789	346,905
<b>Cash and cash equivalents at end of the year</b>	<b>25,475,834</b>	<b>699,789</b>
<b>Supplemental information</b>		
Interest received	(335,970)	273,109
Interest paid	(1,351)	(576)
Dividends received	268,764	146,989
Taxation paid	(13,023)	(4,543)

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 2022**

**M&G Global Bond Fund**

**Investments 82.33% (31 December 2021: 97.86%)**

Principal Amount	Security Description	Fair Value USD	% of Net Assets
<b>Fixed Income 82.33% (31 December 2021: 29.46%)</b>			
	Australia	2,086,998	1.37
	Bahamas	378,578	0.25
	Brazil	1,606,984	1.05
	Bulgaria	586,124	0.38
	Canada	6,533,647	4.28
	Cayman Islands	737,098	0.49
	Chile	1,986,195	1.30
	Colombia	1,729,381	1.13
	Dominican Republic	620,655	0.41
	France	3,181,622	2.08
	Germany	7,073,746	4.64
	Indonesia	2,814,901	1.84
	Italy	3,440,620	2.26
	Japan	5,157,253	3.39
	Luxembourg	785,760	0.51
	Malaysia	948,199	0.62
	Mexico	2,549,956	1.67
	Netherlands	373,428	0.24
	New Zealand	3,251,155	2.13
	Norway	1,332,416	0.87
	Philippines	899,396	0.59
	Republic of Croatia	339,578	0.22
	Romania	376,218	0.25
	Serbia	1,194,690	0.78
	South Africa	1,185,299	0.78
	Spain	715,864	0.47
	Switzerland	346,141	0.23
	United Kingdom	8,444,198	5.53
<b>United States of America</b>			
13,813,856	United States Treasury Inflation Indexed Bonds 0.375% 15/01/2027	13,044,342	8.55
19,687,200	United States Treasury Note 1.500% 29/02/2024	18,986,997	12.44
	Other United States of America	32,942,879	21.58
		<u>64,974,218</u>	<u>42.57</u>
	<b>Total Fixed Income</b>	<b><u>125,650,318</u></b>	<b><u>82.33</u></b>
<b>Investment Funds Nil (31 December 2021: 68.40%)</b>			
<b>Total Value of Investments excluding Financial Derivative Instruments</b>		<b><u>125,650,318</u></b>	<b><u>82.33</u></b>

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

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

**As at 31 December 2022**

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

**Financial Derivative Instruments (0.15)% (31 December 2021: (0.07)%)**

**Futures Contracts (0.10)% (31 December 2021: Nil)**

Notional Amount USD	Description	Unrealised Gain USD	% of Net Assets
(5,419,200)	Long Gilt Futures Short Futures Contracts Expiring March 2023	139,200	0.09
<b>Unrealised gain on futures contracts</b>		<b>139,200</b>	<b>0.09</b>

Notional Amount USD	Description	Unrealised Loss USD	% of Net Assets
4,353,302	Euro OAT Long Futures Contracts Expiring March 2023	(137,302)	(0.08)
12,620,805	US 2 Year Long Futures Contracts Expiring March 2023	(54,805)	(0.04)
6,375,250	US 10 Year Long Futures Contracts Expiring March 2023	(103,250)	(0.07)
<b>Unrealised loss on futures contracts</b>		<b>(295,357)</b>	<b>(0.19)</b>

<b>Total Futures Contracts</b>	<b>(156,157)</b>	<b>(0.10)</b>
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**Open Forward Foreign Currency Exchange Contracts 0.07% (31 December 2021: (0.07)%)**

Maturity Date	Currency Bought	Amount Bought	Currency Sold	Amount Sold	Unrealised Gain USD	% of Net Assets
13/01/2023	EUR	1,182,000	USD	1,158,206	104,076	0.07
13/01/2023	EUR	1,417,398	USD	1,434,641	79,026	0.05
13/01/2023	JPY	288,249,000	USD	2,036,848	150,129	0.10
13/01/2023	JPY	160,400,000	USD	1,180,693	36,279	0.02
19/01/2023	TRY	7,056,400	USD	346,991	25,243	0.02
19/01/2023	USD	373,895	TRY	7,056,400	1,662	0.00
15/03/2023	EUR	13,900,000	USD	14,888,929	16,907	0.01
15/03/2023	USD	9,094,833	GBP	7,500,000	57,182	0.04
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>470,504</b>	<b>0.31</b>

Maturity Date	Currency Bought	Amount Bought	Currency Sold	Amount Sold	Unrealised Loss USD	% of Net Assets
13/01/2023	GBP	1,483,136	USD	1,820,360	(35,869)	(0.02)
13/01/2023	USD	2,084,544	EUR	1,967,190	(16,257)	(0.01)
13/01/2023	USD	623,969	EUR	632,208	(51,179)	(0.03)
13/01/2023	USD	1,719,004	GBP	1,483,136	(65,486)	(0.05)
13/01/2023	USD	307,119	JPY	43,833,900	(25,453)	(0.02)
13/01/2023	USD	2,974,624	JPY	404,815,100	(96,752)	(0.07)
15/03/2023	JPY	2,110,000,000	USD	16,149,087	(7,396)	(0.00)
15/03/2023	NOK	16,624,281	USD	1,709,553	(16,904)	(0.01)
15/03/2023	USD	1,561,835	AUD	2,310,000	(9,191)	(0.01)

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

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

**As at 31 December 2022**

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

**Financial Derivative Instruments (0.15)% (31 December 2021: (0.07)%) (continued)**

**Open Forward Foreign Currency Exchange Contracts 0.07% (31 December 2021: (0.07)%) (continued)**

<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>
15/03/2023	USD	1,379,776	CAD	1,875,000	(4,837)	(0.00)
15/03/2023	USD	1,772,172	MXN	35,300,000	(16,386)	(0.01)
15/03/2023	USD	3,249,116	NZD	5,150,000	(10,651)	(0.01)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(356,361)</b>	<b>(0.24)</b>

**Total Open Forward Foreign Currency Exchange Contracts** **114,143** **0.07**

**Credit Default Swaps\* (0.12)% (31 December 2021: Nil)**

<b>Currency</b>	<b>Notional Amount</b>	<b>Description</b>	<b>Premium</b>	<b>Termination Date</b>	<b>Fair Value US\$</b>	<b>% of Net Assets</b>
EUR	2,900,000	United Kingdom Government International Bond	1.0000%	20/12/2027	14,232	0.01
EUR	2,900,000	United Kingdom Government International Bond	5.0000%	20/12/2027	35,630	0.02
EUR	5,800,000	United Kingdom Government International Bond	1.0000%	20/12/2027	3,943	0.00
USD	5,000,000	United Kingdom Government International Bond	1.0000%	20/12/2027	(290,549)	(0.19)
USD	4,600,000	United Kingdom Government International Bond	1.0000%	20/12/2027	38,054	0.03
USD	1,500,000	United Kingdom Government International Bond	5.0000%	20/12/2027	11,021	0.01
Credit default swaps at positive fair value					102,880	0.07
Credit default swaps at negative fair value					(290,549)	(0.19)
<b>Credit default swaps at fair value</b>					<b>(187,669)</b>	<b>(0.12)</b>
<b>Total Financial Derivative Instruments</b>					<b>(229,683)</b>	<b>(0.15)</b>

**Total Investments (31 December 2021: 97.79%)** **125,420,635** **82.18**

**Other Net Assets (31 December 2021: 2.21%)** **27,191,295** **17.82**

**Net Assets Attributable to Participating Shareholders** **152,611,930** **100.00**

\* All credit default swap contracts are selling protection.

The broker for the credit default swaps are Barclays Bank Plc, Citigroup Global Markets Limited and JP Morgan Securities Plc. The broker for the futures contract is Merrill Lynch International.

The counterparties for the open forward foreign currency exchange contracts are Citigroup Global Markets Limited, HSBC Bank Plc, JP Morgan Securities Plc, State Street Bank London 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 2022**

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

	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>526,896</b>	<b>352,390</b>
<b>Realised gain on:</b>		
Investments	346,089	1,315,357
Derivatives	23,925	55
Foreign currency	11,889	2,420
	<u>381,903</u>	<u>1,317,832</u>
<b>Realised loss on:</b>		
Investments	(4,871,438)	(263,419)
Derivatives	(388)	-
Foreign currency	(713,039)	(551,475)
	<u>(5,584,865)</u>	<u>(814,894)</u>
<b>Net realised (loss)/gain on investments and derivatives</b>	<b><u>(5,202,962)</u></b>	<b><u>502,938</u></b>
<b>Unrealised gain on:</b>		
Investments	1,061,788	70,407
Derivatives	709,336	-
Foreign currency	7,521	178
	<u>1,778,645</u>	<u>70,585</u>
<b>Unrealised loss on:</b>		
Investments	(3,782,148)	(3,044,171)
Derivatives	(638,181)	(73,378)
Foreign currency	(16,896)	(7,415)
	<u>(4,437,225)</u>	<u>(3,124,964)</u>
<b>Net unrealised (loss) on investments and derivatives</b>	<b><u>(2,658,580)</u></b>	<b><u>(3,054,379)</u></b>
<b>Net (loss) from financial instruments at fair value through profit or loss</b>	<b><u>(7,334,646)</u></b>	<b><u>(2,199,051)</u></b>

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

### OTHER INFORMATION (Unaudited) (continued)

#### M&G Global Bond Fund

#### For the financial year ended 31 December 2022

##### 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 2022, 31 December 2021 and 31 December 2020.

	<b>NAV attributable to holders of participating shares at 31 December 2022 USD</b>	<b>Number of shares at 31 December 2022</b>	<b>NAV per share at 31 December 2022 USD</b>
B Acc	471,095	508,291	0.9268
C Acc	32,413,758	34,069,180	0.9514
G Acc <sup>1</sup>	119,727,077	119,002,421	1.0061
	<b>at 31 December 2021</b>	<b>at 31 December 2021</b>	<b>at 31 December 2021</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

<sup>1</sup> This class launched on 28 November 2022.

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

**As at 31 December 2022**

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**M&G Global Equity Fund**

**Market commentary**

It was a challenging year for investors, who became increasingly concerned about the impact of the higher interest rates being imposed to control inflation, which led to significant selling of both stocks and bonds. Russia's invasion of Ukraine was another negative factor. Later, investors began to hope that signs of weakening inflation might cause central banks to slow the pace of their interest rate increases, leading to strong rallies. However, central banks dashed this optimism by asserting that interest rates will stay high, reigniting fears that the global economy might tip into recession.

Among equities, the weakest performers included the Nasdaq in the US, where investors questioned the valuations of high-growth companies in a high interest rate environment. Russia, China and other emerging markets also fell sharply, as did the FTSE 250, which was hit by recession fears. The UK's FTSE 100 rose slightly, helped by a high weighting of oil companies and exporters who could benefit from sterling weakness. Several Latin American countries also performed well, helped by higher commodity prices. Against this depressing background, the Fund returned -15.7% in absolute terms over the year.

**Relative performance**

*Statistical and style-based return drivers*

Overall, the portfolio produced a return of +2.6% relative to its reference index, the MSCI All Country World Index.

A key attribute of portfolio construction within the fund is that active country, currency and industry exposures are constrained to ensure that style and idiosyncratic stock risk are the main drivers of active returns.

The portfolio's style exposure had a small negative impact over the course of the year, primarily driven by a positive exposure to stocks with a high residual volatility.

Stock selection was the key driver of performance over the course of the year.

*Stock level Contributors*

Bombardier Inc., a manufacturer of business jets and Catalyst Pharmaceuticals, a biopharmaceutical company focused on rare neurological diseases, were the biggest contributors to performance. Underweights to large cap tech companies also contributed to performance.

*Stock level Detractors*

At the stock level Tandem diabetes Care Inc., a manufacturer of insulin pumps, and Syneos Health Inc., a Contract Research Organization (CRO), were the biggest detractors to performance.

**Positioning/Changes**

The portion of the fund managed using proprietary machine learning model is 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 exposure to high residual volatility, while maintaining earlier exposures to smaller cap, high earnings variability and high momentum companies.

**Outlook**

While there is a lot of negativity about the prospects for growth, there are few signs of capitulation in asset markets. At the same time, there is a strong consensus that inflation has peaked, which has been supportive of asset prices recently. Valuations have improved almost everywhere but, as always, are dependent on the path for cash interest rates and the extent of optimism in profit forecasts.

In these extremely volatile, narrative-driven times we remain alert to opportunities that are created by 'episodic', or sentiment-driven, changes in asset prices.

As the likelihood of economic downturn has increased, we remain cautious and have adopted a more neutral positioning. However, we continue to hold a reasonable level of cash, enabling us to act quickly if and when market turbulence presents attractive opportunities.

**M&G Investment Management Limited**  
**25 April 2023**

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

### STATEMENT OF COMPREHENSIVE INCOME

#### M&G Global Equity Fund

	Note	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Income</b>			
Interest income		2,755	1,928
Dividend income		1,818,976	1,554,070
Other income		4,768	2,518
Net (loss)/gain from financial instruments at fair value through profit or loss		(15,133,422)	16,371,125
<b>Total (expense)/income</b>		<b>(13,306,923)</b>	<b>17,929,641</b>
<b>Expenses</b>			
Operating expenses	4	(608,582)	(702,402)
<b>Total operating expenses</b>		<b>(608,582)</b>	<b>(702,402)</b>
<b>(Loss)/profit for the financial year before finance costs</b>		<b>(13,915,505)</b>	<b>17,227,239</b>
<b>Finance costs</b>			
Interest paid		(2,314)	(2,199)
<b>(Loss)/profit for the financial year before taxation</b>		<b>(13,917,819)</b>	<b>17,225,040</b>
<b>Taxation</b>			
Withholding tax	2	(224,540)	(236,265)
Capital gains tax		(49,631)	(222,728)
<b>Total taxation</b>		<b>(274,171)</b>	<b>(458,993)</b>
<b>(Loss)/profit for the financial year after taxation</b>		<b>(14,191,990)</b>	<b>16,766,047</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>(14,191,990)</b>	<b>16,766,047</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 2022 USD	As at 31 December 2021 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	96,859,968	85,223,767
Cash	2, 3	457,666	1,334,109
Receivables		1,072,669	1,451,521
<b>Total assets</b>		<b>98,390,303</b>	<b>88,009,397</b>
<b>Liabilities:</b>			
Payables and other accrued expenses		(119,711)	(2,469,624)
<b>Total liabilities (excluding net assets attributable to holders of participating shares)</b>		<b>(119,711)</b>	<b>(2,469,624)</b>
<b>Net assets attributable to holders of participating shares</b>		<b>98,270,592</b>	<b>85,539,773</b>
<b>Net asset value (NAV) per participating share</b>			
		<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
Number of Shares:			
- Class B Acc	5	1,043,035	997,992
- Class C Acc	5	71,680,374	52,345,677
- Class G Acc <sup>1</sup>	5	1,000	-
Net assets attributable to holders of participating shares			
- Class B Acc	USD	1,367,902	1,554,908
- Class C Acc	USD	96,901,685	83,984,865
- Class G Acc <sup>1</sup>	USD	1,005	-
NAV per Share			
- Class B Acc	USD	1.3115	1.5580
- Class C Acc	USD	1.3519	1.6044
- Class G Acc <sup>1</sup>	USD	1.0050	-

<sup>1</sup> This class launched on 28 November 2022.

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

**For and on behalf of the Board**

DocuSigned by:

Raymond O'Neill

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Director: Raymond O'Neill

DocuSigned by:

Brian Dunleavy

51957614C6DA4CB...

Director: Brian Dunleavy

25 April 2023

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

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

#### M&G Global Equity Fund

		For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net assets attributable to holders of participating shares at the beginning of the financial year</b>		<b>85,539,773</b>	<b>76,388,500</b>
Issuance of participating shares	5	28,396,418	7,259,536
Redemption of participating shares	5	(1,473,609)	(14,874,310)
<b>Net increase/(decrease) from share transactions</b>		<b>26,922,809</b>	<b>(7,614,774)</b>
Changes in net assets attributable to holders of participating shares		(14,191,990)	16,766,047
<b>Net assets attributable to holders of participating shares at the end of the financial year</b>		<b>98,270,592</b>	<b>85,539,773</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 2022 USD	For the year ended 31 December 2021 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to holders of participating shares	(14,191,990)	16,766,047
<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	(12,572,630)	(8,199,682)
Operating receivables	(57,861)	(20,324)
Accrued expenses	(16,771)	48,837
<b>Net cash (outflows)/inflows from operating activities</b>	<b>(26,839,252)</b>	<b>8,594,878</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	27,436,418	7,259,536
Payments from redemption of participating shares	(1,473,609)	(14,874,310)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>25,962,809</b>	<b>(7,614,774)</b>
Net (decrease)/increase in cash and cash equivalents	(876,443)	980,104
Cash and cash equivalents at beginning of the year	1,334,109	354,005
<b>Cash and cash equivalents at end of the year</b>	<b>457,666</b>	<b>1,334,109</b>
<b>Supplemental information</b>		
Interest received	2,755	1,928
Interest paid	(2,314)	(2,199)
Dividends received	1,756,752	1,522,548
Taxation paid	(271,428)	(451,467)

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 2022**

**M&G Global Equity Fund**

**Investments 98.56% (31 December 2021: 99.63%)**

Security Description	Fair Value USD	% of Net Assets
<b>Equities 91.05% (31 December 2021: 90.14%)</b>		
Australia	2,072,689	2.11
Brazil	1,717,306	1.75
British Virgin Island	1,085,044	1.10
Canada	2,191,316	2.23
China	3,611,972	3.68
Denmark	1,074,927	1.09
France	2,209,027	2.25
India	3,729,664	3.80
Ireland	784,513	0.80
Israel	886,087	0.90
Italy	981,169	1.00
Japan	7,624,725	7.76
Korea	3,957,692	4.03
Luxembourg	1,016,580	1.03
Netherlands	667,934	0.68
Panama	972,424	0.99
Poland	1,126,863	1.15
Spain	1,875,310	1.91
Sweden	814,134	0.83
Taiwan	912,430	0.93
Turkey	1,250,088	1.27
United States of America	<u>48,908,796</u>	<u>49.76</u>
<b>Total Equities</b>	<b><u>89,470,690</u></b>	<b><u>91.05</u></b>
<b>Investment Funds 7.51% (31 December 2021: 9.49%)</b>		
Ireland	<u>7,389,278</u>	<u>7.51</u>
<b>Total Investment Funds</b>	<b><u>7,389,278</u></b>	<b><u>7.51</u></b>
<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u><u>96,859,968</u></u></b>	<b><u><u>98.56</u></u></b>

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

**As at 31 December 2022**

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

	Fair Value USD	% of Net Assets
<b>Total Investments (31 December 2021: 99.63%)</b>	<b>96,859,968</b>	<b>98.56</b>
<b>Other Net Assets (31 December 2021: 0.37%)</b>	<b>1,410,624</b>	<b>1.44</b>
<b>Net Assets Attributable to Participating Shareholders</b>	<b><u>98,270,592</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 2022****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	-	-
<b>Realised gain on:</b>		
Investments	11,198,566	37,157,495
Derivatives	40,066	612
Foreign currency	-	55,614
	<u>11,238,632</u>	<u>37,213,721</u>
<b>Realised loss on:</b>		
Investments	(24,141,982)	(14,406,458)
Derivatives	(39)	-
Foreign currency	(84,105)	(118,868)
	<u>(24,226,126)</u>	<u>(14,525,326)</u>
<b>Net realised (loss)/gain on investments and derivatives</b>	<u><b>(12,987,494)</b></u>	<u><b>22,688,395</b></u>
<b>Unrealised gain on:</b>		
Investments	7,879,020	5,298,686
Foreign currency	8,359	19,625
	<u>7,887,379</u>	<u>5,318,311</u>
<b>Unrealised loss on:</b>		
Investments	(10,025,881)	(11,581,341)
Foreign currency	(7,426)	(54,240)
	<u>(10,033,307)</u>	<u>(11,635,581)</u>
<b>Net unrealised (loss) on investments and derivatives</b>	<u><b>(2,145,928)</b></u>	<u><b>(6,317,270)</b></u>
<b>Net (loss)/gain from financial instruments at fair value through profit or loss</b>	<u><b>(15,133,422)</b></u>	<u><b>16,371,125</b></u>

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

### OTHER INFORMATION (Unaudited) (continued)

#### M&G Global Equity Fund

#### For the financial year ended 31 December 2022

##### 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 2022, 31 December 2021 and 31 December 2020.

	<b>NAV attributable to holders of participating shares at 31 December 2022 USD</b>	<b>Number of shares at 31 December 2022</b>	<b>NAV per share at 31 December 2022 USD</b>
B Acc	1,367,902	1,043,035	1.1315
C Acc	96,901,685	71,680,374	1.3519
G Acc <sup>1</sup>	1,005	1,000	1.0050
	<b>at 31 December 2021</b>	<b>at 31 December 2021</b>	<b>at 31 December 2021</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

<sup>1</sup> This class launched on 28 November 2022.

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

**As at 31 December 2022**

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**M&G Global Fixed Income Fund**

**Market Review and Outlook - 2022**

The first quarter was dominated by sharply higher inflation in the developed economies, and since February by the Russian invasion of Ukraine. Whilst the news coming out of the Ukraine is deeply concerning, and has caused the largest humanitarian crisis since the second world war, the economic impact of the crisis will be equally significant given both Russia and Ukraine are embedded in the global economy. The effects are already being felt, with significant commodity and energy price rises during the quarter, and through further supply chain disruption and sanctions, all of which have fuelled existing supply side inflationary pressures, resulting in US CPI inflation at a 40 year high of 7.9%, and Eurozone inflation at 5.9%, the highest since the start of the single currency.

Against this backdrop, government bonds and risk assets such as equities and corporate bonds, have all performed poorly during the quarter, with only commodity prices and related assets delivering positive returns. The inflationary environment prompted official rate increases by the US Federal Reserve and Bank of England during the quarter, and the ECB announcing rates will rise this year, contrary to their prior 'no change' guidance. Significant uncertainty and volatility remains around the likely path and magnitude of the tightening cycle, with even Federal Reserve Board members future expectations for 2022 and 2023 having very significant divergence, reflecting both the desire to curtail inflation and to support growth. Recession risks remain high, and are reflected by the inverted US Treasury yield curve.

After a very weak Q1, any suggestion that Q2 would be less challenging was quickly dispelled. Risk assets suffered further significant losses during the quarter as the market digested the spiralling levels of inflation in developed markets, and the tighter policy environment. As the quarter progressed concerns began to be focussed on recession being the likely endgame, which was a further drag on market performance. We ended the first half of the year with nearly all asset classes (credit, sovereign bonds, equities) having suffered very significant negative returns, and the S&P 500 having its worst first half in over 60 years.

The third quarter of 2022 was once again characterised by significant volatility, and very substantial asset price falls across both government and credit markets. As the quarter progressed, rising inflation concerns saw central banks make it very clear that slowing growth would not deter them from raising interest rates. These heightened fears of muted growth and possible recession next year, and coupled with rising energy prices in Europe and UK market turmoil in late September, saw government bond yields move sharply higher. In the US and Germany, 10 year yields rose over 0.8% during the quarter, while UK yields rose 1.8%. In the UK, a difficult economic situation, with spiralling energy prices and rising inflationary pressures, was compounded by mini-budget in September that while delivering energy subsidies, also included large unfunded tax cuts and a substantial increase in borrowing. The market reaction was very negative, and within 3 days gilt yields rose by more than 1%, and was compounded by pension funds' forced liquidations of gilts to meet collateral requirements of their derivative liability hedging strategies. The ensuing spiral of asset realisations pushing yields higher requiring further collateral calls saw gilt yields rise as the negative feedback loop ran out of control. What started as a liquidity crisis, was quickly in danger of becoming a solvency crisis (for pension funds, LDI managers and swap counterparties), prompting the Bank of England to intervene as a 'circuit breaker' – putting a floor under long dated gilts through targeted purchases, and buying time for affected parties to make proper assessments of financing needs. Markets stabilised, but yields remain elevated, and the UK was the worst performer during Q3 in both government and credit markets, down 13% and 12% respectively.

The economic backdrop remained challenging in the fourth quarter as major central banks continued their aggressive battle against high inflation. The US Federal Reserve, the European Central Bank and the Bank of England all raised interest rates twice during the quarter - their December +0.5% rate increases being smaller than the prior 0.75% increases. The combination of elevated inflation and significantly higher interest rates continued to fuel concerns about the economic outlook, particularly as we approached year end. Global economic growth is widely forecast to slow in 2023, with the energy crisis expected to exacerbate any potential downturn in Europe. However, China's sudden relaxation of its zero-COVID policy and optimism about the reopening of its economy also lifted investor sentiment. The UK continued to face increasing economic headwinds, with falling house prices and declining growth (-0.3% in the third quarter), combined with stubbornly high inflation leading to the largest decline in UK living standards seen in a generation. The 10-year gilt yield fell from a peak of 4.5% in early October to 3.7% by the end of the year supporting a recovery in UK corporate bonds over the period; the combination of falling gilt yields and tightening credit spreads helping the UK Investment Grade Credit to deliver a positive return of 5.7% in the fourth quarter, albeit the structurally longer duration of UK corporate indices meant this was the worst calendar year performance (-17.7%) for the iBoxx Sterling Non-Gilt index since its inception in 1997. Sterling credit indices were the worst performing of all comparable global developed credit markets.



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

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

**As at 31 December 2022**

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#### **M&G Global Fixed Income Fund (continued)**

##### **Positioning/changes**

The Fund experienced net inflows of approximately \$10.5m in Q1 2022. During January the Manager did not make any purchases or sales. In February the Manager purchased USD, GBP and EUR denominated Industrials, Financials and Utilities including Exxon, National Australia Bank, Cadent, BFCM and Euroclear. During March the Manager purchased EUR denominated Industrials, Financials and Utilities including Tennet, Rabobank, Shell, RTE, Airbus, AB InBev and Adidas.

In the second quarter the Fund experienced net inflows of approximately \$1.07m. In April, the Manager purchased bonds issued by TD Bank, Royal Bank of Canada and Commonwealth Bank of Australia which appeared attractive on a relative value basis compared other assets of a similar credit quality. In May, the Manager sold bonds issued by Alimentation Couche-Tard. In June, the Manager purchased USD-denominated bonds issued by industrials and financials such as Magallanes, Deutsche Telekom, Verizon, FIS and DNB Bank, as well as EUR-denominated utilities such as Engie and Duke Energy which appeared attractive on a relative value basis compared other assets of a similar credit quality.

There were no transactions during the third quarter.

Throughout the fourth quarter the fund experienced net inflows of approximately \$1.6m in Q4 2022. During October and December, the Manager did not make any purchases or sales. However, during November, the Manager purchased senior utility bonds issued by Enel, Amprion and National Grid, which appeared attractive on a relative value basis compared with other assets of a similar credit quality.

##### **Outlook**

Looking ahead, global growth continues to slow, and whilst there is some slowing of inflationary pressures, headline inflation rates in the major economies still remain stubbornly high relative to targeted levels. Although there may be further volatility ahead, we believe that there will continue to be attractive stock specific opportunities to add to credit exposure in current markets.

**M&G Investment Management Limited**

**25 April 2023**

**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****STATEMENT OF COMPREHENSIVE INCOME****M&G Global Fixed Income Fund**

		For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Income</b>			
Interest income		18,745	-
Other income		1,357	1,419
Net (loss) from financial instruments at fair value through profit or loss		(12,620,339)	(1,802,572)
<b>Total (expense)</b>		<b>(12,600,237)</b>	<b>(1,801,153)</b>
<b>Expenses</b>			
Operating expenses	4	(422,010)	(412,543)
<b>Total operating expenses</b>		<b>(422,010)</b>	<b>(412,543)</b>
<b>(Loss) for the financial year before finance costs</b>		<b>(13,022,247)</b>	<b>(2,213,696)</b>
<b>Finance costs</b>			
Interest paid		(261)	(259)
<b>(Loss) for the financial year before taxation</b>		<b>(13,022,508)</b>	<b>(2,213,955)</b>
<b>Changes in net assets attributable to equity shareholders</b>		<b>(13,022,508)</b>	<b>(2,213,955)</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 2022 USD	As at 31 December 2021 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	56,640,291	61,033,226
Cash	2, 3	9,895,451	6,368,015
Receivables		617,486	1,771,972
<b>Total assets</b>		<b>67,153,228</b>	<b>69,173,213</b>
<b>Liabilities:</b>			
Payables and other accrued expenses		(75,100)	(78,577)
<b>Total liabilities</b>		<b>(75,100)</b>	<b>(78,577)</b>
<b>Net assets attributable to equity shareholders</b>		<b>67,078,128</b>	<b>69,094,636</b>
<b>Net asset value (NAV) per equity share</b>		<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
Number of Shares:			
- Class C Acc	5	71,107,762	60,896,946
Net assets attributable to equity shareholders			
- Class C Acc	<b>USD</b>	67,078,128	69,094,636
NAV per Share			
- Class C Acc	<b>USD</b>	0.9433	1.1346

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

**For and on behalf of the Board**

DocuSigned by:

*Raymond O'Neill*

Director: Raymond O'Neill

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DocuSigned by:

*Brian Dunleavy*

Director: Brian Dunleavy

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25 April 2023

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

### STATEMENT OF CHANGES IN EQUITY

#### M&G Global Fixed Income Fund

		For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net assets attributable to equity shareholders at the beginning of the financial year</b>		<b>69,094,636</b>	<b>55,189,591</b>
Issuance of participating shares	5	20,455,000	24,168,000
Redemption of participating shares	5	(9,449,000)	(8,049,000)
<b>Net increase from share transactions</b>		<b>11,006,000</b>	<b>16,119,000</b>
Changes in net assets attributable to holders of equity shares		(13,022,508)	(2,213,955)
<b>Net assets attributable to equity shareholders at the end of the financial year</b>		<b>67,078,128</b>	<b>69,094,636</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 2022 USD	For the year ended 31 December 2021 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to equity shareholders	(13,022,508)	(2,213,955)
<b>Adjustments to reconcile changes in net assets attributable to holders of equity shares to net cash (outflows) from operating activities</b>		
Financial assets at fair value through profit or loss	4,392,935	(10,984,082)
Operating receivables	(71,514)	(99,615)
Accrued expenses	(3,477)	31,650
<b>Net cash (outflows) from operating activities</b>	<b>(8,704,564)</b>	<b>(13,266,002)</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity shares issued	21,681,000	22,942,000
Payments from redemption of equity shares	(9,449,000)	(8,049,000)
<b>Net cash inflows from financing activities</b>	<b>12,232,000</b>	<b>14,893,000</b>
Net increase in cash and cash equivalents	3,527,436	1,626,998
Cash and cash equivalents at beginning of the year	6,368,015	4,741,017
<b>Cash and cash equivalents at end of the year</b>	<b>9,895,451</b>	<b>6,368,015</b>
<b>Supplemental information</b>		
Interest received	1,796,870	1,635,220
Interest paid	(261)	(259)

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 2022**

**M&G Global Fixed Income Fund**

**Investments 84.44% (31 December 2021: 88.33%)**

Security Description	Fair Value USD	% of Net Assets
<b>Fixed Income 88.44% (31 December 2021: 88.33%)</b>		
Australia	1,645,263	2.45
Belgium	709,028	1.06
Canada	1,881,436	2.80
Cayman Islands	339,218	0.51
Denmark	573,550	0.86
Finland	216,856	0.32
France	3,890,090	5.80
Germany	1,879,913	2.80
Ireland	320,897	0.48
Italy	251,461	0.37
Japan	852,917	1.27
Jersey	349,038	0.52
Luxembourg	845,463	1.26
Netherlands	5,611,869	8.37
Norway	509,179	0.76
Spain	277,646	0.41
Sweden	983,234	1.47
Switzerland	749,901	1.12
United Kingdom	6,570,139	9.79
United States of America	<u>28,183,193</u>	<u>42.02</u>
<b>Total Fixed Income</b>	<b><u>56,640,291</u></b>	<b><u>84.44</u></b>
<b>Total Investments (31 December 2021: 88.33%)</b>	<b>56,640,291</b>	<b>84.44</b>
<b>Other Net Assets (31 December 2021: 11.67%)</b>	<b>10,437,837</b>	<b>15.56</b>
<b>Net Assets Attributable to Participating Shareholders</b>	<b><u>67,078,128</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 Fixed Income Fund****For the financial year ended 31 December 2022****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>1,849,886</b>	<b>1,735,084</b>
<b>Realised gain on:</b>		
Investments	60,436	511,156
Foreign currency	3,730	13,163
	<u>64,166</u>	<u>524,319</u>
<b>Realised loss on:</b>		
Investments	(174,444)	(2,773)
Foreign currency	(30,702)	-
	<u>(205,146)</u>	<u>(2,773)</u>
<b>Net realised (loss)/gain on investments and derivatives</b>	<b><u>(140,980)</u></b>	<b><u>521,546</u></b>
<b>Unrealised gain on:</b>		
Investments	66,136	140,694
Foreign currency	11,623	-
	<u>77,759</u>	<u>140,694</u>
<b>Unrealised loss on:</b>		
Investments	(14,404,092)	(4,180,577)
Foreign currency	(2,912)	(19,319)
	<u>(14,407,004)</u>	<u>(4,199,896)</u>
<b>Net unrealised (loss) on investments and derivatives</b>	<b><u>(14,329,245)</u></b>	<b><u>(4,059,202)</u></b>
<b>Net (loss) from financial instruments at fair value through profit or loss</b>	<b><u>(12,620,339)</u></b>	<b><u>(1,802,572)</u></b>

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

**OTHER INFORMATION (Unaudited) (continued)**

**M&G Global Fixed Income Fund**

**For the financial year ended 31 December 2022**

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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 2022, 31 December 2021 and 31 December 2020.

	<b>NAV attributable to holders of equity shares at 31 December 2022 USD</b>	<b>Number of shares at 31 December 2022</b>	<b>NAV per share at 31 December 2022 USD</b>
C Acc	67,078,128	71,107,762	0.9433
	<b>at 31 December 2021</b>	<b>at 31 December 2021</b>	<b>at 31 December 2021</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



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

**As at 31 December 2022**

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**M&G Global Inflation Plus Fund**

**Market commentary**

It was a challenging year for investors, who became increasingly concerned about the impact of the higher interest rates being imposed to control inflation, which led to significant selling of both stocks and bonds. Russia's invasion of Ukraine was another negative factor. Later, investors began to hope that signs of weakening inflation might cause central banks to slow the pace of their interest rate increases, leading to strong rallies. However, central banks dashed this optimism by asserting that interest rates will stay high, reigniting fears that the global economy might tip into recession.

The prospect of multiple interest rate increases weighed heavily on government bond markets, which fell sharply in price, with yields ending the year at multi-decade highs. Investment grade corporate bonds reflected the weakness, as did high yield bonds and emerging market bonds.

Among equities, the weakest performers included the Nasdaq in the US, where investors questioned the valuations of high-growth companies in a high interest rate environment. Russia, China and other emerging markets also fell sharply, as did the FTSE 250, which was hit by recession fears. The UK's FTSE 100 rose slightly, helped by a high weighting of oil companies and exporters who could benefit from sterling weakness. Several Latin American countries also performed well, helped by higher commodity prices.

In currency markets, the USA dollar appreciated significantly against most of its rivals.

The Fund produced a negative return for the year -13.94% in comparison to global inflation for the year (7.4% for the year ended 15 November 2022).

**Absolute performance**

The allocations to both fixed income and equities delivered substantial negative returns,

*Main contributors:* long-dated US Treasuries added late in the year, government bonds from Brazil and Turkey, equities from Indonesia

*Main detractors:* broad exposure to global bonds and global equities, REITs, corporate bonds from US and Europe, emerging market governments bonds in hard currencies.

**Relative performance**

Overall, the portfolio delivered +2.38% in relation to the reference index, which delivered -16.29%.

The underweight allocation to fixed income was positive, while stock selection among equities also contributed positively. Holding more cash and less property than the benchmark also helped.

*Fixed income*

Government bonds from Turkey and China boosted relative performance

*Equities*

Exposure to equities in Europe and Japan was beneficial, while a position in global REITS hampered performance, as did corporate bonds from the US. However, exposure to emerging market governments bonds in hard currencies and European corporate bonds detracted.

**Positioning/changes**

Early in the year, exposure to Indonesian equities was closed after good performance against a falling market.

Over the course of the year we reduced our underweight in duration, mainly by adding exposure to 30-year US Treasuries after they sold off in the second and fourth quarters, which we saw as offering potential diversification in the event of a negative growth shock or panic in equity markets. By the fourth quarter we moved to a long position in duration, although this was subsequently trimmed back to neutral after a rapid rise in US government bond prices. We also reduced our overweight position in emerging market hard currency bonds in favour of US corporate bonds. EM hard currency bonds were no longer offering levels of value that justified a large overweight in the asset class. We also thought investment grade corporate bonds looked more attractive as credit spreads have widened. The purchase reduced the underweight in this area to a more neutral position relative to benchmark.

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

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

**As at 31 December 2022**

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#### **M&G Global Inflation Plus Fund (continued)**

##### **Positioning/changes (continued)**

In the third quarter, following a rapid decline in the UK government bond prices, triggered by the announcement of unwise government policies, we initiated a tactical position in 30-year gilts. The position was closed after prices rallied when the Bank of England intervened to support the market.

The Fund continues to hold a relatively high level of cash, as we believe it is a valuable asset in the current environment of heightened volatility.

##### **Outlook**

While there is a lot of negativity about the prospects for growth, there are few signs of capitulation in asset markets. At the same time, there is a strong consensus that inflation has peaked, which has been supportive of asset prices recently. Valuations have improved almost everywhere but, as always, are dependent on the path for cash interest rates and the extent of optimism in profit forecasts.

In these extremely volatile, narrative-driven times we remain alert to opportunities that are created by 'episodic', or sentiment-driven, changes in asset prices.

As the likelihood of economic downturn has increased, we remain cautious and have adopted a more neutral positioning. However, we continue to hold a reasonable level of cash, enabling us to act quickly if and when market turbulence presents attractive opportunities.

**M&G Investment Management Limited**  
**25 April 2023**

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

### STATEMENT OF COMPREHENSIVE INCOME

#### M&G Global Inflation Plus Fund

	Note	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Income</b>			
Interest income		1,118	10
Dividend income		80,260	46,053
Other income		375	101
Net (loss)/gain from financial instruments at fair value through profit or loss		(3,121,329)	761,844
<b>Total (expense)/income</b>		<b>(3,039,576)</b>	<b>808,008</b>
<b>Expenses</b>			
Operating expenses	4	(179,836)	(164,302)
<b>Total operating expenses</b>		<b>(179,836)</b>	<b>(164,302)</b>
Rebate	6	38,607	43,106
<b>(Loss)/profit for the financial year before finance costs</b>		<b>(3,180,805)</b>	<b>686,812</b>
<b>Finance costs</b>			
Interest paid		(401)	(35)
<b>(Loss)/profit for the financial year before taxation</b>		<b>(3,181,206)</b>	<b>686,777</b>
<b>Taxation</b>			
Withholding tax	2	(2,474)	(1,192)
<b>Total taxation</b>		<b>(2,474)</b>	<b>(1,192)</b>
<b>(Loss)/profit for the financial year after taxation</b>		<b>(3,183,680)</b>	<b>685,585</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>(3,183,680)</b>	<b>685,585</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 2022 USD	As at 31 December 2021 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	17,972,644	20,951,461
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	35,760	18,839
Cash	2, 3	353,743	545,127
Receivables		42,397	66,115
<b>Total assets</b>		<b>18,404,544</b>	<b>21,581,542</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(8,610)	(9,760)
Payables and other accrued expenses		(75,122)	(41,130)
<b>Total liabilities (excluding net assets attributable to holders of participating shares)</b>		<b>(83,732)</b>	<b>(50,890)</b>
<b>Net assets attributable to holders of participating shares</b>		<b>18,320,812</b>	<b>21,530,652</b>
<b>Net asset value (NAV) per participating share</b>			
		<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
Number of Shares:			
- Class B Acc	5	4,857,211	4,372,228
- Class C Acc	5	12,178,579	12,836,038
Net assets attributable to holders of participating shares			
- Class B Acc	<b>USD</b>	5,105,033	5,344,996
- Class C Acc	<b>USD</b>	13,215,779	16,185,656
NAV per Share			
- Class B Acc	<b>USD</b>	1.0510	1.2225
- Class C Acc	<b>USD</b>	1.0852	1.2610

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

**For and on behalf of the Board**

DocuSigned by:

*Raymond O'Neill*

Director: Raymond O'Neill

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DocuSigned by:

*Brian Dunleavy*

Director: Brian Dunleavy

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25 April 2023

**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 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net assets attributable to holders of participating shares at the beginning of the financial year</b>		<b>21,530,652</b>	<b>14,982,434</b>
Issuance of participating shares	5	2,701,622	6,867,816
Redemption of participating shares	5	(2,727,782)	(1,005,183)
<b>Net (decrease)/increase from share transactions</b>		<b>(26,160)</b>	<b>5,862,633</b>
Changes in net assets attributable to holders of participating shares		(3,183,680)	685,585
<b>Net assets attributable to holders of participating shares at the end of the financial year</b>		<b>18,320,812</b>	<b>21,530,652</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 2022 USD	For the year ended 31 December 2021 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to holders of participating shares	(3,183,680)	685,585
<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	2,961,896	(6,126,123)
Operating receivables	4,832	(15,608)
Financial liabilities at fair value through profit or loss	(1,150)	9,515
Accrued expenses	(1,008)	1,636
<b>Net cash (outflows) from operating activities</b>	<b>(219,110)</b>	<b>(5,444,995)</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	2,720,508	6,859,955
Payments from redemption of participating shares	(2,692,782)	(1,005,183)
<b>Net cash inflows from financing activities</b>	<b>27,726</b>	<b>5,854,772</b>
Net (decrease)/increase in cash and cash equivalents	(191,384)	409,777
Cash and cash equivalents at beginning of the year	545,127	135,350
<b>Cash and cash equivalents at end of the year</b>	<b>353,743</b>	<b>545,127</b>
<b>Supplemental information</b>		
Interest received	99,184	69,645
Interest paid	(401)	(35)
Dividends received	84,641	46,346
Taxation paid	(2,417)	-

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 2022**

**M&G Global Inflation Plus Fund**

**Investments 98.10% (31 December 2021: 97.31%)**

Principal Amount	Security Description	Fair Value USD	% of Net Assets
<b>Equities 0.98% (31 December 2021: 0.87%)</b>			
	Ireland	179,077	0.98
	<b>Total Equities</b>	<b>179,077</b>	<b>0.98</b>
<b>Fixed Income 16.82% (31 December 2021: 14.57%)</b>			
	Brazil	97,091	0.53
	Chile	97,870	0.53
	China	497,242	2.71
	Mexico	100,412	0.55
	South Africa	239,159	1.31
	Turkey	425,237	2.32
	<b>United States of America</b>		
937,500	United States Treasury Note/Bond 0.000% 26/01/2023	935,179	5.11
	Other United States of America	689,082	3.76
		<u>1,624,261</u>	<u>8.87</u>
	<b>Total Fixed Income</b>	<b>3,081,272</b>	<b>16.82</b>
Number of Shares	Security Description	Fair Value USD	% of Net Assets
<b>Investment Funds 80.30% (31 December 2021: 81.87%)</b>			
<b>Ireland</b>			
298,709	iShares Core Global Aggregate Bond UCITS ETF	1,291,170	7.05
3,478,580	M&G Global Bond Fund	3,499,800	19.10
	Other Ireland	1,495,788	8.16
		<u>6,286,758</u>	<u>34.31</u>
<b>Luxembourg</b>			
84,839	Eastspring Investments - US Investment Grade Bond Fund	1,942,304	10.60
265,882	M&G Lux Investment Funds 1 - M&G Lux Global Maxima Fund	3,490,633	19.05
	Other Luxembourg	1,971,191	10.76
		<u>7,404,128</u>	<u>40.41</u>

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

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

**As at 31 December 2022**

**M&G Global Inflation Plus Fund (continued)**

**Investments 98.10% (31 December 2021: 97.31%) (continued)**

Security Description	Fair Value USD	% of Net Assets
<b>Investment Funds 80.30% (31 December 2021: 81.87%) (continued)</b>		
United Kingdom	<u>1,021,409</u>	<u>5.58</u>
<b>Total Investment Funds</b>	<b><u>14,712,295</u></b>	<b><u>80.30</u></b>
<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>17,972,644</u></b>	<b><u>98.10</u></b>

**Financial Derivative Instruments 0.15% (31 December 2021: 0.04%)**

**Open Forward Foreign Currency Exchange Contracts 0.15% (31 December 2021: 0.04%)**

Maturity Date	Currency Bought	Amount Bought	Currency Sold	Amount Sold	Unrealised Gain USD	% of Net Assets
13/01/2023	EUR	194,000	USD	196,360	10,816	0.06
13/01/2023	JPY	29,800,000	USD	210,575	15,521	0.09
19/01/2023	TRY	2,634,000	USD	129,524	<u>9,423</u>	<u>0.05</u>
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b><u>35,760</u></b>	<b><u>0.20</u></b>

Maturity Date	Currency Bought	Amount Bought	Currency Sold	Amount Sold	Unrealised Loss USD	% of Net Assets
13/01/2023	USD	226,012	GBP	195,000	<u>(8,610)</u>	<u>(0.05)</u>
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b><u>(8,610)</u></b>	<b><u>(0.05)</u></b>

**Total Financial Derivative Instruments** **27,150** **0.15**

**Total Investments (31 December 2021: 97.35%)** **17,999,794** **98.25**

**Other Net Assets (31 December 2021: 2.65%)** **321,018** **1.75**

**Net Assets Attributable to Participating Shareholders** **18,320,812** **100.00**

The counterparties for the open forward foreign currency exchange contracts are State Street Bank London, 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 2022****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>99,751</b>	<b>90,534</b>
<b>Realised gain on:</b>		
Investments	555,368	420,012
Derivatives	2,510	142
Foreign currency	-	3,792
	<u>557,878</u>	<u>423,946</u>
<b>Realised loss on:</b>		
Investments	(1,038,194)	(35,501)
Derivatives	(2)	-
Foreign currency	(43,653)	(126,005)
	<u>(1,081,849)</u>	<u>(161,506)</u>
<b>Net realised (loss)/gain on investments and derivatives</b>	<b>(523,971)</b>	<b>262,440</b>
<b>Unrealised gain on:</b>		
Investments	4,345	1,270,301
Derivatives	18,071	6,682
Foreign currency	1,515	15
	<u>23,931</u>	<u>1,276,998</u>
<b>Unrealised loss on:</b>		
Investments	(2,720,589)	(854,669)
Derivatives	-	(9,515)
Foreign currency	(451)	(3,944)
	<u>(2,721,040)</u>	<u>(868,128)</u>
<b>Net unrealised (loss)/gain on investments and derivatives</b>	<b>(2,697,109)</b>	<b>408,870</b>
<b>Net (loss)/gain from financial instruments at fair value through profit or loss</b>	<b>(3,121,329)</b>	<b>761,844</b>

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

**OTHER INFORMATION (Unaudited) (continued)**

**M&G Global Inflation Plus Fund**

**For the financial year ended 31 December 2022**

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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 2022, 31 December 2021 and 31 December 2020.

	<b>NAV attributable to holders of participating shares at 31 December 2022 USD</b>	<b>Number of shares at 31 December 2022</b>	<b>NAV per share at 31 December 2022 USD</b>
B Acc	5,105,033	4,857,211	1.0510
C Acc	13,215,779	12,178,579	1.0852
	<b>at 31 December 2021</b>	<b>at 31 December 2021</b>	<b>at 31 December 2021</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

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

**As at 31 December 2022**

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**M&G Global Property Fund**

**Market commentary**

It was a challenging year for investors, who became increasingly concerned about the impact of the higher interest rates being imposed to control inflation, which led to significant selling of both stocks and bonds. Russia's invasion of Ukraine was another negative factor. Later, investors began to hope that signs of weakening inflation might cause central banks to slow the pace of their interest rate increases, leading to strong rallies. However, central banks dashed this optimism by asserting that interest rates will stay high, reigniting fears that the global economy might tip into recession.

The REIT index declined by 24.5% over the year as property was hit hard by concerns over rising interest rates. This compared to a fall of 18.4% in the global equity index. The Fund delivered an absolute return of -25.4%

**Relative performance**

The Fund is managed by constraining active country, currency and industry risk at the portfolio construction phase. This ensures that style and idiosyncratic stock risk are the main drivers of active returns.

Style contributed positively over the course of the year, with exposures to smaller size, high earnings yield and high beta stocks all proving to be a tailwind to the strategy, partly offset by the portfolio's high residual volatility exposure.

Stock selection was negative, proving to be the key detractor of performance over the course of the year.

*Stock level Contributors / Detractors*

At the stock level, active positions in Braemar Hotels & Resorts Inc. and Segro PLC were the largest contributors to performance, while Diversified Health Trust and National Storage Affiliates 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 66% to the US, around 10% to Asia ex Japan and 6% to the UK. The US remains the largest underweight vs the benchmark at ca. 4%. By sector, the largest allocation is to specialized REITs (20.1%) followed by retail REITS (17.7%), and industrial REITs (16.5%).

**Outlook**

Property experienced a difficult year in 2022, posting sharp declines both in absolute terms as well as relative to broader equities. The rise in cash rates caused significant valuation adjustment across all assets, with property stocks unable to avoid the damage. Within the sector, retail and hotel REITs were relative outperformers, benefitting from starting valuations that were relatively undemanding against a backdrop where consumer spending remained robust.

With a large part of the interest rate adjustment behind us, the sector should be able to provide some diversification alongside income growth going forward.

**M&G Investment Management Limited**  
**25 April 2023**

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

### STATEMENT OF COMPREHENSIVE INCOME

#### M&G Global Property Fund

	Note	For the year ended 31 December 2022 USD	For the period from 8 June 2021 to 31 December 2021 <sup>1</sup> USD
<b>Income</b>			
Interest income		622	-
Dividend income		303,832	145,941
Other income		244	5,216
Net (loss)/gain from financial instruments at fair value through profit or loss		(2,415,564)	538,491
<b>Total (expense)/income</b>		<b>(2,110,866)</b>	<b>689,648</b>
<b>Expenses</b>			
Operating expenses	4	(52,681)	(14,738)
<b>Total operating expenses</b>		<b>(52,681)</b>	<b>(14,738)</b>
<b>(Loss)/profit for the financial year/period before finance costs</b>		<b>(2,163,547)</b>	<b>674,910</b>
<b>Finance costs</b>			
Interest paid		(63)	(14)
<b>(Loss)/profit for the financial year/period before taxation</b>		<b>(2,163,610)</b>	<b>674,896</b>
<b>Taxation</b>			
Withholding tax	2	(65,331)	(33,687)
<b>Total taxation</b>		<b>(65,331)</b>	<b>(33,687)</b>
<b>(Loss)/profit for the financial year/period after taxation</b>		<b>(2,228,941)</b>	<b>641,209</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>(2,228,941)</b>	<b>641,209</b>

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

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 2022 USD	As at 31 December 2021 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	11,068,217	7,958,678
Unrealised gain on futures contracts	2 iii)	-	3,160
Cash	2, 3	103,990	509,572
Margin cash		21	6,311
Receivables		54,338	337,073
<b>Total assets</b>		<b>11,226,566</b>	<b>8,814,794</b>
<b>Liabilities:</b>			
Payables and other accrued expenses		(8,043)	(603,182)
<b>Total liabilities</b>		<b>(8,043)</b>	<b>(603,182)</b>
<b>(excluding net assets attributable to holders of participating shares)</b>			
		<b>(8,043)</b>	<b>(603,182)</b>
<b>Net assets attributable to holders of participating shares</b>		<b>11,218,523</b>	<b>8,211,612</b>
<b>Net asset value (NAV) per participating share</b>		<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
Number of Shares:			
- Class B Acc	5	1,638	1,000
- Class C Acc	5	1,072,481	62,500
- Class G Acc	5	12,828,044	7,501,034
Net assets attributable to holders of participating shares			
- Class B Acc	USD	1,316	1,083
- Class C Acc	USD	825,312	64,887
- Class G Acc	USD	10,391,895	8,145,642
NAV per Share			
- Class B Acc	USD	0.8036	1.0831
- Class C Acc	USD	0.7695	1.0382
- Class G Acc	USD	0.8101	1.0859

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

**For and on behalf of the Board**

DocuSigned by:

*Raymond O'Neill*

Director: Raymond O'Neill

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DocuSigned by:

*Brian Dunleavy*

Director: Brian Dunleavy

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25 April 2023

## 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 year ended 31 December 2022 USD	For the period from 8 June 2021 to 31 December 2021 <sup>1</sup> USD
<b>Net assets attributable to holders of participating shares at the beginning of the financial year/period</b>		<b>8,211,612</b>	-
Issuance of participating shares	5	5,237,199	7,570,403
Redemption of participating shares	5	(1,347)	-
<b>Net increase from share transactions</b>		<b>5,235,852</b>	<b>7,570,403</b>
Changes in net assets attributable to holders of participating shares		(2,228,941)	641,209
<b>Net assets attributable to holders of participating shares at the end of the financial year/period</b>		<b>11,218,523</b>	<b>8,211,612</b>

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

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 year ended 31 December 2022 USD	For the period from 8 June 2021 to 31 December 2021 <sup>1</sup> USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to holders of participating shares	(2,228,941)	641,209
<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	(3,410,311)	(7,658,230)
Margin cash	6,290	(6,311)
Operating receivables	(8,785)	(45,229)
Accrued expenses	313	7,730
<b>Net cash (outflows) from operating activities</b>	<b>(5,641,434)</b>	<b>(7,060,831)</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	5,237,199	7,570,403
Payments from redemption of participating shares	(1,347)	-
<b>Net cash inflows from financing activities</b>	<b>5,235,852</b>	<b>7,570,403</b>
Net (decrease)/increase in cash and cash equivalents	(405,582)	509,572
Cash and cash equivalents at beginning of the year/period	509,572	-
<b>Cash and cash equivalents at end of the year/period</b>	<b>103,990</b>	<b>509,572</b>
<b>Supplemental information</b>		
Interest received	622	-
Interest paid	(63)	(14)
Dividends received	273,707	125,878
Taxation paid	(56,137)	(28,526)

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

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 2022**

**M&G Global Property Fund**

**Investments 98.66% (31 December 2021: 96.92%)**

Security Description	Fair Value USD	% of Net Assets
<b>Equities 92.09% (31 December 2021: 88.56%)</b>		
Australia	210,172	1.87
Belgium	384,747	3.43
Canada	854,219	7.61
Japan	462,280	4.12
Singapore	348,880	3.11
South Africa	473,792	4.22
United Kingdom	860,804	7.68
United States of America	<u>6,735,724</u>	<u>60.05</u>
<b>Total Equities</b>	<b><u>10,330,618</u></b>	<b><u>92.09</u></b>
<b>Investment Funds 6.57% (31 December 2021: 8.36%)</b>		
<b>Ireland</b>		
23,468	SPDR Dow Jones Global Real Estate UCITS ETF	<u>737,599</u>
		<u>6.57</u>
<b>Total Investment Funds</b>	<b><u>737,599</u></b>	<b><u>6.57</u></b>
<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>11,068,217</u></b>	<b><u>98.66</u></b>

**Financial Derivative Instruments Nil (31 December 2021: 0.04%)**

**Futures Contracts Nil (31 December 2021: 0.04%)**

**Total Investments (31 December 2021: 96.96%)** **11,068,217** **98.66**

**Other Net Assets (31 December 2021: 3.04%)** **150,306** **1.34**

**Net Assets Attributable to Participating Shareholders** **11,218,523** **100.00**

Full portfolio statement is available on demand of unit holders.



**M&G (SOUTH AFRICA) GLOBAL FUNDS ICAV****OTHER INFORMATION (Unaudited)****M&G Global Property Fund****For the financial year ended 31 December 2022****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2022 USD	For the period from 8 June 2021 to 31 December 2021 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	-	-
<b>Realised gain on:</b>		
Investments	840,735	682,827
Derivatives	83,801	14,942
Foreign currency	508	7
	<u>925,044</u>	<u>697,776</u>
<b>Realised loss on:</b>		
Investments	(2,154,072)	(414,083)
Derivatives	(116,811)	(7,099)
Foreign currency	(14,786)	(7,695)
	<u>(2,285,669)</u>	<u>(428,877)</u>
<b>Net realised (loss)/gain on investments and derivatives</b>	<u><b>(1,360,625)</b></u>	<u><b>268,899</b></u>
<b>Unrealised gain on:</b>		
Investments	169,711	388,647
Derivatives	-	3,160
Foreign currency	1,104	446
	<u>170,815</u>	<u>392,253</u>
<b>Unrealised loss on:</b>		
Investments	(1,222,151)	(121,883)
Derivatives	(3,160)	-
Foreign currency	(443)	(778)
	<u>(1,225,754)</u>	<u>(122,661)</u>
<b>Net unrealised (loss)/gain on investments and derivatives</b>	<u><b>(1,054,939)</b></u>	<u><b>269,592</b></u>
<b>Net (loss)/gain from financial instruments at fair value through profit or loss</b>	<u><b>(2,415,564)</b></u>	<u><b>538,491</b></u>

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

**OTHER INFORMATION (Unaudited) (continued)**

**M&G Global Property Fund**

**For the financial year ended 31 December 2022**

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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 2022 and 31 December 2021.

	<b>NAV attributable to holders of participating shares at 31 December 2022 USD</b>	<b>Number of shares at 31 December 2022</b>	<b>NAV per share at 31 December 2022 USD</b>
B Acc	1,316	1,638	0.8036
C Acc	825,312	1,072,481	0.7695
G Acc	10,391,895	12,828,044	0.8101
	<b>at 31 December 2021<sup>1</sup> USD</b>	<b>at 31 December 2021<sup>1</sup></b>	<b>at 31 December 2021<sup>1</sup> USD</b>
B Acc	1,083	1,000	1.0831
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 comparatives.

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

**As at 31 December 2022**

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**M&G Worldwide Managed Fund**

**Market commentary**

It was a challenging year for investors, who became increasingly concerned about the impact of the higher interest rates being imposed to control inflation, which led to significant selling of both stocks and bonds. Russia's invasion of Ukraine was another negative factor. Later, investors began to hope that signs of weakening inflation might cause central banks to slow the pace of their interest rate increases, leading to strong rallies. However, central banks dashed this optimism by asserting that interest rates will stay high, reigniting fears that the global economy might tip into recession.

The prospect of multiple interest rate increases weighed heavily on government bond markets, which fell sharply in price, with yields ending the year at multi-decade highs. Investment grade corporate bonds reflected the weakness, as did high yield bonds and emerging market bonds.

Among equities, the weakest performers included the Nasdaq in the US, where investors questioned the valuations of high-growth companies in a high interest rate environment. Russia, China and other emerging markets also fell sharply, as did the FTSE 250, which was hit by recession fears. The UK's FTSE 100 rose slightly, helped by a high weighting of oil companies and exporters who could benefit from sterling weakness. Several Latin American countries also performed well, helped by higher commodity prices.

In currency markets, the USA dollar appreciated significantly against most of its rivals.

In this environment, the Fund produced an absolute return of -13.49%.

**Absolute performance**

The Fund's negative return was overwhelmingly driven by the significant allocation to equities.

*Main contributors:* Indonesian equity, infrastructure stocks, US Treasuries, bonds from Chile and Brazil

*Main detractors:* US equity, global equity, emerging market governments bonds in hard currencies, broad fixed income assets.

**Relative performance**

Overall, the portfolio produced a return of +3.93% relative to its reference index.

The return from equity was positive, primarily due to stock selection. Holding cash was positive as other assets declined. Stock selection in fixed income was also beneficial.

*Fixed income*

The allocation to emerging market local currency debt and bonds from Turkey, South Africa and Brazil made the largest contributions to the fund's outperformance. However, emerging market governments bonds in hard currencies and broader global fixed income assets were detrimental.

*Equities*

For equities, selection was positive, with the largest contributions coming from European, Japanese and global stocks. This was offset by exposure to equities from the US, China and emerging markets.

**Positioning/changes**

Early in the year, exposure to Indonesian equities was closed after good performance against a falling market.

Over the course of the year we reduced our underweight in duration, mainly by adding exposure to 30-year US Treasuries after they sold off in the second and fourth quarters, which we saw as offering potential diversification in the event of a negative growth shock or panic in equity markets. By the fourth quarter we moved to a long position in duration, although this was subsequently trimmed back to neutral after a rapid rise in US government bond prices. We also reduced our overweight position in emerging market hard currency bonds in favour of US corporate bonds. EM hard currency bonds were no longer offering levels of value that justified a large overweight in the asset class. We also thought investment grade corporate bonds looked more attractive as credit spreads have widened. The purchase reduced the underweight in this area to a more neutral position relative to benchmark.

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

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

**As at 31 December 2022**

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#### **M&G Worldwide Managed Fund (continued)**

##### **Positioning/changes (continued)**

In the third quarter, following a rapid decline in the UK government bond prices, triggered by the announcement of unwise government policies, we initiated a tactical position in 30-year gilts. The position was closed after prices rallied when the Bank of England intervened to support the market.

The Fund continues to hold a relatively high level of cash, as we believe it is a valuable asset in the current environment of heightened volatility.

##### **Outlook**

While there is a lot of negativity about the prospects for growth, there are few signs of capitulation in asset markets. At the same time, there is a strong consensus that inflation has peaked, which has been supportive of asset prices recently. Valuations have improved almost everywhere but, as always, are dependent on the path for cash interest rates and the extent of optimism in profit forecasts.

In these extremely volatile, narrative-driven times we remain alert to opportunities that are created by 'episodic', or sentiment-driven, changes in asset prices.

As the likelihood of economic downturn has increased, we remain cautious and have adopted a more neutral positioning. However, we continue to hold a reasonable level of cash, enabling us to act quickly if and when market turbulence presents attractive opportunities.

**M&G Investment Management Limited**  
**25 April 2023**

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

**STATEMENT OF COMPREHENSIVE INCOME**

**M&G Worldwide Managed Fund**

	Note	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Income</b>			
Interest income		49,089	1,418
Dividend income		776,505	569,583
Other income		31,703	5,483
Net (loss)/gain from financial instruments at fair value through profit or loss		(68,423,931)	69,425,249
<b>Total (expense)/income</b>		<b>(67,566,634)</b>	<b>70,001,733</b>
<b>Expenses</b>			
Operating expenses	4	(3,820,206)	(3,882,699)
<b>Total operating expenses</b>		<b>(3,820,206)</b>	<b>(3,882,699)</b>
Rebate	6	1,059,948	1,336,782
<b>(Loss)/profit for the financial year before finance costs</b>		<b>(70,326,892)</b>	<b>67,455,816</b>
<b>Finance costs</b>			
Interest paid		(1,748)	(1,589)
<b>(Loss)/profit for the financial year before taxation</b>		<b>(70,328,640)</b>	<b>67,454,227</b>
<b>Taxation</b>			
Withholding tax	2	(39,534)	(38,384)
<b>Total taxation</b>		<b>(39,534)</b>	<b>(38,384)</b>
<b>(Loss)/profit for the financial year after taxation</b>		<b>(70,368,174)</b>	<b>67,415,843</b>
<b>Changes in net assets attributable to participating shareholders</b>		<b>(70,368,174)</b>	<b>67,415,843</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 2022 USD	As at 31 December 2021 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	462,400,891	474,663,741
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	812,542	719,318
Cash	2, 3	19,506,164	7,476,023
Broker cash held as collateral for financial derivative instruments		300,000	25,558
Receivables		2,579,043	3,891,448
<b>Total assets</b>		<b>485,598,640</b>	<b>486,776,088</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(974,477)	(255,885)
Payables and other accrued expenses		(689,573)	(601,253)
<b>Total liabilities (excluding net assets attributable to holders of participating shares)</b>		<b>(1,664,050)</b>	<b>(857,138)</b>
<b>Net assets attributable to holders of participating shares</b>		<b>483,934,590</b>	<b>485,918,950</b>
<b>Net asset value (NAV) per participating share</b>			
		<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
Number of Shares:			
- Class C Acc	5	372,158,837	323,571,090
- Class E Acc	5	6,728,351	5,559,856
Net assets attributable to holders of participating shares			
- Class C Acc	<b>USD</b>	475,293,915	477,673,770
- Class E Acc	<b>USD</b>	8,640,675	8,245,180
NAV per Share			
- Class C Acc	<b>USD</b>	1.2771	1.4763
- Class E Acc	<b>USD</b>	1.2842	1.4830

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

For and on behalf of the Board

DocuSigned by:

*Raymond O'Neill*

Director: Raymond O'Neill

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DocuSigned by:

*Brian Dunleavy*

Director: Brian Dunleavy

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25 April 2023

**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 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net assets attributable to holders of participating shares at the beginning of the financial year</b>		<b>485,918,950</b>	<b>494,756,338</b>
Issuance of participating shares	5	252,872,000	113,287,769
Redemption of participating shares	5	(184,488,186)	(189,541,000)
<b>Net increase/(decrease) from share transactions</b>		<b>68,383,814</b>	<b>(76,253,231)</b>
Changes in net assets attributable to holders of participating shares		(70,368,174)	67,415,843
<b>Net assets attributable to holders of participating shares at the end of the financial year</b>		<b>483,934,590</b>	<b>485,918,950</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 2022 USD	For the year ended 31 December 2021 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to holders of participating shares	(70,368,174)	67,415,843
<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	12,169,626	13,944,083
Broker cash held as collateral for financial derivative instruments	(274,442)	(25,558)
Operating receivables	682,405	(348,672)
Financial liabilities at fair value through profit or loss	718,592	67,495
Accrued expenses	88,320	168,106
<b>Net cash (outflows)/inflows from operating activities</b>	<b>(56,983,673)</b>	<b>81,221,297</b>
<b>Cash flows from financing activities</b>		
Proceeds from participating shares issued	253,502,000	110,336,769
Payments from redemption of participating shares	(184,488,186)	(189,541,000)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>69,013,814</b>	<b>(79,204,231)</b>
Net increase in cash and cash equivalents	12,030,141	2,017,066
Cash and cash equivalents at beginning of the year	7,476,023	5,458,957
<b>Cash and cash equivalents at end of the year</b>	<b>19,506,164</b>	<b>7,476,023</b>
<b>Supplemental information</b>		
Interest received	2,717,462	1,635,096
Interest paid	(1,748)	(1,589)
Dividends received	777,680	568,408
Taxation paid	(77,918)	-

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 2022**

**M&G Worldwide Managed Fund**

**Investments 95.55% (31 December 2021: 97.68%)**

Security Description	Fair Value USD	% of Net Assets	
<b>Fixed Income 4.78% (31 December 2021: 10.95%)</b>			
United States of America	23,116,687	4.78	
<b>Total Fixed Income</b>	<b>23,116,687</b>	<b>4.78</b>	
Number of Shares	Fair Value USD	% of Net Assets	
<b>Investment Funds 90.77% (31 December 2021: 86.73%)</b>			
<b>Ireland</b>			
37,474,865	M&G Global Bond Fund	37,703,462	7.80
552,926	iShares JP Morgan EM Local Government Bond UCITS ETF	24,212,630	5.00
454,913	Vanguard S&P 500 UCITS ETF	32,339,765	6.68
313,370	Vanguard FTSE All-World UCITS ETF	30,353,018	6.27
		<u>124,608,875</u>	<u>25.75</u>
<b>Luxembourg</b>			
6,035,854	Amundi MSCI Emerging Markets UCITS ETF	27,722,677	5.73
2,397,688	M&G Lux Investment Funds 1 - M&G Lux European Strategic Value Fund	26,816,938	5.54
6,843,584	M&G Lux Investment Funds 1 - M&G Lux Global Maxima Fund	89,845,993	18.56
1,183,820	Xtrackers S&P 500 Swap UCITS ETF	87,667,790	18.12
	Other Luxembourg	6,330,847	1.31
		<u>238,384,245</u>	<u>49.26</u>
<b>United Kingdom</b>			
21,326,181	M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund	32,849,015	6.78
793,646	M&G Investment Funds 1 - Japan Fund	29,236,987	6.04
	Other United Kingdom	14,205,082	2.94
		<u>76,291,084</u>	<u>15.76</u>
	<b>Total Investment Funds</b>	<b>439,284,204</b>	<b>90.77</b>
	<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b>462,400,891</b>	<b>95.55</b>

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

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

**As at 31 December 2022**

**M&G Worldwide Managed Fund (continued)**

**Financial Derivative Instruments (0.03)% (31 December 2021: 0.10%)**

**Open Forward Foreign Currency Exchange Contracts (0.03)% (31 December 2021: 0.10%)**

<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>
13/01/2023	EUR	8,975,000	USD	9,084,185	500,396	0.11
19/01/2023	TRY	87,257,500	USD	4,290,790	312,146	0.06
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>812,542</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>
13/01/2023	USD	2,268,865	JPY	323,825,800	(188,037)	(0.04)
13/01/2023	USD	6,126,817	JPY	867,050,000	(451,586)	(0.09)
13/01/2023	USD	8,789,891	GBP	7,583,810	(334,854)	(0.07)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(974,477)</b>	<b>(0.20)</b>

<b>Total Financial Derivative Instruments</b>	<b>(161,935)</b>	<b>(0.03)</b>
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<b>Total Investments (31 December 2021: 97.78%)</b>	<b>462,238,956</b>	<b>95.52</b>
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<b>Other Net Assets (31 December 2021: 2.22%)</b>	<b>21,695,634</b>	<b>4.48</b>
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<b>Net Assets Attributable to Participating Shareholders</b>	<b>483,934,590</b>	<b>100.00</b>
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The counterparties for the open forward foreign currency exchange contracts are State Street Bank London, 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 2022****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>1,935,226</b>	<b>2,061,080</b>
<b>Realised gain on:</b>		
Investments	25,824,177	38,916,222
Derivatives	178,796	668
Foreign currency	1,799,752	38,222
	<u>27,802,725</u>	<u>38,955,112</u>
<b>Realised loss on:</b>		
Investments	(14,161,142)	(3,835,989)
Derivatives	(166)	-
Foreign currency	(28,618)	(3,953,819)
	<u>(14,189,926)</u>	<u>(7,789,808)</u>
<b>Net realised gain on investments and derivatives</b>	<b>13,612,799</b>	<b>31,165,304</b>
<b>Unrealised gain on:</b>		
Investments	2,796,014	52,338,357
Derivatives	93,224	365,090
Foreign currency	31,951	1,175
	<u>2,921,189</u>	<u>52,704,622</u>
<b>Unrealised loss on:</b>		
Investments	(86,130,196)	(16,385,451)
Derivatives	(718,592)	(67,495)
Foreign currency	(44,357)	(52,811)
	<u>(86,893,145)</u>	<u>(16,505,757)</u>
<b>Net unrealised (loss)/gain on investments and derivatives</b>	<b>(83,971,956)</b>	<b>36,198,865</b>
<b>Net (loss)/gain from financial instruments at fair value through profit or loss</b>	<b>(68,423,931)</b>	<b>69,425,249</b>

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

**OTHER INFORMATION (Unaudited) (continued)**

**M&G Worldwide Managed Fund**

**For the financial year ended 31 December 2022**

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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 2022, 31 December 2021 and 31 December 2020.

	<b>NAV attributable to holders of participating shares at 31 December 2022 USD</b>	<b>Number of shares at 31 December 2022</b>	<b>NAV per share at 31 December 2022 USD</b>
C Acc	475,293,915	372,158,837	1.2771
E Acc	8,640,675	6,728,351	1.2842
	<b>at 31 December 2021</b>	<b>at 31 December 2021</b>	<b>at 31 December 2021</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

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

**As at 31 December 2022**

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**M&G Worldwide Real Return Fund**

**Market commentary**

It was a challenging year for investors, who became increasingly concerned about the impact of the higher interest rates being imposed to control inflation, which led to significant selling of both stocks and bonds. Russia's invasion of Ukraine was another negative factor. Later, investors began to hope that signs of weakening inflation might cause central banks to slow the pace of their interest rate increases, leading to strong rallies. However, central banks dashed this optimism by asserting that interest rates will stay high, reigniting fears that the global economy might tip into recession.

The prospect of multiple interest rate increases weighed heavily on government bond markets, which fell sharply in price, with yields ending the year at multi-decade highs. Investment grade corporate bonds reflected the weakness, as did high yield bonds and emerging market bonds.

Among equities, the weakest performers included the Nasdaq in the US, where investors questioned the valuations of high-growth companies in a high interest rate environment. Russia, China and other emerging markets also fell sharply, as did the FTSE 250, which was hit by recession fears. The UK's FTSE 100 rose slightly, helped by a high weighting of oil companies and exporters who could benefit from sterling weakness. Several Latin American countries also performed well, helped by higher commodity prices.

In currency markets, the USA dollar appreciated significantly against most of its rivals.

In this environment, the Fund produced an absolute return of 8.6%.

**Absolute performance**

The Fund's negative return was mainly driven by the allocation to equities, although fixed income also delivered a negative contribution

*Main contributors:* Indonesian equities. Bonds from Brazil, the US, China and Turkey

*Main detractors:* Global equities, stocks from Europe and China. Broad exposure to fixed income assets, corporate bonds from the US and Europe, emerging market governments bonds in hard currencies

**Relative performance**

Overall, the portfolio outperformed the reference index by 4.58%. The cash holding was positive as both equities and fixed income assets fell. Stock selection in equities was also beneficial, although the overweight position relative to the benchmark was not. Stock selection in fixed income also helped relative performance.

*Fixed income*

For fixed income, exposure to bonds from China, Turkey and South Africa was positive, although this was offset by holdings of European corporate bonds, US Treasuries and emerging market governments bonds in hard currencies.

*Equities*

Exposure to global equities contributed to performance, driven by selection. Holdings in Europe and Japan were also beneficial. US and Chinese equities impaired relative performance.

**Positioning/changes**

Early in the year, exposure to Indonesian equities was closed after good performance against a falling market.

Over the course of the year we reduced our underweight in duration, mainly by adding exposure to 30-year US Treasuries after they sold off in the second and fourth quarters, which we saw as offering potential diversification in the event of a negative growth shock or panic in equity markets. By the fourth quarter we moved to a long position in duration, although this was subsequently trimmed back to neutral after a rapid rise in US government bond prices. We also reduced our overweight position in emerging market hard currency bonds in favour of US corporate bonds. EM hard currency bonds were no longer offering levels of value that justified a large overweight in the asset class. We also thought investment grade corporate bonds looked more attractive as credit spreads have widened. The purchase reduced the underweight in this area to a more neutral position relative to benchmark.

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

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

**As at 31 December 2022**

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#### **M&G Worldwide Real Return Fund (continued)**

##### **Positioning/changes (continued)**

In the third quarter, following a rapid decline in the UK government bond prices, triggered by the announcement of unwise government policies, we initiated a tactical position in 30-year gilts. The position was closed after prices rallied when the Bank of England intervened to support the market.

The Fund continues to hold a relatively high level of cash, as we believe it is a valuable asset in the current environment of heightened volatility.

##### **Outlook**

While there is a lot of negativity about the prospects for growth, there are few signs of capitulation in asset markets. At the same time, there is a strong consensus that inflation has peaked, which has been supportive of asset prices recently. Valuations have improved almost everywhere but, as always, are dependent on the path for cash interest rates and the extent of optimism in profit forecasts.

In these extremely volatile, narrative-driven times we remain alert to opportunities that are created by 'episodic', or sentiment-driven, changes in asset prices.

As the likelihood of economic downturn has increased, we remain cautious and have adopted a more neutral positioning. However, we continue to hold a reasonable level of cash, enabling us to act quickly if and when market turbulence presents attractive opportunities.

**M&G Investment Management Limited**  
**25 April 2023**

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

**STATEMENT OF COMPREHENSIVE INCOME**

**M&G Worldwide Real Return Fund**

	Note	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Income</b>			
Interest income		15,168	865
Dividend income		523,664	471,560
Other income		10,882	4,319
Net (loss)/gain from financial instruments at fair value through profit or loss		(22,571,380)	20,364,964
<b>Total (expense)/income</b>		<b>(22,021,666)</b>	<b>20,841,708</b>
<b>Expenses</b>			
Operating expenses	4	(1,481,129)	(1,782,606)
<b>Total operating expenses</b>		<b>(1,481,129)</b>	<b>(1,782,606)</b>
Rebate	6	379,027	606,148
<b>(Loss)/profit for the financial year before finance costs</b>		<b>(23,123,768)</b>	<b>19,665,250</b>
<b>Finance costs</b>			
Interest paid		(2,451)	(1,953)
<b>(Loss)/profit for the financial year before taxation</b>		<b>(23,126,219)</b>	<b>19,663,297</b>
<b>Taxation</b>			
Withholding tax	2	(18,920)	(9,108)
<b>Total taxation</b>		<b>(18,920)</b>	<b>(9,108)</b>
<b>(Loss)/profit for the financial year after taxation</b>		<b>(23,145,139)</b>	<b>19,654,189</b>
<b>Changes in net assets attributable to equity shareholders</b>		<b>(23,145,139)</b>	<b>19,654,189</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 2022 USD	As at 31 December 2021 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	198,883,173	189,258,409
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	624,351	317,724
Cash	2, 3	4,915,806	4,065,867
Broker cash held as collateral for financial derivative instruments		-	20,000
Receivables		3,261,965	536,778
<b>Total assets</b>		<b>207,685,295</b>	<b>194,198,778</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(106,715)	(93,225)
Payables and other accrued expenses		(281,698)	(258,158)
<b>Total liabilities</b>		<b>(388,413)</b>	<b>(351,383)</b>
<b>Net assets attributable to equity shareholders</b>		<b>207,296,882</b>	<b>193,847,395</b>
<b>Net asset value (NAV) per equity share</b>		<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
Number of Shares:			
- Class C Acc	5	174,051,812	143,083,565
Net assets attributable to equity shareholders			
- Class C Acc	<b>USD</b>	207,296,882	193,847,395
NAV per Share			
- Class C Acc	<b>USD</b>	1.1910	1.3548

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

**For and on behalf of the Board**

DocuSigned by:

*Raymond O'Neill*

Director: Raymond O'Neill

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DocuSigned by:

*Brian Dunleavy*

Director: Brian Dunleavy

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25 April 2023



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

### STATEMENT OF CHANGES IN EQUITY

#### M&G Worldwide Real Return Fund

		For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net assets attributable to equity shareholders at the beginning of the financial year</b>		<b>193,847,395</b>	<b>241,583,181</b>
Issuance of participating shares	5	86,446,552	37,608,000
Redemption of participating shares	5	(49,851,926)	(104,997,975)
<b>Net increase/(decrease) from share transactions</b>		<b>36,594,626</b>	<b>(67,389,975)</b>
Changes in net assets attributable to holders of equity shares		(23,145,139)	19,654,189
<b>Net assets attributable to equity shareholders at the end of the financial year</b>		<b>207,296,882</b>	<b>193,847,395</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 2022 USD	For the year ended 31 December 2021 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to equity shareholders	(23,145,139)	19,654,189
<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	(9,931,391)	49,672,237
Broker cash held as collateral for financial derivative instruments	20,000	(20,000)
Operating receivables	(50,187)	(90,076)
Financial liabilities at fair value through profit or loss	13,490	(74,729)
Accrued expenses	23,540	24,134
<b>Net cash (outflows)/inflows from operating activities</b>	<b>(33,069,687)</b>	<b>69,165,755</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity shares issued	83,771,552	37,589,000
Payments from redemption of equity shares	(49,851,926)	(104,997,975)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>33,919,626</b>	<b>(67,408,975)</b>
Net increase in cash and cash equivalents		
Cash and cash equivalents at beginning of the year	849,939	1,756,780
<b>Cash and cash equivalents at end of the year</b>	<b>4,065,867</b>	<b>2,309,087</b>
<b>Supplemental information</b>		
Interest received	1,203,519	1,147,012
Interest paid	(2,451)	(1,953)
Dividends received	523,943	471,281
Taxation paid	(18,486)	-

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 2022**

**M&G Worldwide Real Return Fund**

**Investments 95.94% (31 December 2021: 97.63%)**

Principal Amount	Security Description	Fair Value USD	% of Net Assets
<b>Fixed Income 18.36% (31 December 2021: 20.98%)</b>			
	Brazil	741,936	0.36
	Chile	754,178	0.36
	China	4,957,838	2.39
	Mexico	767,434	0.37
	South Africa	5,167,193	2.49
	Turkey	3,708,220	1.79
<b>United States of America</b>			
11,447,500	United States Treasury Note 0.000% 26/01/2023	11,419,156	5.51
15,014,500	United States Treasury Note 2.250% 15/02/2052	10,547,686	5.09
		<u>21,966,842</u>	<u>10.60</u>
	<b>Total Fixed Income</b>	<b><u>38,063,641</u></b>	<b><u>18.36</u></b>
Number of Shares	Security Description	Fair Value USD	% of Net Assets
<b>Investment Funds 77.58% (31 December 2021: 76.65%)</b>			
<b>Ireland</b>			
38,615,555	M&G Global Bond Fund	38,851,109	18.74
	Other Ireland	5,983,578	2.89
		<u>44,834,687</u>	<u>21.63</u>
<b>Luxembourg</b>			
2,941,791	M&G Lux Investment Funds 1 - M&G Lux Global Maxima Fund	38,621,303	18.64
227,656	Xtrackers S&P 500 Swap UCITS ETF	16,859,065	8.13
	Other Luxembourg	16,202,591	7.81
		<u>71,682,959</u>	<u>34.58</u>
<b>United Kingdom</b>			
15,423,666	M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund	23,757,289	11.47
	Other United Kingdom	20,544,597	9.90
		<u>44,301,886</u>	<u>21.37</u>
	<b>Total Investment Funds</b>	<b><u>160,819,532</u></b>	<b><u>77.58</u></b>
	<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>198,883,173</u></b>	<b><u>95.94</u></b>

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

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

**As at 31 December 2022**

**M&G Worldwide Real Return Fund (continued)**

**Financial Derivative Instruments 0.25% (31 December 2021: 0.12%)**

**Open Forward Foreign Currency Exchange Contracts 0.25% (31 December 2021: 0.12%)**

<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>
13/01/2023	EUR	6,550,000	USD	6,629,684	365,192	0.18
13/01/2023	JPY	203,493,000	USD	1,437,938	105,985	0.05
19/01/2023	TRY	42,818,300	USD	2,105,542	153,174	0.07
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>624,351</b>	<b>0.30</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>
13/01/2023	USD	5,147,729	EUR	4,832,636	(13,139)	(0.01)
13/01/2023	USD	2,456,351	GBP	2,119,309	(93,576)	(0.04)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(106,715)</b>	<b>(0.05)</b>

<b>Total Financial Derivative Instruments</b>	<b>517,636</b>	<b>0.25</b>
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<b>Total Investments (31 December 2021: 97.75%)</b>	<b>199,400,809</b>	<b>96.19</b>
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<b>Other Net Assets (31 December 2021: 2.25%)</b>	<b>7,896,073</b>	<b>3.81</b>
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<b>Net Assets Attributable to Participating Shareholders</b>	<b>207,296,882</b>	<b>100.00</b>
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The counterparties for the open forward foreign currency exchange contracts are State Street Bank London, 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 2022**

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

	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>1,251,982</b>	<b>1,299,617</b>
<b>Realised gain on:</b>		
Investments	6,881,892	23,759,591
Derivatives	74,599	1,128
Foreign currency	5,814	41,863
	<u>6,962,305</u>	<u>23,802,582</u>
<b>Realised loss on:</b>		
Investments	(4,732,453)	(2,977,174)
Derivatives	(69)	-
Foreign currency	(973,025)	(2,759,816)
	<u>(5,705,547)</u>	<u>(5,736,990)</u>
<b>Net realised gain on investments and derivatives</b>	<b><u>1,256,758</u></b>	<b><u>18,065,592</u></b>
<b>Unrealised gain on:</b>		
Investments	501,259	12,706,179
Derivatives	306,627	86,786
Foreign currency	21,023	279
	<u>828,909</u>	<u>12,793,244</u>
<b>Unrealised loss on:</b>		
Investments	(25,891,734)	(11,757,991)
Derivatives	(13,490)	-
Foreign currency	(3,805)	(35,498)
	<u>(25,909,029)</u>	<u>(11,793,489)</u>
<b>Net unrealised (loss)/gain on investments and derivatives</b>	<b><u>(25,080,120)</u></b>	<b><u>999,755</u></b>
<b>Net (loss)/gain from financial instruments at fair value through profit or loss</b>	<b><u>(22,571,380)</u></b>	<b><u>20,364,964</u></b>

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

**OTHER INFORMATION (Unaudited) (continued)**

**M&G Worldwide Real Return Fund**

**For the financial year ended 31 December 2022**

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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 2022, 31 December 2021 and 31 December 2020.

	<b>NAV attributable to holders of equity shares at 31 December 2022 USD</b>	<b>Number of shares at 31 December 2022</b>	<b>NAV per share at 31 December 2022 USD</b>
C Acc	207,296,882	174,051,812	1.1910
	<b>at 31 December 2021</b>	<b>at 31 December 2021</b>	<b>at 31 December 2021</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

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

**As at 31 December 2022**

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**M&G Worldwide Strategic Managed Fund**

**Market commentary**

It was a challenging year for investors, who became increasingly concerned about the impact of the higher interest rates being imposed to control inflation, which led to significant selling of both stocks and bonds. Russia's invasion of Ukraine was another negative factor. Later, investors began to hope that signs of weakening inflation might cause central banks to slow the pace of their interest rate increases, leading to strong rallies. However, central banks dashed this optimism by asserting that interest rates will stay high, reigniting fears that the global economy might tip into recession.

The prospect of multiple interest rate increases weighed heavily on government bond markets, which fell sharply in price, with yields ending the year at multi-decade highs. Investment grade corporate bonds reflected the weakness, as did high yield bonds and emerging market bonds.

Among equities, the weakest performers included the Nasdaq in the US, where investors questioned the valuations of high-growth companies in a high interest rate environment. Russia, China and other emerging markets also fell sharply, as did the FTSE 250, which was hit by recession fears. The UK's FTSE 100 rose slightly, helped by a high weighting of oil companies and exporters who could benefit from sterling weakness. Several Latin American countries also performed well, helped by higher commodity prices.

In currency markets, the USA dollar appreciated significantly against most of its rivals.

In this environment, the Fund produced an absolute return of -13.58%.

**Absolute performance**

The Fund's negative return was overwhelmingly driven by the significant allocation to equities.

*Main contributors:* Indonesian equity, infrastructure stocks, US Treasuries, bonds from Chile and Brazil

*Main detractors:* US equity, global equity, emerging market governments bonds in hard currencies, broad fixed income assets.

**Relative performance**

Overall, the portfolio produced a return of +3.84% relative to its reference index.

The return from equity was positive, primarily due to stock selection. Holding cash was positive as other assets declined. Stock selection in fixed income was also beneficial.

*Fixed income*

The allocation to emerging market local currency debt and bonds from Turkey, South Africa and Brazil made the largest contributions to the Fund's outperformance. However, emerging market governments bonds in hard currencies and broader global fixed income assets were detrimental.

*Equities*

For equities, selection was positive, with the largest contributions coming from European, Japanese and global stocks. This was offset by exposure to equities from the US, China and emerging markets.

**Positioning/changes**

Early in the year, exposure to Indonesian equities was closed after good performance against a falling market.

Over the course of the year we reduced our underweight in duration, mainly by adding exposure to 30-year US Treasuries after they sold off in the second and fourth quarters, which we saw as offering potential diversification in the event of a negative growth shock or panic in equity markets. By the fourth quarter we moved to a long position in duration, although this was subsequently trimmed back to neutral after a rapid rise in US government bond prices. We also reduced our overweight position in emerging market hard currency bonds in favour of US corporate bonds. EM hard currency bonds were no longer offering levels of value that justified a large overweight in the asset class. We also thought investment grade corporate bonds looked more attractive as credit spreads have widened. The purchase reduced the underweight in this area to a more neutral position relative to benchmark.

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

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

**As at 31 December 2022**

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#### **M&G Worldwide Strategic Managed Fund (continued)**

##### **Positioning/changes (continued)**

In the third quarter, following a rapid decline in the UK government bond prices, triggered by the announcement of unwise government policies, we initiated a tactical position in 30-year gilts. The position was closed after prices rallied when the Bank of England intervened to support the market.

The Fund continues to hold a relatively high level of cash, as we believe it is a valuable asset in the current environment of heightened volatility.

##### **Outlook**

While there is a lot of negativity about the prospects for growth, there are few signs of capitulation in asset markets. At the same time, there is a strong consensus that inflation has peaked, which has been supportive of asset prices recently. Valuations have improved almost everywhere but, as always, are dependent on the path for cash interest rates and the extent of optimism in profit forecasts.

In these extremely volatile, narrative-driven times we remain alert to opportunities that are created by 'episodic', or sentiment-driven, changes in asset prices.

As the likelihood of economic downturn has increased, we remain cautious and have adopted a more neutral positioning. However, we continue to hold a reasonable level of cash, enabling us to act quickly if and when market turbulence presents attractive opportunities.

**M&G Investment Management Limited**  
**25 April 2023**



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

**STATEMENT OF COMPREHENSIVE INCOME**

**M&G Worldwide Strategic Managed Fund**

	Note	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Income</b>			
Interest income		9,635	56
Dividend income		139,222	99,417
Other income		4,804	1,116
Net (loss)/gain from financial instruments at fair value through profit or loss		(12,730,024)	13,613,696
<b>Total (expense)/income</b>		<b>(12,576,363)</b>	<b>13,714,285</b>
<b>Expenses</b>			
Operating expenses	4	(716,938)	(747,141)
<b>Total operating expenses</b>		<b>(716,938)</b>	<b>(747,141)</b>
Rebate	6	191,931	269,172
<b>(Loss)/profit for the financial year before finance costs</b>		<b>(13,101,370)</b>	<b>13,236,316</b>
<b>Finance costs</b>			
Interest paid		(331)	(171)
<b>(Loss)/profit for the financial year before taxation</b>		<b>(13,101,701)</b>	<b>13,236,145</b>
<b>Taxation</b>			
Withholding tax	2	(7,385)	(7,174)
<b>Total taxation</b>		<b>(7,385)</b>	<b>(7,174)</b>
<b>(Loss)/profit for the financial year after taxation</b>		<b>(13,109,086)</b>	<b>13,228,971</b>
<b>Changes in net assets attributable to equity shareholders</b>		<b>(13,109,086)</b>	<b>13,228,971</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 2022 USD	As at 31 December 2021 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	93,997,906	92,036,131
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	150,108	132,733
Cash	2, 3	4,264,508	1,189,222
Broker cash held as collateral for financial derivative instruments		-	10,000
Receivables		1,050,211	914,193
<b>Total assets</b>		<b>99,462,733</b>	<b>94,282,279</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(143,776)	(44,226)
Payables and other accrued expenses		(136,169)	(111,642)
<b>Total liabilities</b>		<b>(279,945)</b>	<b>(155,868)</b>
<b>Net assets attributable to equity shareholders</b>		<b>99,182,788</b>	<b>94,126,411</b>
<b>Net asset value (NAV) per equity share</b>		<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
Number of Shares:			
- Class C Acc	5	77,475,476	63,540,949
Net assets attributable to equity shareholders			
- Class C Acc	<b>USD</b>	99,182,788	94,126,411
NAV per Share			
- Class C Acc	<b>USD</b>	1.2802	1.4814

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

**For and on behalf of the Board**

DocuSigned by:

*Raymond O'Neill*

Director: Raymond O'Neill

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DocuSigned by:

*Brian Dunleavy*

Director: Brian Dunleavy

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25 April 2023

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

### STATEMENT OF CHANGES IN EQUITY

#### M&G Worldwide Strategic Managed Fund

	Notes	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net assets attributable to equity shareholders at the beginning of the financial year</b>		<b>94,126,411</b>	<b>90,162,441</b>
Issuance of participating shares	5	43,583,593	5,361,999
Redemption of participating shares	5	(25,418,130)	(14,627,000)
<b>Net increase/(decrease) from share transactions</b>		<b>18,165,463</b>	<b>(9,265,001)</b>
Changes in net assets attributable to holders of equity shares		(13,109,086)	13,228,971
<b>Net assets attributable to equity shareholders at the end of the financial year</b>		<b>99,182,788</b>	<b>94,126,411</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 2022 USD	For the year ended 31 December 2021 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to equity shareholders	(13,109,086)	13,228,971
<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	(1,979,150)	(2,620,549)
Broker cash held as collateral for financial derivative instruments	10,000	(10,000)
Operating receivables	125,982	(63,454)
Financial liabilities at fair value through profit or loss	99,550	11,665
Accrued expenses	24,527	30,420
<b>Net cash (outflows)/inflows from operating activities</b>	<b>(14,828,177)</b>	<b>10,577,053</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity shares issued	43,321,593	4,623,999
Payments from redemption of equity shares	(25,418,130)	(14,627,000)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>17,903,463</b>	<b>(10,003,001)</b>
Net increase in cash and cash equivalents	3,075,286	574,052
Cash and cash equivalents at beginning of the year	1,189,222	615,170
<b>Cash and cash equivalents at end of the year</b>	<b>4,264,508</b>	<b>1,189,222</b>
<b>Supplemental information</b>		
Interest received	502,133	303,758
Interest paid	(331)	(171)
Dividends received	139,442	99,197
Taxation paid	(14,559)	-

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 2022**

**M&G Worldwide Strategic Managed Fund**

**Investments 94.77% (31 December 2021: 97.78%)**

Security Description	Fair Value USD	% of Net Assets
<b>Fixed Income 4.75% (31 December 2021: 10.67%)</b>		
United States of America	4,707,458	4.75
<b>Total Fixed Income</b>	<b>4,707,458</b>	<b>4.75</b>
<b>Investment Funds 90.02% (31 December 2020: 87.11%)</b>		
<b>Ireland</b>		
7,630,151 M&G Global Bond Fund	7,676,695	7.74
68,734 Vanguard FTSE All-World UCITS ETF	6,657,575	6.71
92,653 Vanguard S&P 500 UCITS ETF	6,586,702	6.64
Other Ireland	4,929,878	4.97
	<b>25,850,850</b>	<b>26.06</b>
<b>Luxembourg</b>		
1,123,358 Amundi MSCI Emerging Markets UCITS ETF	5,159,583	5.20
477,089 M&G Lux Investment Funds 1 - M&G Lux European Strategic Value Fund	5,336,003	5.38
1,393,843 M&G Lux Investment Funds 1 - M&G Lux Global Maxima Fund	18,299,068	18.46
241,111 Xtrackers S&P 500 Swap UCITS ETF	17,855,475	18.00
Other Luxembourg	1,183,208	1.19
	<b>47,833,337</b>	<b>48.23</b>
<b>United Kingdom</b>		
155,383 M&G Investment Funds 1 - Japan Fund	5,724,127	5.77
4,544,546 M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund	7,000,028	7.05
Other United Kingdom	2,882,106	2.91
	<b>15,606,261</b>	<b>15.73</b>
<b>Total Investment Funds</b>	<b>89,290,448</b>	<b>90.02</b>
<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b>93,997,906</b>	<b>94.77</b>

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

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

**As at 31 December 2022**

**M&G Worldwide Strategic Managed Fund (continued)**

**Financial Derivative Instruments 0.01% (31 December 2021: 0.09%)**

**Open Forward Foreign Currency Exchange Contracts 0.01% (31 December 2021: 0.09%)**

<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>
13/01/2023	EUR	1,665,000	USD	1,310,763	92,831	0.09
19/01/2023	TRY	16,011,150	USD	787,330	57,277	0.06
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>150,108</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>
13/01/2023	USD	1,519,219	GBP	1,685,256	(57,875)	(0.06)
13/01/2023	USD	1,165,441	JPY	164,930,000	(85,901)	(0.08)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(143,776)</b>	<b>(0.14)</b>

<b>Total Financial Derivative Instruments</b>	<b>6,332</b>	<b>0.01</b>
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<b>Total Investments (31 December 2021: 97.87%)</b>	<b>94,004,238</b>	<b>94.78</b>
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<b>Other Net Assets (31 December 2021: 2.13%)</b>	<b>5,178,550</b>	<b>5.22</b>
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<b>Net Assets Attributable to Participating Shareholders</b>	<b>99,182,788</b>	<b>100.00</b>
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The counterparties for the open forward foreign currency exchange contracts are State Street Bank London, 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 2022**

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

	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>358,629</b>	<b>384,359</b>
<b>Realised gain on:</b>		
Investments	5,102,385	5,902,352
Derivatives	31,814	120
Foreign currency	323,715	4,567
	<u>5,457,914</u>	<u>5,907,039</u>
<b>Realised loss on:</b>		
Investments	(1,964,287)	(776,573)
Derivatives	(30)	-
Foreign currency	(5,262)	(727,788)
	<u>(1,969,579)</u>	<u>(1,504,361)</u>
<b>Net realised gain on investments and derivatives</b>	<b><u>3,488,335</u></b>	<b><u>4,402,678</u></b>
<b>Unrealised gain on:</b>		
Investments	514,396	11,880,690
Derivatives	17,375	67,734
Foreign currency	5,917	222
	<u>537,688</u>	<u>11,948,646</u>
<b>Unrealised loss on:</b>		
Investments	(17,006,662)	(3,100,687)
Derivatives	(99,550)	(11,665)
Foreign currency	(8,464)	(9,635)
	<u>(17,114,676)</u>	<u>(3,121,987)</u>
<b>Net unrealised (loss)/gain on investments and derivatives</b>	<b><u>(16,576,988)</u></b>	<b><u>8,826,659</u></b>
<b>Net (loss)/gain from financial instruments at fair value through profit or loss</b>	<b><u>(12,730,024)</u></b>	<b><u>13,613,696</u></b>

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

**OTHER INFORMATION (Unaudited) (continued)**

**M&G Worldwide Strategic Managed Fund**

**For the financial year ended 31 December 2022**

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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 2022, 31 December 2021 and 31 December 2020.

	<b>NAV attributable to holders of equity shares at 31 December 2022 USD</b>	<b>Number of shares at 31 December 2022</b>	<b>NAV per share at 31 December 2022 USD</b>
C Acc	99,182,788	77,475,476	1.2802
	<b>at 31 December 2021</b>	<b>at 31 December 2021</b>	<b>at 31 December 2021</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



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

**As at 31 December 2022**

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

**Market commentary**

It was a challenging year for investors, who became increasingly concerned about the impact of the higher interest rates being imposed to control inflation, which led to significant selling of both stocks and bonds. Russia's invasion of Ukraine was another negative factor. Later, investors began to hope that signs of weakening inflation might cause central banks to slow the pace of their interest rate increases, leading to strong rallies. However, central banks dashed this optimism by asserting that interest rates will stay high, reigniting fears that the global economy might tip into recession.

The prospect of multiple interest rate increases weighed heavily on government bond markets, which fell sharply in price, with yields ending the year at multi-decade highs. Investment grade corporate bonds reflected the weakness, as did high yield bonds and emerging market bonds.

Among equities, the weakest performers included the Nasdaq in the US, where investors questioned the valuations of high-growth companies in a high interest rate environment. Russia, China and other emerging markets also fell sharply, as did the FTSE 250, which was hit by recession fears. The UK's FTSE 100 rose slightly, helped by a high weighting of oil companies and exporters who could benefit from sterling weakness. Several Latin American countries also performed well, helped by higher commodity prices.

In currency markets, the USA dollar appreciated significantly against most of its rivals.

In this environment, the Fund produced an absolute return of 8.9%.

**Absolute performance**

The Fund's negative return was mainly driven by the allocation to equities, although fixed income also delivered a negative contribution

*Main contributors:* Indonesian equities. Bonds from Brazil, the US, China and Turkey

*Main detractors:* Global equities, stocks from Europe and China. Broad exposure to fixed income assets, corporate bonds from the US and Europe, emerging market governments bonds in hard currencies

**Relative performance**

Overall, the portfolio outperformed the reference index by 4.48%. The cash holding was positive as both equities and fixed income assets fell. Stock selection in equities was also beneficial, although the overweight position relative to the benchmark was not. Stock selection in fixed income also helped relative performance.

*Fixed income*

For fixed income, exposure to bonds from China, Turkey and South Africa was positive, although this was offset by holdings of European corporate bonds, US Treasuries and emerging market governments bonds in hard currencies.

*Equities*

Exposure to global equities contributed to performance, driven by selection. Holdings in Europe and Japan were also beneficial. US and Chinese equities impaired relative performance.

**Positioning/changes**

Early in the year, exposure to Indonesian equities was closed after good performance against a falling market.

Over the course of the year we reduced our underweight in duration, mainly by adding exposure to 30-year US Treasuries after they sold off in the second and fourth quarters, which we saw as offering potential diversification in the event of a negative growth shock or panic in equity markets. By the fourth quarter we moved to a long position in duration, although this was subsequently trimmed back to neutral after a rapid rise in US government bond prices. We also reduced our overweight position in emerging market hard currency bonds in favour of US corporate bonds. EM hard currency bonds were no longer offering levels of value that justified a large overweight in the asset class. We also thought investment grade corporate bonds looked more attractive as credit spreads have widened. The purchase reduced the underweight in this area to a more neutral position relative to benchmark.

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

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

**As at 31 December 2022**

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#### **M&G Worldwide Strategic Real Return Fund (continued)**

##### **Positioning/changes (continued)**

In the third quarter, following a rapid decline in the UK government bond prices, triggered by the announcement of unwise government policies, we initiated a tactical position in 30-year gilts. The position was closed after prices rallied when the Bank of England intervened to support the market.

The Fund continues to hold a relatively high level of cash, as we believe it is a valuable asset in the current environment of heightened volatility.

##### **Outlook**

While there is a lot of negativity about the prospects for growth, there are few signs of capitulation in asset markets. At the same time, there is a strong consensus that inflation has peaked, which has been supportive of asset prices recently. Valuations have improved almost everywhere but, as always, are dependent on the path for cash interest rates and the extent of optimism in profit forecasts.

In these extremely volatile, narrative-driven times we remain alert to opportunities that are created by 'episodic', or sentiment-driven, changes in asset prices.

As the likelihood of economic downturn has increased, we remain cautious and have adopted a more neutral positioning. However, we continue to hold a reasonable level of cash, enabling us to act quickly if and when market turbulence presents attractive opportunities.

**M&G Investment Management Limited**  
**25 April 2023**

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

**STATEMENT OF COMPREHENSIVE INCOME**

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

		For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Income</b>			
Interest income		5,611	86
Dividend income		202,749	150,424
Other income		2,728	1,496
Net (loss)/gain from financial instruments at fair value through profit or loss		(10,686,062)	7,540,411
<b>Total (expense)/income</b>		<b>(10,474,974)</b>	<b>7,692,417</b>
<b>Expenses</b>			
Operating expenses	4	(593,540)	(664,057)
<b>Total operating expenses</b>		<b>(593,540)</b>	<b>(664,057)</b>
Rebate	6	164,105	239,237
<b>(Loss)/profit for the financial year before finance costs</b>		<b>(10,904,409)</b>	<b>7,267,597</b>
<b>Finance costs</b>			
Interest paid		(730)	(477)
<b>(Loss)/profit for the financial year before taxation</b>		<b>(10,905,139)</b>	<b>7,267,120</b>
<b>Taxation</b>	2		
Withholding tax		(6,347)	(3,055)
<b>Total taxation</b>		<b>(6,347)</b>	<b>(3,055)</b>
<b>(Loss)/profit for the financial year after taxation</b>		<b>(10,911,486)</b>	<b>7,264,065</b>
<b>Changes in net assets attributable to equity shareholders</b>		<b>(10,911,486)</b>	<b>7,264,065</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 2022 USD	As at 31 December 2021 USD
<b>Assets:</b>			
Investments	2 i), 2 ii)	69,876,521	78,566,120
Unrealised gain on open forward foreign currency exchange contracts	2 iv)	244,607	117,004
Cash	2, 3	1,400,468	1,946,954
Broker cash held as collateral for financial derivative instruments		-	10,000
Receivables		1,347,328	190,205
<b>Total assets</b>		<b>72,868,924</b>	<b>80,830,283</b>
<b>Liabilities:</b>			
Unrealised loss on open forward foreign currency exchange contracts	2 iv)	(45,208)	(37,670)
Payables and other accrued expenses		(101,588)	(103,201)
<b>Total liabilities</b>		<b>(146,796)</b>	<b>(140,871)</b>
<b>Net assets attributable to equity shareholders</b>		<b>72,722,128</b>	<b>80,689,412</b>
<b>Net asset value (NAV) per equity share</b>		<b>As at 31 December 2022</b>	<b>As at 31 December 2021</b>
Number of Shares:			
- Class C Acc	5	61,099,452	59,531,191
Net assets attributable to equity shareholders			
- Class C Acc	<b>USD</b>	72,722,128	80,689,412
NAV per Share			
- Class C Acc	<b>USD</b>	1.1902	1.3554

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

**For and on behalf of the Board**

DocuSigned by:

*Raymond O'Neill*

Director: Raymond O'Neill

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DocuSigned by:

*Brian Dunleavy*

Director: Brian Dunleavy

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25 April 2023

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

### STATEMENT OF CHANGES IN EQUITY

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

		For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net assets attributable to equity shareholders at the beginning of the financial year</b>	Notes	<b>80,689,412</b>	<b>87,873,347</b>
Issuance of participating shares	5	17,560,000	3,541,000
Redemption of participating shares	5	(14,615,798)	(17,989,000)
<b>Net increase/(decrease) from share transactions</b>		<b>2,944,202</b>	<b>(14,448,000)</b>
Changes in net assets attributable to holders of equity shares		(10,911,486)	7,264,065
<b>Net assets attributable to equity shareholders at the end of the financial year</b>		<b>72,722,128</b>	<b>80,689,412</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 2022 USD	For the year ended 31 December 2021 USD
<b>Cash flows from operating activities</b>		
Changes in net assets attributable to equity shareholders	(10,911,486)	7,264,065
<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	8,561,996	8,683,028
Broker cash held as collateral for financial derivative instruments	10,000	(10,000)
Operating receivables	(16,123)	(41,029)
Financial liabilities at fair value through profit or loss	7,538	(20,870)
Accrued expenses	(1,613)	15,273
<b>Net cash (outflows)/inflows from operating activities</b>	<b>(2,349,688)</b>	<b>15,890,467</b>
<b>Cash flows from financing activities</b>		
Proceeds from equity shares issued	16,419,000	3,536,000
Payments from redemption of equity shares	(14,615,798)	(17,989,000)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>1,803,202</b>	<b>(14,453,000)</b>
Net (decrease)/increase in cash and cash equivalents	(546,486)	1,437,467
Cash and cash equivalents at beginning of the year	1,946,954	509,487
<b>Cash and cash equivalents at end of the year</b>	<b>1,400,468</b>	<b>1,946,954</b>
<b>Supplemental information</b>		
Interest received	421,750	389,106
Interest paid	(730)	(477)
Dividends received	202,843	150,330
Taxation paid	(6,202)	-

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 2022**

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

Investments 96.09% (31 December 2021: 97.37%)

Principal Amount	Security Description	Fair Value USD	% of Net Assets
<b>Fixed Income 18.52% (31 December 2021: 19.43%)</b>			
	Brazil	248,858	0.34
	Chile	253,312	0.35
	China	2,034,172	2.80
	Mexico	257,306	0.35
	South Africa	1,729,085	2.38
	Turkey	1,235,943	1.70
<b>United States of America</b>			
4,017,200	United States Treasury Note 0.000% 26/01/2023	4,007,253	5.51
5,267,500	United States Treasury Note 2.250% 15/02/2052	3,700,419	5.09
		<u>7,707,672</u>	<u>10.60</u>
	<b>Total Fixed Income</b>	<b><u>13,466,348</u></b>	<b><u>18.52</u></b>

Number of Shares	Security Description	Fair Value USD	% of Net Assets
<b>Investment Funds 77.57% (31 December 2021: 77.94%)</b>			
<b>Ireland</b>			
13,551,285	M&G Global Bond Fund	13,633,948	18.75
	Other Ireland	2,051,646	2.82
		<u>15,685,594</u>	<u>21.57</u>
<b>Luxembourg</b>			
1,049,403	M&G Lux Investment Funds 1 - M&G Lux Global Maxima Fund	13,777,086	18.94
80,962	Xtrackers S&P 500 Swap UCITS ETF	5,995,641	8.24
	Other Luxembourg	5,462,904	7.51
		<u>25,235,631</u>	<u>34.69</u>
<b>United Kingdom</b>			
5,484,305	M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund	8,447,552	11.63
	Other United Kingdom	7,041,396	9.68
		<u>15,488,948</u>	<u>21.31</u>
	<b>Total Investment Funds</b>	<b><u>56,410,173</u></b>	<b><u>77.57</u></b>
	<b>Total Value of Investments excluding Financial Derivative Instruments</b>	<b><u>69,876,521</u></b>	<b><u>96.09</u></b>

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

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

**As at 31 December 2022**

**M&G Worldwide Strategic Real Return Fund (continued)**

**Financial Derivative Instruments 0.27% (31 December 2021: 0.10%)**

**Open Forward Foreign Currency Exchange Contracts 0.27% (31 December 2021: 0.10%)**

<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>
13/01/2023	EUR	2,730,000	USD	2,763,212	152,210	0.21
13/01/2023	JPY	70,175,000	USD	495,876	36,549	0.05
19/01/2023	TRY	15,611,900	USD	767,698	55,848	0.08
<b>Unrealised gain on open forward foreign currency exchange contracts</b>					<b>244,607</b>	<b>0.34</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>
13/01/2023	USD	2,238,400	EUR	2,101,387	(5,713)	(0.01)
13/01/2023	USD	1,036,735	GBP	894,482	(39,495)	(0.06)
<b>Unrealised loss on open forward foreign currency exchange contracts</b>					<b>(45,208)</b>	<b>(0.07)</b>

<b>Total Financial Derivative Instruments</b>	<b>199,399</b>	<b>0.27</b>
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<b>Total Investments (31 December 2021: 97.47%)</b>	<b>70,075,920</b>	<b>96.36</b>
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<b>Other Net Assets (31 December 2021: 2.53%)</b>	<b>2,646,208</b>	<b>3.64</b>
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<b>Net Assets Attributable to Participating Shareholders</b>	<b>72,722,128</b>	<b>100.00</b>
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The counterparties for the open forward foreign currency exchange contracts are State Street Bank London, 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 2022****Net gains or losses from financial instruments at fair value through profit or loss**

	For the year ended 31 December 2022 USD	For the year ended 31 December 2021 USD
<b>Net gain from financial instruments at fair value through profit or loss</b>	<b>438,773</b>	<b>446,947</b>
<b>Realised gain on:</b>		
Investments	3,607,306	6,022,698
Derivatives	21,337	374
Foreign currency	12,184	12,103
	<u>3,640,827</u>	<u>6,035,175</u>
<b>Realised loss on:</b>		
Investments	(2,582,333)	(1,046,223)
Derivatives	(20)	-
Foreign currency	(365,696)	(1,002,661)
	<u>(2,948,049)</u>	<u>(2,048,884)</u>
<b>Net realised gain on investments and derivatives</b>	<b>692,778</b>	<b>3,986,291</b>
<b>Unrealised gain on:</b>		
Investments	213,890	6,606,117
Derivatives	127,603	28,750
Foreign currency	7,171	96
	<u>348,664</u>	<u>6,634,963</u>
<b>Unrealised loss on:</b>		
Investments	(12,157,198)	(3,515,994)
Derivatives	(7,538)	-
Foreign currency	(1,541)	(11,796)
	<u>(12,166,277)</u>	<u>(3,527,790)</u>
<b>Net unrealised (loss)/gain on investments and derivatives</b>	<b>(11,817,613)</b>	<b>3,107,173</b>
<b>Net (loss)/gain from financial instruments at fair value through profit or loss</b>	<b>(10,686,062)</b>	<b>7,540,411</b>

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

**OTHER INFORMATION (Unaudited) (continued)**

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

**For the financial year ended 31 December 2022**

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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 2022, 31 December 2021 and 31 December 2020.

	<b>NAV attributable to holders of equity shares at 31 December 2022 USD</b>	<b>Number of shares at 31 December 2022</b>	<b>NAV per share at 31 December 2022 USD</b>
C Acc	72,722,128	61,099,452	1.1902
	<b>at 31 December 2021</b>	<b>at 31 December 2021</b>	<b>at 31 December 2021</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

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

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

**For the financial year ended 31 December 2022**

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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 to 2021 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 Funds' 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 2022 that have a significant impact on each 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 each 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 2022**

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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 a 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 instruments on fair value basis in accordance with documented investment strategy it must classify its financial assets and financial liabilities as FVTPL. Included in this category are investments and unrealised gain/(loss) on futures contracts, unrealised gain/(loss) on open forward foreign currency exchange contracts and credit default swaps. Cash, receivables, payables and other accrued expenses are measured at amortised cost.

*Recognition and derecognition*

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.

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 financial assets and financial liabilities classified at FVTPL 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 2022**

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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.

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

**For the financial year ended 31 December 2022**

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

**Financial instruments (continued)**

v) Credit default swaps

The Fund may at the discretion of the Investment Manager enter into transactions in swaps. Credit Default Swaps (“CDS”) are transactions under which the parties' obligations depend on whether a credit event has occurred in relation to the reference asset. The credit events are specified in the contract and are intended to identify the occurrence of a significant change in the creditworthiness of the reference asset. On settlement, credit default products may be cash settled or involve the physical delivery of an obligation of the reference entity following a default. The buyer in a CDS contract is obligated to pay the seller a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference asset has occurred. If a credit event occurs, the seller must pay the buyer the full notional value of the reference asset that may have little or no value. If the Fund is a buyer and no credit event occurs the Fund's losses will be limited to the periodic stream of payments over the term of the contract. As a seller, the Fund will receive a fixed rate of income throughout the term of the contract, provided that there is no credit event. If a credit event occurs, the seller must pay the buyer the full notional value of the reference obligation. The Fund may also use CDS to take synthetic long or short directional positions and/or to protect against the risk of default of an issuer.

In case of default, the CDS buyer receives a payout from the CDS seller. The payout amount is determined based on the difference between the debt's par value and its market value at the time of default.

The AIFM delegates the investment management of the Funds to the Investment Manager which retain full discretion of the investment decision. As at 31 December 2022, M&G Global Bond Fund held CDSs. In December market liquidity was not optimal, therefore the portfolio management team took some of the credit exposure through CDSs to complement physical corporate bonds in the portfolio, in order to ensure overall credit exposure reach the desired level. Subsequently, the portfolio management team scaled up exposure via physical bonds and unwound the CDS exposure. CDSs have also been used to hedge credit exposure amid volatility in the banking sector. The Fund has not used single-name CDSs as strategy focuses on index level for European and US credit markets.

**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.

**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.

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

**For the financial year ended 31 December 2022**

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

**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**

Cash comprises cash at bank. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value. 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**

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.

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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

##### 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.

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 accrual 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.



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

**For the financial year ended 31 December 2022**

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

**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.

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, 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 2022 (31 December 2021: None).

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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

##### 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, open forward foreign exchange currency contracts and credit default swaps 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.

#### Note 3. Cash, Margin Cash and Broker cash held as collateral for financial derivative instruments

All cash represents cash held with State Street Custodial Services (Ireland) Limited, (the "Depository"). As at 31 December 2022, the Funds did not hold any short-term investments (31 December 2021: 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 2022 and 31 December 2021, this cash was held with Merrill Lynch International.

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 2022, this cash collateral was pledged to State Street Bank London and UBS AG. At 31 December 2021, this cash collateral was pledged to JP Morgan Securities Plc.

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 2022, 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 2021: None).

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

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

**For the financial year ended 31 December 2022**

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

**Operating expenses**

The following tables represent operating expenses as at 31 December 2022:

	<b>M&amp;G Global Balanced Fund USD</b>	<b>M&amp;G Global Bond Fund USD</b>	<b>M&amp;G Global Equity Fund USD</b>	<b>M&amp;G Global Fixed Income Fund USD</b>	<b>M&amp;G Global Inflation Plus Fund USD</b>
<b>31 December 2022</b>					
Management fees	(86,095)	(54,206)	(157,896)	(104,097)	(44,284)
AIFM fees	(5,571)	(4,135)	(8,802)	(8,094)	(2,313)
Investment Manager and Distributor fees	(204,718)	(115,892)	(320,067)	(226,359)	(87,432)
Administration fees	(26,658)	(22,608)	(45,937)	(41,469)	(11,417)
Depositary fees	(22,993)	(21,231)	(49,744)	(25,129)	(16,034)
Audit fees	(3,738)	(2,711)	(6,061)	(5,611)	(1,851)
Directors' fees	(1,397)	(1,170)	(2,364)	(2,167)	(613)
Establishment costs	(1,276)	(1,484)	(1,620)	(248)	(1,839)
Consultancy fees	(475)	(398)	(815)	(716)	(212)
Other operating expenses	(15,906)	(12,107)	(15,276)	(8,120)	(13,841)
	<b>(368,827)</b>	<b>(235,942)</b>	<b>(608,582)</b>	<b>(422,010)</b>	<b>(179,836)</b>

	<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 2022</b>					
Management fees	(1,001,665)	(387,158)	(187,217)	(162,101)	(109)
AIFM fees	(60,402)	(23,222)	(10,968)	(9,036)	(34)
Investment Manager and Distributor fees	(2,182,538)	(841,526)	(397,480)	(327,468)	(1,239)
Administration fees	(300,572)	(119,591)	(56,113)	(43,177)	(2,590)
Depositary fees	(140,881)	(52,358)	(34,505)	(26,662)	(28,472)
Audit fees	(38,130)	(12,906)	(7,139)	(5,847)	(851)
Directors' fees	(16,299)	(6,227)	(2,930)	(2,467)	(118)
Establishment costs	(11,721)	(14,155)	(2,787)	(3,921)	(12,147)
Consultancy fees	(5,288)	(2,049)	(976)	(817)	(79)
Other operating expenses	(62,710)	(21,937)	(16,823)	(12,044)	(7,042)
	<b>(3,820,206)</b>	<b>(1,481,129)</b>	<b>(716,938)</b>	<b>(593,540)</b>	<b>(52,681)</b>

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

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

**For the financial year ended 31 December 2022**

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

**Payables and other accrued expenses**

The following tables represent payables and other accrued expenses as at 31 December 2022:

	<b>M&amp;G Global Balanced Fund USD</b>	<b>M&amp;G Global Bond Fund USD</b>	<b>M&amp;G Global Equity Fund USD</b>	<b>M&amp;G Global Fixed Income Fund USD</b>	<b>M&amp;G Global Inflation Plus Fund USD</b>
<b>31 December 2022</b>					
AIFM fees payable	(1,834)	(910)	(2,249)	(1,915)	(528)
Investment Manager and Distributor fees payable	(65,968)	(25,136)	(81,186)	(52,783)	(19,942)
Administration fees payables	(5,456)	(4,706)	(6,938)	(6,029)	(1,853)
Depositary fees payables	(5,609)	(5,035)	(9,849)	(5,628)	(2,887)
Audit fees payables	(3,388)	(2,890)	(5,685)	(5,164)	(1,510)
Consultancy fees payables	(291)	(250)	(476)	(428)	(124)
Other operating expenses payables	(10,804)	(14,573)	(13,328)	(3,153)	(13,278)
	<b>(93,350)</b>	<b>(53,500)</b>	<b>(119,711)</b>	<b>(75,100)</b>	<b>(40,122)</b>

	<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 2022</b>					
AIFM fees payable	(14,734)	(6,005)	(2,890)	(2,064)	(20)
Investment Manager and Distributor fees payable	(531,648)	(217,067)	(104,406)	(74,575)	(757)
Administration fees payables	(42,788)	(18,419)	(8,974)	(6,491)	(717)
Depositary fees payables	(42,508)	(16,982)	(8,845)	(6,652)	(3,452)
Audit fees payables	(38,150)	(14,668)	(6,979)	(5,857)	(554)
Consultancy fees payables	(3,194)	(1,230)	(587)	(479)	(46)
Other operating expenses payables	(16,551)	(7,327)	(3,488)	(5,470)	(2,497)
	<b>(689,573)</b>	<b>(281,698)</b>	<b>(136,169)</b>	<b>(101,588)</b>	<b>(8,043)</b>

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

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

**For the financial year ended 31 December 2022**

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

**Operating expenses**

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

	<b>M&amp;G Global Balanced Fund USD</b>	<b>M&amp;G Global Bond Fund USD</b>	<b>M&amp;G Global Equity Fund USD</b>	<b>M&amp;G Global Fixed Income Fund USD</b>	<b>M&amp;G Global Inflation Plus Fund USD</b>
<b>31 December 2021</b>					
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)
	<b>(348,491)</b>	<b>(269,482)</b>	<b>(702,402)</b>	<b>(412,543)</b>	<b>(164,302)</b>

	<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	(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)
	<b>(3,882,699)</b>	<b>(1,782,606)</b>	<b>(747,141)</b>	<b>(664,057)</b>	<b>(14,738)</b>

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

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

**For the financial year ended 31 December 2022**

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

**Payables and other accrued expenses**

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

	<b>M&amp;G Global Balanced Fund USD</b>	<b>M&amp;G Global Bond Fund USD</b>	<b>M&amp;G Global Equity Fund USD</b>	<b>M&amp;G Global Fixed Income Fund USD</b>	<b>M&amp;G Global Inflation Plus Fund USD</b>
<b>31 December 2021</b>					
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)
	<b>(63,795)</b>	<b>(53,591)</b>	<b>(136,482)</b>	<b>(78,577)</b>	<b>(41,130)</b>

	<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>

Please refer to Note 6 for further details on AIFM, Investment Manager and Distributor fees.

The audit fee (including expenses) for the ICAV for the financial year was USD 84,845 (financial year 31 December 2021: USD 82,101) with USD 84,845 (31 December 2021: USD 82,101) 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.

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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

##### 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.

#### 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.

##### 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 2022, the subscriber shares were held by M&G Portfolio Managers (South Africa) (Pty) Ltd. 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 shares during the financial year ended 31 December 2022.

	M&G Global Balanced Fund		M&G Global Bond Fund		
	Class B Acc	Class C Acc	Class B Acc	Class C Acc	Class G Acc <sup>1</sup>
Shares at beginning of financial year	2,600,901	30,033,553	386,168	32,229,969	-
Shares issued	902,562	68,798,389	128,972	13,714,097	119,002,421
Shares redeemed	(273,637)	(81,823)	(6,849)	(11,874,886)	-
Shares at end of financial year	<u>3,229,826</u>	<u>98,750,119</u>	<u>508,291</u>	<u>34,069,180</u>	<u>119,002,421</u>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Proceeds from participating shares issued	1,086,275	84,524,568	120,771	13,565,000	120,870,743
Payments for redemption of participating shares	(319,021)	(95,000)	(6,142)	(11,154,000)	-

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

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

**For the financial year ended 31 December 2022**

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

**Share transactions (continued)**

	<b>M&amp;G Global Equity Fund</b>			<b>M&amp;G Global Fixed Income Fund</b>
	<b>Class B Acc</b>	<b>Class C Acc</b>	<b>Class G Acc<sup>1</sup></b>	<b>Class C Acc</b>
Shares at beginning of financial year	997,992	52,345,677	-	60,896,946
Shares issued	93,052	20,365,137	1,000	19,650,476
Shares redeemed	(48,009)	(1,030,440)	-	(9,439,660)
Shares at end of financial year	<u>1,043,035</u>	<u>71,680,374</u>	<u>1,000</u>	<u>71,107,762</u>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Proceeds from participating/equity shares issued	127,316	28,268,102	1,000	20,455,000
Payments for redemption of participating/equity shares	(64,609)	(1,409,000)	-	(9,449,000)

<sup>1</sup> This class launched on 28 November 2022.

	<b>M&amp;G Global Inflation Plus Fund</b>			<b>M&amp;G Global Property Fund</b>		
	<b>Class B Acc</b>	<b>Class C Acc</b>	<b>Class G Acc</b>	<b>Class B Acc</b>	<b>Class C Acc</b>	<b>Class G Acc</b>
Shares at beginning of financial year	4,372,228	12,836,038	1,000	62,500	7,501,034	
Shares issued	1,945,175	374,966	2,164	1,009,981	5,327,010	
Shares redeemed	(1,460,192)	(1,032,425)	(1,526)	-	-	
Shares at end of financial year	<u>4,857,211</u>	<u>12,178,579</u>	<u>1,638</u>	<u>1,072,481</u>	<u>12,828,044</u>	
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	
Proceeds from participating shares issued	2,247,622	454,000	1,790	806,000	4,429,409	
Payments for redemption of participating shares	(1,599,782)	(1,128,000)	(1,347)	-	-	



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

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

**For the financial year ended 31 December 2022**

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

**Share transactions (continued)**

	<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	323,571,090	5,559,856	143,083,565
Shares issued	189,665,441	2,505,642	72,540,157
Shares redeemed	(141,077,694)	(1,337,147)	(41,571,910)
Shares at end of financial year	<u>372,158,837</u>	<u>6,728,351</u>	<u>174,051,812</u>
	<b>USD</b>	<b>USD</b>	<b>USD</b>
Proceeds from participating/equity shares issued	249,546,000	3,326,000	86,446,552
Payments for redemption of participating/equity shares	(182,765,186)	(1,723,000)	(49,851,926)
	<b>M&amp;G Worldwide Strategic Managed Fund</b>	<b>M&amp;G Worldwide Strategic Real Return Fund</b>	
	<b>Class C Acc</b>	<b>Class C Acc</b>	
Shares at beginning of financial year	63,540,949	59,531,191	
Shares issued	33,299,886	14,031,175	
Shares redeemed	(19,365,359)	(12,462,914)	
Shares at end of financial year	<u>77,475,476</u>	<u>61,099,452</u>	
	<b>USD</b>	<b>USD</b>	
Proceeds from equity shares issued	43,583,593	17,560,000	
Payments for redemption of equity shares	(25,418,130)	(14,615,798)	

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

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

**For the financial year ended 31 December 2022**

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

**Share transactions (continued)**

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

	<b>M&amp;G Global Balanced Fund</b>		<b>M&amp;G Global Bond Fund</b>	
	<b>Class B Acc</b>	<b>Class C Acc</b>	<b>Class B Acc</b>	<b>Class C Acc</b>
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	<u>2,600,901</u>	<u>30,033,553</u>	<u>386,168</u>	<u>32,229,969</u>

	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
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)

	<b>M&amp;G Global Equity Fund</b>		<b>M&amp;G Global Fixed Income Fund</b>
	<b>Class B Acc</b>	<b>Class C Acc</b>	<b>Class C Acc</b>
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	<u>997,992</u>	<u>52,345,677</u>	<u>60,896,946</u>

	<b>USD</b>	<b>USD</b>	<b>USD</b>
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 2022**

**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 2022

#### 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.

##### 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 2022.

##### 31 December 2022

Fund	Number of Shareholders	Number of Shares	Value of Holding USD	Holding % of Fund
M&G Global Balanced Fund	2	92,451,424	110,939,583	90.73
M&G Global Bond Fund	3	110,159,600	108,967,493	71.40
M&G Global Equity Fund	3	71,680,374	96,901,687	98.61
M&G Global Fixed Income Fund	1	47,168,401	44,495,415	66.33
M&G Global Inflation Plus Fund	1	12,178,579	13,215,780	72.14
M&G Global Property Fund	2	10,029,010	8,124,421	72.42
M&G Worldwide Managed Fund	1	184,083,656	235,098,208	48.58
M&G Worldwide Real Return Fund	1	129,231,039	153,915,072	74.25
M&G Worldwide Strategic Managed Fund	1	76,675,372	98,158,508	98.97
M&G Worldwide Strategic Real Return Fund	1	60,855,599	72,431,916	99.60

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.

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

#### Note 6. Related party transactions

##### Alternative Investment Fund Manager

PGF Management Company (Ireland) Limited, an Alternative Investment Management Company in Ireland, the former AIFM, had been appointed as the Alternative Investment Fund Manager ("AIFM").

Until 21 April 2022, the former AIFM was 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 Share Class			
	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%	-	Nil
M&G Global Equity Fund	0.75%	0.65%	-	Nil
M&G Global Fixed Income Fund	-	0.50%	-	-
M&G Global Inflation Plus Fund	0.75%	0.65%	-	-
M&G Global Property Fund	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%	-	-

The former AIFM was 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").

On 22 April 2022, KBA Consulting Management Limited replaced PGF Management Company (Ireland) Limited as the Alternative Investment Fund Manager. For the purposes of these financial statements, all references to the "AIFM" shall refer to KBA Consulting Management Limited. The AIFM is regulated by the Central Bank.

From 22 April 2022, the AIFM fees were calculated as follows:

NAV	AIFM fee per annum as a % of NAV of the ICAV
€0 - €500 Million	0.020%
€500 Million - €1 Billion	0.015%
€1 Billion - €2 Billion	0.010%
Above €2 Billion	0.0075%

The AIFM fees is subject to a minimum fee of €65,000 per annum based on a single Fund and a minimum fee of €10,000 per annum for each additional Fund.

The maximum annual AIFM fees payable to the AIFM shall be up to 0.02% of the NAV of the ICAV.

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 2022**

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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. Prior to 22 April 2022, fees of the Investment Manager were borne by the former AIFM. Following the appointment of KBA Consulting Management Limited as the AIFM, the Investment Management Agreement with the former AIFM has been novated.

From 22 April 2022, the ICAV pays the Investment Manager in respect of the services provided pursuant to the Amended Investment Management Agreement. The fees are calculated as a percentage of the aggregate NAV of the Funds, accruing on a daily basis and payable monthly in arrears at the agreed commercial terms. 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.

**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.

Prior to 22 April 2022, fees of the Distributor, sub-distributor and paying agents were borne by the former AIFM. Following the appointment of KBA Consulting Management Limited as the AIFM, the Investment Management Agreement with the former Distributor, sub-distributor and paying agents has been novated. As a result, from 22 April 2022, the fees of the Distributor, sub-distributor and paying agents are paid by the ICAV at the agreed commercial terms.

**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 except for Brian Dunleavy were also directors of PGF Management Company (Ireland) Limited throughout the period to 22 April 2022. PGF Management Company (Ireland) Limited was replaced as AIFM by KBA Consulting Management Limited on 22 April 2022.

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 was an Associate Director, a principal with KB Associates and an employee of KBA Consulting Management Limited. On 20 December 2022, Mr. Brian Fennessy retired as a Director of the ICAV and Mr. Brian Dunleavy, an employee of KBA Consulting Management Limited, was appointed as a replacement Director of the ICAV on the same date.

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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

##### Directors' interests (continued)

Mr. Bernard Fick has an indirect holding in M&G Global Equity Fund through an investment platform and indirectly through an investment in a shareholder of the Fund. 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. 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, a former Director of the ICAV, 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 and secretarial services to the ICAV. Clifton Fund Consulting Limited (trading as KB Associates) is part of the same group with KBA Consulting Management Limited. The fees paid and payable to Clifton Fund Consulting Limited (trading as KB Associates) during the financial year ended 31 December 2022 are disclosed in note 4 under Consultancy fees.

##### Directors' fees

The Directors of the ICAV earned fees of USD 35,752 (financial year 31 December 2021: USD 26,781) during the financial year, of which USD Nil (31 December 2021: USD 96) was outstanding at the financial year end.

##### Transactions with other related parties

As at 31 December 2022 and 31 December 2021, the subscriber shares were held by M&G Portfolio Managers (South Africa) (Pty) Ltd and M&G Limited.

As at 31 December 2022, KBA Consulting Management Limited did not hold any shares of the M&G (South Africa) Global Funds ICAV.

As at 31 December 2021, PGF Management Company (Ireland) Limited held 100 shares of M&G Global Bond Fund Class B, 100 shares of M&G Global Balanced Fund Class B, 100 shares of M&G Global Inflation Plus Fund Class B, 100 shares of M&G Global Equity Fund Class B and 1000 shares of M&G Global Property Fund Class B.

As at 31 December 2022 and 31 December 2021, 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 2022

Name of Fund	Shares in issue as at 31 December 2021	Shares issued during the financial year	Shares redeemed during the financial year	Shares in issue as at 31 December 2022
M&G Global Balanced Fund	32,634,454	69,700,951	(355,460)	101,979,945
M&G Global Bond Fund	32,616,137	132,845,490	(11,881,735)	153,579,892
M&G Global Equity Fund	53,343,669	20,459,189	(1,078,449)	72,724,409
M&G Global Fixed Income Fund	60,896,946	19,650,476	(9,439,660)	71,107,762
M&G Global Inflation Plus Fund	17,208,266	2,320,141	(2,492,617)	17,035,790
M&G Global Property Fund	7,564,534	6,339,155	(1,526)	13,902,163
M&G Worldwide Managed Fund	329,130,946	192,171,083	(142,414,841)	378,887,188
M&G Worldwide Real Return Fund	143,083,565	72,540,157	(41,571,910)	174,051,812
M&G Worldwide Strategic Managed Fund	63,540,949	33,299,886	(19,365,359)	77,475,476
M&G Worldwide Strategic Real Return Fund	59,531,191	14,031,175	(12,462,914)	61,099,452

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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

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

31 December 2021

Name of Fund	Shares in issue as at 31 December 2020	Shares issued during the financial year	Shares redeemed during the financial year	Shares 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.

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

#### Note 7. Cross-holdings

M&G Global Balanced Fund held 6,788,877 shares (31 December 2021: 2,356,000) in the M&G Global Property Fund Class G at the financial year ended 31 December 2022, which represents 48.83% (31 December 2021: 31.15%) of shares in issue of the M&G Global Property Fund at that date and 18,250,985 shares (31 December 2021: Nil) in the M&G Global Bond Fund Class G at the financial year ended 31 December 2022, which represents 11.88% (31 December 2021: Nil) of the shares in issue of the M&G Global Bond Fund at that date.

M&G Global Equity Fund held 3,240,133 shares (31 December 2021: 2,346,000) in the M&G Global Property Fund Class G at the financial year ended 31 December 2022, which represents 23.31% (31 December 2021: 31.01%) of 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 2021: 1,028,034) in the M&G Global Property Fund Class G at the financial year ended 31 December 2022, which represents 7.39% (31 December 2021: 13.59%) of shares in issue of the M&G Global Property Fund at that date and 3,478,580 shares (31 December 2021: Nil) in the M&G Global Bond Fund Class G at the financial year ended 31 December 2022, which represents 2.26% (31 December 2021: Nil) of the shares in issue of the M&G Global Bond Fund at that date.

M&G Worldwide Managed Fund held 37,474,865 shares (31 December 2021: Nil) in the M&G Global Bond Fund Class G at the financial year ended 31 December 2022, which represents 24.40% (31 December 2021: Nil) of shares in issue of the M&G Global Bond Fund at that date.

M&G Worldwide Real Return Fund held 38,615,555 shares (31 December 2021: Nil) in the M&G Global Bond Fund Class G at the financial year ended 31 December 2022, which represents 25.14% (31 December 2021: Nil) of shares in issue of the M&G Global Bond Fund at that date.

M&G Worldwide Strategic Managed Fund held 7,630,151 shares (31 December 2021: Nil) in the M&G Global Bond Fund Class G at the financial year ended 31 December 2022, which represents 4.97% (31 December 2021: Nil) of shares in issue of the M&G Global Bond Fund at that date.



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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

#### Note 7. Cross-holdings (continued)

M&G Worldwide Strategic Real Return Fund held 13,551,285 shares (31 December 2021: Nil) in the M&G Global Bond Fund Class G at the financial year ended 31 December 2022, which represents 8.82% (31 December 2021: Nil) of shares in issue of the M&G Global Bond Fund at that date.

The fair value of the investments in M&G Global Property Fund and M&G Global Bond Fund is detailed in the Condensed Schedule of Investments (Unaudited).

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

#### 31 December 2022

Name of Fund	Cross-holdings as at 31 December 2021	Purchases USD	Sales USD	Cross-holdings as at 31 December 2022
M&G Global Balanced Fund	2,356,000	4,432,877	-	6,788,877
M&G Global Equity Fund	2,346,000	894,133	-	3,240,133
M&G Global Inflation Plus Fund	1,028,034	-	-	1,028,034

#### 31 December 2021

Name of Fund	Cross-holdings as at 31 December 2020	Purchases USD	Sales USD	Cross-holdings as at 31 December 2021
M&G Global Balanced Fund	-	2,356,000	-	2,356,000
M&G Global Equity Fund	-	2,346,000	-	2,346,000
M&G Global Inflation Plus Fund	-	1,028,034	-	1,028,034

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

#### 31 December 2022

Name of Fund	Cross- holdings as at 31 December 2021	Purchases USD	Sales USD	Cross- holdings as at 31 December 2022
M&G Global Balanced Fund	-	18,250,985	-	18,250,985
M&G Global Inflation Plus Fund	-	3,478,580	-	3,478,580
M&G Worldwide Managed Fund	-	37,474,865	-	37,474,865
M&G Worldwide Real Return Fund	-	38,615,555	-	38,615,555
M&G Worldwide Strategic Managed Fund	-	7,630,151	-	7,630,151
M&G Worldwide Strategic Real Return Fund	-	13,551,285	-	13,551,285

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

#### 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 consider 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 invest 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) from financial instruments at fair value through profit or loss.

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 2022 and 31 December 2021, 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 2022

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

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

The tables below set out interests held by the Funds at 31 December 2022 and 31 December 2021 in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the Investee Funds held by the Funds.

##### 31 December 2022

Fund	Fund Currency	Total Net Assets of the underlying Structured Entity*	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	30,950,798,889	9	61,419,766	0.20%
1% - 5%	USD	-	-	-	-
5% - 10%	USD	-	-	-	-
10% - 20%	USD	373,564,089	2	41,351,133	11.07%
>20%	USD	11,218,523	1	5,499,669	49.02%

<b>M&amp;G Global Equity Fund</b>					
<1%	USD	15,630,000,000	1	4,764,447	0.03%
1% - 5%	USD	-	-	-	-
5% - 10%	USD	-	-	-	-
10% - 20%	USD	-	-	-	-
>20%	USD	11,218,523	1	2,624,832	23.40%

<b>M&amp;G Global Inflation Plus Fund</b>					
<1%	USD	37,945,104,528	10	6,797,633	0.02%
1% - 5%	USD	373,564,089	2	6,990,431	1.87%
5% - 10%	USD	11,218,523	1	832,810	7.42%
10% - 20%	USD	-	-	-	-
>20%	USD	-	-	-	-

<b>M&amp;G Global Property Fund</b>					
<1%	USD	244,000,000	1	737,599	0.30%
1% - 5%	USD	-	-	-	-
5% - 10%	USD	-	-	-	-
10% - 20%	USD	-	-	-	-
>20%	USD	-	-	-	-

<b>M&amp;G Worldwide Managed Fund</b>					
<1%	USD	29,176,419,984	4	114,628,090	0.39%
1% - 5%	USD	6,746,607,199	4	132,182,699	1.96%
5% - 10%	USD	562,757,005	1	29,236,987	5.20%
10% - 20%	USD	-	-	-	-
>20%	USD	448,408,774	3	160,398,469	35.77%

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

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

**For the financial year ended 31 December 2022**

**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>M&amp;G Worldwide Real Return Fund</b>					
<1%	USD	26,555,520,609	10	30,959,049	0.12%
1% - 5%	USD	1,313,453,919	3	19,826,490	1.51%
5% - 10%	USD	-	-	-	-
10% - 20%	USD	260,706,421	2	45,864,819	17.59%
>20%	USD	227,456,615	2	62,608,399	27.53%

<b>M&amp;G Worldwide Strategic Managed Fund</b>					
<1%	USD	35,923,027,183	13	50,087,674	0.14%
1% - 5%	USD	562,757,005	1	5,724,127	1.02%
5% - 10%	USD	448,408,774	3	32,975,791	7.35%
10% - 20%	USD	-	-	-	-
>20%	USD	-	-	-	-

<b>M&amp;G Worldwide Strategic Real Return Fund</b>					
<1%	USD	27,868,974,528	8	17,500,383	0.06%
1% - 5%	USD	-	-	-	-
5% - 10%	USD	413,318,351	3	29,922,639	7.24%
10% - 20%	USD	74,844,685	1	8,447,552	11.29%
>20%	USD	-	-	-	-

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

**31 December 2021**

<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>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%

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

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

**For the financial year ended 31 December 2022**

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

Interests in unconsolidated structured entities (continued)

31 December 2021

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 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%

<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	-	-	-	-

<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 2022

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

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

As at 31 December 2022, none of the Funds held greater than 50% of the NAV of the unconsolidated structured entities.

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

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

Under 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.

#### 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

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.

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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

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 2022 and 31 December 2021 are classified into the following Levels:

Financial Instruments	Level
Credit default swaps	2
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 2022, there were some exceptions to the Fixed Income, Equities and Investment Funds 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 including gain/(loss)	Closing Balance of Level 2
M&G Global Property Fund	Equities	443,023	462,281	-	(443,023)	462,281
M&G Global Property Fund	Investment Funds	686,648	-	(737,599)	50,951	-
M&G Worldwide Real Return Fund	Investment Funds	10,811,934	-	(5,373,495)	(5,438,439)	-
M&G Worldwide Strategic Real Return Fund	Investment Funds	4,039,299	-	(1,853,819)	(2,185,480)	-
M&G Global Bond Fund	Investment Funds	2,983,192	-	-	(2,983,192)	-
M&G Global Balanced Fund	Investment Funds	2,443,792	-	(7,036,564)	4,592,772	-
M&G Global Inflation Plus Fund	Investment Funds	1,128,098	-	(581,058)	(547,040)	-
M&G Worldwide Managed Fund	Investment Funds	29,252,575	-	(30,543,476)	1,290,901	-
M&G Worldwide Strategic Managed Fund	Investment Funds	5,382,673	-	(6,113,086)	730,413	-

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

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

**For the financial year ended 31 December 2022**

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

<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 including gain/(loss)</b>	<b>Closing Balance of Level 1</b>
M&G Worldwide Real Return Fund	Fixed Income	31,841,656	21,966,842	(2,912,351)	(23,971,467)	26,924,680
M&G Worldwide Strategic Real Return Fund	Fixed Income	12,737,595	7,707,672	(981,633)	(9,721,790)	9,741,844
M&G Global Bond Fund	Fixed Income	7,395,941	63,025,283	(576,610)	(6,819,331)	63,025,283
M&G Global Balanced Fund	Fixed Income	3,705,147	12,696,032	-	(3,705,147)	12,696,032
M&G Global Inflation Plus Fund	Fixed Income	2,248,500	1,624,261	(118,707)	(1,632,551)	2,121,503
M&G Worldwide Managed Fund	Fixed Income	33,821,315	23,116,687	-	(33,821,315)	23,116,687
M&G Worldwide Strategic Managed Fund	Fixed Income	6,443,663	4,707,458	-	(6,443,663)	4,707,458
M&G Global Fixed Income Fund	Fixed Income	11,981,380	-	(5,315,485)	(3,718,368)	2,947,527

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

<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 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 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



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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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

Fund	Investment Type	Opening Balance of Level 1	Transfer from Level 2 to Level 1	Transfer from Level 1 to Level 2	Value of positions sold/matured in the year	Closing Balance of Level 1
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 2022 and 31 December 2021. The fixed income positions were transferred as the market data as at 31 December 2022 and 31 December 2021 indicates they are highly liquid investments.

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.

Moscow Exchange MICEX-RTS PJSC was classified as Level 3 at the financial year end with Nil Market Value (31 December 2021: none). This position is held on M&G Global Equity Fund.

In light of the ongoing conflict in Ukraine, a decision was made for the Russian based equity positions in the Fund to be fair valued at Nil.

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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

The following table shows a reconciliation of all movements in the fair value of financial instruments categorised within level 3 during the financial year ended 31 December 2022:

	M&G Global Equity Fund
Opening balance	-
Purchases	745,260
Sales	-
Transfers in/(out)	-
Realised gain/(loss)	-
Unrealised loss	(745,260)
Closing balance	-

The ICAV has not determined sensitivity analysis for the equity position categorised within Level 3 since the market value is Nil as at 31 December 2022 (31 December 2021: none).

#### 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, forward foreign exchange contracts and credit default swaps. 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.

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.

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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

##### Market risk (continued)

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 2022 and the minimum and maximum month end VaR figures:

Fund Name	31 Dec 2022 %	Maximum %	Minimum %
M&G Global Balanced Fund	8.63%	9.48%	6.89%
M&G Global Bond Fund	4.43%	5.50%	3.18%
M&G Global Equity Fund	15.79%	15.29%	11.31%
M&G Global Fixed Income Fund	4.87%	5.01%	3.13%
M&G Global Inflation Plus Fund	5.72%	7.16%	4.70%
M&G Global Property Fund	14.71%	15.07%	1.97%
M&G Worldwide Managed Fund	9.53%	11.05%	7.74%
M&G Worldwide Real Return Fund	7.78%	8.32%	5.41%
M&G Worldwide Strategic Managed Fund	9.62%	11.05%	7.78%
M&G Worldwide Strategic Real Return Fund	7.83%	8.32%	5.41%

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 2021.

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	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%

##### 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.

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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

##### Leverage risk (continued)

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 2022:

Fund Name	Gross Method	Commitment Method
M&G Global Balanced Fund	105.87%	100.31%
M&G Global Bond Fund	163.05%	119.94%
M&G Global Equity Fund	100.48%	100.03%
M&G Global Fixed Income Fund	85.57%	85.57%
M&G Global Inflation Plus Fund	102.42%	98.26%
M&G Global Property Fund	99.14%	99.14%
M&G Worldwide Managed Fund	104.30%	97.96%
M&G Worldwide Real Return Fund	106.30%	97.61%
M&G Worldwide Strategic Managed Fund	106.11%	97.60%
M&G Worldwide Strategic Real Return Fund	108.26%	98.06%

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

Fund Name	Gross Method	Commitment Method
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 2022**

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

**(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 2022 are detailed below.

**M&G Global Balanced Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
Chilean Peso	124	6
Chinese Yuan Renminbi Offshore	(664,947)	(33,247)
Chinese Yuan Renminbi Onshore	661,805	33,090
Euro	4,332,154	216,608
Pound Sterling	(1,219,021)	(60,951)
Turkish Lira	354,053	17,703
	<b>3,464,168</b>	<b>173,209</b>

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

**For the financial year ended 31 December 2022**

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

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

**M&G Global Bond Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
Australian Dollar	517,527	25,876
Brazilian Real	1,673,676	83,684
Canadian Dollar	4,525,746	226,287
Chilean Peso	2,007,967	100,398
Chinese Yuan Renminbi Offshore	(2,021,052)	(101,053)
Chinese Yuan Renminbi Onshore	2,011,501	100,575
Colombian Peso	1,789,167	89,458
Euro	36,622,038	1,831,102
Indonesia Rupiah	2,838,688	141,934
Japanese Yen	21,304,658	1,065,233
Malaysian Ringgit	951,508	47,575
Mexican Peso	774,589	38,729
New Zealand Dollar	(6,291)	(315)
Norwegian Krone	3,043,083	152,154
Philippine peso	909,571	45,479
Pound Sterling	2,305,773	115,289
South African Rand	1,229,422	61,471
	<b>80,477,571</b>	<b>4,023,876</b>

**M&G Global Equity Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
Brazilian Real	1,241	62
Chilean Peso	14,111	706
Chinese Yuan Renminbi Offshore	(234,705)	(11,735)
Chinese Yuan Renminbi Onshore	233,596	11,680
Danish Krone	12,330	617
Euro	5,484	274
Japanese Yen	44,705	2,235
Norwegian Krone	5,966	298
	<b>82,728</b>	<b>4,137</b>

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

**For the financial year ended 31 December 2022**

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

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

**M&G Global Fixed Income Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Euro	17,978,110	898,906
Pound Sterling	3,121,331	156,067
	<b>21,099,441</b>	<b>1,054,973</b>

**M&G Global Inflation Plus Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Brazilian Real	101,392	5,070
Chilean Peso	97,870	4,894
Chinese Yuan Renminbi Offshore	(16,080)	(804)
Chinese Yuan Renminbi Onshore	522,590	26,130
Euro	211,943	10,597
Japanese Yen	226,096	11,305
Mexican Peso	100,956	5,048
Pound Sterling	(241,606)	(12,080)
South African Rand	249,228	12,461
Turkish Lira	138,947	6,947
	<b>1,391,336</b>	<b>69,568</b>

**M&G Global Property Fund**

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
Australian Dollar	4,150	208
Canadian Dollar	2,559	128
Euro	4,922	246
Japanese Yen	2,172	109
Pound Sterling	1,816	91
Singapore Dollar	2	-
South African Rand	7,634	382
	<b>23,255</b>	<b>1,164</b>

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

**For the financial year ended 31 December 2022**

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

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

**M&G Worldwide Managed Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
Chinese Yuan Renminbi Offshore	(5,071,609)	(253,580)
Chinese Yuan Renminbi Onshore	5,047,644	252,382
Euro	9,586,470	479,324
Japanese Yen	(9,035,305)	(451,765)
Pound Sterling	(9,314,493)	(465,725)
Turkish Lira	4,602,935	230,147
	<b>(4,184,358)</b>	<b>(209,217)</b>

**M&G Worldwide Real Return Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
Brazilian Real	774,801	38,740
Chilean Peso	754,178	37,709
Chinese Yuan Renminbi Offshore	(147,915)	(7,396)
Chinese Yuan Renminbi Onshore	5,198,223	259,911
Euro	1,834,970	91,749
Japanese Yen	1,543,928	77,196
Mexican Peso	771,595	38,580
Pound Sterling	(2,622,962)	(131,148)
South African Rand	5,381,475	269,074
Turkish Lira	2,258,716	112,936
	<b>15,747,009</b>	<b>787,351</b>

**M&G Worldwide Strategic Managed Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
Chinese Yuan Renminbi Offshore	(968,216)	(48,411)
Chinese Yuan Renminbi Onshore	963,641	48,182
Euro	1,778,340	88,917
Japanese Yen	(1,251,342)	(62,567)
Pound Sterling	(1,610,611)	(80,531)
Turkish Lira	844,607	42,230
	<b>(243,581)</b>	<b>(12,180)</b>



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

**For the financial year ended 31 December 2022**

**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	259,882	12,994
Chilean Peso	253,312	12,666
Chinese Yuan Renminbi Offshore	(60,689)	(3,034)
Chinese Yuan Renminbi Onshore	2,132,801	106,640
Euro	671,308	33,565
Japanese Yen	532,426	26,621
Mexican Peso	258,701	12,935
Pound Sterling	(1,106,176)	(55,309)
South African Rand	1,800,723	90,036
Turkish Lira	823,546	41,177
	<b>5,565,834</b>	<b>278,291</b>

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**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
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 2022**

**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 2022**

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

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

**M&G Global Inflation Plus Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
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**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
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**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
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>806,843</b>

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

**For the financial year ended 31 December 2022**

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

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

**M&G Worldwide Real Return Fund**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
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**

	<b>Monetary net assets/liabilities</b>	<b>Currency sensitivity analysis</b>
	<b>USD</b>	<b>USD</b>
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 2022**

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

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

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

	Monetary net assets/liabilities	Currency sensitivity analysis
	USD	USD
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>

**(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 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 2022 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	8,700,704	-	3,995,328	108,621,820	121,317,852
Financial derivative instruments	-	-	-	35,036	35,036
Cash	988,545	-	-	-	988,545
Other assets	-	-	-	65,004	65,004
<b>Total assets</b>	<b>9,689,249</b>	<b>-</b>	<b>3,995,328</b>	<b>108,721,860</b>	<b>122,406,437</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(44,042)	(44,042)
Other liabilities	-	-	-	(93,350)	(93,350)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(137,392)</b>	<b>(137,392)</b>

**122,269,045**

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

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

**For the financial year ended 31 December 2022**

**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	5,280,600	53,777,190	66,592,528	-	125,650,318
Financial derivative instruments	-	102,880	-	609,704	712,584
Cash	26,243,175	-	-	-	26,243,175
Other assets	-	-	-	1,001,620	1,001,620
<b>Total assets</b>	<b>31,523,775</b>	<b>53,880,070</b>	<b>66,592,528</b>	<b>1,611,324</b>	<b>153,607,697</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	(290,549)	-	(651,718)	(942,267)
Other liabilities	-	-	-	(53,500)	(53,500)
<b>Total liabilities</b>	<b>-</b>	<b>(290,549)</b>	<b>-</b>	<b>(705,218)</b>	<b>(995,767)</b>
					<b>152,611,930</b>

**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	2,164,898	18,648,792	35,826,601	-	56,640,291
Cash	9,895,451	-	-	-	9,895,451
Other assets	-	-	-	617,486	617,486
<b>Total assets</b>	<b>12,060,349</b>	<b>18,648,792</b>	<b>35,826,601</b>	<b>617,486</b>	<b>67,153,228</b>
<b>Financial liabilities</b>					
Other liabilities	-	-	-	(75,100)	(75,100)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(75,100)</b>	<b>(75,100)</b>
					<b>67,078,128</b>

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

**For the financial year ended 31 December 2022**

**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	935,179	-	2,146,093	14,891,372	17,972,644
Financial derivative instruments	-	-	-	35,760	35,760
Cash	353,743	-	-	-	353,743
Other assets	-	-	-	42,397	42,397
<b>Total assets</b>	<b>1,288,922</b>	<b>-</b>	<b>2,146,093</b>	<b>14,969,529</b>	<b>18,404,544</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(8,610)	(8,610)
Other liabilities	-	-	-	(75,122)	(75,122)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(83,732)</b>	<b>(83,732)</b>

**18,320,812**

**M&G Global Property 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	-	-	-	11,068,217	11,068,217
Cash	104,011	-	-	-	104,011
Other assets	-	-	-	54,338	54,338
<b>Total assets</b>	<b>104,011</b>	<b>-</b>	<b>-</b>	<b>11,122,555</b>	<b>11,226,566</b>
<b>Financial liabilities</b>					
Other liabilities	-	-	-	(8,043)	(8,043)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,043)</b>	<b>(8,043)</b>

**11,218,523**

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

**For the financial year ended 31 December 2022**

**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	11,963,305	-	11,153,382	439,284,204	462,400,891
Financial derivative instruments	-	-	-	812,542	812,542
Cash	19,806,164	-	-	-	19,806,164
Other assets	-	-	-	2,579,043	2,579,043
<b>Total assets</b>	<b>31,769,469</b>	<b>-</b>	<b>11,153,382</b>	<b>442,675,789</b>	<b>485,598,640</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(974,477)	(974,477)
Other liabilities	-	-	-	(689,573)	(689,573)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,664,050)</b>	<b>(1,664,050)</b>

**483,934,590**

**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	11,419,156	-	26,644,485	160,819,532	198,883,173
Financial derivative instruments	-	-	-	624,351	624,351
Cash	4,915,806	-	-	-	4,915,806
Other assets	-	-	-	3,261,965	3,261,965
<b>Total assets</b>	<b>16,334,962</b>	<b>-</b>	<b>26,644,485</b>	<b>164,705,848</b>	<b>207,685,295</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(106,715)	(106,715)
Other liabilities	-	-	-	(281,698)	(281,698)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(388,413)</b>	<b>(388,413)</b>

**207,296,882**



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

**For the financial year ended 31 December 2022**

**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	2,435,854	-	2,271,604	89,290,448	93,997,906
Financial derivative instruments	-	-	-	150,108	150,108
Cash	4,264,508	-	-	-	4,264,508
Other assets	-	-	-	1,050,211	1,050,211
<b>Total assets</b>	<b>6,700,362</b>	<b>-</b>	<b>2,271,604</b>	<b>90,490,767</b>	<b>99,462,733</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(143,776)	(143,776)
Other liabilities	-	-	-	(136,169)	(136,169)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(279,945)</b>	<b>(279,945)</b>

**99,182,788**

**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	4,007,253	-	9,459,095	56,410,173	69,876,521
Financial derivative instruments	-	-	-	244,607	244,607
Cash	1,400,468	-	-	-	1,400,468
Other assets	-	-	-	1,347,328	1,347,328
<b>Total assets</b>	<b>5,407,721</b>	<b>-</b>	<b>9,459,095</b>	<b>58,002,108</b>	<b>72,868,924</b>
<b>Financial liabilities</b>					
Financial derivative instruments	-	-	-	(45,208)	(45,208)
Other liabilities	-	-	-	(101,588)	(101,588)
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(146,796)</b>	<b>(146,796)</b>

**72,722,128**

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 2022**

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

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

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>

**Financial liabilities**

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>

**45,187,414**

**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>

**Financial liabilities**

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

**For the financial year ended 31 December 2022**

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

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

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

**For the financial year ended 31 December 2022**

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

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

**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>
					<b>8,211,612</b>

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

**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>
					<b>485,918,950</b>

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

**For the financial year ended 31 December 2022**

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

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

**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 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>

**94,126,411**

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

**For the financial year ended 31 December 2022**

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

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

**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>	

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

**Sensitivity analysis**

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

	<b>31 December 2022</b>
M&G Global Balanced Fund	1,222,690
M&G Global Bond Fund	1,526,119
M&G Global Fixed Income Fund	670,781
M&G Global Inflation Plus Fund	183,208
M&G Global Property Fund	112,185
M&G Worldwide Managed Fund	4,839,346
M&G Worldwide Real Return Fund	2,072,969
M&G Worldwide Strategic Managed Fund	991,828
M&G Worldwide Strategic Real Return Fund	727,221
	<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.

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

**For the financial year ended 31 December 2022**

**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, and credit default swaps 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 2022.

Portfolio by rating category	<b>M&amp;G Global Balanced Fund</b> % of Investments As at 31 December 2022	<b>M&amp;G Global Bond Fund</b> % of Investments As at 31 December 2022	<b>M&amp;G Global Fixed Income Fund</b> % of Investments As at 31 December 2022
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A rating	100.00%	77.87%	62.85%
B rating	-	22.13%	37.15%

Portfolio by rating category	<b>M&amp;G Global Inflation Plus Fund</b> % of Investments As at 31 December 2022	<b>M&amp;G Worldwide Managed Fund</b> % of Investments As at 31 December 2022	<b>M&amp;G Worldwide Real Return Fund</b> % of Investments As at 31 December 2022
------------------------------	--	--	--

A rating	72.03%	100.00%	72.72%
B rating	27.97%	-	27.28%

Portfolio by rating category	<b>M&amp;G Worldwide Strategic Managed Fund</b> % of Investments As at 31 December 2022	<b>M&amp;G Worldwide Strategic Real Return Fund</b> % of Investments As at 31 December 2022
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A rating	100.00%	74.22%
B rating	-	25.78%

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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

#### 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 2021.

Portfolio by rating category	M&G Global Balanced Fund % of Investments As at 31 December 2021	M&G Global Bond Fund % of Investments As at 31 December 2021	M&G Global Fixed Income Fund % of Investments As at 31 December 2021
A rating	72.49%	69.19%	62.49%
B rating	27.51%	30.81%	37.51%

Portfolio by rating category	M&G Global Inflation Plus Fund % of Investments As at 31 December 2021	M&G Worldwide Managed Fund % of Investments As at 31 December 2021	M&G Worldwide Real Return Fund % of Investments As at 31 December 2021
A rating	70.53%	60.65%	72.19%
B rating	29.47%	39.35%	27.81%

Portfolio by rating category	M&G Worldwide Strategic Managed Fund % of Investments As at 31 December 2021	M&G Worldwide Strategic Real Return Fund % of Investments As at 31 December 2021
A rating	61.25%	75.89%
B rating	38.75%	24.11%

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

The Funds' maximum exposure to credit risk at the statement of financial position date is the carrying amounts disclosed in the Statement of Financial Position and the notional amount disclosed in the Condensed Schedule of Investments. All investments and cash at bank balances other than financial derivative instruments 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 2022 rated based on S&P rating agency ratings was A (31 December 2021: A). Please refer to Counterparty Risk note for the credit ratings of the counterparties to the financial derivative instruments on next page.



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

### NOTES TO THE FINANCIAL STATEMENTS (continued)

For the financial year ended 31 December 2022

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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, futures contracts and credit default swaps 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 2022, all margin cash was held with the broker Merrill Lynch International which had a credit rating of A+ (31 December 2021: A+). At 31 December 2022, the counterparties to the forward foreign currency exchange contracts and their associated long-term credit rating were as follows: Citigroup Global Markets Limited: A+ (31 December 2021: N/a), HSBC Bank Plc: A+ (31 December 2021: A+), JP Morgan Securities Plc: A+ (31 December 2021: A+), State Street Bank London: AA- (31 December 2021: N/a) and UBS AG: A+ (31 December 2021: A+). At 31 December 2022, the counterparties to the credit default swaps and their associated long-term credit rating were as follows: Barclays Bank Plc: A (31 December 2021: N/a), Citigroup Global Markets Limited: A+ (31 December 2021: N/a) and JP Morgan Securities Plc: A+ (31 December 2021: N/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 instruments". There was no counterparty cash received by a Fund as collateral for financial derivative instrument transactions at 31 December 2022 or 31 December 2021. For the year ended 31 December 2022, the cash collateral was held with State Street Bank London and UBS AG (31 December 2021: JP Morgan Securities Plc) and was subject to the counterparty risk of those entities. The credit rating of State Street Bank London and UBS AG as at 31 December 2022 was AA- and A+, respectively (31 December 2021: credit rating of JP Morgan Securities Plc was A+).

##### Concentration Risk

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

##### Offsetting

The Funds have not offset any financial assets and financial liabilities in the Statement of Financial Position. The disclosures in the tables below include financial assets and liabilities which are subject to enforceable master netting ("MNA") or similar agreements that cover similar financial instruments.

The MNA does not meet the criteria for offsetting in the Statement of Financial Position. This is because the Funds do not have any currently legally enforceable right to set off recognised amounts, because the right to set off is enforceable only on the occurrence of future events such as default of the Fund or the counterparties or other credit events.

Below are the disclosures per counterparty as at 31 December 2022 detailing the impact of an MNA and similar agreements. M&G Global Equity Fund, M&G Global Fixed Income Fund and M&G Global Property Fund are not subject to offsetting as they didn't hold any derivatives as at 31 December 2022 and hence has been excluded from the tables as a result. Presentation currency of each of the Funds are in USD.

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

**For the financial year ended 31 December 2022**

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

Offsetting (continued)

31 December 2022

M&G Global Balanced Fund

**Derivative Assets**

<b>Counterparty</b>	<b>Derivative assets subject to a MNA by counterparty</b>	<b>Amount offset in Statement of Financial Position</b>	<b>Net amount presented in Statement of Financial Position</b>	<b>Related amounts not offset in Statement of Financial Position</b>		<b>Net amount of derivative exposure</b>
				<b>Financial Instruments</b>	<b>Cash collateral received</b>	
JP Morgan Securities Plc	24,010	-	24,010	-	-	24,010
State Street Bank London	11,026	-	11,026	(11,026)	-	-
	<b>35,036</b>	<b>-</b>	<b>35,036</b>	<b>(11,026)</b>	<b>-</b>	<b>24,010</b>

**Derivative Liabilities**

<b>Counterparty</b>	<b>Derivative liabilities subject to a MNA by counterparty</b>	<b>Amount offset in Statement of Financial Position</b>	<b>Net amount presented in Statement of Financial Position</b>	<b>Related amounts not offset in Statement of Financial Position</b>		<b>Net amount of derivative exposure</b>
				<b>Financial Instruments</b>	<b>Cash collateral pledged</b>	
State Street Bank London	(44,042)	-	(44,042)	11,026	-	(33,016)
	<b>(44,042)</b>	<b>-</b>	<b>(44,042)</b>	<b>11,026</b>	<b>-</b>	<b>(33,016)</b>

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

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

**For the financial year ended 31 December 2022**

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

**Offsetting (continued)**

**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		
				Financial Instruments	Cash collateral received	Net amount of derivative exposure
Barclays Bank Plc	84,705	-	84,705	(84,705)	-	-
Citigroup Global Markets Limited	61,125	-	61,125	(9,191)	-	51,934
HSBC Bank Plc	142,017	-	142,017	(90,253)	-	51,764
JP Morgan Securities Plc	39,475	-	39,475	(7,396)	-	32,079
Merrill Lynch International	139,200	-	139,200	(139,200)	-	-
State Street Bank London	79,026	-	79,026	(79,026)	-	-
UBS AG	167,036	-	167,036	(96,752)	-	70,284
	<b>712,584</b>	<b>-</b>	<b>712,584</b>	<b>(506,523)</b>	<b>-</b>	<b>206,061</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		
				Financial Instruments	Cash collateral pledged	Net amount of derivative exposure
Barclays Bank Plc	(290,549)	-	(290,549)	84,705	-	(205,844)
Citigroup Global Markets Limited	(9,191)	-	(9,191)	9,191	-	-
HSBC Bank Plc	(90,253)	-	(90,253)	90,253	-	-
JP Morgan Securities Plc	(7,396)	-	(7,396)	7,396	-	-
Merrill Lynch International	(295,357)	-	(295,357)	139,200	-	(156,157)
State Street Bank London	(152,769)	-	(152,769)	79,026	-	(73,743)
UBS AG	(96,752)	-	(96,752)	96,752	-	-
	<b>(942,267)</b>	<b>-</b>	<b>(942,267)</b>	<b>506,523</b>	<b>-</b>	<b>(435,744)</b>

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

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

**For the financial year ended 31 December 2022**

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

**Offsetting (continued)**

**M&G 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	
JP Morgan Securities Plc	9,423	-	9,423	-	-	9,423
State Street Bank London	10,816	-	10,816	(8,610)	-	2,206
UBS AG	15,521	-	15,521	-	-	15,521
	<b>35,760</b>	<b>-</b>	<b>35,760</b>	<b>(8,610)</b>	<b>-</b>	<b>27,150</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	(8,610)	-	(8,610)	8,610	-	-
	<b>(8,610)</b>	<b>-</b>	<b>(8,610)</b>	<b>8,610</b>	<b>-</b>	<b>-</b>

**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	312,146	-	312,146	-	-	312,146
State Street Bank London	500,396	-	500,396	(500,396)	-	-
	<b>812,542</b>	<b>-</b>	<b>812,542</b>	<b>(500,396)</b>	<b>-</b>	<b>312,146</b>

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

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

**For the financial year ended 31 December 2022**

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

Offsetting (continued)

M&G Worldwide Managed Fund (continued)

**Derivative Liabilities**

<b>Counterparty</b>	<b>Derivative liabilities subject to a MNA by counterparty</b>	<b>Amount offset in Statement of Financial Position</b>	<b>Net amount presented in Statement of Financial Position</b>	<b>Related amounts not offset in Statement of Financial Position</b>		<b>Net amount of derivative exposure</b>
				<b>Financial Instruments</b>	<b>Cash collateral pledged</b>	
State Street Bank London	(522,891)	-	(522,891)	500,396	10,000	(12,495)
UBS AG	(451,586)	-	(451,586)	-	290,000	(161,586)
	<b>(974,477)</b>	<b>-</b>	<b>(974,477)</b>	<b>500,396</b>	<b>300,000</b>	<b>(174,081)</b>

M&G Worldwide Real Return Fund

**Derivative Assets**

<b>Counterparty</b>	<b>Derivative assets subject to a MNA by counterparty</b>	<b>Amount offset in Statement of Financial Position</b>	<b>Net amount presented in Statement of Financial Position</b>	<b>Related amounts not offset in Statement of Financial Position</b>		<b>Net amount of derivative exposure</b>
				<b>Financial Instruments</b>	<b>Cash collateral received</b>	
JP Morgan Securities Plc	153,174	-	153,174	-	-	153,174
State Street Bank London	365,192	-	365,192	(106,715)	-	258,477
UBS AG	105,985	-	105,985	-	-	105,985
	<b>624,351</b>	<b>-</b>	<b>624,351</b>	<b>(106,715)</b>	<b>-</b>	<b>517,636</b>

**Derivative Liabilities**

<b>Counterparty</b>	<b>Derivative liabilities subject to a MNA by counterparty</b>	<b>Amount offset in Statement of Financial Position</b>	<b>Net amount presented in Statement of Financial Position</b>	<b>Related amounts not offset in Statement of Financial Position</b>		<b>Net amount of derivative exposure</b>
				<b>Financial Instruments</b>	<b>Cash collateral pledged</b>	
State Street Bank London	(106,715)	-	(106,715)	106,715	-	-
	<b>(106,715)</b>	<b>-</b>	<b>(106,715)</b>	<b>106,715</b>	<b>-</b>	<b>-</b>

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

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

**For the financial year ended 31 December 2022**

**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	57,277	-	57,277	-	-	57,277
State Street Bank London	92,831	-	92,831	(57,875)	-	34,956
	<b>150,108</b>	<b>-</b>	<b>150,108</b>	<b>(57,875)</b>	<b>-</b>	<b>92,233</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	(57,875)	-	(57,875)	57,875	-	-
UBS AG	(85,901)	-	(85,901)	-	-	(85,901)
	<b>(143,776)</b>	<b>-</b>	<b>(143,776)</b>	<b>57,875</b>	<b>-</b>	<b>(85,901)</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	55,848	-	55,848	-	-	55,848
State Street Bank London	152,210	-	152,210	(45,208)	-	107,002
UBS AG	36,549	-	36,549	-	-	36,549
	<b>244,607</b>	<b>-</b>	<b>244,607</b>	<b>(45,208)</b>	<b>-</b>	<b>199,399</b>

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

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

**For the financial year ended 31 December 2022**

**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	
State Street Bank London	(45,208)	-	(45,208)	45,208	-	-
	<b>(45,208)</b>	-	<b>(45,208)</b>	<b>45,208</b>	-	-

Below are the disclosures per counterparty as at 31 December 2021 detailing the impact of an MNA and similar agreements. M&G Global Equity Fund, M&G Global Fixed Income Fund and M&G Global Property Fund are not subject to offsetting as they didn't hold any derivatives as at 31 December 2021 and hence has been excluded from the tables as a result. Presentation currency of each of the Funds are in USD.

**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>46,640</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>(33,655)</b>	-	-	<b>(33,655)</b>

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

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

**For the financial year ended 31 December 2022**

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

Offsetting (continued)

**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>

**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	(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**

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	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>



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

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

**For the financial year ended 31 December 2022**

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

Offsetting (continued)

**M&G Global Inflation Plus Fund (continued)**

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	(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 Worldwide Managed Fund**

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>

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 2022**

**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 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>

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

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

**For the financial year ended 31 December 2022**

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

Offsetting (continued)

M&G Worldwide Strategic 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	
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>

**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 (SOUTH AFRICA) GLOBAL FUNDS ICAV**

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

**For the financial year ended 31 December 2022**

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

**Offsetting (continued)**

**M&G Global Property Fund**

**Derivative Assets**

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

**Liquidity risk**

Liquidity risk is the risk that the Funds will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. 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, credit default swaps, payables and other accrued expenses and net assets attributable to participating shareholders. As at 31 December 2022, all financial liabilities have a maturity of not greater than three months with the exception of credit default swaps and some forward currency contracts. As at 31 December 2021, all financial liabilities have a maturity of not greater than three months 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 2022**

**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 2022.

<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	5,796,903	-	-	5,796,903
Liability - Forward foreign exchange contracts	(5,805,909)	-	-	(5,805,909)
	<b>(9,006)</b>	-	-	<b>(9,006)</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 - Credit default swaps	-	-	102,880	102,880
Asset - Forward foreign exchange contracts	16,166,311	49,814,024	-	65,980,335
Liability - Credit default swaps	-	-	(290,549)	(290,549)
Liability - Forward foreign exchange contracts	(16,060,893)	(49,805,299)	-	(65,866,192)
	<b>105,418</b>	<b>8,725</b>	<b>(187,669)</b>	<b>(73,526)</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	789,621	-	-	789,621
Liability - Forward foreign exchange contracts	(762,471)	-	-	(762,471)
	<b>27,150</b>	-	-	<b>27,150</b>

<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	30,398,610	-	-	30,398,610
Liability - Forward foreign exchange contracts	(30,560,545)	-	-	(30,560,545)
	<b>(161,935)</b>	-	-	<b>(161,935)</b>

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

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

**For the financial year ended 31 December 2022**

**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 2022 (continued).

<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	18,294,878	-	-	18,294,878
Liability - Forward foreign exchange contracts	(17,777,242)	-	-	(17,777,242)
	<b>517,636</b>	-	-	<b>517,636</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	5,163,577	-	-	5,163,577
Liability - Forward foreign exchange contracts	(5,157,245)	-	-	(5,157,245)
	<b>6,332</b>	-	-	<b>6,332</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	7,501,319	-	-	7,501,319
Liability - Forward foreign exchange contracts	(7,301,920)	-	-	(7,301,920)
	<b>199,399</b>	-	-	<b>199,399</b>

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

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

**For the financial year ended 31 December 2022**

**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>

<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>

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

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

**For the financial year ended 31 December 2022**

**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 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 2022

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

##### Liquidity risk (continued)

The following tables detail the liquidity profile of the Funds as at 31 December 2022. There is no guarantee that this level of liquidity will be maintained.

Liquidity Bucket day	M&G Global Balanced Fund	M&G Global Bond Fund	M&G Global Equity Fund	M&G Global Inflation Plus Fund	M&G Worldwide Managed Fund
0-1 day	83.67%	77.12%	100.00%	77.52%	89.80%
1-7 days	14.58%	21.77%	0.00%	21.30%	8.51%
7-30 days	1.50%	1.11%	0.00%	1.03%	1.44%
30-90 days	0.23%	0.00%	0.00%	0.13%	0.23%
90-180 days	0.02%	0.00%	0.00%	0.02%	0.02%
>180 days	0.00%	0.00%	0.00%	0.00%	0.00%

  

Liquidity Bucket day	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 day	89.42%	83.70%	82.72%	100.00%	100.00%
1-7 days	8.89%	15.08%	15.94%	0.00%	0.00%
7-30 days	1.44%	1.06%	1.15%	0.00%	0.00%
30-90 days	0.23%	0.15%	0.17%	0.00%	0.00%
90-180 days	0.02%	0.01%	0.02%	0.00%	0.00%
>180 days	0.00%	0.00%	0.00%	0.00%	0.00%

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.

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

  

Liquidity Bucket day	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 day	85.19%	75.36%	82.05%	99.86%	100.00%
1-7 days	12.96%	23.06%	16.34%	0.14%	0.00%
7-30 days	1.57%	1.36%	1.39%	0.00%	0.00%
30-90 days	0.25%	0.20%	0.20%	0.00%	0.00%
90-180 days	0.02%	0.02%	0.02%	0.00%	0.00%
>180 days	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 2022**

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

On 8 February 2023, the CBI noted amended Supplement for M&G Global Bond Fund.

There were no other significant events affecting the ICAV or Sub-Funds 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 25 April 2023.

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

### SUPPLEMENTAL INFORMATION (Unaudited)

For the financial year ended 31 December 2022

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#### Schedule of Investments

A full Schedule of Investments for each Fund as at 31 December 2022 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 2022 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 2022 Exchange Rate to USD	As at 31 December 2021 Exchange Rate to USD
Australian Dollar	1.4746	1.3754
Brazilian Real	5.2798	5.5700
Canadian Dollar	1.3550	1.2632
Chilean Peso	851.9500	852.0000
Chinese Yuan Renminbi Offshore	6.9189	6.3591
Chinese Yuan Renminbi Onshore	6.9517	6.3734
Colombian Peso	4,848.8850	4,070.0000
Danish Krone	6.9679	6.5403
Euro	0.9370	0.8794
Hong Kong Dollar	7.8050	7.7963
Indian Rupee	82.7300	74.3357
Indonesia Rupiah	15,567.5000	14,252.5000
Israeli Shekel	3.5285	3.1124
Japanese Yen	131.9450	115.1550
Malaysian Ringgit	4.4050	4.1660
Mexican Peso	19.4873	20.4650
New Zealand Dollar	1.5812	1.4606
Nigerian Naira	-	413.7500
Norwegian Krone	9.8510	8.8183
Philippine Peso	55.7275	50.9925
Polish Zloty	4.3863	4.0304
Pound Sterling	0.8313	0.7383
Russian Ruble	73.0000	75.0063
Singapore Dollar	1.3412	1.3482
South African Rand	17.0150	15.9600
South Korean Won	1,264.5000	1,188.7500
Swedish Krone	10.4195	9.0539
Taiwan New Dollar	30.7355	27.6670
Thai Baht	34.6350	33.4050
Turkish Lira	18.7195	13.2798

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

### **SUPPLEMENTAL INFORMATION (Unaudited) (continued)**

**For the financial year ended 31 December 2022**

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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) (continued)

For the financial year ended 31 December 2022

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#### Remuneration Disclosure of the AIFM

The AIFM has designed and implemented a remuneration policy (the “Policy”) in line with the provisions of S.I. 257 of 2013 European Union (Alternative Investment Fund Managers) Regulations 2013 (the “AIFM Regulations”), S.I. 352 of 2011 European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) (the “UCITS Regulations”) and of the ESMA Guidelines on sound remuneration policies under the UCITS Directive and AIFMD (the “ESMA Guidelines”). The Policy is designed to ensure that the remuneration of key decision makers is aligned with the management of short and long-term risks, including the oversight and where appropriate the management of sustainability risks in line with the Sustainable Finance Disclosure Regulations.

The AIFM’s remuneration policy applies to its identified staff whose professional activities might have a material impact on the ICAV’s risk profile and so covers senior management, risk takers, control functions and any employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers and whose professional activities have a material impact on the risk profile of the ICAV. The AIFM’s policy is to pay identified staff a fixed component with the potential for identified staff to receive a variable component. It is intended that the fixed component will represent a sufficiently high proportion of the total remuneration of the individual to allow the AIFM to operate a fully flexible policy, with the possibility of not paying any variable component. When the AIFM pays a variable component as performance related pay certain criteria, as set out in the AIFM’s remuneration policy, must be adhered to. The various remuneration components are combined to ensure an appropriate and balanced remuneration package that reflects the relevant staff rank and professional activity as well as best market practice. The AIFM’s remuneration policy is consistent with, and promotes, sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the funds it manages.

These disclosures are made in respect of the remuneration policies of the AIFM. The disclosures are made in accordance with the ESMA Guidelines.

Total remuneration (in EUR) paid to the identified staff of the AIFM fully or partly involved in the activities of the ICAV that have a material impact on the ICAV’s risk profile during the financial year to 31 December 2022:

<b>Fixed remuneration</b>	<b>EUR</b>
Senior Management	1,387,113
Other identified staff	-
<b>Variable remuneration</b>	
Senior Management	180,517
Other identified staff	-
<b>Total remuneration paid</b>	<b>1,567,630</b>

No of identified staff – 15

Neither the AIFM nor the ICAV pays any fixed or variable remuneration to identified staff of the Investment Manager.

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

### SUPPLEMENTAL INFORMATION (Unaudited) (continued)

For the financial year ended 31 December 2022

#### 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 2022 and as at the financial year ended 31 December 2022. The information has been sourced from the underlying collective investment schemes' prospectuses.

<b>Collective Investment Schemes</b>	<b>Domicile</b>	<b>Regulated by</b>
Amundi MSCI Emerging Markets UCITS ETF - USD (C)	France	Autorité des marchés financiers (AMF)
Eastspring Investments - US Investment Grade Bond Fund - D	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
iShares Core Global Aggregate Bond UCITS ETF USD (Dist)	Ireland	Central Bank of Ireland (CBI)
iShares JP Morgan EM Local Government Bond UCITS ETF USD (Dist)	Ireland	Central Bank of Ireland (CBI)
Lyxor China Enterprise HSCEI UCITS ETF - Acc	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
M&G Investment Funds 1 - Japan Fund Sterling I Acc	United Kingdom	Financial Conduct Authority (FCA)
M&G Investment Funds 1 - M&G European Sustain Paris Aligned Fund Sterling I Acc	United Kingdom	Financial Conduct Authority (FCA)
M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund Z GBP	United Kingdom	Financial Conduct Authority (FCA)
M&G European Corporate Bond Fund Sterling A Acc	United Kingdom	Financial Conduct Authority (FCA)
M&G Lux Investment Funds 1 - M&G (Lux) European Strategic Value Fund USD C Acc	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
M&G Lux Investment Funds 1 - M&G (Lux) Global Maxima Fund Z USD Acc	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)
M&G Global Funds ICAV - M&G Global Bond Fund G Acc	Ireland	Central Bank of Ireland (CBI)
M&G Global Funds ICAV - M&G Global Property Fund G USD	Ireland	Central Bank of Ireland (CBI)
SPDR Dow Jones Global Real Estate UCITS ETF	Ireland	Central Bank of Ireland (CBI)
Vanguard FTSE All-World UCITS ETF USD Acc	Ireland	Central Bank of Ireland (CBI)
Vanguard S&P 500 UCITS ETF USD Acc	Ireland	Central Bank of Ireland (CBI)
X-trackers S&P 500 Swap UCITS ETF 1C	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)

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

**SUPPLEMENTAL INFORMATION (Unaudited) (continued)**

**For the financial year ended 31 December 2022**

**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 - USD (C)	0.20% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Eastspring Investments - US Investment Grade Bond Fund - D	0.06% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
iShares Core Global Aggregate Bond UCITS ETF USD (Dist)	0.10% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
iShares JP Morgan EM Local Government Bond UCITS ETF USD (Dist)	0.50% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Lyxor China Enterprise HSCEI UCITS ETF - Acc	0.65% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
M&G Investment Funds 1 - Japan Fund Sterling I Acc	0.55% per annum	Not Applicable	Not Applicable	Not Applicable	0.55% per annum
M&G Investment Funds 1 - M&G European Sustain Paris Aligned Fund Sterling I Acc	0.55% per annum	Not Applicable	Not Applicable	Not Applicable	0.55% per annum
M&G Investment Funds 10 - M&G Global Enhanced Equity Premia Fund Z GBP	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
M&G Investment Funds 3 - M&G European Corporate Bond Fund Sterling A Acc	0.75% 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 USD C Acc	0.95% per annum	Not Applicable	Not Applicable	Not Applicable	0.88% per annum
M&G Lux Investment Funds 1 - M&G (Lux) Global Maxima Fund Z USD Acc	0.20% per annum	Not Applicable	Not Applicable	Not Applicable	0.15% per annum
M&G Global Funds ICAV - M&G Global Bond Fund G Acc	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
M&G Global Funds ICAV - M&G Global Property Fund G USD	Not Applicable	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 USD Acc	0.22% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Vanguard S&P 500 UCITS ETF USD Acc	0.07% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable
X-trackers S&P 500 Swap UCITS ETF 1C	0.15% per annum	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

### **Appendix I**

#### **Sustainable Finance Disclosure Regulation (Unaudited)**

##### **For the financial year ended 31 December 2022**

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The Funds are classified as Article 6 pursuant to the Sustainable Finance Disclosure Regulation.

The investments underlying financial product (funds listed below) do not take into account the EU criteria for environmentally sustainable economic activities:

- 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



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

### **Appendix II**

#### **Securities Financing Transactions Regulation (Unaudited)**

##### **For the financial year ended 31 December 2022**

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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 2022.