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MAMG DYNAMIC HIGH INCOME FUND

Quarterly report

For the financial period from 1 April 2020 to 31 December 2020

CORPORATE INFORMATION

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MAMG DYNAMIC HIGH INCOME FUND

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MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2020 to 31 December 2020

A. Fund Information

1. Name of Fund

MAMG Dynamic High Income Fund (the "Fund")

2. Type of Fund

Growth

3. Category of Fund

Wholesale feeder fund

4. Duration of Fund

The Fund is an open-ended fund.

5. Fund launch date

Share Class	Launch date	Commencement date
MYR	22 January 2019	12 February 2019
MYR (Hedged)	22 January 2019	12 February 2019
USD	22 January 2019	12 February 2019
EUR (Hedged)	22 January 2019	12 February 2019
AUD (Hedged)	22 January 2019	12 February 2019
SGD (Hedged)	22 January 2019	12 February 2019

6. Fund's investment objective

The Fund aims to maximise investment returns by investing in the BlackRock Global Funds-Dynamic High Income Fund ("Target Fund").

7. Fund distribution policy

Distribution, if any, will be incidental for the first financial year. Thereafter, distribution, if any, will be made on a quarterly basis.

8. Fund's performance benchmark

70% MSCI World Index and 30% Bloomberg Barclays Global Aggregate Bond Index USD Hedged. This is not a guaranteed return and is only a risk benchmark of the Fund's volatility.

Note: The Fund adopts the risk benchmark of the Target Fund.

9. Fund's investment policy and principal investment strategy

The Fund will invest between at least 90% of the Fund's net asset value ("NAV") in the Target Fund and the remaining 2%-10% of the Fund's NAV will be invested in liquid assets which are not limited to fixed deposits and money market instruments. The Fund may employ currency hedging strategies to fully or partially hedge the foreign currency exposure into Ringgit Malaysia ("RM" or "MYR") in order to manage foreign exchange currency risk.

As the Fund is a wholesale feeder fund, the investments of the Fund will consist of a single collective investment scheme, i.e. the Target Fund, and liquid assets.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2020 to 31 December 2020 (cont'd)

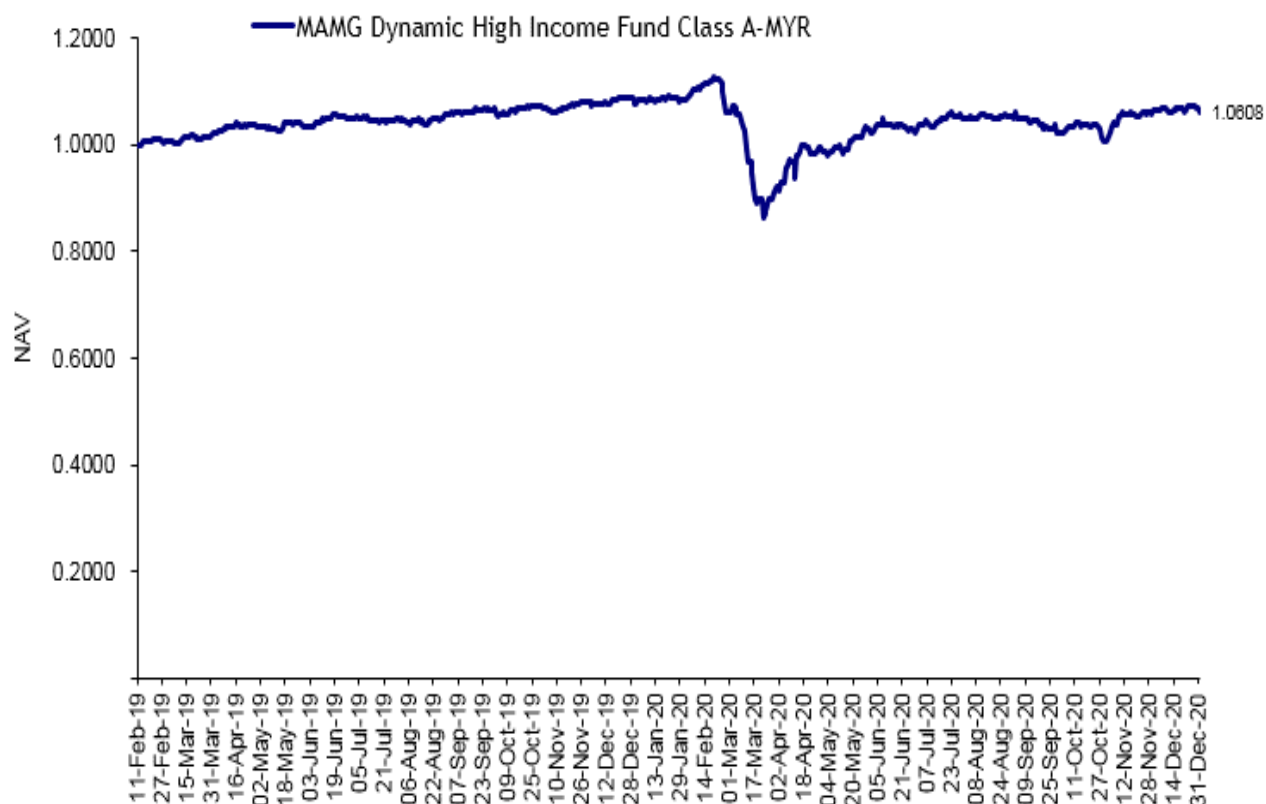
B. Performance Review

Performance of MAMG Dynamic High Income Fund - MYR Class for the financial period from 1 April 2020 to 31 December 2020 are as follows:

MYR Class

Period	The Fund %
1 April 2020 to 31 December 2020	19.28

Performance of the MYR Class for the financial period from 1 April 2020 to 31 December 2020:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2020

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

The MYR Class has generated a net return of 19.28% for the financial period from 1 April 2020 to 31 December 2020.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2020 to 31 December 2020 (cont'd)

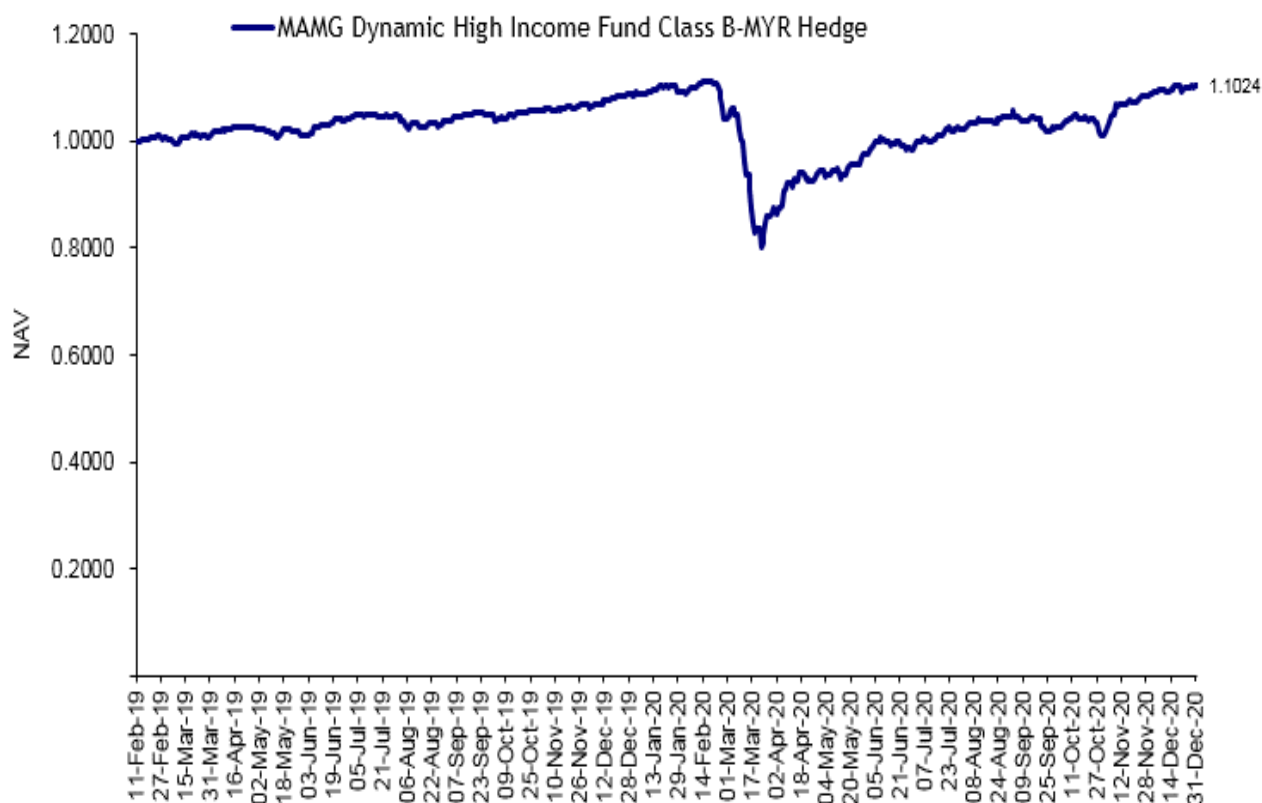
B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - MYR (Hedged) Class for the financial period from 1 April 2020 to 31 December 2020 are as follows:

MYR (Hedged) Class

Period	The Fund %
1 April 2020 to 31 December 2020	28.40

Performance of the MYR (Hedged) Class for the financial period from 1 April 2020 to 31 December 2020:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2020

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

The MYR (Hedged) Class has generated a net return of 28.40% for the financial period from 1 April 2020 to 31 December 2020.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2020 to 31 December 2020 (cont'd)

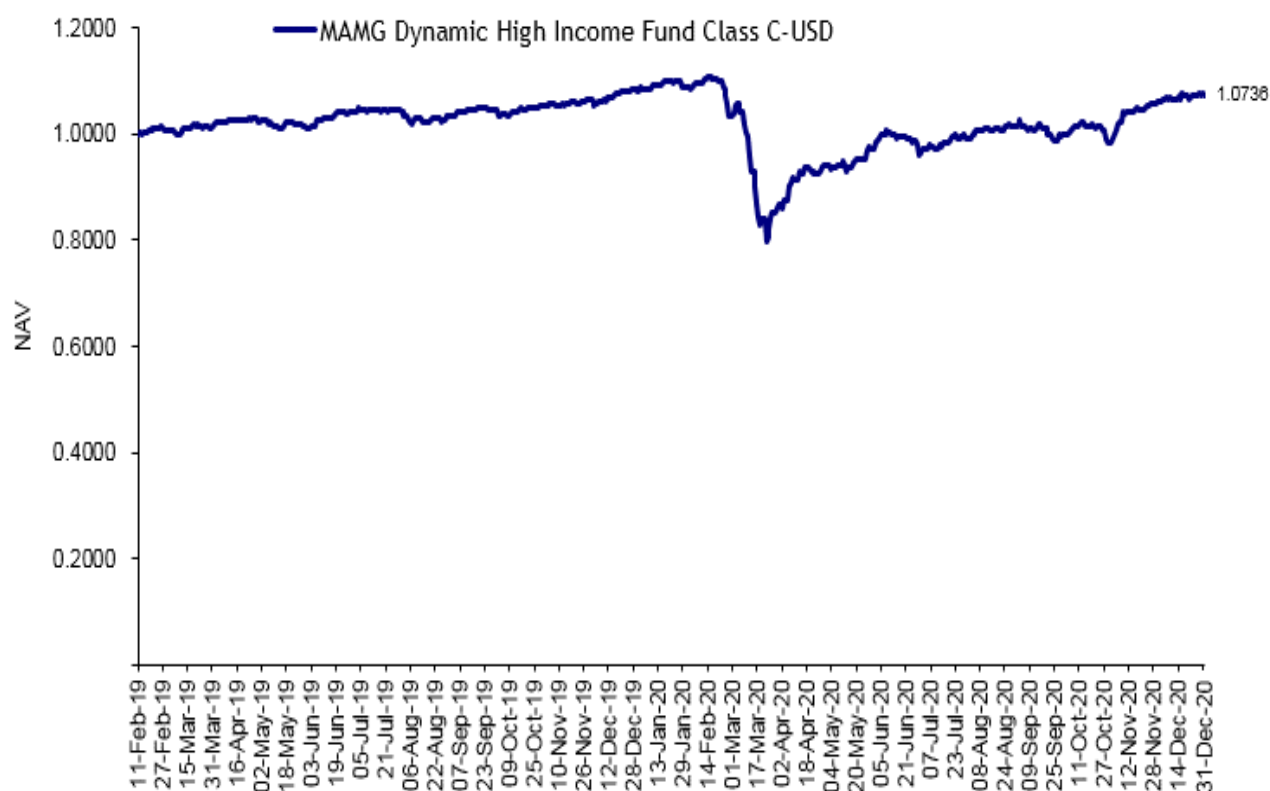
B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - USD Class for the financial period from 1 April 2020 to 31 December 2020 are as follows:

USD Class

Period	The Fund %
1 April 2020 to 31 December 2020	28.61

Performance of the USD Class for the financial period from 1 April 2020 to 31 December 2020:



Source: Novagmi Analytics and Advisory Sdn Bhd, as at 31 December 2020

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

The USD Class has generated a net return of 28.61% for the financial period from 1 April 2020 to 31 December 2020.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2020 to 31 December 2020 (cont'd)

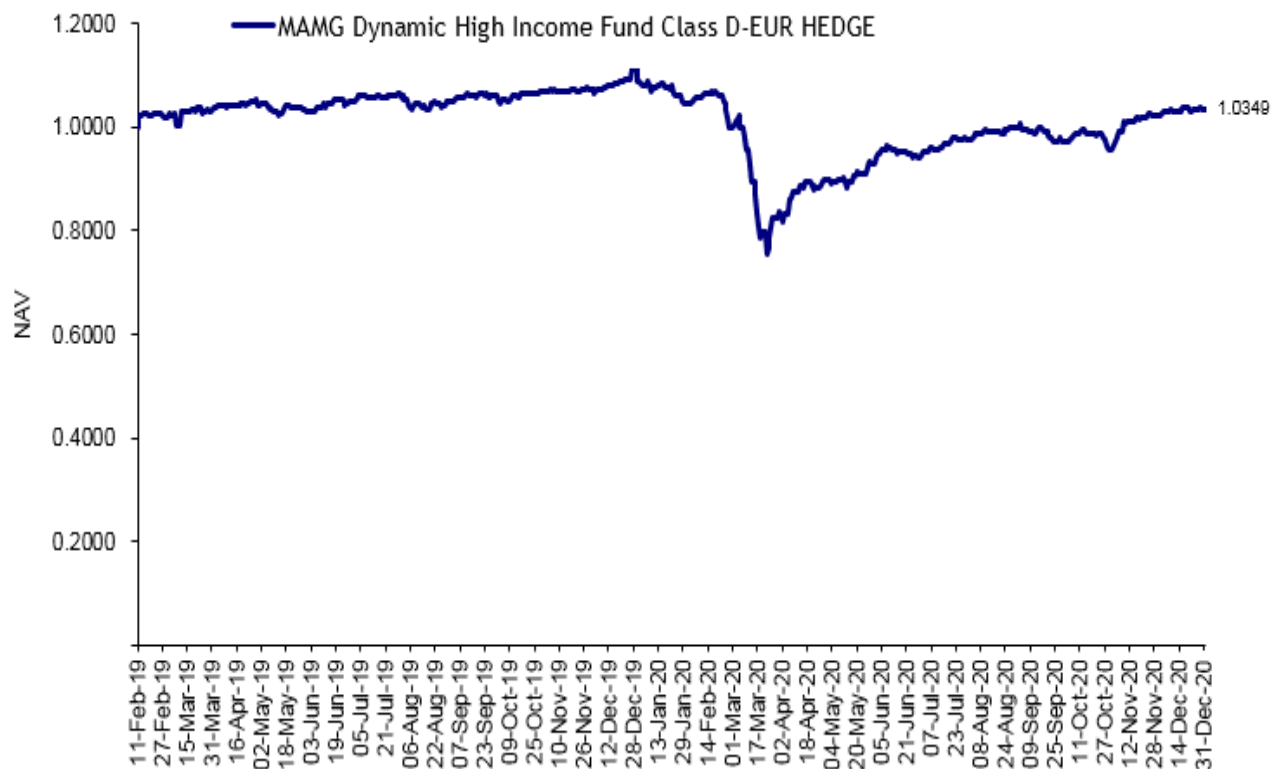
B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - EUR (Hedged) Class for the financial period from 1 April 2020 to 31 December 2020 are as follows:

EUR (Hedged) Class

Period	The Fund %
1 April 2020 to 31 December 2020	26.02

Performance of the EUR (Hedged) Class for the financial period from 1 April 2020 to 31 December 2020:



Source: Novagmi Analytics and Advisory Sdn Bhd, as at 31 December 2020

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

The EUR (Hedged) Class has generated a net return of 26.02% for the financial period from 1 April 2020 to 31 December 2020.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2020 to 31 December 2020 (cont'd)

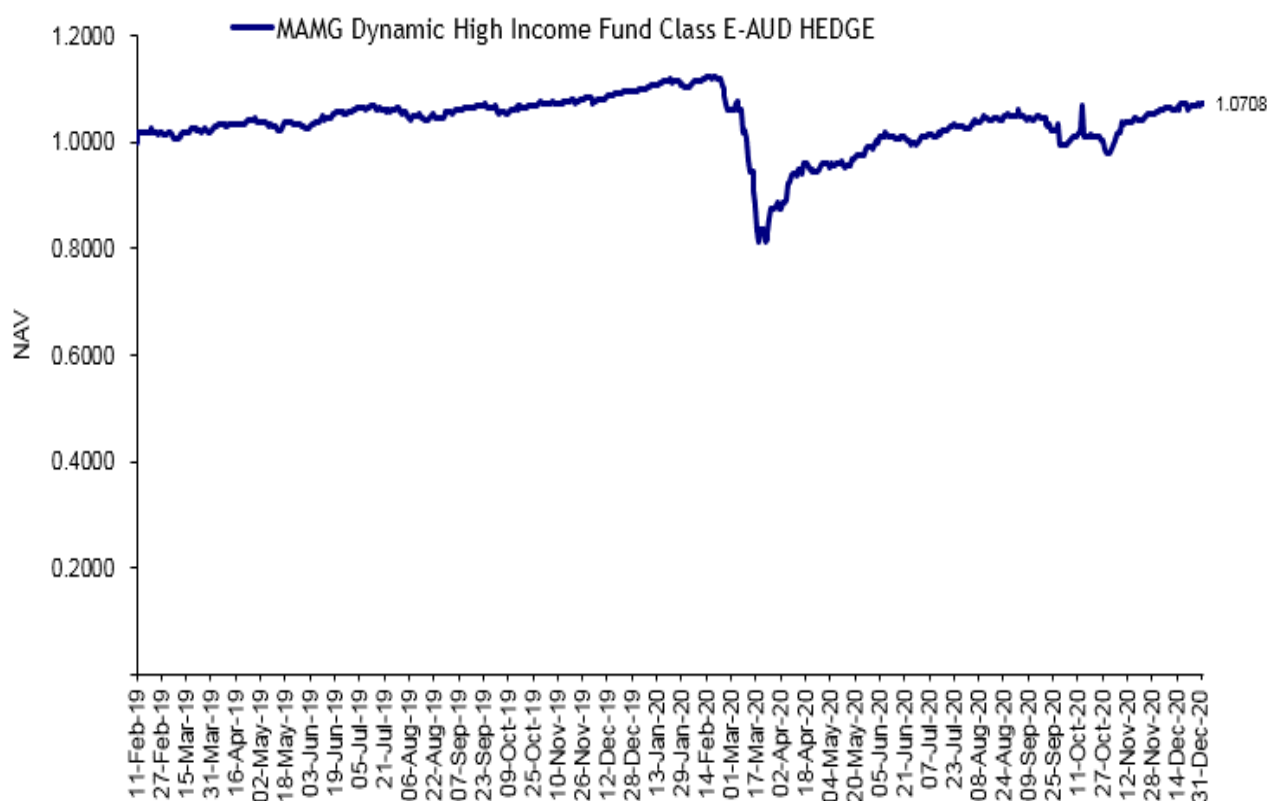
B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - AUD (Hedged) Class for the financial period from 1 April 2020 to 31 December 2020 are as follows:

AUD (Hedged) Class

Period	The Fund %
1 April 2020 to 31 December 2020	26.69

Performance of the AUD (Hedged) Class for the financial period from 1 April 2020 to 31 December 2020:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2020

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

The AUD (Hedged) Class has generated a net return of 26.69% for the financial period from 1 April 2020 to 31 December 2020.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2020 to 31 December 2020 (cont'd)

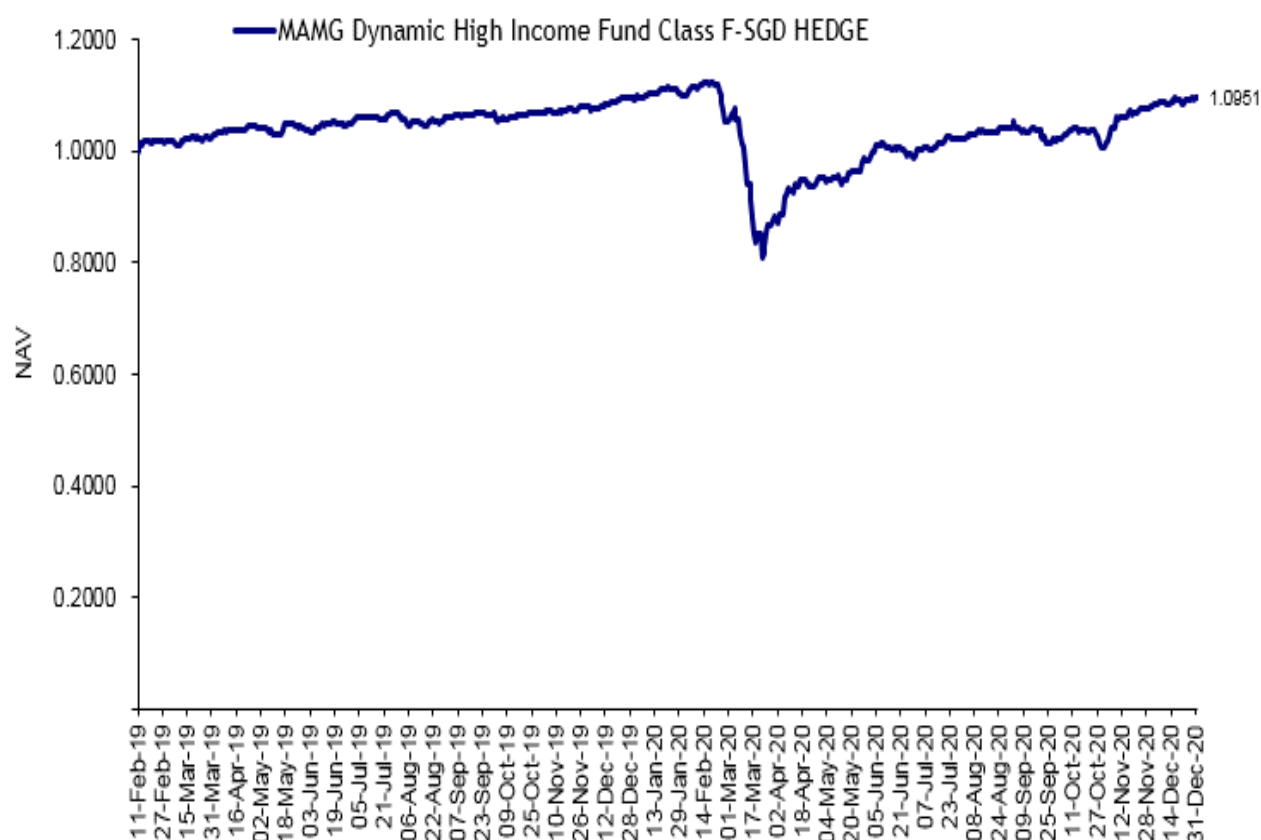
B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - SGD (Hedged) Class for the financial period from 1 April 2020 to 31 December 2020 are as follows:

SGD (Hedged) Class

Period	The Fund %
1 April 2020 to 31 December 2020	26.90

Performance of the SGD (Hedged) Class for the financial period from 1 April 2020 to 31 December 2020:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2020

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

The SGD (Hedged) Class has generated a net return of 26.90% for the financial period from 1 April 2020 to 31 December 2020.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2020 to 31 December 2020 (cont'd)

C. Market Review

Risk sentiment remained firm during July 2020, prompted by the passing of the EUR 750 billion Eurozone pandemic recovery fund and the Federal Reserve's ("Fed") dovish stance. The US Treasury ("UST") curve flattened, with the 10 year and 30 year yields tightened by 10-20 basis points ("bps") to 0.60% and 1.20%. USD took another leg lower broadly against G10 currencies as real yields dip further into negative territory, with the US Dollar Index ("DXY") dropping 3.1% over the period while Gold nearly touched USD 2000/ounce. Credit continued to be strong, supported by net bond fund inflow and better risk sentiments.

The highlight of the month was the Fed symposium in Jackson Hole, where Jerome Powell announced average inflation targeting of 2% overtime and the employment mandate by allowing employment to run at or above its maximum level before raising rate. While the UST curve bear steepened leading up to Jackson Hole on repricing of inflation expectations, both 10 year and 30 year yields further sold off to 0.75% and 1.50% before retracing slightly into the month end. Commodities like Crude oil and gold held steady while equities continued to inch higher. USD was broadly weaker given the dovish outlook by Fed, with the DXY dropping 0.6% over the month. Among Asian currencies, Australian Dollar ("AUD") and Indian Rupees ("INR") outperformed. In Credit, while inflows remained supportive, returns were affected by rates selling off.

September 2020 was a moderately risk off month given focus on the US Presidential elections. USD was broadly stronger except versus the North Asian currencies (Chinese Yuan ("CNY"), Taiwan Dollar ("TWD"), Korean Won ("KRW")) given strong trade data from China benefiting the region. UST yields stayed range bound across the curve. Equities underperformed given profit taking from sectors with sky high valuations but the spill over impact was measured. In commodities, gold and Brent crude also declined by about 4-5% given stronger USD. The highlight in September in Asia credit was real estate developer China Evergrande. While the concerns on its financials are not new, rumours on the feasibility of its planned listings in onshore equity markets caused a stir even though the company managed to calm nerves down.

October 2020 saw risk consolidating as US election approached, with major US equity indices retreating about 5- 6% mid-month and with crude going below USD 40/barrel as resurgent COVID-19 cases in Europe and lack of conclusions on new US fiscal stimulus provided backdrop to trim risk. USD was range bound vs developed market currencies but generally underperformed Asian currencies. UST yields progressively went wider over October 2020 with a curve steepening bias with yields on the 10 year and 30 year increasing by 20bps to reach 0.85% and 1.65% .

November 2020 was a strong risk-on month as Joe Biden won the US Presidential election while US Congress remains split (pending Georgia's senate run-off race on 5 January 2021). News of various pharmaceutical firms announcing positive results on COVID-19 vaccines further boosted the rally, despite still high level of COVID-19 infection cases in the US and Europe. S&P 500 returned close to 11% while Brent crude traded near USD 50/barrel. Gold retraced 5.5% as investors turned less risk averse. UST yields initially traded higher with a steeper curve in first half of November, with 10 year yield reaching 95 bps. Long end yields found some retracement towards month end pending January 2021 Georgia Senate results (if it results in a tie). USD was broadly weaker with Latin American currencies being the outperformer.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2020 to 31 December 2020 (cont'd)

C. Market Review (cont'd)

December 2020 risk sentiment remained well supported despite severe COVID-19 situation, as markets remained optimistic on the reflation theme amidst vaccine availability prospects. In the US, Congress finally agreed on a new USD 900 billion. pandemic bill, keeping an eye on Georgia senate re-election on 5 January 2021. The European Central Bank ("ECB") in its December 2020 meeting announced more monetary stimulus via increase in bond purchases and subsidized loans to encourage lending.

For commodities, Brent and Gold managed to recover about 6-7% in the month as USD broadly weakened and as the Organisation of Petroleum Exporting Countries ("OPEC+") announced a slight increase in oil production from next year. UST yields largely remained range bound, with the 10 year yield ranging 0.83-0.91% . Emerging Markets ("EM") currencies appreciated vs USD, with Turkish Lira and South African Rand being outperformers. Over in Asia, AUDUSD appreciated 4.5% despite trade tensions with China being an overhang. Other Asian currencies appreciated 1-2% vs USD, building on November 2020 gains.

D. Market Outlook

As we close out 2020 and positioning into the year ahead, while it is likely this rally has driven markets higher much faster than anticipated, the fund manager maintains a positive outlook for the global economy and the ability to generate future returns. The amount of liquidity in the system is staggering, cash on the sidelines is at record levels, and the ability of fiscal and monetary policy to drive growth higher is real. That said, much of the easy money has been made and portfolio allocations warrant a review. The fund manager thinks this means investors should look beyond the traditional asset classes that have worked this year and embrace active and dynamic strategies that can navigate this nuanced environment. Cash flow-oriented securities should continue to benefit as investors search for yield. While the manager may pause adding more risk as markets digest the recent moves, the manager views any pullback in markets as a buying opportunity given a generally favorable outlook over the medium-term.

E. Investment Strategies

The Target Fund follows a flexible asset allocation policy that seeks to provide a high level of income. In order to generate high levels of income the Fund will seek diversified income sources across a variety of asset classes, investing significantly in income producing assets such as fixed income transferable securities, including corporate and government issues which may be fixed and floating and may be investment grade, sub-investment grade or unrated, covered call options and preference shares. The Fund will use a variety of investment strategies and may invest globally in the full spectrum of permitted investments including equities, equity-related securities, fixed income transferable securities, units of undertakings for collective investment, cash, deposits and money market instruments. Currency exposure is flexibly managed.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2020 to 31 December 2020 (cont'd)

F. Asset Allocation

The Fund's asset allocation as at 31 December 2020 and 31 March 2020 is as follows:

Asset allocation	31.12.2020		31.03.2020	
	RM	%	RM	%
Investment in Target Fund	20,223,107	87.55	22,598,928	92.83
Cash, deposit with a licensed financial institution and other net assets	2,874,878	12.45	1,744,420	7.17
Total NAV	23,097,985	100.00	24,343,348	100.00

G. Soft Commissions and Rebates

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

During the financial period from 1 April 2020 to 31 December 2020, the Manager and its delegates did not receive any soft commissions and rebates from brokers or dealers.

MAMG DYNAMIC HIGH INCOME FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 APRIL 2020 TO 31 DECEMBER 2020

	01.04.2020 to 31.12.2020 USD	22.01.2019 (launch date) to 31.12.2019 USD
INVESTMENT INCOME		
Dividend Income	1,237,846	809,969
Interest income	10,365	14,622
Net gain on financial assets at fair value through profit and loss ("FVTPL")		
- Realised (loss)/gain	(480,563)	3,147
- Unrealised gain	5,694,294	385,972
Net gain on foreign exchange and forward currency contracts	2,176,290	140,710
Other income	582	82,512
	<u>8,638,814</u>	<u>1,436,932</u>
EXPENSES		
Manager's fee	213,421	214,932
Trustee's fee	3,883	2,389
Auditors' remuneration	1,611	1,717
Tax agent's fee	534	1,073
Administrative expenses	4,321	2,314
	<u>223,770</u>	<u>222,425</u>
Net income before taxation	8,415,044	1,214,507
Taxation	22,563	(14,788)
Net income after taxation, total comprehensive income for the financial period	<u>8,437,607</u>	<u>1,199,719</u>
Net income after taxation is made up of the following:		
Realised	575,785	513,795
Unrealised	7,861,822	685,924
	<u>8,437,607</u>	<u>1,199,719</u>

MAMG DYNAMIC HIGH INCOME FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME (CONT'D) FOR THE FINANCIAL PERIOD FROM 1 APRIL 2020 TO 31 DECEMBER 2020

	01.04.2020 to 31.12.2020 USD	22.01.2019 (launch date) to 31.12.2019 USD
Distributions for the financial period:		
<u>MYR Class</u>		
Net distributions	USD 139,053	USD 18,021
Gross/Net distributions per unit (RM sen)	2.38	0.91
<u>MYR (Hedged) Class</u>		
Net distributions	USD 190,760	-
Gross/Net distributions per unit (RM sen)	1.75	-
<u>USD Class</u>		
Net distributions	USD 104,914	USD 4,769
Gross/Net distributions per unit (USD cent)	1.37	0.40
<u>EUR (hedged) Class</u>		
Net distributions	USD 2,742	USD 579
Gross/Net distributions per unit (EUR cent)	0.85	0.50
<u>SGD (Hedged) Class</u>		
Net distributions	USD 40,431	-
Gross/Net distributions per unit (SGD cent)	1.00	-
<u>AUD (Hedged) Class</u>		
Net distributions	USD 248,464	-
Gross/Net distributions per unit (AUD cent)	1.15	-

MAMG DYNAMIC HIGH INCOME FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	31.12.2020 USD	31.03.2020 USD
ASSETS		
Financial assets at FVTPL	20,223,107	22,598,928
Deposits with licensed financial institutions	274,703	437,912
Derivative assets	1,026,105	592
Dividend receivable	102,655	160,195
Other receivable	14	30
Prepaid expenses	-	98,842
Cash at bank	1,564,635	2,269,738
TOTAL ASSETS	23,191,219	25,566,237
LIABILITIES		
Derivative liabilities	11,799	1,050,783
Amount due to Trustee	414	458
Amount due to a financial institution	-	167,502
Amount due to Manager	77,801	-
Other payables and accruals	3,220	4,146
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)	93,234	1,222,889
NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS OF THE FUND	23,097,985	24,343,348
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:		
Unitholders' contribution	22,037,790	31,076,350
Retained earnings/(Accumulated losses)	1,060,195	(6,737,002)
	23,097,985	24,339,348
NET ASSET VALUE		
- MYR Class	3,337,422	2,974,031
- MYR (Hedged) Class	10,413,867	13,047,054
- USD Class	2,496,053	2,294,561
- EUR (Hedged) Class	91,976	164,092
- AUD (Hedged) Class	5,292,835	4,092,692
- SGD (Hedged) Class	1,465,832	1,766,918
	23,097,985	24,339,348

MAMG DYNAMIC HIGH INCOME FUND**UNAUDITED STATEMENT OF FINANCIAL POSITION (CONT'D)
AS AT 31 DECEMBER 2020**

	31.12.2020	31.03.2020
NUMBER OF UNITS IN CIRCULATION (UNIT)		
- MYR Class	12,656,382	14,030,374
- MYR (Hedged) Class	38,001,090	64,522,969
- USD Class	2,324,833	2,636,802
- EUR (Hedged) Class	72,651	178,729
- AUD (Hedged) Class	6,406,930	7,541,808
- SGD (Hedged) Class	1,769,453	2,846,197
	<u>61,231,339</u>	<u>91,756,879</u>

NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES

- MYR class	<u>MYR 1.0607</u>	<u>MYR 0.9156</u>
- MYR (Hedged) Class	<u>MYR 1.1023</u>	<u>MYR 0.8734</u>
- USD class	<u>USD 1.0736</u>	<u>USD 0.8690</u>
- EUR (Hedged) Class	<u>EUR 1.0349</u>	<u>EUR 0.8357</u>
- AUD (Hedged) Class	<u>AUD 1.0706</u>	<u>AUD 0.8854</u>
- SGD (Hedged) Class	<u>SGD 1.0951</u>	<u>SGD 0.8825</u>

MAMG DYNAMIC HIGH INCOME FUND

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD FROM 1 APRIL 2020 TO 31 DECEMBER 2020

	Unitholders' capital USD	Retained earnings USD	Net assets attributable to unitholders USD
At 1 April 2020	31,076,350	(6,737,002)	24,339,348
Total comprehensive income for the period	-	8,437,607	8,437,607
Creation of units	4,776,679	-	4,776,679
Reinvestment of units	553,036	-	553,036
Cancellation of units	(14,282,322)	-	(14,282,322)
Distributions	(85,953)	(640,410)	(726,363)
At 31 December 2020	<u>22,037,790</u>	<u>1,060,195</u>	<u>23,097,985</u>
At 22 January 2018 (date of launch)	-	-	-
Total comprehensive income for the period	-	1,199,179	1,199,179
Creation of units	22,317,342	-	22,317,342
Reinvestment of units	23,369	-	23,369
Cancellation of units	(2,608,833.00)	-	(2,608,833)
Distributions	(9,964)	(13,405)	(23,369)
At 31 December 2019	<u>19,721,914</u>	<u>1,185,774</u>	<u>20,907,688</u>

MAMG DYNAMIC HIGH INCOME FUND

UNAUDITED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 APRIL 2020 TO 31 DECEMBER 2020

	01.04.2020 to 31.12.2020 USD	22.01.2019 (launch date) to 31.12.2019 USD
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net payment for purchase of financial assets at FVTPL	(1,250,000)	(19,420,000)
Net proceeds from sale of financial assets at FVTPL	8,839,550	770,258
Interest income received	53,436	15,028
Dividend income received	1,295,386	704,302
Net realised loss on forward foreign exchange contracts	(113,213)	(186,372)
Manager's fee paid	(105,971)	(183,813)
Trustee's fee paid	(3,928)	(2,042)
Payment of other fees and expenses	(3,294)	(2,724)
Net cash generated from/(used in) operating and investing activities	<u>8,711,966</u>	<u>(18,305,363)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	5,179,410	22,237,617
Cash paid on units cancelled	(14,267,517)	(2,586,164)
Distributions paid	(542,648)	-
Net cash (used in)/generated from financing activities	<u>(9,630,755)</u>	<u>19,651,453</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL PERIOD	(918,789)	1,346,090
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	2,707,650	-
Effect on foreign exchange	<u>50,477</u>	<u>(3,979)</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>1,839,338</u>	<u>1,342,111</u>
Cash and cash equivalents comprise of:		
Deposits with financial institutions	274,703	-
Cash at bank	<u>1,564,635</u>	<u>1,342,111</u>
	<u>1,839,338</u>	<u>1,342,111</u>