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MAMG DYNAMIC HIGH INCOME FUND

Quarterly report
For the financial period from 1 April 2023 to 31 December
2023

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 2023 to 31 December 2023

A. Fund Information

1. Name of Fund

MAMG Dynamic High Income Fund (the "Fund")

2. Type of Fund

Income & 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	Currency	Launch date	Commencement date
MYR	Malaysian Ringgit (MYR)	22 January 2019	12 February 2019
MYR (Hedged)	Malaysian Ringgit (MYR)		
USD	United States Dollar (USD)		
EUR (Hedged)	Euro (EUR)		
AUD (Hedged)	Australian Dollar (AUD)		
SGD (Hedged)	Singapore Dollar (SGD)		

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

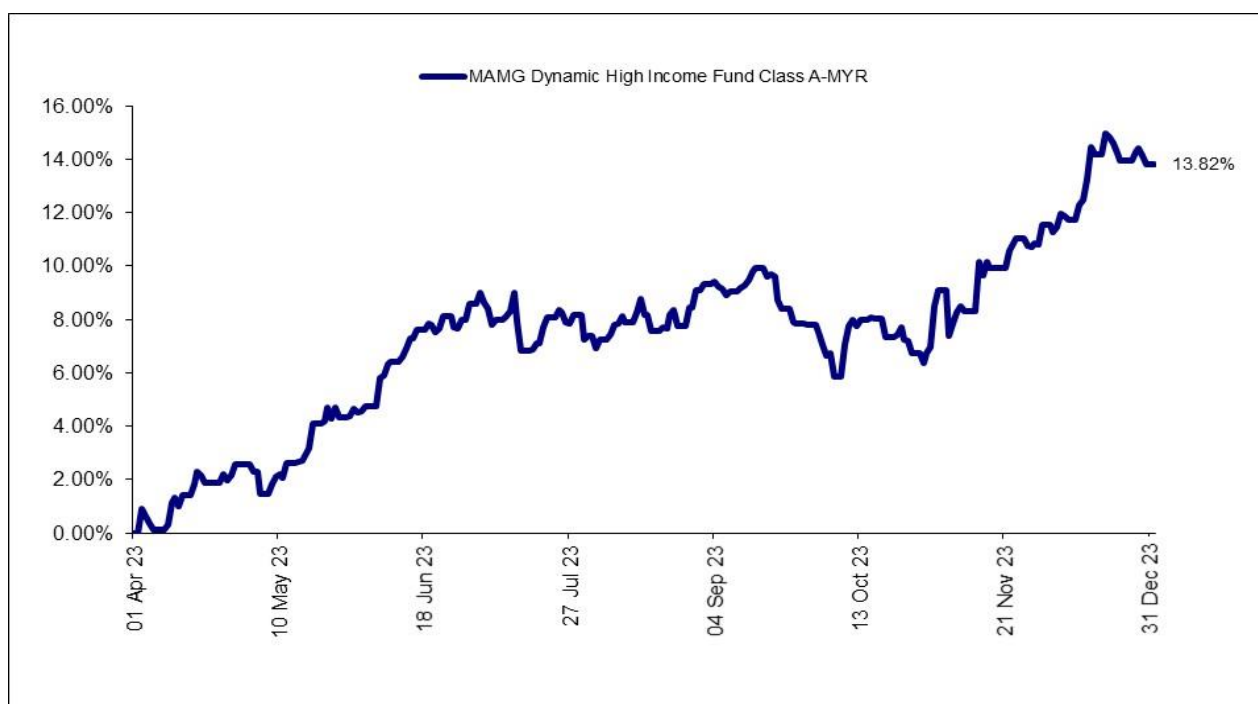
For the financial period from 1 April 2023 to 31 December 2023 (cont'd)

B. Performance Review

Performance of MAMG Dynamic High Income Fund - MYR Class for the financial period from 1 April 2023 to 31 December 2023 are as follows:

MYR Class

Category	9 months to 31.12.2023 %
Total return of the Fund	13.82



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2023

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 13.82% for the financial period from 1 April 2023 to 31 December 2023.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

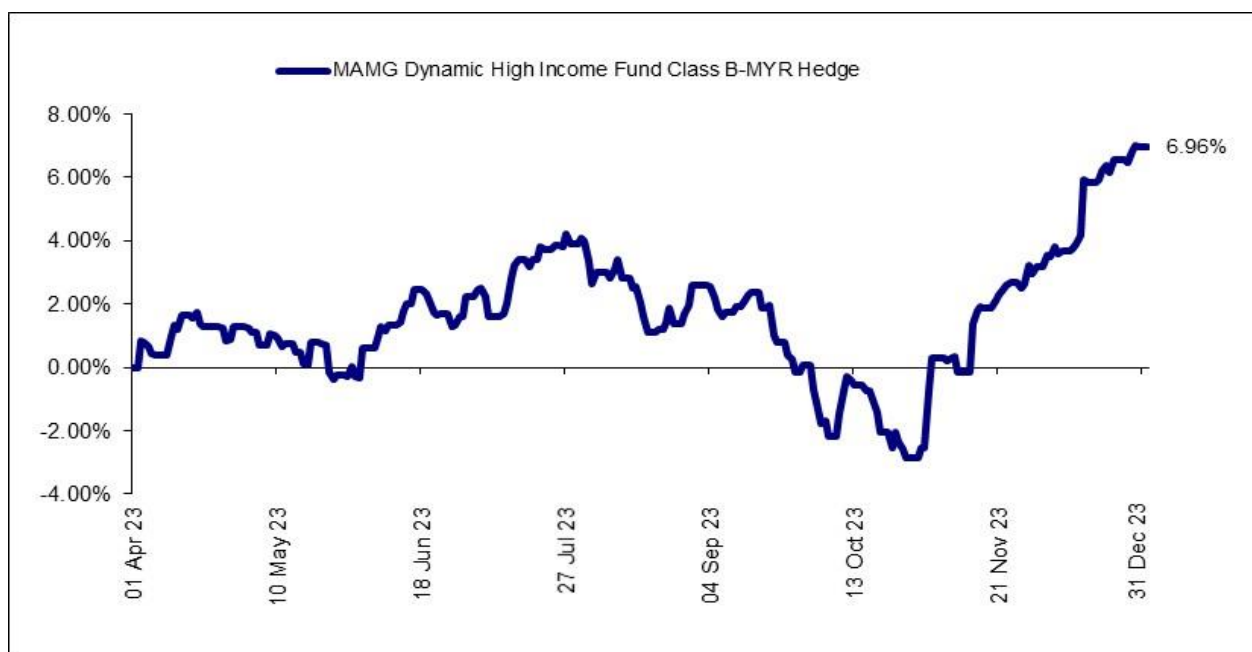
For the financial period from 1 April 2023 to 31 December 2023 (cont'd)

B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - MYR (Hedged) Class for the financial period from 1 April 2023 to 31 December 2023 are as follows:

MYR (Hedged) Class

Category	9 months to 31.12.2023 %
Total return of the Fund	6.96



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2023

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 6.96% for the financial period from 1 April 2023 to 31 December 2023.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

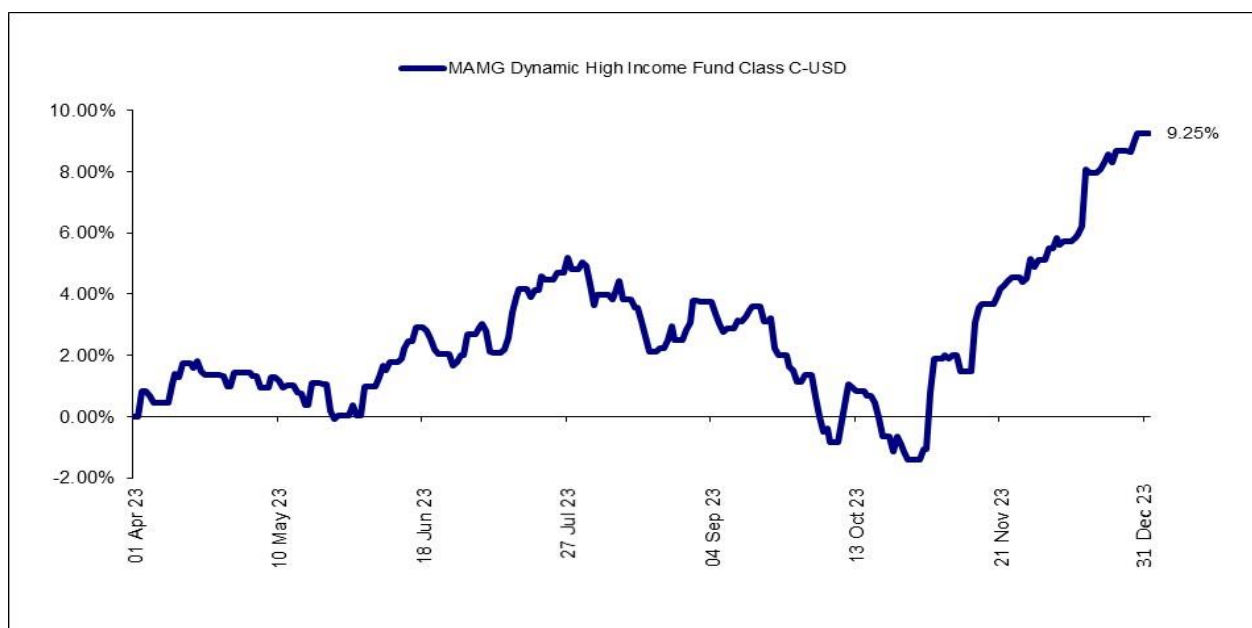
For the financial period from 1 April 2023 to 31 December 2023 (cont'd)

B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - USD Class for the financial period from 1 April 2023 to 31 December 2023 are as follows:

USD Class

Category	9 months to 31.12.2023 %
Total return of the Fund	9.25



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2023

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 9.25% for the financial period from 1 April 2023 to 31 December 2023.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

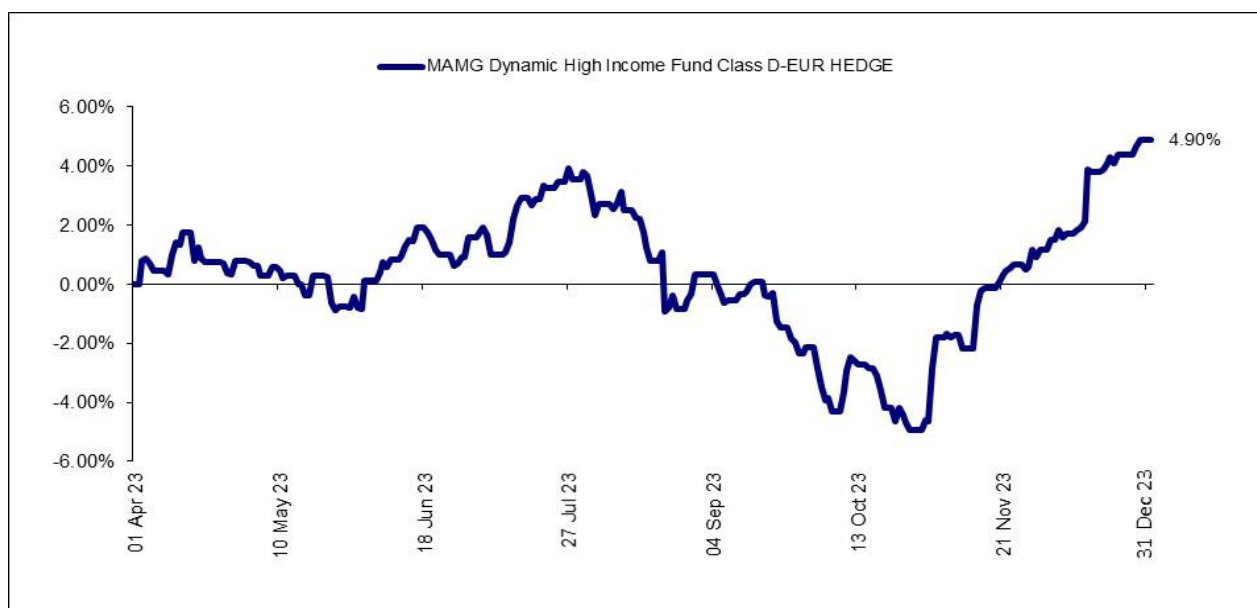
For the financial period from 1 April 2023 to 31 December 2023 (cont'd)

B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - EUR (Hedged) Class for the financial period from 1 April 2023 to 31 December 2023 are as follows:

EUR (Hedged) Class

Category	9 months to 31.12.2023 %
Total return of the Fund	4.90



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2023

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 4.90% for the financial period from 1 April 2023 to 31 December 2023.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

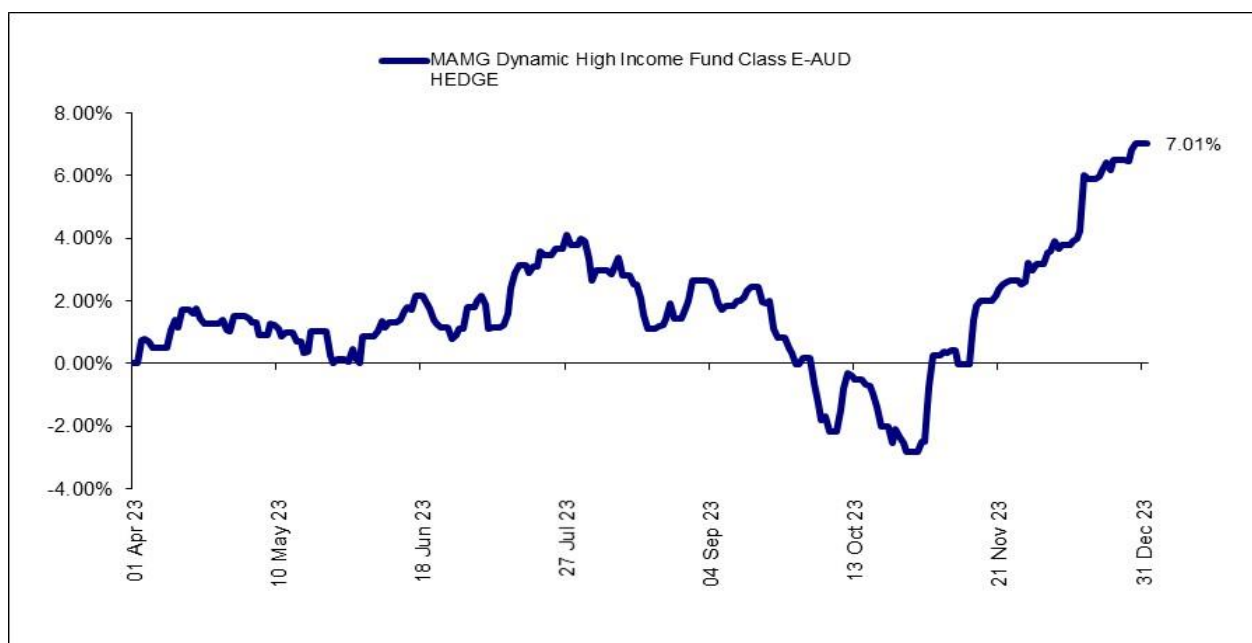
For the financial period from 1 April 2023 to 31 December 2023 (cont'd)

B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - AUD (Hedged) Class for the financial period from 1 April 2023 to 31 December 2023 are as follows:

AUD (Hedged) Class

Category	9 months to 31.12.2023 %
Total return of the Fund	7.01



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2023

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 7.01% for the financial period from 1 April 2023 to 31 December 2023.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

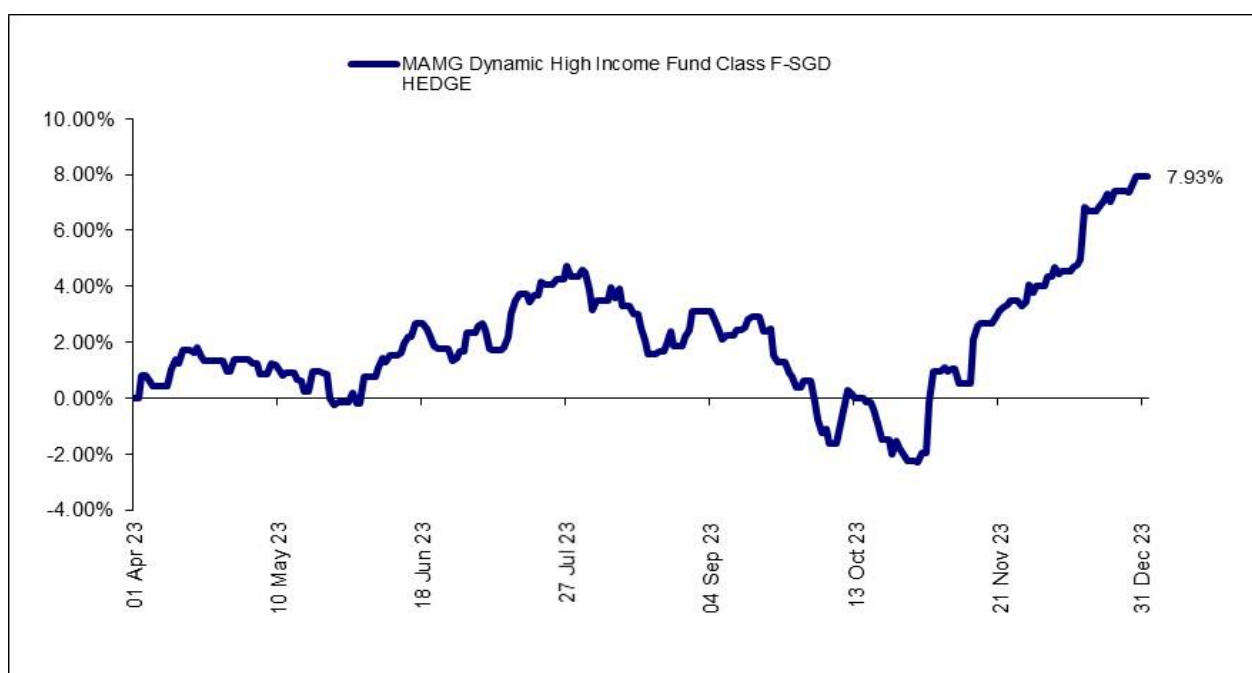
For the financial period from 1 April 2023 to 31 December 2023 (cont'd)

B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - SGD (Hedged) Class for the financial period from 1 April 2023 to 31 December 2023 are as follows:

SGD (Hedged) Class

Category	9 months to 31.12.2023 %
Total return of the Fund	7.93



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 December 2023

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 7.93% for the financial period from 1 April 2023 to 31 December 2023.

The Fund generated a total return of 4.90% to 13.82% for various share classes for the financial period under review. The main positive contributors for the period were allocation to high yield bonds, covered calls, United States ("US") equity and floating rate loans. The main detractors to the performance is the government bonds and cash.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2023 to 31 December 2023 (cont'd)

C. Market Review

In 2Q2023, the news cycle was dominated by political infighting over the debt ceiling. Softer trends of some moderate interest rate hikes or pausing in rate cycles are gaining more traction across regions. Federal Open Market Committee ("FOMC") raised rates by another 25 basis points ("bps") to take its Federal Reserve ("Fed") fund target rate range to 5.00%-5.25% which was widely expected. Meanwhile, European Central Bank ("ECB") increased its fixed interest rate by 25 bps in both May 2023 and June 2023 respectively, bringing its main rate from 3.00% to 3.50% in 2Q2023. Bank of England ("BOE") also followed suit by raising 50 bps to bring its rate from 4.25% to 4.75% in May 2023 and another 25 bps in June 2023 to 5.00% for the 1H2023. While for China, the recovery being delayed with weak economic data which gave additional headwinds to Asia bond market. However, the global bond performance was muted with the 10y United States Treasury ("UST") largely unchanged to close at 3.80% level for 1H2023.

The key takeaways in 3Q2023 were the update from the International Monetary Fund ("IMF") projects global growth to fall from an estimated 3.50% in 2022 to 3.00% in both 2023 and 2024. Expected global headline inflation to fall from 8.70% in 2022 to 6.80% in 2023 and 5.20% in 2024. On the policy rate front, FOMC raised its 11th rate increase of 25 bps with a target range of 5.25% to 5.50% in July 2023 and maintained the rate in September 2023 as widely expected. The 2y10y curve steepened to -47 bps at the end of the 3Q2023. New York Fed President John Williams indicated that the Fed may be done with rate hike but will need to maintain a restrictive monetary policy for some time. ECB delivered an unexpected dovish rate hike at 25 bps, bringing the benchmark deposit rate to 4.00% as it cut the Eurozone's growth outlook and signalled an end to its tightening cycle.

4Q2023 was kicked-off with higher treasury yields. UST curve bear steepened with the longer end leading the rise in October 2023 by double-digits, with the 30-year rose by 31 bps, as investors are more willing to accept that the Fed could keep high rates for an extended period of time. ECB's key interest rate remained unchanged at 4.00% in both October 2023 and December 2023 after 10 consecutive hikes and BOE also kept their interest rate unchanged at 5.25% for a 3rd consecutive time. In late December 2023, the market was pricing more than 150 bps of ECB rate cuts in 2024 and five 25 bps reductions from the BOE. The German 10-year yield fell around 80 bps in final two months. While the Bank of Japan ("BoJ") continued to adjust its yield curve control policy. It removed the trading band for 10-year Japanese government bond ("JGB") yield and established 1.00% as a reference point. Fed continued to keep policy rates unchanged in November 2023 FOMC meeting. However, bonds staged a massive rally in the final two months. Dovish Fed speak reinforces the market's view that the US rate hike cycle is over, sending UST into a rally. UST curve bull-flattened with yields falling 84-106 bps in November 2023 and December 2023. After going through a tumultuous year, the 10y UST yield ended unchanged year-over-year ("YoY") at 3.88%, having reached 3.25% at the low in April 2023 in the aftermath of the US regional banking crisis and 5.02% at the high in October 2023 amid extreme bearishness for bonds and duration. Overall, US Treasury managed to post a decent total return of 4.10% in 2023 after two consecutive year of losses in 2022 (-12.50%) and 2021 (-2.30%).

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2023 to 31 December 2023 (cont'd)

D. Market Outlook & Strategies

Looking out to 2024, our base case points to moderating, but positive, economic growth alongside continued progress towards the US Fed's desired 2.00% inflation target. So far, the US economy has proven more resilient than most expected.

Inflation has subsided without a substantial hit to the labour market that many anticipated. While some tailwinds to growth are fading, there are also reasons to believe growth will continue to hold up reasonably well. Inflation has clearly inflected lower, but service inflation risks keeping it above central bank targets for longer. In summary, we are positioning for a backdrop that will show a slowdown but no hard landing in the US, moderating inflation, and a Fed that is done with its hiking campaign. Elsewhere, the backdrop in Europe and China are more challenging in our view.

In term of Fed expectations, market pricing shows over four Fed rate cuts in 2024 starting in March, or a target policy rate of 4.25% to 4.50% versus 5.25% to 5.50% today. While we believe we have seen the peak in policy rates for this cycle, we think the timing and magnitude of cuts implied by markets may be too aggressive. Our base case is the Fed will be on hold into 2024 with the possibility for smaller rate cuts in the back part of the year. Ultimately, we believe we are moving to an environment where duration (interest rate sensitivity) will start to benefit multi-asset portfolios again.

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.

E. Asset Allocation

The Fund's asset allocation as at 31 December 2023 and 31 March 2023 is as follows:

Asset allocation	31.12.2023		31.03.2023	
	USD	%	USD	%
Collective investment scheme	8,414,707	90.97	10,185,435	94.99
Cash, deposit with a licensed financial institution and other net assets	835,017	9.03	537,225	5.01
Total NAV	9,249,724	100.00	10,722,660	100.00

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial period from 1 April 2023 to 31 December 2023 (cont'd)

F. 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 2023 to 31 December 2023, the Manager and its delegates did not receive any soft commissions and rebates from brokers or dealers but have retained soft commissions in the form of goods and services such as research materials and advisory services that assist in decision making process relating to the investment of the Fund (i.e. research materials data and quotation services, computer hardware and software incidental to the investment management of the Fund and investment advisory services) which were of demonstrable benefits to the unitholders.

MAMG DYNAMIC HIGH INCOME FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD FROM 1 APRIL 2023 TO 31 DECEMBER 2023

	01.04.2023 to 31.12.2023 USD	01.04.2022 to 31.12.2022 USD
INVESTMENT INCOME/ (LOSS)		
Dividend income	480,383	643,128
Profit/ Interest income	9,583	7,231
Net gain/ (loss) on financial assets at fair value through profit and loss ("FVTPL")		
- Realised loss	(500,158)	(615,698)
- Unrealised gain/ (loss)	923,495	(1,915,322)
Net loss on foreign exchange and derivatives	(304,961)	(710,078)
	<u>608,342</u>	<u>(2,590,739)</u>
EXPENSES		
Manager's fee	77,778	108,419
Trustee's fee	1,423	1,970
Auditors' remuneration	1,469	1,519
Tax agent's fee	571	777
Administrative expenses	876	2,995
	<u>82,117</u>	<u>115,680</u>
Net results before distribution and taxation	526,225	(2,706,419)
Distribution to unitholders		
MYR Class	-	(60,996)
MYR (Hedged) Class	-	(112,896)
USD Class	-	(38,474)
EUR (Hedged) Class	-	(3,369)
AUD Class	-	(66,265)
SGD Class	-	(26,500)
Net results before taxation	<u>526,225</u>	<u>(3,014,919)</u>
Taxation	-	(6,732)
Net results after taxation, total comprehensive income/ (loss) for the financial period	<u>526,225</u>	<u>(3,021,651)</u>
Net results after taxation is made up of the following:		
Realised loss	(686,494)	(1,298,724)
Unrealised income/ (loss)	1,212,719	(1,722,927)
	<u>526,225</u>	<u>(3,021,651)</u>

MAMG DYNAMIC HIGH INCOME FUND

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 APRIL 2023 TO 31 DECEMBER 2023 (CONT'D)**

	01.04.2023 to 31.12.2023 USD	01.04.2022 to 31.12.2022 USD
Distributions for the financial period:		
<u>MYR Class</u>		
Net distributions (in Fund currency)	-	60,996
Net distributions (in Class currency)	-	267,772
Gross/ Net distributions per unit (RM sen)	-	2.30
<u>MYR (Hedged) Class</u>		
Net distributions (in Fund currency)	-	112,896
Net distributions (in Class currency)	-	495,613
Gross/ Net distributions per unit (RM sen)	-	2.30
<u>USD Class</u>		
Net distributions (in Class currency)	-	38,474
Gross/ Net distributions per unit (USD cent)	-	2.20
<u>EUR (Hedged) Class</u>		
Net distributions (in Fund currency)	-	3,369
Net distributions (in Class currency)	-	3,614
Gross/ Net distributions per unit (EUR cent)	-	1.30
<u>AUD Class</u>		
Net distributions (in Fund currency)	-	66,265
Net distributions (in Class currency)	-	44,709
Gross/ Net distributions per unit (AUD cent)	-	2.30
<u>SGD Class</u>		
Net distributions (in Fund currency)	-	26,500
Net distributions (in Class currency)	-	35,828
Gross/ Net distributions per unit (SGD cent)	-	3.30

MAMG DYNAMIC HIGH INCOME FUND

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	31.12.2023	31.03.2023
	USD	USD
ASSETS		
Financial assets at FVTPL	8,414,707	10,185,435
Derivative assets	151,669	70,269
Deposit with a licensed financial institution	165,007	160,970
Dividend receivable	49,469	62,787
Profit/ Interest receivables	40	12
Amount due from Manager	63,014	6,445
Amount due from financial institution	-	10,038
Cash at bank	460,917	537,479
TOTAL ASSETS	9,304,823	11,033,435
LIABILITIES		
Derivative liabilities	251	207,570
Amount due to Manager	50,681	88,650
Amount due to Trustee	153	182
Amount due to financial institution	-	10,016
Other payables and accruals	4,014	4,357
TOTAL LIABILITIES	55,099	310,775
NET ASSET VALUE ("NAV") OF THE FUND ATTRIBUTABLE TO UNITHOLDERS	9,249,724	10,722,660
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:		
Unitholders' contribution	10,461,801	12,460,962
Accumulated losses	(1,212,077)	(1,738,302)
	9,249,724	10,722,660
NET ASSET VALUE		
MYR Class	1,216,274	2,098,522
MYR (Hedged) Class	4,678,635	4,743,415
USD Class	1,240,219	1,395,128
EUR (Hedged) Class	64,698	239,200
AUD Class	1,359,494	1,574,881
SGD Class	690,404	671,514
	9,249,724	10,722,660

MAMG DYNAMIC HIGH INCOME FUND

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023 (CONT'D)**

	31.12.2023	31.03.2023
NUMBER OF UNITS IN CIRCULATION (UNITS)		
MYR Class	4,997,080	9,421,061
MYR (Hedged) Class	21,295,149	22,171,018
USD Class	1,252,024	1,538,667
EUR (Hedged) Class	64,202	253,154
AUD Class	2,130,022	2,690,597
SGD Class	936,973	991,376
	<u>30,675,450</u>	<u>37,065,873</u>
NET ASSET VALUE PER UNIT		
MYR Class	MYR 1.1196	MYR 0.9837
MYR (Hedged) Class	MYR 1.0106	MYR 0.9448
USD Class	USD 0.9906	USD 0.9067
EUR (Hedged) Class	EUR 0.9122	EUR 0.8698
AUD Class	AUD 0.9359	AUD 0.8746
SGD Class	SGD 0.9720	SGD 0.9009

MAMG DYNAMIC HIGH INCOME FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND FOR THE FINANCIAL PERIOD FROM 1 APRIL 2023 TO 31 DECEMBER 2023

	Unitholders' contribution USD	Accumulated losses USD	Net assets attributable to unitholders USD
At 1 April 2023	12,460,962	(1,738,302)	10,722,660
Total comprehensive income for the period	-	526,225	526,225
Creation of units	880,610	-	880,610
Cancellation of units	(2,879,771)	-	(2,879,771)
At 31 December 2023	<u>10,461,801</u>	<u>(1,212,077)</u>	<u>9,249,724</u>
At 1 April 2022	13,696,873	1,054,318	14,751,191
Total comprehensive loss for the period	-	(3,021,651)	(3,021,651)
Creation of units	1,829,396	-	1,829,396
Reinvestment of units	286,626	-	286,626
Cancellation of units	(2,807,996)	-	(2,807,996)
At 31 December 2022	<u>13,004,899</u>	<u>(1,967,333)</u>	<u>11,037,566</u>

MAMG DYNAMIC HIGH INCOME FUND

UNAUDITED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 APRIL 2023 TO 31 DECEMBER 2023

	01.04.2023	01.04.2022
	to	to
	31.12.2023	31.12.2022
	USD	USD
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from sale of financial assets at FVTPL	2,687,766	2,654,866
Net payment for purchase of financial assets at FVTPL	(493,701)	(1,749,841)
Net settlement on forward foreign exchange	(582,363)	(827,393)
Dividend received	493,701	649,841
Profit/ Interest received	9,611	7,221
Manager's fee paid	(79,326)	(111,161)
Trustee's fee paid	(1,452)	(2,018)
Payment of other fees and expenses	(3,017)	(10,310)
Net cash generated from operating and investing activities	<u>2,031,219</u>	<u>611,205</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	818,523	1,833,901
Payments for cancellation of units	(2,904,630)	(2,889,286)
Distributions to unitholders	-	(21,064)
Net cash used in financing activities	<u>(2,086,107)</u>	<u>(1,076,449)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL PERIOD		
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	(54,888)	(465,244)
Effect on foreign exchange	698,449	1,333,241
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>(17,637)</u>	<u>(86,485)</u>
	<u>625,924</u>	<u>781,512</u>
Cash and cash equivalents comprise of:		
Deposit with a licensed financial institution	165,007	260,935
Cash at bank	460,917	520,577
	<u>625,924</u>	<u>781,512</u>