



Maybank

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MAMG DYNAMIC HIGH INCOME FUND

**Annual report
For the financial year ended 31 March 2024**

CORPORATE INFORMATION

MANAGER

Maybank Asset Management Sdn Bhd (199701006283) (421779-M)
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MAMG DYNAMIC HIGH INCOME FUND

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MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2024

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 date of launch/ Commencement date

Share Class	Currency	Date of Launch	Commencement date
MYR	Malaysian Ringgit	22 January 2019	12 February 2019
MYR (Hedged)	Malaysian Ringgit	22 January 2019	12 February 2019
USD	United States Dollar	22 January 2019	12 February 2019
EUR (Hedged)	Euro (EUR)	22 January 2019	12 February 2019
AUD (Hedged)	Australian Dollar	22 January 2019	12 February 2019
SGD (Hedged)	Singapore Dollar	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 period. Thereafter, distribution, if any will be made on a quarterly basis.

8. Fund's risk 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 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 include, but 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 of the classes other than MYR Class and USD Class in order to manage foreign exchange currency risk.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2024 (cont'd)

A. Fund Information (cont'd)

9. Fund's investment policy and principal investment strategy (cont'd)

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.

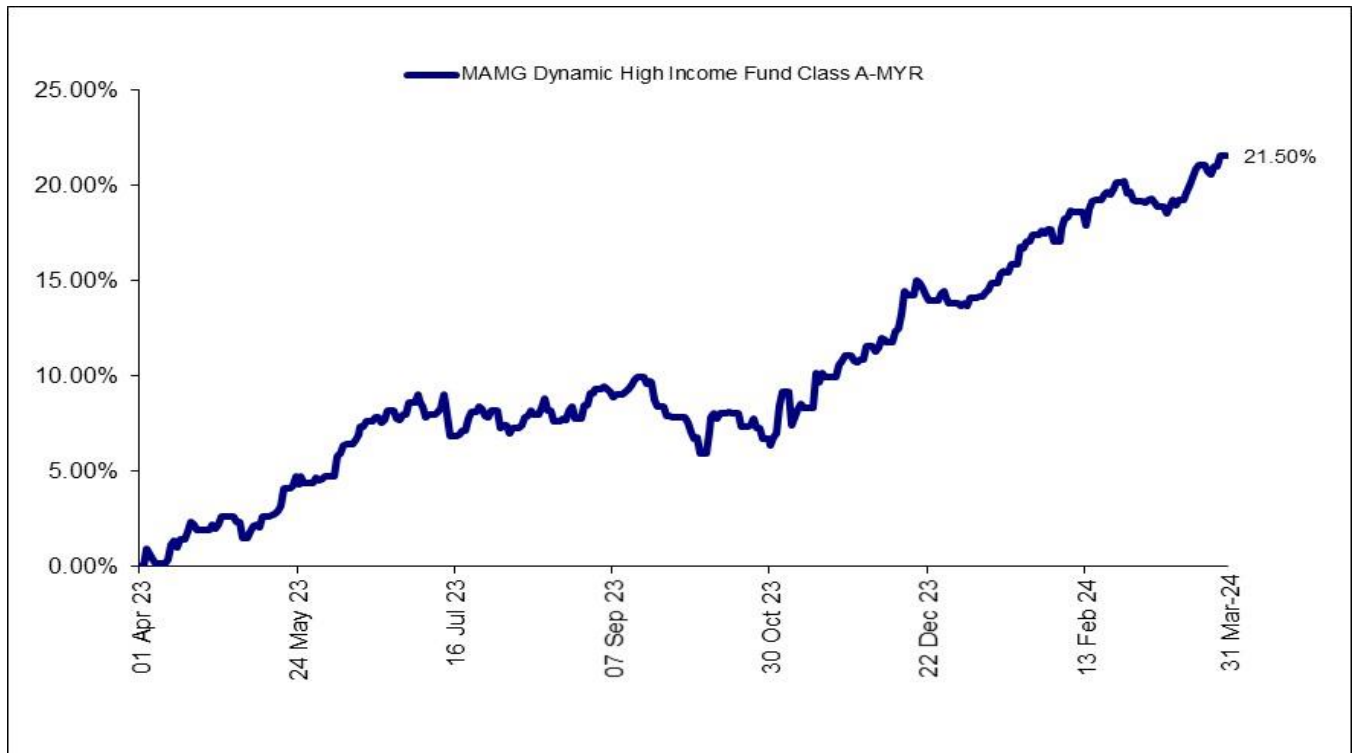
B. Performance Review

Performance of MAMG Dynamic High Income Fund - MYR Class for the financial year ended 31 March 2024 are as follows:

MYR Class

Period	The Fund %
1 April 2023 to 31 March 2024	21.50

Performance of the MYR Class for the financial year ended 31 March 2024:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 March 2024

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 21.50% for the financial year ended 31 March 2024.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2024 (cont'd)

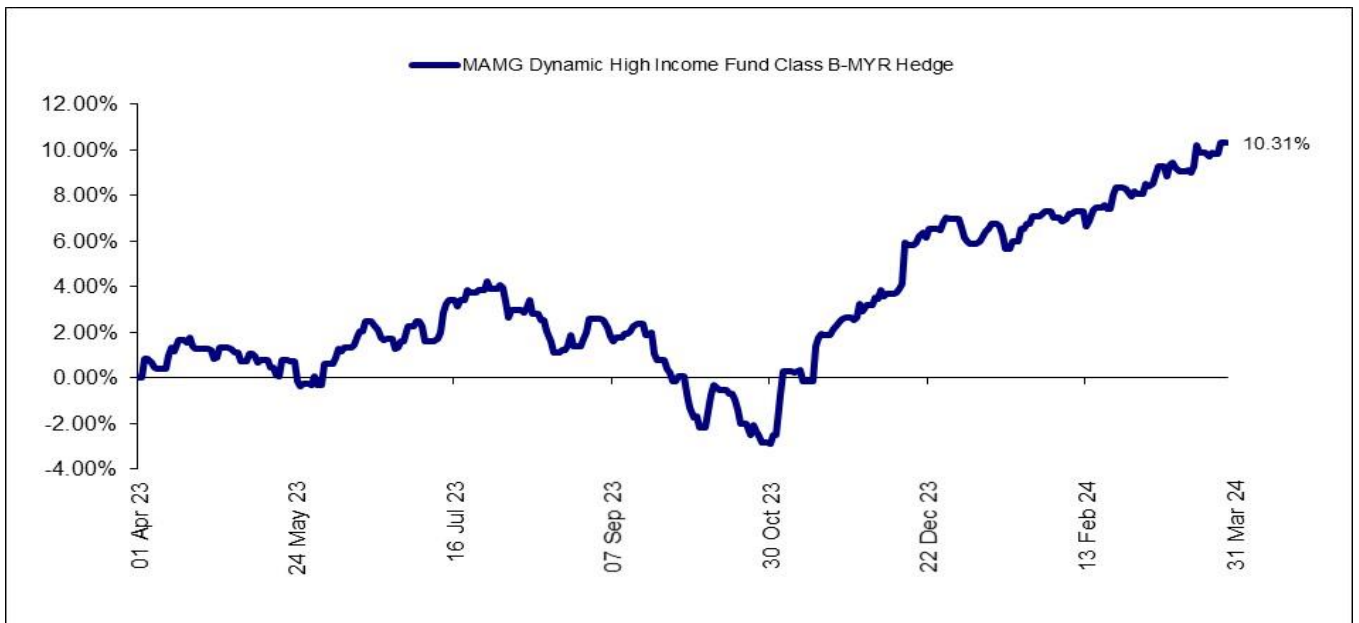
B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - MYR (Hedged) Class for the financial year ended 31 March 2024 are as follows:

MYR (Hedged) Class

Period	The Fund %
1 April 2023 to 31 March 2024	10.31

Performance of the MYR (Hedged) Class for the financial year ended 31 March 2024:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 March 2024

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 10.31% for the financial year ended 31 March 2024.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2024 (cont'd)

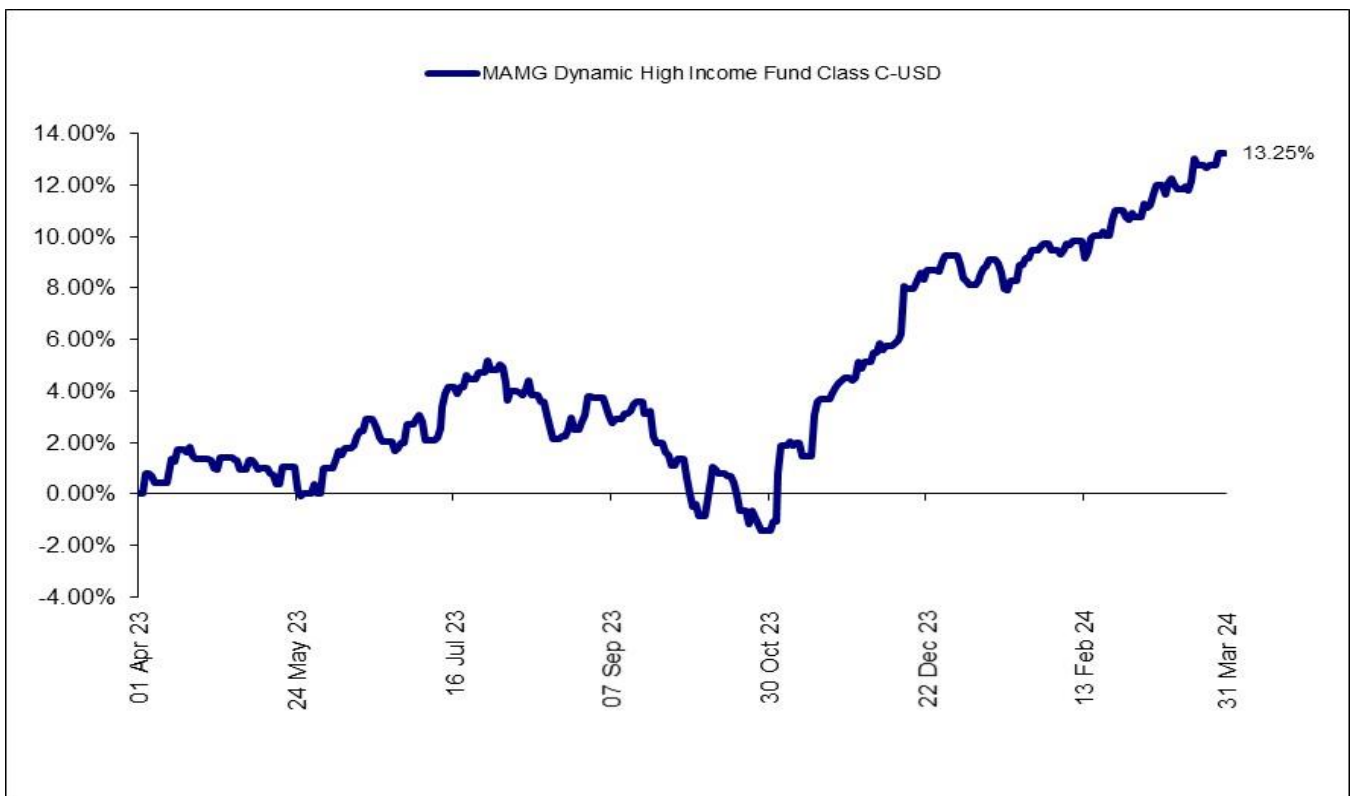
B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - USD Class for the financial year ended 31 March 2024 are as follows:

USD Class

Period	The Fund %
1 April 2023 to 31 March 2024	13.25

Performance of the USD Class for the financial year ended 31 March 2024:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 March 2024

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 13.25% for the financial year ended 31 March 2024.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2024 (cont'd)

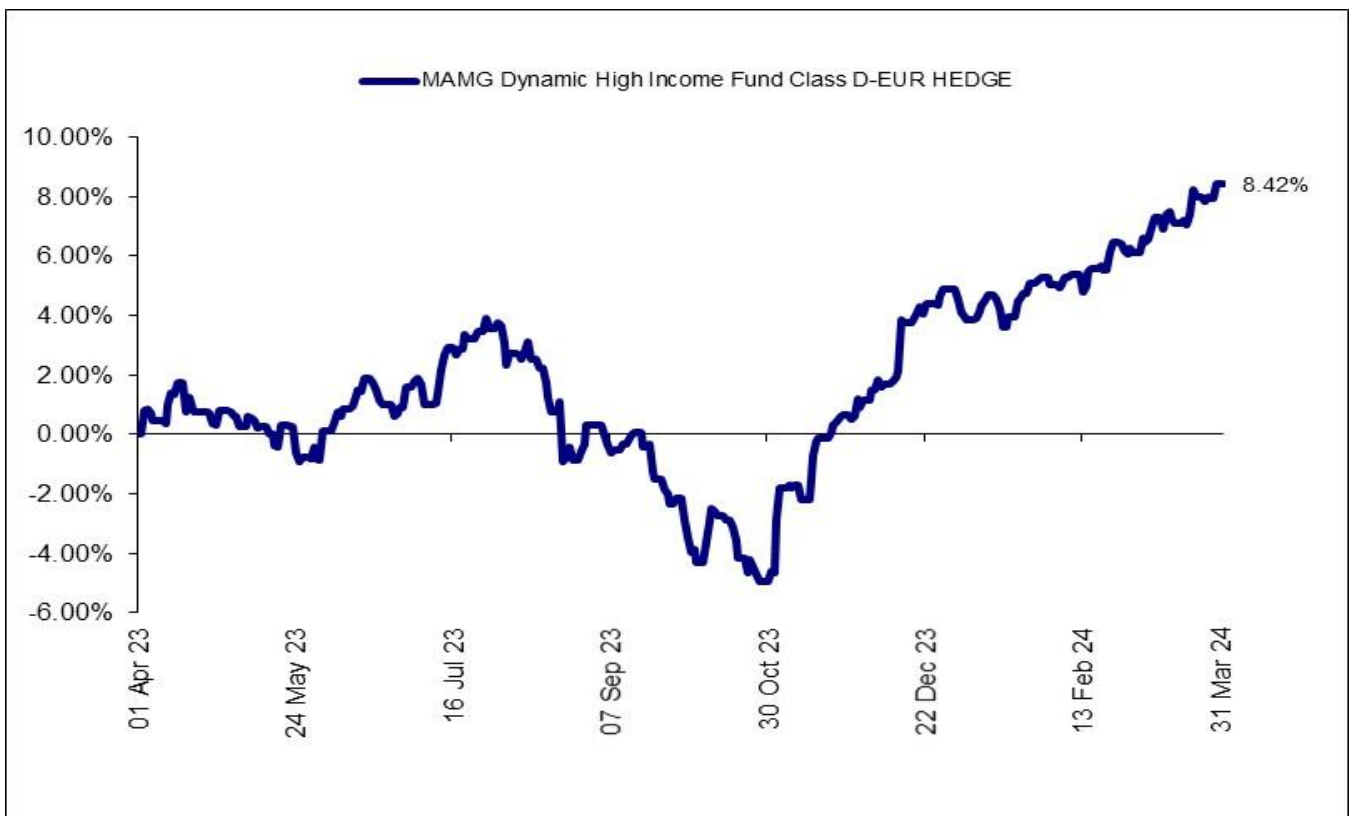
B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - EUR (Hedged) Class for the financial year ended 31 March 2024 are as follows:

EUR (Hedged) Class

Period	The Fund %
1 April 2023 to 31 March 2024	8.42

Performance of the EUR (Hedged) Class for the financial year ended 31 March 2024:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 March 2024

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 8.42% for the financial year ended 31 March 2024.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2024 (cont'd)

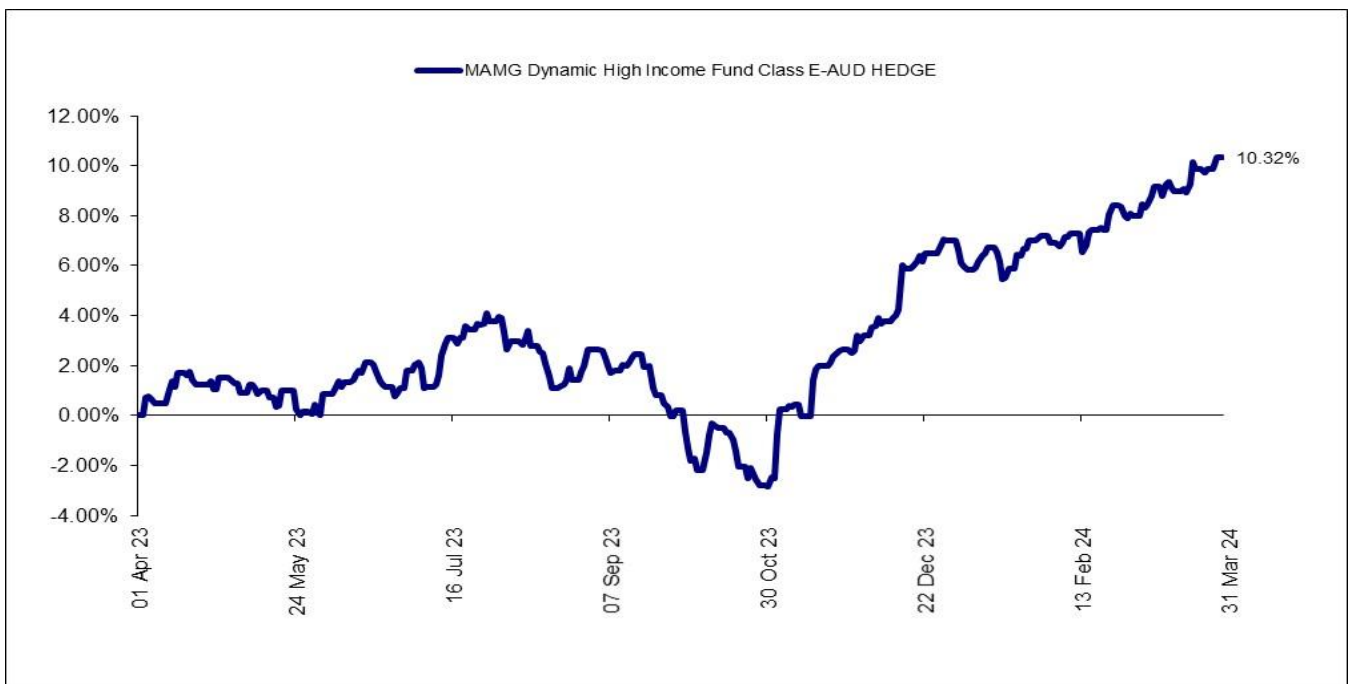
B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - AUD (Hedged) Class for the financial year ended 31 March 2024 are as follows:

AUD (Hedged) Class

Period	The Fund %
1 April 2023 to 31 March 2024	10.32

Performance of the AUD (Hedged) Class for the financial year ended 31 March 2024:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 March 2024

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 10.32% for the financial year ended 31 March 2024.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2024 (cont'd)

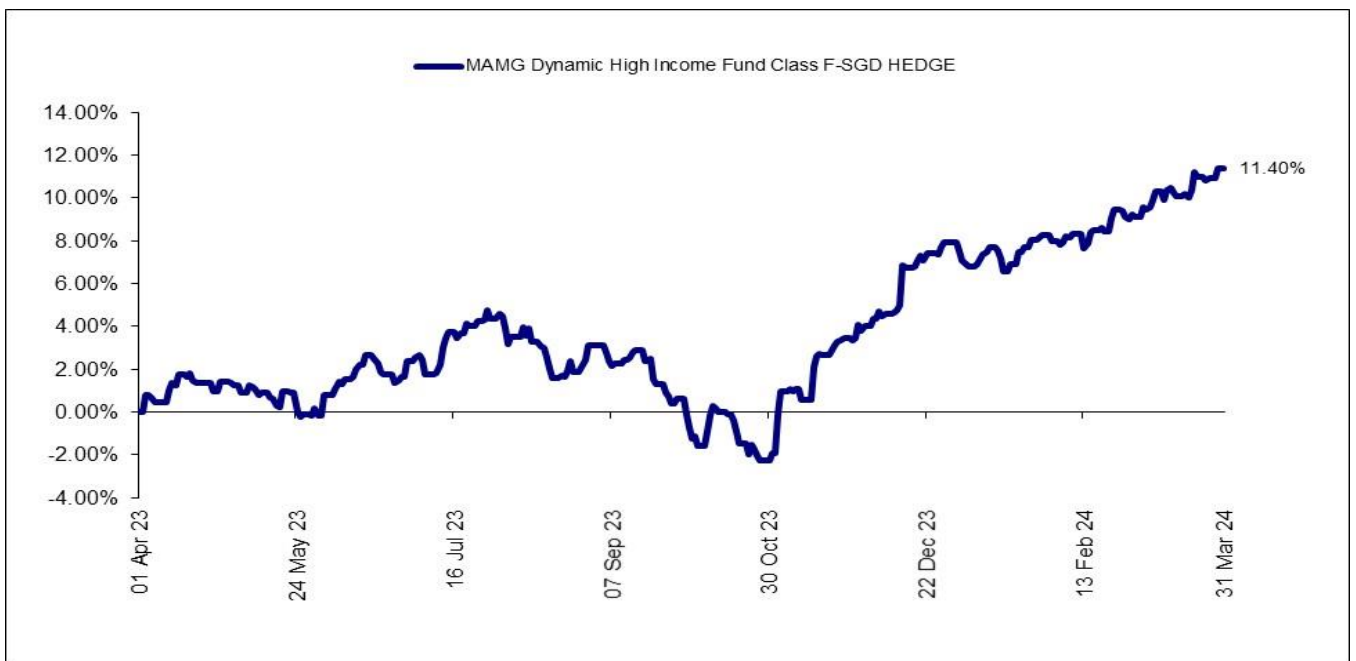
B. Performance Review (cont'd)

Performance of MAMG Dynamic High Income Fund - SGD (Hedged) Class for the financial year ended 31 March 2024 are as follows:

SGD (Hedged) Class

Period	The Fund %
1 April 2023 to 31 March 2024	11.40

Performance of the SGD (Hedged) Class for the financial year ended 31 March 2024:



Source: Novagni Analytics and Advisory Sdn Bhd, as at 31 March 2024

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 11.40% for the financial year ended 31 March 2024.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2024 (cont'd)

B. Performance Review (cont'd)

The Fund generated a total return of 8.42% to 21.50% for various share classes for the financial year under review. Key contributors were covered calls, high yield, and floating rate loans. United States ("US") equities, covered calls, and emerging market equities were the largest contributors to total return, offset by duration management positions, investment grade bonds, and global infrastructure equities.

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% to 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. ECB's key interest rate remained unchanged at 4.00% in both October 2023 and December 2023 and BOE also kept their interest rate unchanged at 5.25%. In late December 2023, the market was pricing more than 150 bps of ECB rate cuts and five 25 bps reductions from BOE in 2024. While Bank of Japan ("BoJ") continued to adjust its yield curve control policy and established 1.00% as reference point for 10-year Japanese government bond yield. Fed paused in November 2023's FOMC meeting, signalling peaking policy rates and bonds staged a massive rally in the final two months. UST curve bull-flattened with yields falling 84 bps to 106 bps in November 2023 to December 2023, the 10y UST yield ended unchanged Year-on-Year ("YoY") at 3.88% and UST managed to post a decent total return of 4.10% in 2023 after two consecutive years of losses in 2022 at -12.50% and 2021 at -2.30%.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2024 (cont'd)

C. Market Review (cont'd)

For the new year of 2024, US Fed speak pushed back against early rate cuts. UST was traded higher and the probability of Fed rate cut in March 2024 has been reduced to below 50% compared to >80% seen at the end of the year. UST yields surged 31 bps to 37 bps across the curve in 1Q24. Weighed by stronger-than-expected economic data, market pricing for total rate cut in 2024 has been reduced to about 75 bps/ 3 cuts compared with 150 bps/ 6 cuts previously. UST selloffs, however, appeared to attract gradual but consistent buy-on-dip demand unlike the freefall in September 2023 to October 2023. With soft-landing/ no-landing an overwhelmingly high consensus, market optimism for risk assets are running high with high-yield corporate spreads at the tighter end of long-term range. Developed-market sovereign yields generally repriced higher in 1Q24 led by the UST and United Kingdom ("UK") Gilts. The huge bond rally in November 2023 to December 2023 proved difficult to sustain without following through with data weakness. The dovish rates pricing in January 2024 against forecast has been fully unwound with market expectations now largely aligned with that of the Fed.

D. Market Outlook & Strategies

As Q2 kicks off, we see a more supportive near-term backdrop for risk-taking and think upbeat market sentiment can persist as inflation keeps falling.

Inflation across developed market economies has been falling from pandemic highs and looks set to reach near 2.00% this year. This trend will likely pave the way for many central banks to begin cutting policy rates. The Fed's updated forecasts, released in March 2024, still signal three quarter-point rate cuts for this year, even as it revised up its inflation and growth forecasts. Following these recent signals from the Fed, we believe the threshold is high for challenging market pricing of immaculate disinflation – defined as inflation falling to 2.00% targets while growth remains stable.

Our core view has been that in a world shaped by supply, economic activity would be on a lower growth trend. Despite the US economy's resilience through 2023, activity remains below its pre-Coronavirus disease ("Covid") trend growth rate.

Furthermore, we have previously mentioned that this new macro and market regime is characterized by persistent, structural inflation pressures. We anticipate that US inflation can decrease further toward 2.00% this year due to falling goods prices. However, we foresee inflation rebounding in 2025 as the drag from goods deflation wanes and elevated wage growth in a tight labor market keeps services inflation higher than pre-pandemic levels. Additionally, mega forces or significant structural shifts driving returns are likely to exert upward pressure on inflation. Therefore, we anticipate central bank policy rates remaining higher than pre-pandemic levels, with inflation likely settling closer to 3.00%.

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2024 (cont'd)

D. Market Outlook & Strategies (cont'd)

The Target Fund follows a flexible asset allocation policy aimed at providing a high level of income. To achieve this, the Fund will seek diversified income sources across various asset classes. It will invest significantly in income-producing assets such as fixed-income transferable securities, encompassing both corporate and government issues, which may be fixed or floating, and may range from investment grade to sub-investment grade or unrated. Additionally, the Fund may utilize covered call options and preference shares. Employing a variety of investment strategies, the Fund has the flexibility to invest globally in the entire range 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 managed flexibly.

E. 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 year ended 31 March 2024, 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. The soft commissions received were for the benefit of the Fund and there were no churning of trades.

F. Securities Financing Transactions and Cross Trade Transactions

The Fund has not under taken any securities lending or repurchase transaction ("securities financing transactions") in the financial year under review. No cross trade transaction have been carried out in the financial year under review.

G. Asset allocation

Asset allocation	2024		2023	
	USD	%	USD	%
Collective investment scheme	8,563,927	96.37	10,185,435	94.99
Cash, deposit with a licensed financial and other net assets	322,223	3.63	537,225	5.01
Total NAV	8,886,150	100.00	10,722,660	100.00

MAMG DYNAMIC HIGH INCOME FUND

Manager's report

For the financial year ended 31 March 2023 (cont'd)

H. Significant Financial Risk of the Fund

As the base currency of the Fund is denominated in USD and the currency denomination of the Classes may be denominated in other than USD, the Classes not denominated in USD are exposed to currency risk. Any fluctuation in the exchange rates between USD and the currency denomination of the Class (other than USD Class) will affect the unitholders' investments in those Classes (other than USD Class). The impact of the exchange rate movement between the base currency of the Fund and the currency denomination of the Class (other than USD Class) may result in a depreciation of the unitholder's holdings as expressed in the base currency of the Fund.

In order to manage currency risk, the Manager may employ currency hedging strategies to fully or partially hedge the foreign currency exposure of the Class not denominated in USD. Currency hedging may reduce the effect of the exchange rate movement for the Class being hedged (other than USD Class) but it does not entirely eliminate currency risk between the Class and the base currency of the Fund. The unhedged portion of the Class will still be affected by the exchange rate movements and it may cause fluctuation of NAV of the Class.

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF MAMG DYNAMIC HIGH INCOME FUND ("FUND")

We have acted as Trustee of the Fund for the financial year ended 31 March 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Maybank Asset Management Sdn Bhd, has operated and managed the Fund during the year covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company, under the Deeds, The Securities Commission Malaysia's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, the Capital Markets and Services Act 2007 and other applicable laws;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

For and on behalf of
RHB TRUSTEES BERHAD

MOHD SOFIAN BIN KAMARUDDIN
Vice President

SHARON CHEW MUN HOONG
Head, Group Trustees Operations

Kuala Lumpur, Malaysia
17 May 2024

STATEMENT BY MANAGER

**TO THE UNITHOLDERS OF
MAMG DYNAMIC HIGH INCOME FUND
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

We, Dr Hasnita Binti Dato' Hashim and Muhammad Hishamudin Bin Hamzah, being two of the Directors of Maybank Asset Management Sdn Bhd (the "Manager"), do hereby state that, in the opinion of the Manager, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of MAMG Dynamic High Income Fund as at 31 March 2024 and of its results, changes in net assets attributable to unitholders and cash flows for the financial year then ended and comply with the requirements of the Deed.

For and on behalf of the Manager

Dr Hasnita Binti Dato' Hashim
Chairman

Muhammad Hishamudin Bin Hamzah
Director

Kuala Lumpur, Malaysia
17 May 2024

Independent auditors' report to the Unitholders of MAMG Dynamic High Income Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of MAMG Dynamic High Income Fund (the "Fund"), which comprise the statement of financial position as at 31 March 2024, and statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows of the Fund for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 7 to 46.

In our opinion, the accompanying financial statements give a true and fair view of the position of the Fund as at 31 March 2024, and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund ("the Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

Independent auditors' report to the Unitholders of MAMG Dynamic High Income Fund (cont'd)

Information other than the financial statements and auditors' report thereon (cont'd)

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager and Trustee for the financial statements

The Manager is responsible for the preparation of financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to cease operations, or have no realistic alternative but to do so.

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report to the Unitholders of MAMG Dynamic High Income Fund (cont'd)

Auditors' responsibilities for the audit of the financial statements (cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Independent auditors' report to the Unitholders of
MAMG Dynamic High Income Fund (cont'd)**

Other matters

This report is made solely to the Unitholders of the Fund, as a body, in accordance with the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Yeo Beng Yean
03013/10/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia
17 May 2024

MAMG DYNAMIC HIGH INCOME FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	Note	2024 USD	2023 USD
INVESTMENT INCOME/ (LOSS)			
Dividend income		628,217	830,363
Profit/ Interest income		10,953	8,877
Net gain/ (loss) on financial assets at fair value through profit or loss ("FVTPL")			
- Realised loss		(525,592)	(615,698)
- Unrealised gain/ (loss)		1,149,348	(1,781,382)
Net loss on foreign exchange and derivatives	3	(553,565)	(773,128)
		<u>709,361</u>	<u>(2,330,968)</u>
EXPENSES			
Manager's fee	4	102,124	138,870
Trustee's fee	5	1,870	2,519
Auditors' remuneration		1,996	2,024
Tax agent's fee		838	1,064
Administrative expenses		1,392	1,943
		<u>108,220</u>	<u>146,420</u>
Net results before distribution and taxation		601,141	(2,477,388)
Distribution to unitholders			
MYR Class	14(a)	-	(60,996)
MYR (Hedged) Class	14(b)	-	(112,896)
USD Class	14(c)	-	(38,474)
EUR (Hedged) Class	14(d)	-	(3,369)
AUD (Hedged) Class	14(e)	-	(66,265)
SGD (Hedged) Class	14(f)	-	(26,500)
		<u>-</u>	<u>(308,500)</u>
Net results before taxation		601,141	(2,785,888)
Taxation	6	-	(6,732)
Net results after taxation representing the total comprehensive income/ (loss) for the financial year		<u>601,141</u>	<u>(2,792,620)</u>

The accompanying notes form an integral part of the audited financial statements.

MAMG DYNAMIC HIGH INCOME FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

		2024	2023
		USD	USD
	Note		
Net results after taxation is made up of the following:			
Realised loss		(705,542)	(719,293)
Unrealised income/ (loss)		1,306,683	(2,073,327)
		<u>601,141</u>	<u>(2,792,620)</u>
Distributions for the financial year:			
<u>MYR Class</u>			
	14(a)	Refer to Note 14(a)	
Distribution dates (ex-date)		-	60,996
Net distributions (in Fund currency)		-	269,145
Net distributions (in Class currency)		-	2.30
Gross/ Net distributions per unit (RM sen)		-	2.30
<u>MYR (Hedged) Class</u>			
	14(b)	Refer to Note 14(b)	
Distribution dates (ex-date)		-	112,896
Net distributions (in Fund currency)		-	498,154
Net distributions (in Class currency)		-	2.30
Gross/ Net distributions per unit (RM sen)		-	2.30
<u>USD Class</u>			
	14(c)	Refer to Note 14(c)	
Distribution dates (ex-date)		-	38,474
Net distributions (in Fund currency)		-	2.20
Gross/ Net distributions per unit (USD cent)		-	2.20
<u>EUR (Hedged) Class</u>			
	14(d)	Refer to Note 14(d)	
Distribution dates (ex-date)		-	3,369
Net distributions (in Fund currency)		-	3,042
Net distributions (in Class currency)		-	1.30
Gross/ Net distributions per unit (EUR cent)		-	1.30
<u>AUD (Hedged) Class</u>			
	14(e)	Refer to Note 14(e)	
Distribution dates (ex-date)		-	66,265
Net distributions (in Fund currency)		-	88,457
Net distributions (in Class currency)		-	2.30
Gross/ Net distributions per unit (AUD cent)		-	2.30
<u>SGD (Hedged) Class</u>			
	14(f)	Refer to Note 14(f)	
Distribution dates (ex-date)		-	26,500
Net distributions (in Fund currency)		-	35,865
Net distributions (in Class currency)		-	3.30
Gross/ Net distributions per unit (SGD cent)		-	3.30

The accompanying notes form an integral part of the audited financial statements.

MAMG DYNAMIC HIGH INCOME FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	Note	2024 USD	2023 USD
ASSETS			
Financial assets at FVTPL	7	8,563,927	10,185,435
Deposit with a licensed financial institution	8	173,102	160,970
Derivative assets	9	27,623	70,269
Dividend receivable		49,178	62,787
Profit/ Interest receivables		45	12
Amount due from Manager	10	5,415	6,445
Amount due from financial institution		-	10,038
Cash at bank	11	159,917	537,479
TOTAL ASSETS		<u>8,979,207</u>	<u>11,033,435</u>
LIABILITIES			
Derivative liabilities	9	7,470	207,570
Amount due to Manager	10	80,607	88,650
Amount due to Trustee	12	152	182
Amount due to financial institution		-	10,016
Other payables and accruals		4,828	4,357
TOTAL LIABILITIES		<u>93,057</u>	<u>310,775</u>
NET ASSET VALUE ("NAV") OF THE FUND		<u>8,886,150</u>	<u>10,722,660</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND COMPRISE:			
Unitholders' contribution	13(a)	10,023,311	12,460,962
Accumulated losses	13(b) & 13(c)	<u>(1,137,161)</u>	<u>(1,738,302)</u>
		<u>8,886,150</u>	<u>10,722,660</u>
NET ASSET VALUE			
- MYR Class		1,372,175	2,098,522
- MYR (Hedged) Class		4,310,154	4,743,415
- USD Class		1,180,125	1,395,128
- EUR (Hedged) Class		65,387	239,200
- AUD (Hedged) Class		1,276,809	1,574,881
- SGD (Hedged) Class		681,500	671,514
		<u>8,886,150</u>	<u>10,722,660</u>

The accompanying notes form an integral part of the audited financial statements.

MAMG DYNAMIC HIGH INCOME FUND

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

		2024	2023
NUMBER OF UNITS IN CIRCULATION (UNITS)	13(a)		
- MYR Class		5,438,926	9,421,061
- MYR (Hedged) Class		19,594,581	22,171,018
- USD Class		1,149,365	1,538,667
- EUR (Hedged) Class		64,202	253,154
- AUD (Hedged) Class		2,029,000	2,690,597
- SGD (Hedged) Class		916,638	991,376
		<u>29,192,712</u>	<u>37,065,873</u>
 NET ASSET VALUE PER UNIT			
- MYR Class		<u>MYR 1.1952</u>	<u>MYR 0.9837</u>
- MYR (Hedged) Class		<u>MYR 1.0422</u>	<u>MYR 0.9448</u>
- USD Class		<u>USD 1.0268</u>	<u>USD 0.9067</u>
- EUR (Hedged) Class		<u>EUR 0.9429</u>	<u>EUR 0.8698</u>
- AUD (Hedged) Class		<u>AUD 0.9647</u>	<u>AUD 0.8746</u>
- SGD (Hedged) Class		<u>SGD 1.0035</u>	<u>SGD 0.9009</u>

The accompanying notes form an integral part of the audited financial statements.

MAMG DYNAMIC HIGH INCOME FUND

**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS OF THE FUND
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	Unitholders' contribution Note 13(a) USD	Accumulated losses Note 13(b) & 13(c) 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 financial year	-	601,141	601,141
Creation of units	1,209,393	-	1,209,393
Cancellation of units	(3,647,044)	-	(3,647,044)
At 31 March 2024	<u>10,023,311</u>	<u>(1,137,161)</u>	<u>8,886,150</u>
At 1 April 2022	13,696,873	1,054,318	14,751,191
Total comprehensive loss for the financial year	-	(2,792,620)	(2,792,620)
Creation of units	2,215,652	-	2,215,652
Reinvestment of units	286,626	-	286,626
Cancellation of units	(3,738,189)	-	(3,738,189)
At 31 March 2023	<u>12,460,962</u>	<u>(1,738,302)</u>	<u>10,722,660</u>

The accompanying notes form an integral part of the audited financial statements.

MAMG DYNAMIC HIGH INCOME FUND**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	2024	2023
	USD	USD
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Net proceeds from sale of investments	2,887,091	2,654,866
Net payment for purchase of investments	(641,827)	(1,935,947)
Net settlement on forward foreign exchange	(695,377)	(423,378)
Net settlement for realised foreign exchange (loss)/ income	(35,552)	424,532
Dividend income received	641,827	835,947
Profit/ Interest income received	10,920	8,888
Manager's fee paid	(103,766)	(142,462)
Trustee's fee paid	(1,900)	(2,577)
Payment of other fees and expenses	(3,425)	(12,963)
Net cash generated from operating and investing activities	<u>2,057,991</u>	<u>1,406,906</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from units created	1,210,698	2,219,827
Cash paid on units cancelled	(3,646,497)	(3,747,469)
Distribution paid to unitholders	-	(21,064)
Net cash used in financing activities	<u>(2,435,799)</u>	<u>(1,548,706)</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS FOR THE FINANCIAL YEAR		
	(377,808)	(141,800)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		
	698,449	1,333,241
Effect on foreign exchange	12,378	(492,992)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR		
	<u>333,019</u>	<u>698,449</u>
Cash and cash equivalents comprise of:		
Deposit with a licensed financial institution with original maturity of less than 3 months (Note 8)	173,102	160,970
Cash at bank (Note 11)	159,917	537,479
	<u>333,019</u>	<u>698,449</u>

The accompanying notes form an integral part of the audited financial statements.

MAMG DYNAMIC HIGH INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

MAMG Dynamic High Income Fund (the "Fund") was constituted pursuant to the execution of a Deed dated 8 November 2018, between the Manager, Maybank Asset Management Sdn. Bhd. ("MAM") and the Trustee, RHB Trustees Berhad and the registered holder of the Fund.

The Fund launched 6 share classes of units as at the date of this report, which are MYR Class, MYR (Hedged) Class, USD Class, EUR (Hedged) Class, AUD (Hedged) Class and SGD (Hedged) Class. MYR (Hedged) Class, EUR (Hedged) Class, AUD (Hedged) Class and SGD (Hedged) Class represent the classes denominated in MYR, EUR, AUD and SGD respectively which seeks to reduce the effect of currency fluctuations between the currency of the respective classes and the base currency of the Fund by entering into forward currency contracts to hedge the foreign currency exposure of the respective classes. See Note 9 and Note 13 (a) (ii), (iv), (v) and (vi) for further details.

The Fund seeks to achieve its investment objective by investing at least 90% of the Fund's NAV in I6 USD share class of the BlackRock Global Funds – Dynamic High Income Fund ("Target Fund"). The Target Fund is managed by BlackRock (Luxembourg) S.A. ("Target Fund Manager"), which has appointed BlackRock Investment Management (UK) Limited to manage the investment and reinvestment of the assets of the Target Fund.

The functional currency of the Target Fund is in United States Dollar ("USD"), and the Shares of the Target Fund in which the Fund invests in are denominated in USD.

The Target Fund is a sub-fund of BlackRock Global Funds established and domiciled in Luxembourg and was launched on 6 February 2018. The Target Fund is regulated by Commission de Surveillance du Secteur Financier ("CSSF"), relating to undertakings for collective investment.

The financial statements were authorised for issue by the Board of Directors of the Manager ("the Directors") in accordance with a resolution of the directors on 17 May 2024.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), the Deed and any regulatory requirements.

The Fund has adopted the MFRS, Amendments to Standards and Interpretations Committee ("IC") Interpretations which have become effective during the financial year ended 31 March 2024. The adoption of the new pronouncements did not result in any material impact to the financial statements.

The financial statements have been prepared on a historical cost basis, except as disclosed in the accounting policies in Note 2.3 to Note 2.15.

The financial statements are presented in USD.

MAMG DYNAMIC HIGH INCOME FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.2 Standards and Amendments to Standards issued but not yet effective

The following are Standards and Amendments to Standards issued by the MASB, but not yet effective, up to the date of issuance of the Fund's financial statements. The Fund intends to adopt the relevant standards, if applicable, when they become effective.

Description	Effective for annual periods beginning on or after
Amendments to MFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

The Fund expects that the adoption of the above Standards and Amendments to Standards will not have any material impact on the financial statements in the period of initial application.

2.3 Financial instruments

Financial assets and liabilities are recognised when the Fund becomes a party to the contractual provision of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.4 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are subsequently measured in their entirety at amortised cost or fair value, depending on the classification of the assets.

MAMG DYNAMIC HIGH INCOME FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Financial assets (cont'd)

(i) Financial assets at amortised cost

The Fund classifies cash and cash equivalents, amount due from Manager, dividend receivables, profit/ interest receivables and amount due from financial institution as financial assets at amortised cost.

These assets are subsequently measured using the effective profit rate ("EPR")/ effective interest rate ("EIR") method and are subject to impairment. The EPR/ EIR is a method of calculating the amortised cost of financial asset and of allocating and recognising the profit/ interest income in profit or loss of the relevant period.

Unless designated as at FVTPL on initial recognition, debt instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- the assets are held within a business model whose objectives is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and profit/ interest on the principal amount outstanding.

Debt instruments that do not meet the criteria above are classified as either fair value through other comprehensive income ("FVTOCI") or FVTPL.

(ii) Financial assets at FVTPL

Investments in collective investment scheme and derivatives are classified as FVTPL, unless the Fund designates an investment that is not held for trading as FVTOCI on initial recognition.

A financial asset is recognised at FVTPL if:

- it has been acquired principally for the purpose of selling it in the near term;
- on initial recognition it is part of the portfolio of identified financial instruments that the Fund manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instruments or a financial guarantee.

Debt instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria but are designated as at FVTPL are measured at FVTPL. A debt instrument may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

MAMG DYNAMIC HIGH INCOME FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Financial assets (cont'd)

(ii) Financial assets at FVTPL (cont'd)

Debt instruments are reclassified from amortised cost to FVTPL when the business model is changed such that the amortised cost criteria are no longer met. Reclassification of debt instruments that are designated as at FVTPL on initial recognition is not allowed.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss.

Profit/ Interest income on debt instruments as at FVTPL is disclosed separately in the profit or loss.

Dividend income on investments in collective investment scheme at FVTPL is recognised in profit and loss when the Fund's right to receive the dividends is established in accordance with MFRS 9 and is disclosed separately in the profit and loss.

Changes in the fair value of FVTPL investments are recognised in unrealised loss on FVTPL investments in profit or loss. Accumulated unrealised gains or losses are reclassified to realised loss on FVTPL investments in profit or loss when the associated assets are sold.

(iii) Impairment

Credit losses are recognised based on the Expected Credit Loss ("ECL") model. The Fund recognises loss allowances for ECL on financial instruments that are not measured at FVTPL. The impairment model does not apply to equity investments.

ECL is a probability-weighted estimate of credit losses. It is measured as follows:

- Financial assets that are not credit-impaired at the reporting date.
As the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Fund expects to receive).
- Financial assets that are credit-impaired at the reporting date.
As the difference between the gross carrying amount and the present value of estimated future cash flows.

At each reporting date, the Fund assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

MAMG DYNAMIC HIGH INCOME FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.4 Financial assets (cont'd)

(iii) Impairment (cont'd)

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the issuer or counterparty;
- Significant downgrade in credit rating of the instrument by a rating agency;
- A breach of contract such as a default or past due event; or
- The disappearance of an active market for a security because of financial difficulties.

For balances with short-term nature (e.g. amount due from Manager), full impairment will be recognised on uncollected balances after the grace period.

(iv) Derecognition

The Fund derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognises its retained profit/ interest in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of financial asset classified as FVTPL, the cumulative unrealised gain or loss previously recognised is transferred to realised gain or loss on disposal in profit or loss.

On derecognition of financial asset at amortised cost, gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

2.5 Financial liabilities

(i) Classification

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

The Fund classifies amount due to Manager, amount due to Trustee, amount due to financial institution and other payables and accruals as financial liabilities.

(ii) Recognition and measurement

Financial liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

The Fund's financial liabilities are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the EIR/ EPR.

MAMG DYNAMIC HIGH INCOME FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.5 Financial liabilities (cont'd)

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

2.6 Derivatives and hedge accounting

Derivatives are financial assets or liabilities at fair value through profit or loss categorised as held for trading unless they are designated hedges.

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

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as held for trading and accounted for in accordance with the accounting policy for FVTPL.

The Fund does not apply hedge accounting to the forward currency contracts entered during the financial year. However, future events or conditions may cause the Fund to apply the hedge accounting in the future.

2.7 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability; or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

MAMG DYNAMIC HIGH INCOME FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.7 Fair value measurement (cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- (ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- (iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting date.

For the purpose of fair value disclosures, the Fund has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.8 Functional and foreign currency

(a) Functional and presentation currency

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in USD, which is also the Fund's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions or valuations where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

2.9 Unitholders' contribution

The unitholders' contributions to the Fund are classified as liabilities under the requirements of MFRS 132 *Financial Instruments: Presentation* as they are puttable instruments whereby the unitholders have the right to redeem their units in the Fund at their option.

MAMG DYNAMIC HIGH INCOME FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.9 Unitholders' contribution (cont'd)

The outstanding units are carried at the redemption amount that is payable at each financial year if unitholder exercises the right to put the unit back to the Fund. Units are created and cancelled at prices based on the Fund's NAV per unit at the time of creation or cancellation. The Fund's NAV per unit is calculated by dividing the net assets attributable to unitholders with the total number of outstanding units.

2.10 Distributions

Any distribution to the Fund's unitholders is accounted for as a deduction from profit or loss in the statement of comprehensive income except where distributions are sourced out of distribution equalisation, which is accounted for as a deduction from unitholders' capital. A proposed distribution is recognised as a liability in the year in which it is approved. Distribution is either reinvested or paid in cash to the unitholders on the distribution payment date. Reinvestment of units is based on the NAV per unit on the distribution payment date which is also the time of creation.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and deposit with a licensed financial institution with original maturity of three (3) months or less which have an insignificant risk of changes in value.

2.12 Revenue/ Income

Revenue/ Income is measured at the fair value of consideration received or receivable.

Profit/ Interest income from deposit with a licensed financial institution is recognised on the accruals basis using the EPR/ EIR method.

Dividend income is recognised when the right to receive payment is established. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of comprehensive income.

Realised gain or loss on disposal of investment in collective investment scheme is accounted for as the difference between the net disposal proceeds and the carrying amount of the investments.

Other revenue/ income is generally recognised when the Fund satisfies a performance obligation by transferring a promised good or service or an asset to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

MAMG DYNAMIC HIGH INCOME FUND

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

2.13 Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss, except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Current tax expense is determined according to Malaysian tax laws at the current tax rate based upon the taxable profit earned during the financial year.

No deferred tax is recognised as no temporary differences have been identified.

2.14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments.

2.15 Critical accounting estimates and judgments

The preparation of the Fund's financial statements requires the Manager to make judgements, estimates and assumption that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability in the future.

No major judgement have been made by the Manager in applying the Fund's accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. NET LOSS ON FOREIGN EXCHANGE AND DERIVATIVES

	2024	2023
	USD	USD
Net realised loss on foreign exchange	(15,233)	(61,123)
Net unrealised (loss)/ gain on foreign exchange	(120)	312
Net realised loss on derivatives	(695,667)	(420,060)
Net unrealised gain/ (loss) on derivatives	157,455	(292,257)
	<u>(553,565)</u>	<u>(773,128)</u>

MAMG DYNAMIC HIGH INCOME FUND

4. MANAGER'S FEE

The Manager's fee is computed on a daily basis at the following rate per annum ("p.a.") of the NAV of the Fund before deducting the Manager's fee and Trustee's fee for the particular day.

Share Class	Rate p.a.	
	2024	2023
MYR	up to 1.80%	up to 1.80%
MYR (Hedged)	up to 1.80%	up to 1.80%
USD	up to 1.80%	up to 1.80%
EUR (Hedged)	up to 1.80%	up to 1.80%
AUD (Hedged)	up to 1.80%	up to 1.80%
USD (Hedged)	up to 1.80%	up to 1.80%

The annual management fee is inclusive of the management fee of 0.75% of the net asset value charged by the Target Fund. There will be no double charging of management fee at the Fund level and the Target Fund level.

5. TRUSTEE'S FEE

The Trustee's fee for the financial year is computed based up to 0.02% p.a. (2023: up to 0.02% p.a.) of the NAV of each class, subject to a minimum of RM6,000 p.a. (2023: RM6,000 p.a.) before deducting Manager's fee and Trustee's fee for the day. The Trustee fee is calculated and accrued daily.

6. TAXATION

Income tax is calculated at the Malaysian statutory tax rate of 24% (2023: 24%) of the estimated assessable income for the financial year.

The tax charge for the financial year is in relation to the taxable income earned by the Fund after deducting tax allowable expenses. In accordance with Schedule 6 of the Income Tax Act 1967, dividend income and profit/ interest income earned by the Fund is exempted from tax. With effect from 1 January 2022, the current income tax exemption on foreign-sourced income ("FSI") received in Malaysia by Malaysian residents has been removed.

A reconciliation of income tax expense applicable to net results before tax at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	2024 USD	2023 USD
Net results before taxation	601,141	(2,785,888)
Tax at Malaysian statutory rate of 24% (2023: 24%)	144,274	(668,613)
Income not subject to tax	(467,034)	(194,761)
Loss not deductible for tax purposes	296,787	760,925
Expenses not deductible for tax purposes	25,973	109,181
Tax expense for the financial year	-	6,732

MAMG DYNAMIC HIGH INCOME FUND

7. FINANCIAL ASSETS AT FVTPL

Details of the Fund's investments in a collective investment scheme are as follows:

	Quantity Unit	Cost USD	Fair value USD	% of NAV
2024				
BlackRock Global Funds - Dynamic High Income Fund (Share Class - I6 USD)	993,495	9,516,206	8,563,927	96.37
Unrealised loss on FVTPL investment			<u>(952,279)</u>	
2023				
BlackRock Global Funds - Dynamic High Income Fund (Share Class - I6 USD)	1,268,423	12,287,062	10,185,435	94.99
Unrealised loss on FVTPL investment			<u>(2,101,627)</u>	

8. DEPOSIT WITH A LICENSED FINANCIAL INSTITUTION

	2024 USD	2023 USD
Short term placement with a maturity of less than 3 months	<u>173,102</u>	<u>160,970</u>

The weighted average effective profit rates ("WAEPR")/ weighted average effective interest rates ("WAEIR") and average maturity of deposit with a licensed financial institution with maturity of less than 3 months as at the reporting date were as follows:

	2024		2023	
	WAEPR/ WAEIR % p.a.	Average maturity Days	WAEPR/ WAEIR % p.a.	Average maturity Days
Deposit with a licensed financial institution	3.15	3	2.75	3

MAMG DYNAMIC HIGH INCOME FUND

9. DERIVATIVE ASSETS/ (LIABILITIES)

	Notional principal amount	Fair Value	
		Asset	Liabilities
2024			
<u>Foreign exchange related contracts</u>			
Currency forwards:	USD	USD	USD
Less than 1 year	6,363,343	27,623	(7,470)
	Notional principal amount	Fair Value	
		Asset	Liabilities
2023			
<u>Foreign exchange related contracts</u>			
Currency forwards:	USD	USD	USD
Less than 1 year	8,404,970	54,091	(206,033)
Currency forwards:	AUD		
Less than 1 year	1,659,800	16,178	(878)
Currency forwards:	SGD		
Less than 1 year	105,000	-	(659)
Total derivative		70,269	(207,570)

As at the reporting date, there were 5 (2023: 19) forward exchange contracts outstanding.

The Fund entered into forward currency contracts during the financial year to hedge the foreign currency exposure of the MYR (Hedged) Class, EUR (Hedged) Class, AUD (Hedged) Class and SGD (Hedged) Class based on the features of the respective classes as disclosed in Note 13(a).

As the Fund has not adopted hedge accounting during the financial year, the change in the fair value of the forward currency contract is recognised immediately in the statement of comprehensive income, and borne solely by the unitholders of the respective classes (i.e. MYR (Hedged), EUR (Hedged) Class, AUD (Hedged) Class and SGD (Hedged) Class).

MAMG DYNAMIC HIGH INCOME FUND

10. AMOUNT DUE FROM/ TO MANAGER

		2024	2023
		USD	USD
Amount due from Manager:			
- Management fee rebate (Target Fund)		5,415	6,445
Amount due to Manager:			
- Cancellation of units	(i)	66,943	72,313
- Manager's fee	(ii)	13,664	16,337
		<u>80,607</u>	<u>88,650</u>

- (i) The amount represents amount payable to the Manager for units cancelled.
- (ii) Amount due to Manager relates to the amount payable to the Fund Manager arising from the accruals for Manager's fee at the end of the financial year. The normal credit term for Manager's fee is 15 days (2023: 15 days).

11. CASH AT BANK

The table below indicates the currencies that the Fund have in cash at bank as at the reporting date:

	2024	2023
	USD	USD
Australian Dollar ("AUD")	28,006	9,223
Euro ("EUR")	841	585
Malaysian Ringgit ("MYR")	323	218
Singapore Dollar ("SGD")	32,995	17,573
USD	97,752	509,880
	<u>159,917</u>	<u>537,479</u>

12. AMOUNT DUE TO TRUSTEE

The amount due to Trustee relates to the amount payable to the Trustee arising from the accrued Trustee's fee at the end of the financial year. The normal credit term for Trustee's fee is 15 days (2023: 15 days).

13. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND

	Note	2024	2023
		USD	USD
Unitholders' contribution	(a)	10,023,311	12,460,962
Accumulated realised (loss)/ income	(b)	(163,875)	541,667
Accumulated unrealised losses	(c)	(973,286)	(2,279,969)
		<u>8,886,150</u>	<u>10,722,660</u>

MAMG DYNAMIC HIGH INCOME FUND

13. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution

The units are distributed based on the following share classes:

	2024		2023	
	Units	USD	Units	USD
(i) MYR Class	5,438,926	1,526,590	9,421,061	2,429,801
(ii) MYR (Hedged) Class	19,594,581	5,217,310	22,171,018	5,761,070
(iii) USD Class	1,149,365	1,189,271	1,538,667	1,557,866
(iv) EUR (Hedged) Class	64,202	101,799	253,154	283,864
(v) AUD (Hedged) Class	2,029,000	1,347,600	2,690,597	1,735,510
(vi) SGD (Hedged) Class	916,638	640,741	991,376	692,851
	<u>29,192,712</u>	<u>10,023,311</u>	<u>37,065,873</u>	<u>12,460,962</u>

(i) MYR Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	9,421,061	2,429,801	11,212,535	2,734,741
Creation of units	1,685,183	405,763	4,722,850	1,129,117
Reinvestment of units	-	-	246,914	52,262
Cancellation of units	<u>(5,667,318)</u>	<u>(1,308,974)</u>	<u>(6,761,238)</u>	<u>(1,486,319)</u>
As at end of the financial year	<u>5,438,926</u>	<u>1,526,590</u>	<u>9,421,061</u>	<u>2,429,801</u>

(ii) MYR (Hedged) Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	22,171,018	5,761,070	20,359,042	5,318,743
Creation of units	3,701,704	784,254	3,745,922	865,761
Reinvestment of units	-	-	553,047	110,956
Cancellation of units	<u>(6,278,141)</u>	<u>(1,328,014)</u>	<u>(2,486,993)</u>	<u>(534,390)</u>
As at end of the financial year	<u>19,594,581</u>	<u>5,217,310</u>	<u>22,171,018</u>	<u>5,761,070</u>

The Fund is a multi-class Fund. The impact of the exchange rate movement between the USD and MYR may result in the appreciation or depreciation of the unitholders investments in the Fund expressed in MYR. MYR (Hedged) Class represents a Class denominated in MYR which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund by entering into forward currency contracts to hedge the foreign currency exposure of this Class. See Note 9 for further details.

MAMG DYNAMIC HIGH INCOME FUND

13. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution (cont'd)

(iii) USD Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	1,538,667	1,557,866	1,969,474	1,946,346
Creation of units	-	-	48,753	46,178
Reinvestment of units	-	-	39,622	34,097
Cancellation of units	(389,302)	(368,595)	(519,182)	(468,755)
As at end of the financial year	<u>1,149,365</u>	<u>1,189,271</u>	<u>1,538,667</u>	<u>1,557,866</u>

(iv) EUR (Hedged) Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	253,154	283,864	169,795	189,388
Creation of units	-	-	98,823	107,020
Reinvestment of units	-	-	4,030	3,235
Cancellation of units	(188,952)	(182,065)	(19,494)	(15,779)
As at end of the financial year	<u>64,202</u>	<u>101,799</u>	<u>253,154</u>	<u>283,864</u>

The Fund is a multi-class Fund. The impact of the exchange rate movement between the USD and EUR may result in the appreciation or depreciation of the unitholders investments in the Fund expressed in EUR. EUR (Hedged) Class represents a Class denominated in EUR which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund by entering into forward currency contracts to hedge the foreign currency exposure of this Class. See Note 9 for further details.

(v) AUD (Hedged) Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	2,690,597	1,735,510	4,334,269	2,718,283
Creation of units	32,951	19,376	106,475	67,576
Reinvestment of units	-	-	109,479	61,444
Cancellation of units	(694,548)	(407,286)	(1,859,626)	(1,111,793)
As at end of the financial year	<u>2,029,000</u>	<u>1,347,600</u>	<u>2,690,597</u>	<u>1,735,510</u>

MAMG DYNAMIC HIGH INCOME FUND

13. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution (cont'd)

(v) AUD (Hedged) Class (cont'd)

The Fund is a multi-class Fund. The impact of the exchange rate movement between the USD and AUD may result in the appreciation or depreciation of the unitholders investments in the Fund expressed in AUD. AUD (Hedged) Class represents a Class denominated in AUD which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund by entering into forward currency contracts to hedge the foreign currency exposure of this Class. See Note 9 for further details.

(vi) SGD (Hedged) Class

	2024		2023	
	No. of units	USD	No. of units	USD
At the beginning of the financial year	991,376	692,851	1,130,023	789,372
Reinvestment of units	-	-	39,104	24,632
Cancellation of units	(74,738)	(52,110)	(177,751)	(121,153)
As at end of the financial year	<u>916,638</u>	<u>640,741</u>	<u>991,376</u>	<u>692,851</u>

The Fund is a multi-class Fund. The impact of the exchange rate movement between the USD and SGD may result in the appreciation or depreciation of the unitholders investments in the Fund expressed in SGD. SGD (Hedged) Class represents a Class denominated in SGD which seeks to reduce the effect of currency fluctuations between the currency of the Class and the base currency of the Fund by entering into forward currency contracts to hedge the foreign currency exposure of this Class. See Note 9 for further details.

As at end of financial year, the total number and value of units held by the Manager are as follows:

	2024		2023	
	No of units	Valued at NAV	No of units	Valued at NAV
The Manager - MYR Class	<u>1,129</u>	<u>MYR 1,349</u>	<u>1,129</u>	<u>MYR 1,111</u>
The Manager - MYR (Hedged) Class	<u>1,097</u>	<u>MYR 1,143</u>	<u>1,097</u>	<u>MYR 1,036</u>
The Manager - USD Class	<u>1,140</u>	<u>USD 1,171</u>	<u>1,140</u>	<u>USD 1,034</u>
The Manager - EUR (Hedged) Class	<u>1,096</u>	<u>EUR 1,033</u>	<u>1,096</u>	<u>EUR 953</u>
The Manager - AUD (Hedged) Class	<u>1,145</u>	<u>AUD 1,105</u>	<u>1,145</u>	<u>AUD 1,001</u>
The Manager - SGD (Hedged) Class	<u>1,128</u>	<u>SGD 1,132</u>	<u>1,128</u>	<u>SGD 1,016</u>

MAMG DYNAMIC HIGH INCOME FUND

13. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(a) Unitholders' contribution (cont'd)

In the opinion of the Manager, the above units were transacted at the prevailing market price. Other than the above, there were no other units held by the Manager or parties related to the Manager.

(b) Accumulated realised (loss)/ income

	2024 USD	2023 USD
At the beginning of the financial year	541,667	1,260,960
Net realised loss for the financial year	(705,542)	(719,293)
As at the end of the financial year	<u>(163,875)</u>	<u>541,667</u>

(c) Accumulated unrealised losses

	2024 USD	2023 USD
At the beginning of the financial year	(2,279,969)	(206,642)
Net unrealised income/ (loss) for the financial year	1,306,683	(2,073,327)
As at the end of the financial year	<u>(973,286)</u>	<u>(2,279,969)</u>

(d) Classes of shares

(i) Types of classes of units

The Fund issues cancellable units, in six classes of units as detailed below:

Classes of units	Currency denomination	Categories of investors	Distribution policy
MYR	RM	Institutional	Distribution of income
MYR (Hedged)	RM	Institutional	Distribution of income
USD	USD	Institutional	Distribution of income
EUR (Hedged)	EUR	Institutional	Distribution of income
AUD (Hedged)	AUD	Institutional	Distribution of income
SGD (Hedged)	SGD	Institutional	Distribution of income

There are different charges and features for each class as follows:

- (a) Initial investments for each class;
- (b) Additional investments;
- (c) Minimum holdings; and
- (d) Transfer, switching and conversion charges for each class.

MAMG DYNAMIC HIGH INCOME FUND

13. NAV ATTRIBUTABLE TO UNITHOLDERS OF THE FUND (CONT'D)

(d) Classes of shares (cont'd)

(ii) NAV computation

The computation of NAV of the Fund is based on the Fund's functional currency, USD, irrespective of the multiple classes of units (denominated in other currencies). Due to multiple classes in this Fund, the non-class designated income and expenses incurred by the Fund are apportioned based on the multi-class ratio, which is the size of the respective class relative to the whole Fund. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to members of respective classes with the total number of outstanding units of respective classes.

(iii) Redemption of units by unitholders

These units are redeemable at the unitholders' option. Redeemable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unitholder exercises the right to put back the unit to the Fund.

There is no restriction on the putting of the units back to the Fund (i.e. redemption), subject to the minimum redemption amount of units of each class and the minimum unit holding for each class. If the unit holdings of a unitholder are, after a redemption request, falls below the minimum unit holdings for the Fund, a request for full redemption is deemed to have been made.

14. DISTRIBUTIONS

The sources of distribution declared for the various classes of units are as follow:

(a) MYR Class

	2023	
	Total distribution RM	Composition of distribution in percentage %
Source of distribution*		
- Income distribution	-	-
- Capital distribution **	60,996	100.00
	<u>60,996</u>	<u>100.00</u>

* Effective from the 1 March 2022, the Securities Commission Guidelines permit a fund to distribute out of income (which includes current year's realised income) or out of capital (which includes prior year's realised income).

** The distributions in previous financial year were made from prior year's net realised income.

MAMG DYNAMIC HIGH INCOME FUND

14. DISTRIBUTIONS (CONT'D)

The sources of distribution declared for the various classes of units are as follow (cont'd):

(a) MYR Class (cont'd)

Distribution dates (ex-date)	Gross/ Net distribution per unit (RM sen)
2023	
27 September 2022	1.30
28 December 2022	1.00
	<u>2.30</u>

(b) MYR (Hedged) Class

	2023	
Source of distribution*	Total distribution RM	Composition of distribution in percentage %
- Income distribution	-	-
- Capital distribution **	112,896	100.00
	<u>112,896</u>	<u>100.00</u>

* Effective from the 1 March 2022, the Securities Commission Guidelines permit a fund to distribute out of income (which includes current year's realised income) or out of capital (which includes prior year's realised income).

** The distributions in previous financial year were made from prior year's net realised income.

Distribution dates (ex-date)	Gross/ Net distribution per unit (RM sen)
2023	
27 September 2022	1.30
28 December 2022	1.00
	<u>2.30</u>

MAMG DYNAMIC HIGH INCOME FUND

14. DISTRIBUTIONS (CONT'D)

The sources of distribution declared for the various classes of units are as follow (cont'd):

(c) USD Class

	2023	
	Total distribution USD	Composition of distribution in percentage %
Source of distribution*		
- Income distribution	-	-
- Capital distribution **	38,474	100.00
	<u>38,474</u>	<u>100.00</u>

* Effective from the 1 March 2022, the Securities Commission Guidelines permit a fund to distribute out of income (which includes current year's realised income) or out of capital (which includes prior year's realised income).

** The distributions in previous financial year were made from prior year's net realised income.

Distribution dates (ex-date)	Gross/ Net distribution per unit (USD cent)
2023	
27 September 2022	1.30
28 December 2022	0.90
	<u>2.20</u>

(d) EUR (Hedged) Class

	2023	
	Total distribution USD	Composition of distribution in percentage %
Source of distribution*		
- Income distribution	-	-
- Capital distribution **	3,369	100.00
	<u>3,369</u>	<u>100.00</u>

* Effective from the 1 March 2022, the Securities Commission Guidelines permit a fund to distribute out of income (which includes current year's realised income) or out of capital (which includes prior year's realised income).

** The distributions in previous financial year were made from prior year's net realised income.

MAMG DYNAMIC HIGH INCOME FUND

14. DISTRIBUTIONS (CONT'D)

The sources of distribution declared for the various classes of units are as follow (cont'd):

(d) EUR (Hedged) Class (cont'd)

Distribution dates (ex-date)	Gross/ Net distribution per unit (EUR cent)
2023	
27 September 2022	1.30
	<hr/>

(e) AUD (Hedged) Class

	2023	
Source of distribution*	Total distribution USD	Composition of distribution in percentage %
- Income distribution	-	-
- Capital distribution **	66,265	100.00
	<hr/>	<hr/>
	66,265	100.00
	<hr/>	<hr/>

* Effective from the 1 March 2022, the Securities Commission Guidelines permit a fund to distribute out of income (which includes current year's realised income) or out of capital (which includes prior year's realised income).

** The distributions in previous financial year were made from prior year's net realised income.

Distribution dates (ex-date)	Gross/ Net distribution per unit (AUD cent)
2023	
28 June 2022	1.00
27 September 2022	1.30
	<hr/>
	2.30
	<hr/>

MAMG DYNAMIC HIGH INCOME FUND

14. DISTRIBUTIONS (CONT'D)

The sources of distribution declared for the various classes of units are as follow (cont'd):

(f) SGD (Hedged) Class

Source of distribution*	2023	
	Total distribution USD	Composition of distribution in percentage %
- Income distribution	-	-
- Capital distribution	26,500	100.00
	<u>26,500</u>	<u>100.00</u>

* Effective from the 1 March 2022, the Securities Commission Guidelines permit a fund to distribute out of income (which includes current year's realised income) or out of capital (which includes prior year's realised income).

** The distributions in previous financial year were made from prior year's net realised income.

Distribution dates (ex-date)	Gross/ Net distribution per unit (SGD cent)
2023	
28 June 2022	1.00
27 September 2022	1.30
28 December 2022	1.00
	<u>3.30</u>

The distributions declared for MYR Class, MYR (Hedged) Class, USD Class, EUR (Hedged) Class, AUD (Hedged) Class and SGD (Hedged) Class were settled in the form of units and presented as 'reinvestment of units' in Note 13(a) on payment date.

15. TRANSACTIONS WITH FINANCIAL INSTITUTIONS

The Manager bought and sold the units in the Target Fund directly from the Manager of the Target Fund in the current and previous financial year.

MAMG DYNAMIC HIGH INCOME FUND

15. TRANSACTIONS WITH FINANCIAL INSTITUTIONS (CONT'D)

Details of transactions, primarily deposits with licensed financial institutions are as follows:

	2024		2023	
	Transaction value USD	Percentage of total placements %	Transaction value USD	Percentage of total placements %
Malayan Banking Bhd ("MBB") *	41,471,559	62.20	96,073,441	100.00
CIMB Bank Bhd	25,200,984	37.80	-	-
	<u>66,672,543</u>	<u>100.00</u>	<u>96,073,441</u>	<u>100.00</u>

* MBB is the ultimate holding company of the Manager.

16. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

For the purpose of the financial statements, parties are considered to be related to the Fund or the Manager if the Fund or the Manager has the ability directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Fund or the Manager and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. In addition to the related party information disclosed elsewhere in the financial statements, the following is the significant related party transaction and balances of the Fund during the financial year.

Other than those disclosed elsewhere in the financial statements, there were no significant related party transactions and balances as at the reporting date.

	2024 USD	2023 USD
(i) <u>Significant related party transactions</u>		
<u>MBB:</u>		
Interest income from deposits	5,344	8,877
Realised loss on forward foreign exchange contract	<u>454,850</u>	<u>258,389</u>
	2024 USD	2023 USD
(ii) <u>Significant related party balances</u>		
<u>MBB:</u>		
Cash at bank	159,917	537,479
Deposit with a licensed financial institution	<u>173,102</u>	<u>160,970</u>
Derivative assets	<u>23,635</u>	<u>64,714</u>
Derivative liabilities	<u>3,284</u>	<u>117,159</u>

The Manager is of the opinion that the transactions and balances with the related parties have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

MAMG DYNAMIC HIGH INCOME FUND

17. TOTAL EXPENSE RATIO ("TER")

The TER of the Fund is the ratio of the sum of fees and expenses incurred by the Fund to the average NAV of the Fund calculated on a daily basis. The fees and expenses include Manager's fee, Trustee's fee and other administrative expenses. For the financial year ended 31 March 2024, the TER of the Fund was 1.16% (2023: 1.16%).

18. PORTFOLIO TURNOVER RATIO ("PTR")

The PTR of the Fund is the ratio of average acquisitions and disposals of the Fund for the financial year to the average NAV of the Fund calculated on a daily basis. For the financial year ended 31 March 2024, the PTR of the Fund stood at 0.19 times (2023: 0.18 times).

19. SEGMENT INFORMATION

The Portfolio Management Committee (the "PMC") of the Manager, being the chief operating decision maker, makes the strategic decisions on resources allocation of the Fund. The decisions are based on an integrated investment strategy to ensure the Fund achieves its targeted return with an acceptable level of risk within the portfolio.

The PMC of the Manager is responsible for the Fund's performance by investing at least 90% of the Fund's NAV in the shares of the Target Fund and the remaining 2% to 10% of the Fund's NAV in liquid assets.

As the Fund is a feeder fund, the Target Fund Manager is the ultimate decision-maker on the investment strategy to ensure the Target Fund achieves its targeted return with an acceptable level of risk within the portfolio.

The internal reporting of the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS.

There were no changes in the reportable operating segments during the financial year.

20. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

The Fund's financial assets and financial liabilities were measured on an ongoing basis at either fair value or at amortised cost based on their respective classifications. The material accounting policy information in Note 2.3 to Note 2.15 describe how the classes of financial instruments are measured and how income and expenses are recognised.

The following table analyses the financial assets and liabilities (excluding prepayment, tax-related matters and NAV attributable to unitholders) of the Fund in the statement of financial position as at the reporting date by the class of financial instrument to which they are assigned, and therefore by the measurement basis.

MAMG DYNAMIC HIGH INCOME FUND

20. FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (cont'd)

2024	Financial assets and liabilities at FVTPL USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
Financial assets				
Financial assets at FVTPL	8,563,927	-	-	8,563,927
Deposit with a licensed financial institution	-	173,102	-	173,102
Derivative assets	27,623	-	-	27,623
Dividend receivable	-	49,178	-	49,178
Profit/ Interest receivables	-	45	-	45
Amount due from Manager	-	5,415	-	5,415
Cash at bank	-	159,917	-	159,917
Total financial assets	8,591,550	387,657	-	8,979,207
Financial liabilities				
Derivative liabilities	7,470	-	-	7,470
Amount due to Manager	-	-	80,607	80,607
Amount due to Trustee	-	-	152	152
Other payables and accruals	-	-	4,828	4,828
Total financial liabilities	7,470	-	85,587	93,057
2023				
Financial assets				
Financial assets at FVTPL	10,185,435	-	-	10,185,435
Deposit with a licensed financial institution	-	160,970	-	160,970
Derivative assets	70,269	-	-	70,269
Dividend receivable	-	62,787	-	62,787
Profit/ Interest receivables	-	12	-	12
Amount due from Manager	-	6,445	-	6,445
Amount due from financial institution	-	10,038	-	10,038
Cash at bank	-	537,479	-	537,479
Total financial assets	10,255,704	777,731	-	11,033,435

MAMG DYNAMIC HIGH INCOME FUND

20. FINANCIAL INSTRUMENTS (CONT'D)

(a) Classification of financial instruments (cont'd)

2023 (cont'd)	Financial assets and liabilities at FVTPL USD	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
Financial liabilities				
Derivative liabilities	207,570	-	-	207,570
Amount due to Manager	-	-	88,650	88,650
Amount due to Trustee	-	-	182	182
Amount due to financial institution	-	-	10,016	10,016
Other payables and accruals	-	-	4,357	4,357
Total financial liabilities	207,570	-	103,205	310,775

(b) Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL, derivative assets and derivative liabilities are carried at fair value.

Collective investment scheme

The Fund's investment in the collective investment scheme is carried at fair value. The fair value of the collective investment scheme is determined by reference to its last published NAV per unit at the reporting date.

Derivative assets and liabilities

The fair value of over-the-counter forward foreign exchange contracts are obtained by using valuation models which incorporate various observable market inputs such as changes in spot rate, and changes in the forward points. For these financial instruments, significant inputs into models are market observable and are included within Level 2.

(c) Fair value hierarchy

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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20. FINANCIAL INSTRUMENTS (CONT'D)

(c) Fair value hierarchy (cont'd)

The following table analyses within the fair value hierarchy the Fund's financial assets and liabilities measured at fair value:

2024	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets				
Financial assets at FVTPL	8,563,927	-	-	8,563,927
Derivative assets	-	27,623	-	27,623
	<u>8,563,927</u>	<u>27,623</u>	<u>-</u>	<u>8,591,550</u>
Financial liabilities				
Derivative liabilities	-	7,470	-	7,470
	<u>-</u>	<u>7,470</u>	<u>-</u>	<u>7,470</u>
2023	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets				
Financial assets at FVTPL	10,185,435	-	-	10,185,435
Derivative assets	-	70,269	-	70,269
	<u>10,185,435</u>	<u>70,269</u>	<u>-</u>	<u>10,255,704</u>
Financial liabilities				
Derivative liabilities	-	207,570	-	207,570
	<u>-</u>	<u>207,570</u>	<u>-</u>	<u>207,570</u>

(d) Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximations of fair value

Other than its financial assets at FVTPL and derivative assets and liabilities, the Fund's financial instruments were not carried at fair value but their carrying amounts were reasonable approximations of fair value due to their short-term maturity.

There were no financial instruments which were not carried at fair value and whose carrying amounts were not reasonable approximations of their respective fair values.

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Introduction

The Fund's objective in managing risk is the creation and protection of unitholders' value. Risk is inherent in the Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring of risks.

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21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) Introduction (cont'd)

Financial risk management is also carried out through sound internal control systems and adherence to the investment restrictions as stipulated in the Deed, SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework and CMSA.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as profit/ interest rates, foreign exchange rates and equity prices. The Fund is exposed to foreign currency risk arising from the Fund's financial assets and liabilities denominated in foreign currencies. The Fund is also exposed to profit/ interest rate risk arising from deposit placed with a licensed financial institution. The Fund is not exposed to equity price risk as it does not hold any equity investments other than investment in Target Fund as at the reporting date.

(i) Profit/ Interest rate risk

Cash is sensitive to movement in profit/ interest rates. When profit/ interest rates rise, the return on cash will rise. The deposit with a licensed financial institution carries a fixed rate, and therefore, is not affected by the movements in market profit/ interest rates.

(ii) Price risk

Price risk is the risk of unfavourable changes in the fair values of investments as the result of changes in market prices (other than those arising from profit/ interest rate risk and currency risk). The price risk exposure arises primary from the Fund's investments in shares of the Target Fund.

Price risk sensitivity

Management's best estimate of the effect on the Fund's NAV due to a reasonably possible change in price, with all other variables held constant is indicated in the table below:

	2024		2023	
	Changes in price %	Effects on NAV Increase/ (Decrease) USD	Changes in price %	Effects on NAV Increase/ (Decrease) USD
Collective investment scheme	+5	428,196	+5	509,272
	-5	(428,196)	-5	(509,272)

The impact to net results after taxation is expected to be the same as the effects on NAV.

(iii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

MAMG DYNAMIC HIGH INCOME FUND

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Market risk (cont'd)

(iii) Currency risk (cont'd)

The base currency of the Fund is USD. As the investments of the Fund may be denominated in currencies other than the base currency, any fluctuation in the exchange rate between USD and the currencies in which the Fund's assets are denominated in may have an impact on the fair value of the Fund's assets. If the currencies in which the assets are denominated depreciate against the base currency, this will have an adverse effect on the NAV of the Fund in the base currency and vice versa. Any gains or losses arising from the fluctuation in the exchange rate may further increase or decrease the returns of the investment and of the Fund.

The Fund is a multi-class Fund. The impact of the exchange rate movement between USD and the foreign currency of MYR, SGD, EUR and AUD, may result in a depreciation of the unitholders' investment in the Fund as expressed in USD.

The table below analyses the net position of the Fund's financial assets and financial liabilities (excluding derivative assets and derivative liability) which are exposed to foreign exchange risks as at the reporting date. As the Fund's functional currency is USD, the financial assets and financial liabilities (excluding derivative assets and derivative liabilities) denominated in other currencies are exposed to the movement of foreign exchange rates. The exposure might lead to the appreciation or depreciation of the financial assets and financial liability of the Fund that may affect the value of the NAV attributable to unitholders.

As at current and previous financial year, the Fund's net open position to SGD and EUR is solely from the Fund's foreign account as disclosed in Note 11. As the Fund's exposure to EUR is insignificant, the Fund did not disclose the sensitivity analysis arising from its exposure to this currency.

2024	MYR USD	SGD USD	AUD USD	Total USD
Financial assets				
Deposit with a licensed financial institution	173,102	-	-	173,102
Profit/ Interest receivables	45	-	-	45
Cash at bank	323	32,995	28,006	61,324
Total financial assets	173,470	32,995	28,006	234,471
Financial liabilities				
Amount due to Trustee	152	-	-	152
Amount due to Manager	66,943	-	-	66,943

MAMG DYNAMIC HIGH INCOME FUND

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Market risk (cont'd)

(iii) Currency risk (cont'd)

2024 (cont'd)	MYR USD	SGD USD	AUD USD	Total USD
Financial liabilities (cont'd)				
Other payables and accruals	4,828	-	-	4,828
Total financial liabilities excluding NAV attributable to unitholders	71,923	-	-	71,923
Net on-balance sheet open position	101,547	32,995	28,006	162,548
2023	MYR USD	SGD USD	AUD USD	Total USD
Financial assets				
Deposit with a licensed financial institution	160,970	-	-	160,970
Profit/ Interest receivables	12	-	-	12
Amount due from financial institution	-	-	10,038	10,038
Cash at bank	218	17,573	9,223	27,014
Total financial assets	161,200	17,573	19,261	198,034
Financial liabilities				
Amount due to Trustee	182	-	-	182
Amount due to Manager	-	-	9,884	9,884
Other payables and accruals	4,357	-	-	4,357
Total financial liabilities excluding NAV attributable to unitholders	4,539	-	9,884	14,423
Net on-balance sheet open position	156,661	17,573	9,377	183,611
Principal amount of forward exchange contracts (Note 9) *	-	105,000	1,659,800	1,764,800

MAMG DYNAMIC HIGH INCOME FUND

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) Market risk (cont'd)

(iii) Currency risk (cont'd)

- * The Fund entered into forward currency contracts during the financial year to hedge the foreign currency exposure of the MYR (Hedged) Class, EUR (Hedged) Class, AUD (Hedged) Class and SGD (Hedged) Class based on the features of the respective classes as disclosed in Note 13(a).

The table below summarises the sensitivity of the Fund's net on-balance sheet open position (excluding derivative assets and derivative liabilities) to movements in exchange rates. The analysis is based on the assumptions that the exchange rates will increase or decrease by 5% with all other variables held constant.

Currencies	2024		2023	
	Changes in exchange rates %	Effects on NAV Increase/ (Decrease) USD	Changes in exchange rates %	Effects on NAV Increase/ (Decrease) USD
MYR	+5	5,077	+5	7,833
	-5	(5,077)	-5	(7,833)
AUD	+5	1,400	+5	469
	-5	(1,400)	-5	(469)
SGD	+5	1,650	+5	879
	-5	(1,650)	-5	(879)

The impact to net results after taxation is expected to be the same as the effects on NAV.

(c) Credit risk

Credit risk is the risk that the issuer/ counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. The Fund is exposed to the risk of credit-related losses that can occur as a result of an issuer/ counterparty's inability or unwillingness to honour its contractual obligations to make timely repayments of profit/ interest, principal and proceeds from realisation of investments. These credit exposures exist within financing relationships and other transactions.

The Manager manages the Fund's credit risk by undertaking credit evaluation and close monitoring of any changes to the issuer/ counterparty's credit profile to minimise such risk. It is the Fund's policy to enter into financial instruments with reputable counterparties. The Manager also closely monitors the creditworthiness of the Fund's counterparties (e.g., brokers, custodian, banks, etc.) by reviewing their credit ratings and credit profile on a regular basis.

MAMG DYNAMIC HIGH INCOME FUND

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) Credit risk (cont'd)

(i) Credit risk exposure

At the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the statement of financial position. None of the Fund's financial assets were past due or impaired as at the reporting date.

(ii) Credit quality of financial assets

The following table analyses the Fund's cash at bank, deposit with a licensed financial institutions and profit/ interest receivables by rating categories. The rating is obtained from RAM Holdings Berhad.

Financial assets	2024		2023	
	USD	As a % of NAV	USD	As a % of NAV
AAA	333,064	3.75	698,461	6.51

(d) Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or redeem its units earlier than expected.

The Fund is exposed to cash redemptions of its units on a regular basis. Units sold to unitholders by the Manager are redeemable at the unitholder's option based on the Fund's NAV per unit at the time of redemption calculated in accordance with the Fund's Deed. It is the Fund's policy that the Manager monitors the Fund's liquidity position on a daily basis. The Fund also manages its obligation to redeem units when required to do so.

The Manager's policy is to always maintain a prudent and sufficient level of liquid assets so as to meet normal operating requirements and expected redemption requests by unitholders. Liquid assets comprise of cash, deposits with financial institutions and other instruments which are capable of being converted into cash within 7 days.

MAMG DYNAMIC HIGH INCOME FUND

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) Liquidity risk (cont'd)

The following table summarises the maturity profile of the Fund's financial assets, liabilities and unitholders' contribution to provide a complete view of the Fund's contractual commitments and liquidity:

	Less than 1 month USD	More than 1 month USD	Total USD
2024			
Financial liabilities			
Derivative liabilities	-	7,470	7,470
Amount due to Manager	80,607	-	80,607
Amount due to Trustee	152	-	152
Other payables and accruals	4,828	-	4,828
Net assets attributable to unitholders of the Fund	8,886,150	-	8,886,150
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	<u>8,971,737</u>	<u>7,470</u>	<u>8,979,207</u>
2023			
Financial liabilities			
Derivative liabilities	26,391	181,179	207,570
Amount due to Manager	88,650	-	88,650
Amount due to Trustee	182	-	182
Amount due to financial institution	10,016	-	10,016
Other payables and accruals	4,357	-	4,357
Net assets attributable to unitholders of the Fund	10,722,660	-	10,722,660
Total undiscounted financial liabilities and net assets attributable to unitholders of the Fund	<u>10,852,256</u>	<u>181,179</u>	<u>11,033,435</u>

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When a counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

Financial liabilities exclude tax-related matters such as tax payables, if any.

MAMG DYNAMIC HIGH INCOME FUND

22. UNITHOLDERS' CONTRIBUTION MANAGEMENT

The unitholders' contribution can vary depending on the demand for redemptions and subscriptions to the Fund.

The Fund's objectives for managing the unitholders' contribution are:

- (a) To invest in investments meeting the description, risk exposure and expected return indicated in its information memorandum;
- (b) To achieve consistent returns while safeguarding capital by using various investment strategies;
- (c) To maintain sufficient liquidity to meet the expenses of the Fund, and to meet redemption requests as they arise; and
- (d) To maintain sufficient fund size to make the operations of the Fund cost-efficient.

No changes were made to the unitholders' contribution management objectives, policies or processes in the current financial year.