

Semi-Annual Report for

AmDynamic Bond

31 January 2026



TRUST DIRECTORY

Manager

AmFunds Management Berhad
9th & 10th Floor, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur

Trustee

HSBC (Malaysia) Trustee Berhad

Auditors and Reporting Accountants

Ernst & Young PLT

Taxation Adviser

Deloitte Malaysia Tax Services Sdn. Bhd.
(formerly known as Deloitte Tax Services Sdn. Bhd.)

CONTENTS

- 1** Manager's Report
- 7** Statement of Financial Position
- 8** Statement of Comprehensive Income
- 9** Statement of Changes in Equity
- 10** Statement of Cash Flows
- 11** Notes to the Financial Statements
- 34** Statement by the Manager
- 35** Trustee's Report
- 36** Directory

Manager's Report

Dear Unitholders,

We are pleased to present you the Manager's report and the unaudited accounts of AmDynamic Bond ("Fund") for the financial period from 1 August 2025 to 31 January 2026.

Salient Information of the Fund

Name	AmDynamic Bond ("Fund")
Category/ Type	Bond / Income
Objective	<p>AmDynamic Bond is a medium to long-term bond fund with potentially higher level of income* and risk.</p> <p><i>Notes:</i> <i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i> <i>* The income could be in the form of units or cash.</i></p>
Duration	<p>The Fund was established on 16 September 2003 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interests of the unitholders for it to continue. In some circumstances, the unitholders can resolve at a meeting to terminate the Fund.</p>
Performance Benchmark	<p>BPAM Corporates All Bond Index (Available at www.aminvest.com).</p> <p><i>Note: The risk profile of the Fund may not be the same as the risk profile of the performance benchmark.</i></p>
Income Distribution Policy	<p>Subject to the availability of income, distribution will be made at least twice every year.</p> <p>At the Manager's discretion, the Fund may distribute from its gain, income and capital. The rationale for distribution out of capital is to allow the Fund the ability to (i) distribute income on a regular basis in accordance with the distribution policy of the Fund or (ii) increase the amount of distributable income to the Unit Holders, after taking into consideration the risk of distributing out of capital.</p> <p>Distribution out of the Fund's capital has the effect of lowering the NAV of the Fund, may reduce part of the Unit Holders' original investment and may also result in reduced future returns to Unit Holders. When a substantial amount of the original investment is being returned to the Unit Holders, it has a risk of eroding the capital of the Fund and may, over time, cause the NAV of the Fund to fall. The greater the risk of capital erosion that exists, the greater the likelihood that, due to capital erosion, the value of future returns would also be diminished.</p>

Fund Performance Data

Portfolio Composition	Details of portfolio composition of the Fund as at 31 January 2026 and for the past three financial years are as follows:					
		As at 31.01.2026 %	As at 31 July			
			2025 %	2024 %	2023 %	
	Foreign corporate bonds	-	7.84	5.56	4.73	
	Foreign Government bond	-	-	1.11	-	
	Forward contract	-	-	-	0.04	
	Government Investment Issue	5.41	1.44	4.97	-	
	Local corporate bonds	90.72	83.62	80.60	85.55	
	Malaysian Government Securities	-	-	-	2.27	
	Money market deposits and cash equivalents	3.87	7.10	7.76	7.41	
	Total	100.00	100.00	100.00	100.00	
		<i>Note: The abovementioned percentages are calculated based on total net asset value.</i>				
	Performance Details	Performance details of the Fund for the financial period ended 31 January 2026 and three financial years ended 31 July are as follows:				
		FPE 31.01.2026	FYE 2025	FYE 2024	FYE 2023	
Net asset value (RM)		110,983,812	106,503,339	105,885,838	95,175,079	
Units in circulation		154,937,861	145,041,013	143,834,971	136,531,304	
Net asset value per unit (RM)		0.7163	0.7343	0.7361	0.6971	
Highest net asset value per unit (RM)		0.7396	0.7374	0.7361	0.7004	
Lowest net asset value per unit (RM)		0.7084	0.7152	0.6970	0.6607	
Benchmark performance (%)		1.60	5.45	5.90	6.71	
Total return (%) ⁽¹⁾		1.55	5.10	6.10	6.34	
- Capital growth (%)		-2.43	-0.04	5.61	4.45	
- Income distributions (%)		3.98	5.14	0.49	1.89	
Gross distributions (RM sen per unit)		2.9464	3.8410	0.3439	1.2725	
Net distributions (RM sen per unit)		2.9244	3.7858	0.3400	1.2600	
Total expense ratio (%) ⁽²⁾		0.56	1.06	1.06	1.06	
Portfolio turnover ratio (times) ⁽³⁾		0.44	0.45	0.46	0.18	
		<i>Note:</i>				
		<i>(1) Total return is the actual return of the Fund for the respective financial period/years computed based on net asset value per unit and net of all fees. Total return is calculated based on the published NAV/unit (last business day).</i>				
		<i>(2) Total expense ratio ("TER") is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis.</i>				

(3) *Portfolio turnover ratio ("PTR") is calculated based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis.*

Average Total Return (as at 31 January 2026)

	AmDynamic Bond^(a) %	Benchmark^{** (b)} %
One year	5.53	5.15
Three years	5.53	5.52
Five years	3.75	3.90
Ten years	5.09	4.95

Annual Total Return

Financial Years Ended (31 July)	AmDynamic Bond^(a) %	Benchmark^{** (b)} %
2025	5.10	5.45
2024	6.10	5.90
2023	6.34	6.71
2022	0.08	0.30
2021	0.71	0.67

(a) *Source: Novagni Analytics and Advisory Sdn. Bhd.*

(b) *BPAM Corporates All Bond Index (Available at www.aminvest.com)*

*** Benchmark – From 16 September 2003 to 30 September 2016 - All Malaysian Government Securities Index.
– from 1 October 2016 onwards - BPAM Corporates All Bond Index.*

The Fund performance is calculated based on net asset value per unit of the Fund. Average total return of the Fund and its benchmark for a period is computed based on the absolute return for that period annualised over one year.

Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

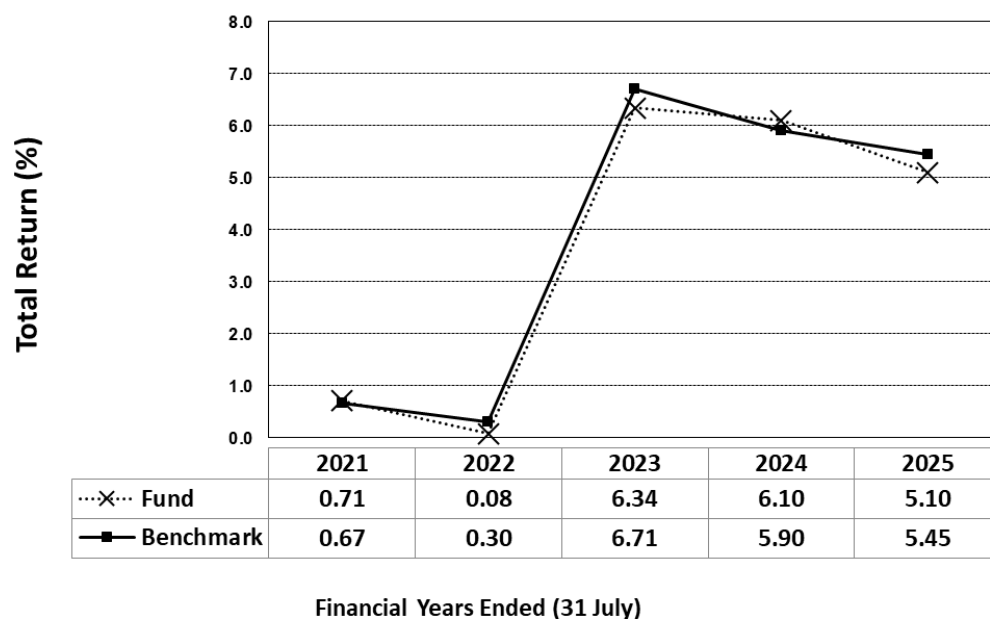
Fund Performance

For the financial period under review, the Fund registered a return of 1.55% comprising of negative 2.43% capital and 3.98% income distribution.

Thus, the Fund's return of 1.55% has underperformed the benchmark's return of 1.60% by 0.05%.

As compared with the financial year ended 31 July 2025, the net asset value ("NAV") per unit of the Fund decreased by 2.45% from RM0.7343 to RM0.7163, while units in circulation increased by 6.82% from 145,041,013 units to 154,937,861 units.

The following line chart shows comparison between the annual performances of AmDynamic Bond and its benchmark for the financial years ended 31 July.



Note: Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

Strategies and Policies Employed

For the financial period under review, the Fund invested primarily in debt securities, and by active portfolio trading.

The Fund's investment maturity profile is subject to active tactical duration management in view of the interest rate view.

Portfolio Structure

The table below is the asset allocation of the Fund as at 31 January 2026 and 31 July 2025.

	As at 31.01.2026 %	As at 31.07.2025 %	Changes %
Foreign corporate bonds	-	7.84	-7.84
Government Investment Issue	5.41	1.44	3.97
Local corporate bonds	90.72	83.62	7.10
Money market deposits and cash equivalents	3.87	7.10	-3.23
Total	100.00	100.00	

For the financial period under review, the Fund invested 90.72% of its NAV in local corporate bonds, 5.41% in Government Investment Issue, while remaining 3.87% was held in money market deposits and cash equivalents.

Securities Lending / Repurchase Transactions

The Fund has not undertaken any securities lending or repurchase transactions (collectively referred to as "securities financing transactions").

Cross Trades

There were no cross trades undertaken during the financial period under review.

Distribution/ unit splits	<p>During the financial period under review, the Fund declared distribution, detailed as follows:</p> <table border="1" data-bbox="375 224 1489 358"> <thead> <tr> <th data-bbox="375 224 630 324">Date of distribution</th> <th data-bbox="630 224 933 324">Distribution per unit RM (sen)</th> <th data-bbox="933 224 1228 324">NAV per unit Cum-Distribution (RM)</th> <th data-bbox="1228 224 1489 324">NAV per unit Ex-Distribution (RM)</th> </tr> </thead> <tbody> <tr> <td data-bbox="375 324 630 358">24-Sep-25</td> <td data-bbox="630 324 933 358">2.9244</td> <td data-bbox="933 324 1228 358">0.7394</td> <td data-bbox="1228 324 1489 358">0.7102</td> </tr> </tbody> </table> <p>There is no unit split declared for the financial period under review.</p>	Date of distribution	Distribution per unit RM (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)	24-Sep-25	2.9244	0.7394	0.7102
Date of distribution	Distribution per unit RM (sen)	NAV per unit Cum-Distribution (RM)	NAV per unit Ex-Distribution (RM)						
24-Sep-25	2.9244	0.7394	0.7102						
State of Affairs	<p>There were no significant changes in the state of affairs of the Fund, nor were there any circumstances that materially affected the interests of the unitholders during the period under review.</p>								
Rebates and Soft Commission	<p>During the period, the management company did not receive soft commissions by virtue of transactions conducted for the Fund.</p>								
Market Review	<p>Malaysia's bond market showed resilience over the second half of 2025, beginning with steady gains in August before momentum moderated toward month-end. The MGS curve marginally bull-steepened as investors positioned for potential rate cuts later in the year, while sovereign auctions saw mixed demand. Foreign investors returned, and corporate issuance remained active. By September, the market shifted into consolidation as investors locked in gains, with weaker demand—particularly at the 15-year MGS auction—resulting in a more cautious tone and a modest rise in yields across the curve.</p> <p>The final quarter of the year began cautiously in October following September's selloff, with long-end yields rising and demand for long-tenor bonds subdued. Conditions improved meaningfully thereafter as foreign sentiment turned positive. November saw a further pickup in momentum supported by stable domestic fundamentals, favourable external conditions, and renewed foreign interest as the US Federal Reserve (Fed) commenced its easing cycle. Although year-end seasonality tempered activity in December, demand for the final 10-year MGS auction remained firm, and trading volumes rebounded sharply in January 2026 as investors repositioned ahead of potential policy shifts.</p> <p>Overall, the Malaysian bond market remained well supported throughout the period under review. Solid domestic growth, a stable Overnight Policy Rate (OPR), and improving external monetary conditions contributed to a constructive backdrop. Despite variations in demand across tenors and intermittent volatility, strong foreign inflows and healthy primary market activity underpinned market stability, positioning the bond market for continued resilience moving into 2026.</p>								
Market Outlook	<p>In early 2026, Bank Negara Malaysia's (BNM) maintained the OPR at 2.75%, keeping monetary policy supportive amid steady domestic growth. At the same time, the Fed is expected to hold rates in the near term as it closely monitors labour market and inflation trends, though we still anticipate two rate cuts later in 2026 as disinflation resumes and growth moderates. These global dynamics contributed to a steepening in the United States Treasury (UST) curve, with front end yields remaining anchored under a Fed pause while longer dated yields drifted higher in line with improving growth expectations and supply factors.</p> <p>Against this backdrop, the Ringgit strengthened against the United States Dollar (USD), supported by a softer dollar profile and Malaysia's firm macro fundamentals—conditions that encouraged incremental foreign inflows into the Malaysian government bond market. MGS and GII yields remained broadly stable throughout January 2026,</p>								

	underpinned by resilient demand from both domestic and foreign investors. Market conditions were orderly, with steady buying interest helping to anchor yields despite external rate volatility. Overall, we expect the local bond market to remain resilient in near term, supported by stable monetary policy, supportive economic fundamentals, and consistent investor appetite.
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Kuala Lumpur, Malaysia
AmFunds Management Berhad

18 March 2026

AmDynamic Bond

STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2026

	Note	31.01.2026 (unaudited) RM	31.07.2025 (audited) RM
ASSETS			
Investments	4	106,690,080	98,942,671
Deposit with licensed financial institution	5	4,272,667	5,029,393
Amount due from Manager	6(a)	15,080	2,526,288
Sundry receivable		616	311
Tax recoverable		26,164	39,217
Cash at banks		142,769	132,692
TOTAL ASSETS		111,147,376	106,670,572
LIABILITIES			
Amount due to Manager	6(b)	139,549	147,544
Amount due to Trustee	7	3,779	3,489
Sundry payables and accruals		20,236	16,200
TOTAL LIABILITIES		163,564	167,233
NET ASSET VALUE (“NAV”) OF THE FUND		110,983,812	106,503,339
EQUITY			
Unit holders’ capital	9(a)	100,928,960	93,561,809
Retained earnings	9(b)(c)	10,054,852	12,941,530
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	9	110,983,812	106,503,339
UNITS IN CIRCULATION	9(a)	154,937,861	145,041,013
NAV PER UNIT (RM)		0.7163	0.7343

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

AmDynamic Bond

STATEMENT OF COMPREHENSIVE INCOME *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

	Note	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
INVESTMENT INCOME			
Interest income		2,546,028	2,469,557
Other income	9(a)	81,959	218,593
Net losses from investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	8	(268,289)	(995,852)
Other net realised (loss)/gain on foreign currency exchange		<u>(14,611)</u>	<u>36,157</u>
		<u>2,345,087</u>	<u>1,728,455</u>
EXPENDITURE			
Management fee	6	(563,414)	(523,621)
Trustee’s fee	7	(22,536)	(20,945)
Audit fee		(3,541)	(3,541)
Tax agent’s fee		(2,319)	(2,318)
Custodian’s fee		(950)	(1,464)
Other expenses		<u>(35,765)</u>	<u>(4,260)</u>
		<u>(628,525)</u>	<u>(556,149)</u>
Net income before taxation		1,716,562	1,172,306
Taxation	11	<u>(6,053)</u>	<u>(1,134)</u>
Net income after taxation, representing total comprehensive income for the financial period		<u>1,710,509</u>	<u>1,171,172</u>
Total comprehensive income comprises the following:			
Realised income		2,322,439	2,426,566
Unrealised losses		<u>(611,930)</u>	<u>(1,255,394)</u>
		<u>1,710,509</u>	<u>1,171,172</u>
Distribution for the financial period			
Net distribution	12	<u>4,597,187</u>	<u>2,852,947</u>
Gross distribution per unit (sen)	12	<u>2.9464</u>	<u>2.0701</u>
Net distribution per unit (sen)	12	<u>2.9244</u>	<u>2.0282</u>

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

AmDynamic Bond

STATEMENT OF CHANGES IN EQUITY *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

	Note	Unit holders' capital RM	Retained earnings RM	Total equity RM
At 1 August 2025		93,561,809	12,941,530	106,503,339
Total comprehensive income for the financial period		-	1,710,509	1,710,509
Creation of units	9(a)	10,585,218	-	10,585,218
Reinvestment of distribution	9(a)	4,584,060	-	4,584,060
Cancellation of units	9(a)	(7,802,127)	-	(7,802,127)
Distribution	12	-	(4,597,187)	(4,597,187)
Balance at 31 January 2026		<u>100,928,960</u>	<u>10,054,852</u>	<u>110,983,812</u>
At 1 August 2024		92,764,052	13,121,786	105,885,838
Total comprehensive income for the financial period		-	1,171,172	1,171,172
Creation of units		13,908,989	-	13,908,989
Reinvestment of distribution		2,843,842	-	2,843,842
Cancellation of units		(22,087,479)	-	(22,087,479)
Distribution		-	(2,852,947)	(2,852,947)
Balance at 31 January 2025		<u>87,429,404</u>	<u>11,440,011</u>	<u>98,869,415</u>

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

AmDynamic Bond

STATEMENT OF CASH FLOWS *(Unaudited)* FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of investments	44,313,349	32,928,571
Purchases of investments	(52,365,430)	(27,143,202)
Interest received	2,567,800	2,586,396
Other income received	81,654	218,659
Management fee paid	(564,122)	(527,586)
Trustee's fee paid	(22,246)	(21,093)
Tax agent's fee paid	(4,600)	-
Custodian's fee paid	(950)	(1,464)
Tax refund/(paid)	7,000	(24,145)
Payments for other expenses	(32,989)	(10,023)
Net cash (used in)/generated from operating and investing activities	<u>(6,020,534)</u>	<u>8,006,113</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	13,096,426	13,959,493
Payments for cancellation of units	(7,809,414)	(22,050,732)
Distribution paid	(13,127)	(9,105)
Net cash generated from/(used in) financing activities	<u>5,273,885</u>	<u>(8,100,344)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(746,649)	(94,231)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>5,162,085</u>	<u>8,258,114</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>4,415,436</u>	<u>8,163,883</u>
Cash and cash equivalents comprise:		
Deposit with licensed financial institution	4,272,667	7,905,671
Cash at banks	142,769	258,212
	<u>4,415,436</u>	<u>8,163,883</u>

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

1. GENERAL INFORMATION

AmDynamic Bond (the “Fund”) was established pursuant to a Deed dated 11 September 2003 as amended by Deeds supplemental thereto (the “Deeds”), between AmFunds Management Berhad as the Manager, HSBC (Malaysia) Trustee Berhad as the Trustee and all unit holders.

The Fund was set up with the objective of providing investors a medium to long term bond fund with potentially higher level of income and risk. As provided in the Deeds, the financial year shall end on 31 July and the units in the Fund were first offered for sale on 16 September 2003.

The financial statements were authorised for issue by the Manager on 18 March 2026.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared on a historical cost basis, except as otherwise stated in the accounting policies and comply with MFRS Accounting Standards 134: *Interim Financial Reporting* (“MFRS 134”) as issued by the Malaysian Accounting Standards Board (“MASB”).

Standards effective during the financial period

The adoption of the following amendments to MFRS Accounting Standards which became effective during the financial period did not have any material financial impact to the financial statements.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability</i>	1 January 2025

Standards issued but not yet effective

The new and amended standards that have been issued but not yet effective up to the date of issuance of the Fund’s financial statements are disclosed below. The Fund intends to adopt these new pronouncements, if applicable, when they become effective.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures: Amendments to the Classifications and Measurement of Financial Instruments</i>	1 January 2026

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D.)

Standards issued but not yet effective (cont'd.)

Description	Effective for financial periods beginning on or after
Amendments that are part of Annual Improvements - Volume 11: Amendments to MFRS 1 <i>First-time Adoption of Malaysian Financial Reporting Standards</i> Amendments to MFRS 7 <i>Financial Instruments: Disclosures</i> Amendments to MFRS 9 <i>Financial Instruments</i> Amendments to MFRS 10 <i>Consolidated Financial Statements</i> * Amendments to MFRS 107 <i>Statement of Cash Flows</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i> *	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i> *	1 January 2027
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> *	Deferred

* These MFRS Accounting Standards and Amendments to MFRS Accounting Standards are not relevant to the Fund.

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Income recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

(i) Interest income

For all interest-bearing financial assets, interest income is calculated using the effective interest method. Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.1 Income recognition (cont'd.)

(i) Interest income (cont'd.)

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest income continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

(ii) Gain or loss on disposal of investments

On disposal of investments, the net realised gain or loss on disposal is measured as the difference between the net disposal proceeds and the carrying amount of the investments. The net realised gain or loss is recognised in profit or loss.

3.2 Income tax

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 at 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 ("OCI") or directly in equity.

3.3 Functional and presentation currency

Functional currency is the currency of the primary economic environment in which the Fund operates that most faithfully represents the economic effects of the underlying transactions. The functional currency of the Fund is Ringgit Malaysia ("RM") which reflects the currency in which the Fund competes for funds, issues and redeems units. The Fund has also adopted RM as its presentation currency.

3.4 Foreign currency transactions

Transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using exchange rates prevailing at the transaction dates. At each reporting date, foreign currency monetary items are translated into RM at exchange rates ruling at the reporting date. All exchange gains or losses are recognised in profit or loss.

3.5 Statement of cash flows

The Fund adopts the direct method in the preparation of the statement of cash flows.

Cash and cash equivalents are short-term, highly liquid investments that are readily convertible to cash with insignificant risk of changes in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.6 Distribution

Distribution is at the discretion of the Manager. A distribution to the Fund's unit holders is accounted for as a deduction from retained earnings and realised income. Realised income is the income earned from interest income, other income and net gain on disposal of investments after deducting expenses and taxation. A proposed distribution is recognised as a liability in the period in which it is approved. Distribution is either reinvested or paid in cash to the unit holders 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.

3.7 Unit holders' capital

The unit holders' capital of the Fund meets the definition of puttable instruments and is classified as equity instruments as it meets all criteria for such classification under MFRS 132 *Financial Instruments: Presentation* ("MFRS 132").

3.8 Financial instruments – initial recognition and measurement

(i) Initial recognition

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised using trade date accounting or settlement date accounting. The method used is applied consistently for all purchases and sales of financial assets that belong to the same category of financial assets.

(ii) Initial measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial assets. All financial liabilities are recognised initially at fair value and, in the case of financial liabilities not recorded at FVTPL, net of directly attributable transaction costs.

(iii) "Day 1" profit or loss

At initial measurement, if the transaction price differs from the fair value, the Fund immediately recognises the difference between the transaction price and fair value (a "Day 1" profit or loss) in profit or loss provided that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets. In all other cases, the difference between the transaction price and model value is recognised in profit or loss on a systematic and rational basis that reflects the nature of the instrument over its tenure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.9 Financial assets

Classification and measurement

The classification of financial assets depends on the Fund's business model of managing the financial assets in order to generate cash flows ("business model test") and the contractual cash flow characteristics of the financial instruments ("SPPI test"). The business model test determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both and the assessment is performed on a portfolio basis. The SPPI test determines whether the contractual cash flows are solely for payments of principal and interest and the assessment is performed on a financial instrument basis.

Business model

The business model reflects how the Fund manages the financial assets in order to generate cash flows. That is, whether the Fund's objective is solely to collect the contractual cash flows from the assets, or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. the financial assets are held for trading purposes), then the financial assets are classified as part of "other" business model. Factors considered by the Fund in determining the business model for a portfolio of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, and how risks are assessed and managed.

Cash flow characteristics

Where the business model is to hold the financial assets to collect contractual cash flows, or to collect contractual cash flows and sell, the Fund assesses whether the financial assets' contractual cash flows represent solely payment of principal and interest ("SPPI"). In making this assessment, the Fund considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are SPPI.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.9 Financial assets (cont'd.)

Classification and measurement (cont'd.)

The Fund may classify its financial assets under the following categories:

Financial assets at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets include in this category are deposit with licensed financial institution, cash at banks, amount due from Manager, amount due from Target Fund Manager, amount due from brokers/financial institutions, dividend/distribution receivables and other receivables.

Financial assets at fair value through other comprehensive income ("FVOCI")

A financial asset is measured at FVOCI if its business model is both to hold the asset to collect contractual cash flows and to sell the financial assets. In addition, the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal.

These investments are initially recorded at fair value and transaction costs are expensed in the profit or loss. Subsequent to initial recognition, these investments are remeasured at fair value. All fair value adjustments are initially recognised through OCI. Debt instruments at FVOCI are subject to impairment assessment.

Financial assets at FVTPL

Any financial assets that are not measured at amortised cost or FVOCI are measured at FVTPL. Subsequent to initial recognition, financial assets at FVTPL are measured at fair value. Changes in the fair value of those financial instruments are recorded in "Net gain or loss on financial assets at FVTPL". Interest earned element of such instrument is recorded in "Interest income". Exchange differences on financial assets at FVTPL are not recognised separately in profit or loss but are included in net gain or net loss on changes in fair value of financial assets at FVTPL.

Instruments that qualify for amortised cost or FVOCI may be irrevocably designated as FVTPL, if doing so eliminates or significantly reduces a measurement or recognition inconsistency. Equity instruments are normally measured at FVTPL, nevertheless, the Fund is allowed to irrevocably designate equity instruments that are not held for trading as FVOCI, with no subsequent reclassification of gains or losses to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.10 Financial liabilities – classification and subsequent measurement

Financial liabilities issued by the Fund are classified as financial liabilities at amortised cost, where the substance of the contractual arrangement results in the Fund having an obligation either to deliver cash or another financial asset to the holders. After initial measurement, financial liabilities are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

3.11 Derecognition of financial instruments

(i) Derecognition of financial asset

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either:
 - the Fund has transferred substantially all the risks and rewards of the asset, or
 - the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

For investments classified as FVOCI - debt instruments, the cumulative fair value change recognised in OCI is recycled to profit or loss.

(ii) Derecognition of financial liability

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

3.12 Financial instruments – expected credit losses (“ECL”)

The Fund assesses the ECL associated with its financial assets at amortised cost using simplified approach. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The ECL in respect of financial assets at amortised cost, if any, is recognised in profit or loss.

Financial assets together with the associated allowance are written off when it has exhausted all practical recovery efforts and there is no realistic prospect of future recovery. The Fund may also write-off financial assets that are still subject to enforcement activity when there is no reasonable expectation of full recovery. If a write-off is later recovered, the recovery is credited to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

3.13 Determination of fair value

For investments in local fixed income securities, nominal value is the face value of the securities and fair value is determined based on the indicative prices from Bond Pricing Agency Malaysia Sdn. Bhd. plus accrued interest, which includes the accretion of discount and amortisation of premium. For investments in foreign fixed income securities, fair value will be based on indicative prices provided by independent and reputable institutions plus accrued interest. Adjusted cost of investments relates to the purchased cost plus accrued interest, adjusted for amortisation of premium and accretion of discount, if any, calculated over the period from the date of acquisition to the date of maturity of the respective securities as approved by the Manager and the Trustee. The difference between adjusted cost and fair value is treated as unrealised gain or loss and is recognised in profit or loss.

3.14 Classification of realised and unrealised gains and losses

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised (i.e. sold, redeemed or matured) during the reporting period.

Realised gains and losses on disposals of financial instruments classified at FVTPL are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

3.15 Significant accounting estimates and judgments

The preparation of the Fund's financial statements requires the Manager to make judgments, estimates and assumptions 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 could require a material adjustment to the carrying amount of the asset or liability in the future.

The Fund classifies its investments as financial assets at FVTPL as the Fund may sell its investments in the short-term for profit-taking or to meet unit holders' cancellation of units.

No major judgments 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 period.

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

4. INVESTMENTS

	31.01.2026 RM	31.07.2025 RM
Financial assets at FVTPL		
Fixed income securities – local	106,690,080	90,594,379
Fixed income securities – foreign	-	8,348,292
	<u>106,690,080</u>	<u>98,942,671</u>

Details of investments as at 31 January 2026 are as follows:

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
Fixed income securities – local					
Corporate bonds					
21.12.2026	MBSB Bank Berhad	3,000,000	3,060,052	3,017,692	2.76
19.03.2027	IJM Land Berhad	10,000,000	10,427,132	10,262,154	9.39
28.03.2028	Qualitas Sukuk Berhad	4,000,000	4,113,228	4,065,068	3.71
20.04.2028	UMW Holdings Berhad	3,000,000	3,214,078	3,053,758	2.90
03.12.2030	CIMB Group Holdings Berhad	2,000,000	2,014,809	2,013,249	1.82
09.05.2031	UDA Holdings Berhad	2,000,000	2,096,469	2,031,751	1.89
06.05.2032	UDA Holdings Berhad	1,000,000	1,033,807	1,016,405	0.93
31.05.2032	GENM Capital Berhad	13,500,000	14,135,158	13,621,888	12.74

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 January 2026 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
Fixed income securities – local (cont'd.)					
Corporate bonds (cont'd.)					
30.06.2032	STM Lottery Sdn. Bhd.	1,000,000	1,033,455	1,007,030	0.93
20.08.2032	Eco World Perpetual Capital Berhad	4,000,000	4,155,290	4,081,370	3.74
05.11.2032	Alliance Bank Malaysia Berhad	4,000,000	4,050,635	4,039,395	3.65
15.12.2032	IJM Land Berhad	5,000,000	5,042,364	5,042,601	4.54
23.06.2034	YTL Corporation Berhad	5,000,000	5,310,265	5,049,051	4.78
16.02.2035	Malakoff Power Berhad	5,000,000	5,263,203	5,103,403	4.74
28.11.2035	Malaysian Resources Corporation Berhad	3,000,000	3,028,605	3,015,997	2.73
11.11.2036	YTL Corporation Berhad	4,000,000	4,490,879	4,069,641	4.05
02.06.2037	TNB Power Generation Sdn. Bhd.	250,000	278,920	252,110	0.25
05.01.2038	Edra Energy Sdn. Bhd.	5,000,000	6,277,718	5,161,505	5.66
21.03.2039	IJM Treasury Management Sdn. Bhd.	7,000,000	7,417,496	7,284,574	6.68

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

4. INVESTMENTS (CONT'D.)

Details of investments as at 31 January 2026 are as follows: (cont'd.)

Maturity date	Issuer	Nominal value RM	Fair value RM	Adjusted cost RM	Fair value as a percentage of NAV %
Fixed income securities – local (cont'd.)					
Corporate bonds (cont'd.)					
27.04.2040	Sime Darby Property Berhad	5,000,000	5,106,116	5,052,966	4.60
06.11.2040	PNB Merdeka Ventures Sdn. Bhd.	5,000,000	5,077,248	5,048,148	4.57
02.06.2042	TNB Power Generation Sdn. Bhd.	500,000	574,775	504,345	0.52
30.06.2042	Tenaga Nasional Berhad	2,000,000	2,342,992	2,009,692	2.11
06.10.2042	Solarpack Suria Sungai Petani Sdn. Bhd.	1,000,000	1,138,896	1,027,092	1.03
Total corporate bonds		95,250,000	100,683,590	96,830,885	90.72
Government Investment Issue					
31.01.2056	Government of Malaysia	6,000,000	6,006,490	5,997,723	5.41
Total Government Investment Issue		6,000,000	6,006,490	5,997,723	5.41
Total fixed income securities - local		101,250,000	106,690,080	102,828,608	96.13
Total financial assets at FVTPL			106,690,080	102,828,608	96.13
Excess of fair value over adjusted cost			3,861,472		

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

5. DEPOSIT WITH LICENSED FINANCIAL INSTITUTION

	31.01.2026 RM	31.07.2025 RM
At nominal value:		
Short-term deposit	<u>4,272,000</u>	<u>5,029,000</u>
At carrying value:		
Short-term deposit	<u>4,272,667</u>	<u>5,029,393</u>

Details of deposit with licensed financial institution are as follows:

Maturity date	Financial Institution	Nominal value RM	Carrying value RM	Carrying value as a percentage of NAV %
31.01.2026				
Short-term deposit				
03.02.2026	Hong Leong Bank Berhad	<u>4,272,000</u>	<u>4,272,667</u>	<u>3.85</u>

6. AMOUNT DUE FROM/TO MANAGER

	Note	31.01.2026 RM	31.07.2025 RM
(a) Due from Manager			
Creation of units	(i)	<u>15,080</u>	<u>2,526,288</u>
(b) Due to Manager			
Cancellation of units	(ii)	38,940	46,227
Management fee payable	(iii)	<u>100,609</u>	<u>101,317</u>
		<u>139,549</u>	<u>147,544</u>

(i) This represents amount receivable from the Manager for units created.

(ii) This represents amount payable to the Manager for units cancelled.

The normal credit period in the current financial period and previous financial year for creation and cancellation of units is three business days.

(iii) Management fee is at a rate of 1.00% (31.07.2025: 1.00%) per annum on the NAV of the Fund, calculated on a daily basis.

The normal credit period in the current financial period and previous financial year for management fee payable is one month.

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

7. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.04% (31.07.2025: 0.04%) per annum on the NAV of the Fund, calculated on a daily basis.

The normal credit period in the current financial period and previous financial year for Trustee's fee payable is one month.

8. NET LOSSES FROM INVESTMENTS

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
Net losses on financial assets at FVTPL comprised:		
- Net realised gains on sale of investments	1,063,503	365,953
- Net realised losses on foreign currency exchange	(719,862)	(106,411)
- Net unrealised losses on changes in fair value of investments	(1,233,282)	(1,101,890)
- Net unrealised gain/(loss) on foreign currency fluctuation of investments denominated in foreign currency	621,352	(153,504)
	<u>(268,289)</u>	<u>(995,852)</u>

9. TOTAL EQUITY

Total equity is represented by:

	Note	31.01.2026 RM	31.07.2025 RM
Unit holders' capital	(a)	100,928,960	93,561,809
Retained earnings			
- Realised income	(b)	6,193,380	8,468,128
- Unrealised gains	(c)	3,861,472	4,473,402
		<u>110,983,812</u>	<u>106,503,339</u>

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

9. TOTAL EQUITY (CONT'D.)

(a) Unit holders' capital/Units in circulation

	31.01.2026		31.07.2025	
	Number of units	RM	Number of units	RM
At beginning of the financial period/year	145,041,013	93,561,809	143,834,971	92,764,052
Creation during the financial period/year	14,399,533	10,585,218	38,920,423	28,098,304
Reinvestment of distribution	6,454,604	4,584,060	7,296,139	5,223,896
Cancellation during the financial period/year	(10,957,289)	(7,802,127)	(45,010,520)	(32,524,443)
At end of the financial period/year	<u>154,937,861</u>	<u>100,928,960</u>	<u>145,041,013</u>	<u>93,561,809</u>

The Manager charged an exit penalty fee of 1.00% (2025: 1.00%) on the NAV per unit of the Fund during the financial period. The exit penalty will be recognised as income to the Fund.

(b) Realised

	31.01.2026	31.07.2025
	RM	RM
At beginning of the financial period/year	8,468,128	9,073,246
Net realised income for the financial period/year	2,322,439	4,635,773
Distribution out of realised income	(4,597,187)	(5,240,891)
At end of the financial period/year	<u>6,193,380</u>	<u>8,468,128</u>

(c) Unrealised

	31.01.2026	31.07.2025
	RM	RM
At beginning of the financial period/year	4,473,402	4,048,540
Net unrealised (loss)/gain for the financial period/year	(611,930)	424,862
At end of the financial period/year	<u>3,861,472</u>	<u>4,473,402</u>

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

10. SIGNIFICANT RELATED PARTIES TRANSACTIONS AND BALANCES

The related parties and their relationships with the Fund are as follows:

<u>Related parties</u>	<u>Relationships</u>
AmFunds Management Berhad	The Manager
AmInvestment Bank Berhad	Holding company of the Manager
AMMB Holdings Berhad ("AMMB")	Ultimate holding company of the Manager
Subsidiaries and associates of AMMB as disclosed in its financial statements	Subsidiaries and associate companies of the ultimate holding company of the Manager

There are no units held by the Manager or any other related party as at 31 January 2026 and 31 July 2025.

Other than those disclosed elsewhere in the financial statements, the significant related party balances as at reporting date are as follows:

	31.01.2026 RM	31.07.2025 RM
Significant related party balances		
<u>AmBank (M) Berhad</u>		
Cash at bank	332	348

11. TAXATION

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
Local tax		
- current period	6,053	39,789
- over provision in previous period	-	(38,655)
	<u>6,053</u>	<u>1,134</u>

Income tax payable is calculated on investment income less deduction for permitted expenses as provided under Section 63B of the Income Tax Act, 1967.

Pursuant to the Finance Act 2021, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will no longer be exempted from tax. Foreign-sourced income ("FSI") received in Malaysia will be taxed at the prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

11. TAXATION (CONT'D.)

Based on the Income Tax (Unit Trust in relation to Income Received in Malaysia from Outside Malaysia) (Exemption) Order 2024, a qualifying unit trust is exempted from the payment of income tax in respect of the gross income from all sources of income under section 4 of the Act which is received in Malaysia from outside Malaysia between 1 January 2024 to 31 December 2026.

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

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
Net income before taxation	<u>1,716,562</u>	<u>1,172,306</u>
Taxation at Malaysian statutory rate of 24% (2025: 24%)	411,975	281,353
Tax effects of:		
Income not subject to taxation	(1,015,412)	(694,773)
Losses not allowed for tax deduction	472,261	332,406
Restriction on tax deductible expenses for unit trust fund	122,556	114,059
Non-permitted expenses for tax purposes	14,673	6,744
Over provision in previous period	-	(38,655)
Tax expense for the financial period	<u>6,053</u>	<u>1,134</u>

12. DISTRIBUTION

Details of distribution to unit holders for the financial periods are as follows:

Financial period ended 31 January 2026

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
24 September 2025	<u>2.9464</u>	<u>2.9244</u>	<u>4,597,187</u>

Financial period ended 31 January 2025

Distribution Ex-date	Gross distribution per unit RM (sen)	Net distribution per unit RM (sen)	Total distribution RM
19 September 2024	<u>2.0701</u>	<u>2.0282</u>	<u>2,852,947</u>

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

12. DISTRIBUTION (CONT'D.)

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

The distribution declared for the financial period ended 31 January 2026 has been proposed before taking into account the net unrealised losses of RM611,930 (31.01.2025: RM1,255,394) arising during the financial period which was carried forward to the next financial period.

Distribution during the current financial period was sourced from realised income. There was no distribution out of capital.

13. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

	01.08.2025 to 31.01.2026 % p.a.	01.08.2024 to 31.01.2025 % p.a.
Management fee	0.50	0.50
Trustee’s fee	0.02	0.02
Fund’s other expenses	0.04	0.02
Total TER	<u>0.56</u>	<u>0.54</u>

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.

14. PORTFOLIO TURNOVER RATIO (“PTR”)

The PTR of the Fund, which is the ratio of average total acquisitions and disposals of investments to the average NAV of the Fund calculated on a daily basis is 0.44 times (01.08.2024 to 31.01.2025: 0.29 times).

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

15. SEGMENTAL REPORTING

The Manager and Investment Committee of the Fund are responsible for allocating resources available to the Fund in accordance with the overall investment strategies as set out in the Investment Guidelines of the Fund. The Fund is managed by two segments:

- A portfolio of foreign fixed income instruments; and
- A portfolio of local fixed income instruments, including deposit with licensed financial institution.

The investment objective of each segment is to achieve consistent returns from the investments in each segment while safeguarding capital by investing in diversified portfolios. There have been no changes in reportable segments in the current financial period.

	01.08.2025 to 31.01.2026			01.08.2024 to 31.01.2025		
	Foreign fixed income portfolio RM	Local fixed income portfolio RM	Total RM	Foreign fixed income portfolio RM	Local fixed income portfolio RM	Total RM
Interest income	91,468	2,454,560	2,546,028	199,787	2,269,770	2,469,557
Net losses from investments: – Financial assets at FVTPL	92,193	(360,482)	(268,289)	(457,423)	(538,429)	(995,852)
Other net realised (loss)/gain on foreign currency exchange	(14,611)	-	(14,611)	36,157	-	36,157
Total segment investment income for the financial period	<u>169,050</u>	<u>2,094,078</u>	<u>2,263,128</u>	<u>(221,479)</u>	<u>1,731,341</u>	<u>1,509,862</u>

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

15. SEGMENTAL REPORTING (CONT'D.)

	31.01.2026			31.07.2025		
	Foreign fixed income portfolio RM	Local fixed income portfolio RM	Total RM	Foreign fixed income portfolio RM	Local fixed income portfolio RM	Total RM
Financial assets at FVTPL	- 106,690,080	106,690,080	106,690,080	8,348,292	90,594,379	98,942,671
Deposit with licensed financial institution	- 4,272,667	4,272,667	4,272,667	- 5,029,393	5,029,393	5,029,393
Total segment assets	- 110,962,747	110,962,747	110,962,747	8,348,292	95,623,772	103,972,064

Expenses of the Fund are not considered part of the performance of any investment segment. The following table provides reconciliation between the net reportable segment investment income and net income after taxation:

	01.08.2025 to 31.01.2026 RM	01.08.2024 to 31.01.2025 RM
Net reportable segment investment income	2,263,128	1,509,862
Other income	81,959	218,593
Less: Expenses	(628,525)	(556,149)
Net income before taxation	1,716,562	1,172,306
Taxation	(6,053)	(1,134)
Net income after taxation	1,710,509	1,171,172

In addition, certain assets and liabilities are not considered to be part of the net assets or liabilities of an individual segment. The following table provides reconciliation between the net reportable segment assets and liabilities and total assets and liabilities of the Fund.

	31.01.2026 RM	31.07.2025 RM
Total segment assets	110,962,747	103,972,064
Amount due from Manager	15,080	2,526,288
Sundry receivable	616	311
Tax recoverable	26,164	39,217
Cash at banks	142,769	132,692
Total assets of the Fund	111,147,376	106,670,572

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

15. SEGMENTAL REPORTING (CONT'D.)

	31.01.2026	31.07.2025
	RM	RM
Amount due to Manager	139,549	147,544
Amount due to Trustee	3,779	3,489
Sundry payables and accruals	20,236	16,200
Total liabilities of the Fund	<u>163,564</u>	<u>167,233</u>

16. TRANSACTIONS WITH BROKERS

Details of transactions with brokers for the financial period ended 31 January 2026 are as follows:

	Transactions value	
	RM	%
CIMB Bank Berhad	34,197,667	35.14
CIMB Islamic Bank Berhad	11,226,736	11.54
Citibank Berhad	10,401,503	10.69
Hong Leong Investment Bank Berhad	7,625,395	7.84
J.P. Morgan Chase Bank Berhad	5,996,400	6.16
Hong Leong Islamic Bank Berhad	5,339,510	5.49
AmBank (M) Berhad*	5,015,000	5.15
Malayan Banking Berhad	5,000,000	5.14
Novate Global Markets Limited	4,487,592	4.61
HSBC Bank Malaysia Berhad	4,000,000	4.11
Others	4,024,611	4.13
Total	<u>97,314,414</u>	<u>100.00</u>

* A financial institution related to the Manager.

The Manager is of the opinion that the above transactions have been entered in the normal course of business and have been established under terms that are no less favourable than those arranged with independent third parties.

The above transactions are in respect of fixed income instruments. Transactions in these investments do not involve any commission or brokerage fee.

17. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks that include market risk, credit risk, liquidity risk, single issuer risk, regulatory risk, country risk, management risk and non-compliance risk.

AmDynamic Bond

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026

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

Risk management is carried out by closely monitoring, measuring and mitigating the above said risks, careful selection of investments coupled with stringent compliance to investment restrictions as stipulated by the Capital Markets and Services Act 2007, Securities Commission Malaysia's Guidelines on Unit Trust Funds and the Deeds as the backbone of risk management of the Fund.

(a) Market risk

The Fund's principal exposure to market risk arises primarily due to changes in the market environment, global economic and geo-political developments.

The Fund's market risk is affected primarily by the following risks:

(i) Interest rate risk

Interest rate risk will affect the value of the Fund's investments, given the interest rate movements, which are influenced by regional and local economic developments as well as political developments.

Domestic interest rates on deposits and placements with licensed financial institutions are determined based on prevailing market rates.

(ii) Currency risk

Currency risk is associated with the Fund's financial assets and financial liabilities that are denominated in currencies other than the Fund's functional currency. Currency risk refers to the potential loss the Fund might face due to unfavorable fluctuations of currencies other than the Fund's functional currency against the Fund's functional currency.

The net unhedged financial assets of the Fund that are not denominated in Fund's functional currency are as follows:

Financial assets denominated in	31.01.2026		31.07.2025	
	RM equivalent	% of NAV	RM equivalent	% of NAV
United States Dollar				
Investments	-	-	8,348,292	7.84
Cash at banks	131,152	0.12	121,385	0.11
	<u>131,152</u>	<u>0.12</u>	<u>8,469,677</u>	<u>7.95</u>
Indonesian Rupiah				
Cash at banks	<u>2</u>	<u>-*</u>	<u>2</u>	<u>-*</u>

* represents less than 0.01%.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

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

(b) Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. The Fund is exposed to the risk of bond issuers and licensed financial institutions defaulting on their repayment obligations which in turn would affect the NAV of the Fund.

For deposit with a licensed financial institution, the Fund makes placements with licensed financial institutions with sound rating of P1/MARC-1 and above. Cash at banks are held for liquidity purposes and are not exposed to significant credit risk.

(c) 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 assets. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its financial liabilities or redeem its units earlier than expected. This is also the risk of the Fund experiencing large redemptions, when the Investment Manager could be forced to sell large volumes of its holdings at unfavorable prices to meet redemption requirements.

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by unit holders. Liquid assets comprise of cash at banks, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 5 to 7 days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce liquidity risk.

The Fund's financial liabilities have contractual maturities of not more than six months.

(d) Single issuer risk

Internal policy restricts the Fund from investing in securities issued by any issuer of not more than a certain percentage of its NAV. Under such restriction, the risk exposure to the securities of any single issuer is diversified and managed based on internal/external ratings.

(e) Regulatory risk

Any changes in national policies and regulations may have effects on the capital market and the NAV of the Fund.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 AUGUST 2025 TO 31 JANUARY 2026**

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

(f) Country risk

The risk of price fluctuation in foreign securities may arise due to political, financial and economic events in foreign countries. If this occurs, there is a possibility that the NAV of the Fund may be adversely affected.

(g) Management risk

Poor management of the Fund may cause considerable losses to the Fund that in turn may affect the NAV of the Fund.

(h) Non-compliance risk

This is the risk of the Manager or the Trustee not complying with their respective internal policies, the Deeds, securities laws or guidelines issued by the regulators relevant to each party, which may adversely affect the performance of the Fund.

AmDynamic Bond

STATEMENT BY THE MANAGER

I, Wong Weng Tuck, being the Director of and on behalf of the Board of Directors of AmFunds Management Berhad (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 134: *Interim Financial Reporting* (“MFRS 134”) so as to give a true and fair view of the financial position of AmDynamic Bond (the “Fund”) as at 31 January 2026 and of the comprehensive income, the changes in equity and cash flows for the financial period then ended.

For and on behalf of the Manager

WONG WENG TUCK

Executive Director

Kuala Lumpur, Malaysia

18 March 2026

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF AMDYNAMIC BOND ("Fund")

We have acted as Trustee of the Fund for the financial period ended 31 January 2026 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AmFunds Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the Management Company under the Deeds, securities laws and the Guidelines on Unit Trust Funds;
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 requirements.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Lee Cincee
Associate Director, Trustee and Fiduciary Services

Kuala Lumpur, Malaysia
18 March 2026

DIRECTORY

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Email: enquiries@aminvest.com

Postal Address AmFunds Management Berhad
P.O Box 13611, 50816 Kuala Lumpur

*For enquiries about this or any of the other Funds offered by AmFunds Management Berhad
Please call 2032 2888 between 8.45 a.m. to 5.45 p.m. (Monday to Thursday),
Friday (8.45 a.m. to 5.00 p.m.)*

