

Semi-Annual Report for

# AmIncome Management

31 January 2026



## TRUST DIRECTORY

### **Manager**

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

### **Trustee**

Deutsche Trustees Malaysia Berhad

### **Auditors and Reporting Accountants**

Ernst & Young PLT

### **Taxation Adviser**

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

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## MANAGER'S REPORT

Dear Unitholders,

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

### Salient Information of the Fund

<b>Name</b>	AmlIncome Management ("Fund")
<b>Category/ Type</b>	Fixed Income / Income
<b>Objective</b>	<p>The Fund is a fixed income fund which aims to provide income* and liquidity** over the short to medium-term.</p> <p><i>Notes:</i> <i>Any material change to the investment objective of the Fund would require Unit Holders' approval.</i> <i>* Income distribution (if any) will be reinvested.</i> <i>** Liquidity means that investor may receive their withdrawal proceeds within 2 Business Days after redemption application is received by the Manager on or before the cut-off time.</i></p>
<b>Duration</b>	<p>The Fund was established on 2 December 2013 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>
<b>Performance Benchmark</b>	<p>AmBank (M) Berhad 12-months conventional fixed deposit rate. (Available at <a href="http://www.aminvest.com">www.aminvest.com</a>)</p> <p><i>Note: The risk profile of the Fund's investment is higher than the risk profile of the performance benchmark and consequently, the Fund is expected to outperform the performance benchmark.</i></p>
<b>Income Distribution Policy</b>	<p>Subject to the availability of income, distribution is paid at least twice every year and will be reinvested.</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 %
Corporate bonds	-	-	72.80	74.08
Cagamas bond	-	-	-	10.35
Malaysian Government Securities	96.20	-	-	-
Government Investment Issue	-	94.11	-	-
Money market deposits and cash equivalents	3.80	5.89	27.20	15.57
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
	<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)	3,479,618	3,819,136	9,919,208	193,292,567
Units in circulation	3,514,953	3,836,963	9,677,159	181,231,343
Net asset value per unit (RM)	0.9899	0.9954	1.0250	1.0666
Highest net asset value per unit (RM)	0.9974	1.0274	1.0696	1.0747
Lowest net asset value per unit (RM)	0.9890	0.9911	1.0250	1.0626
Benchmark performance (%)	1.05	2.49	2.61	2.41
Total return (%) <sup>(1)</sup>	0.90	2.69	3.61	3.56
- Capital growth (%)	-0.55	-2.78	-3.80	0.27
- Income distributions (%)	1.45	5.47	7.41	3.29
Gross distributions (RM sen per unit)	1.4400	5.6100	7.9075	3.5000
Net distributions (RM sen per unit)	1.4400	5.6100	7.9075	3.5000
Total expense ratio (%) <sup>(2)</sup>	0.55	0.82	0.43	0.42
Portfolio turnover ratio (times) <sup>(3)</sup>	0.94	3.50	1.07	0.13
	<i>Note:</i>			
	<i>(1) Total return is the actual return of the Fund for the respective financial period/years computed based on the 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>			
	<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.</i>			

**Average Total Return (as at 31 January 2026)**

	<b>AmlIncome Management<sup>(a)</sup></b> %	<b>Benchmark<sup>(b)</sup></b> %
One year	2.50	2.27
Three years	3.07	2.46
Five years	2.63	2.19
Ten years	3.03	2.56

**Annual Total Return**

<b>Financial Years Ended (31 July)</b>	<b>AmlIncome Management<sup>(a)</sup></b> %	<b>Benchmark<sup>(b)</sup></b> %
2025	2.69	2.49
2024	3.61	2.61
2023	3.56	2.41
2022	1.71	1.62
2021	2.14	1.55

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

(b) AmBank (M) Berhad 12-months conventional fixed deposit rate.  
(Available at [www.aminvest.com](http://www.aminvest.com))

The Fund performance is calculated based on the 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.**

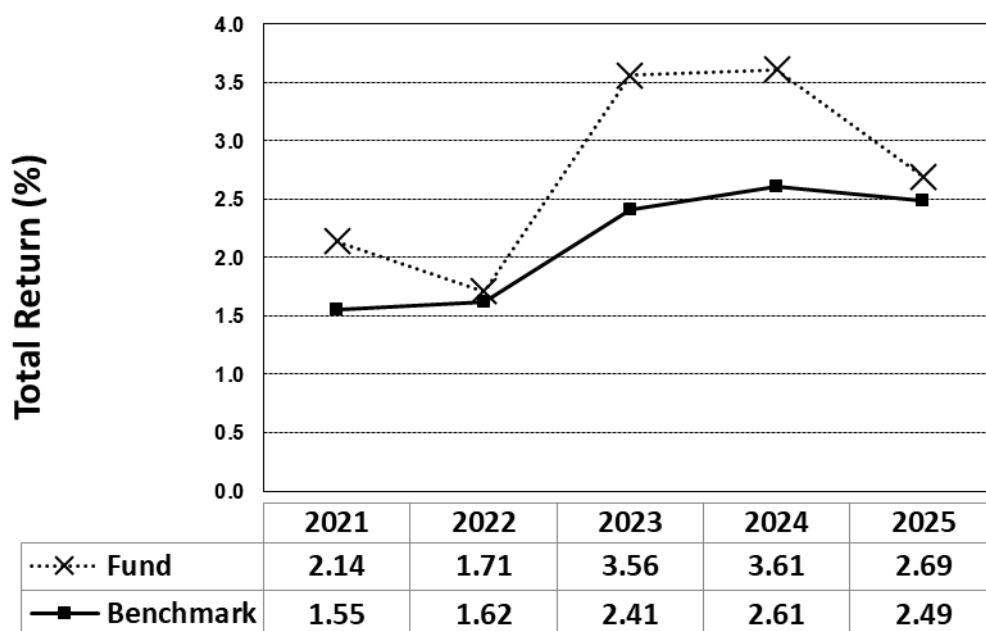
**Fund Performance**

For the financial period under review, the Fund registered a return of 0.90% comprising of negative 0.55% capital and 1.45% income distributions.

Thus, the Fund's return of 0.90% has underperformed the benchmark's return of 1.05% by 0.15%.

As compared with the financial year ended 31 July 2025, the net asset value ("NAV") per unit of the Fund decreased by 0.55% from RM0.9954 to RM0.9899, while units in circulation decreased by 8.39% from 3,836,963 units to 3,514,953 units.

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



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**

The Fund invested primarily in fixed income instruments such as sovereign, quasi-sovereign and corporate bonds, accepted bills, negotiable instrument of deposits, repurchase agreement (Repo) and deposits with financial institutions.

**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 %
Malaysian Government Securities	96.20	-	96.20
Government Investment Issue	-	94.11	-94.11
Money market deposits and cash equivalents	3.80	5.89	-2.09
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	

During the financial period under review, the Fund invested 96.20% of its NAV in Malaysian Government Securities and the balance of 3.80% 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.

<b>Distributions/ Unit Splits</b>	<p>During the financial period under review, the Fund declared distributions, detailed as follows:</p> <table border="1" data-bbox="359 212 1452 526"> <thead> <tr> <th data-bbox="359 212 571 313">Date of distributions</th> <th data-bbox="571 212 893 313">Distributions per unit RM (sen)</th> <th data-bbox="893 212 1197 313">NAV per unit Cum-Distributions (RM)</th> <th data-bbox="1197 212 1452 313">NAV per unit Ex-Distributions (RM)</th> </tr> </thead> <tbody> <tr> <td data-bbox="359 313 571 347">29-Aug-25</td> <td data-bbox="571 313 893 347">0.20</td> <td data-bbox="893 313 1197 347">0.9972</td> <td data-bbox="1197 313 1452 347">0.9952</td> </tr> <tr> <td data-bbox="359 347 571 380">30-Sep-25</td> <td data-bbox="571 347 893 380">0.17</td> <td data-bbox="893 347 1197 380">0.9967</td> <td data-bbox="1197 347 1452 380">0.9950</td> </tr> <tr> <td data-bbox="359 380 571 414">31-Oct-25</td> <td data-bbox="571 380 893 414">0.18</td> <td data-bbox="893 380 1197 414">0.9963</td> <td data-bbox="1197 380 1452 414">0.9945</td> </tr> <tr> <td data-bbox="359 414 571 448">28-Nov-25</td> <td data-bbox="571 414 893 448">0.15</td> <td data-bbox="893 414 1197 448">0.9956</td> <td data-bbox="1197 414 1452 448">0.9941</td> </tr> <tr> <td data-bbox="359 448 571 481">31-Dec-25</td> <td data-bbox="571 448 893 481">0.59</td> <td data-bbox="893 448 1197 481">0.9958</td> <td data-bbox="1197 448 1452 481">0.9899</td> </tr> <tr> <td data-bbox="359 481 571 526">30-Jan-26</td> <td data-bbox="571 481 893 526">0.15</td> <td data-bbox="893 481 1197 526">0.9914</td> <td data-bbox="1197 481 1452 526">0.9899</td> </tr> </tbody> </table> <p>There is no unit split declared for the financial period under review.</p>	Date of distributions	Distributions per unit RM (sen)	NAV per unit Cum-Distributions (RM)	NAV per unit Ex-Distributions (RM)	29-Aug-25	0.20	0.9972	0.9952	30-Sep-25	0.17	0.9967	0.9950	31-Oct-25	0.18	0.9963	0.9945	28-Nov-25	0.15	0.9956	0.9941	31-Dec-25	0.59	0.9958	0.9899	30-Jan-26	0.15	0.9914	0.9899
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<b>State of Affairs</b>	<p>There has been neither significant changes to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unitholders during the financial period under review.</p>																												
<b>Rebates and Soft Commission</b>	<p>During the period, the management company did not receive soft commissions by virtue of transactions conducted for the Fund.</p>																												
<b>Market Review</b>	<p>In August 2024, Malaysia Government Securities (MGS) saw yields rise marginally across the curve, despite the lowering of yields in the United States Treasury (UST) curve. Much of the movement in the United States (US) reflects the expectation of a rate cut heightens in the US while the marginal shift in local Malaysian Government Securities (MGS) curve reflects the absence of local catalyst following a rally in July. In September, MGS yields fell across the curve, in tandem with lowering yields in the UST. In terms of curve movement, MGS curve bull-flattened with rates fallen from 2-6bps Month on month (MoM) on the long to ultra long-end of the curve, whilst the UST curve bull-steepened with yields lowered by 23-49bps MoM on the short-end of the curve. Malaysian bond market was under pressure in October as investor turned bearish bias, influenced by the sell-off in UST driven by uncertainties surrounding US presidential election and prospect of slower rate cut by US Federal Reserve (Fed). Sentiment was generally weaker throughout the month despite Budget 2025 tabled by Prime Minister (PM) Anwar on 18 October projected a narrower deficit of -3.8% of Gross Domestic Product (GDP) for 2025. Overall, MGS curve bear flattened, with yields rose 6-22bps on MoM basis in October. In November, Malaysian bond market rallied as investor were influenced by similar bullish sentiment in UST in the later part of the month, coupled with Bank Negara Malaysia (BNM) announcement of the cancellation of the 3-year Government Investment Issue (GII). The lower government bond supply in the market resulted in a buoyant sentiment with MGS yields fell between 5-15bps on MoM basis in November. In December, Malaysian bond market traded marginally weaker amidst profit taking activities on the back of bearish global bond backdrop and partly contributed by a lack of liquidity in second half of December as many were away for year-end holiday. This was despite positive news from BNM on the announcement of a much smaller than expected final government bond auction for the year. Overall, MGS yields rose 1-4bps, except for the ultra-long end 30-Year MGS which declined 1bps on a MoM basis in December.</p> <p>In January 2026, the local bond market delivered a mixed performance, with investors alternating between bullish and bearish positions throughout the month amid continued uncertainty over the short- to medium-term direction of bond yields. Trading volume in MGS/Malaysian Government Investment Issue (MGII) picked up significantly at RM155.8 billion in January 2026 (December 2025: RM81.6 billion) as corporate bond trading volume followed suit at RM24.5 billion (November 2025: RM13.3 billion).</p>																												

<b>Market Outlook</b>	<p>Geopolitical tensions have sharply intensified following large-scale United States (US)-Israeli military operations against Iran, triggering a pronounced risk-off sentiment across global markets. The heightened uncertainty is pushing investors globally toward safe-haven assets, increasing volatility in emerging-market fixed income and weakening regional currencies, including the ringgit.</p> <p>Against this backdrop, Malaysia’s corporate bond market is poised for a period of heavier supply, with 2026 issuance expected to reach RM130-140 billion—well above the long-term average. This increase in upcoming supply, combined with heightened geopolitical uncertainty, may trigger investors to stay defensive in the near term.</p> <p>However, rising yields amid current volatility may create compelling opportunities for medium to long-term investors. Malaysia’s resilient fixed income fundamentals and stable macro backdrop continue to underpin the attractiveness of ringgit-denominated assets, offering potential entry points as valuations become more appealing.</p>
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Kuala Lumpur, Malaysia  
AmFunds Management Berhad

18 March 2026

## AmlIncome Management

### STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2026

	Note	31.01.2026 (unaudited) RM	31.07.2025 (audited) RM
<b>ASSETS</b>			
Investments	4	3,347,392	3,594,318
Deposit with licensed financial institution	5	140,022	238,018
Cash at bank		10,924	11,043
<b>TOTAL ASSETS</b>		<b>3,498,338</b>	<b>3,843,379</b>
<b>LIABILITIES</b>			
Amount due to Manager	6	1,118	1,321
Amount due to Trustee	7	849	849
Distribution payable		5,273	7,674
Sundry payables and accruals		11,480	14,399
<b>TOTAL LIABILITIES</b>		<b>18,720</b>	<b>24,243</b>
<b>NET ASSET VALUE ("NAV") OF THE FUND</b>		<b>3,479,618</b>	<b>3,819,136</b>
<b>EQUITY</b>			
Unit holders' capital	9(a)	(9,229,760)	(8,909,608)
Retained earnings	9(b)(c)	12,709,378	12,728,744
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>	9	<b>3,479,618</b>	<b>3,819,136</b>
<b>UNITS IN CIRCULATION</b>	9(a)	<b>3,514,953</b>	<b>3,836,963</b>
<b>NAV PER UNIT (RM)</b>		<b>0.9899</b>	<b>0.9954</b>

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

## AmlIncome Management

### 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
<b>INVESTMENT INCOME</b>			
Interest income		59,556	116,878
Net losses from investments:			
– Financial assets at fair value through profit or loss (“FVTPL”)	8	<u>(5,884)</u>	<u>(18,645)</u>
		<u>53,672</u>	<u>98,233</u>
<b>EXPENDITURE</b>			
Management fee	6	(6,493)	(12,130)
Trustee’s fee	7	(5,041)	(5,041)
Audit fee		(2,532)	(2,533)
Tax agent’s fee		(2,067)	(2,066)
Other expenses		<u>(4,272)</u>	<u>(3,632)</u>
		<u>(20,405)</u>	<u>(25,402)</u>
<b>Net income before taxation</b>		33,267	72,831
<b>Taxation</b>	11	<u>-</u>	<u>-</u>
<b>Net income after taxation, representing total comprehensive income for the financial period</b>		<u>33,267</u>	<u>72,831</u>
Total comprehensive income comprises the following:			
Realised income		53,046	65,108
Unrealised (loss)/gain		<u>(19,779)</u>	<u>7,723</u>
		<u>33,267</u>	<u>72,831</u>
<b>Distributions for the financial period</b>			
Net distributions	12	<u>52,633</u>	<u>275,010</u>
Gross distributions per unit (sen)	12	<u>1.44</u>	<u>3.89</u>
Net distributions per unit (sen)	12	<u>1.44</u>	<u>3.89</u>

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

## AmlIncome Management

### 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		(8,909,608)	12,728,744	3,819,136
Total comprehensive income for the financial period		-	33,267	33,267
Creation of units	9(a)	160,499	-	160,499
Reinvestment of distributions	9(a)	55,034	-	55,034
Cancellation of units	9(a)	(535,685)	-	(535,685)
Distributions	12	-	(52,633)	(52,633)
Balance at 31 January 2026		<u>(9,229,760)</u>	<u>12,709,378</u>	<u>3,479,618</u>
At 1 August 2024		(3,017,372)	12,936,580	9,919,208
Total comprehensive income for the financial period		-	72,831	72,831
Creation of units		1,018,633	-	1,018,633
Reinvestment of distributions		371,782	-	371,782
Cancellation of units		(6,420,470)	-	(6,420,470)
Distributions		-	(275,010)	(275,010)
Balance at 31 January 2025		<u>(8,047,427)</u>	<u>12,734,401</u>	<u>4,686,974</u>

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

## AmlIncome Management

### 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
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	3,532,375	20,761,650
Purchases of investments	(3,330,690)	(17,152,675)
Interest received	98,913	120,556
Management fee paid	(6,696)	(16,128)
Trustee's fee paid	(5,041)	(5,153)
Tax agent's fee paid	(4,100)	-
Payments for other expenses	(7,690)	(7,207)
Net cash generated from operating and investing activities	<u>277,071</u>	<u>3,701,043</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	160,499	1,018,633
Payments for cancellation of units	(535,685)	(6,420,470)
Net cash used in financing activities	<u>(375,186)</u>	<u>(5,401,837)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(98,115)	(1,700,794)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<u>249,061</u>	<u>2,811,348</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	<u>150,946</u>	<u>1,110,554</u>
Cash and cash equivalents comprise:		
Deposit with licensed financial institution	140,022	1,100,094
Cash at bank	10,924	10,460
	<u>150,946</u>	<u>1,110,554</u>

## AmlIncome Management

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

#### 1. GENERAL INFORMATION

AmlIncome Management (the "Fund") was established pursuant to a Deed dated 30 May 2013 as amended by Deeds supplemental thereto (the "Deeds"), between AmFunds Management Berhad as the Manager, Deutsche Trustees Malaysia Berhad as the Trustee and the unit holders.

The Fund is a fixed income fund which aims to provide income and liquidity over the short to medium-term. 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 2 December 2013.

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.

<b>Description</b>	<b>Effective for financial periods beginning on or after</b>
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.

<b>Description</b>	<b>Effective for financial periods beginning on or after</b>
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

## AmlIncome Management

### 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.

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.

**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.)**

(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 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.

**3.5 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 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.

**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 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 classifications under MFRS 132 *Financial Instruments: Presentation* ("MFRS 132").

**3.7 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.

**3.8 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.

## AmlIncome Management

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

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

##### 3.8 Financial assets (cont'd.)

###### *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.

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 deposits with licensed financial institutions, 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 profit on the outstanding principal.

## AmlIncome Management

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

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

##### 3.8 Financial assets (cont'd.)

The Fund may classify its financial assets under the following categories: (cont'd.)

##### Financial assets at fair value through other comprehensive income ("FVOCI") (cont'd.)

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".

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.

##### 3.9 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.

##### 3.10 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

**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 Derecognition of financial instruments (cont'd.)**

(i) Derecognition of financial asset (cont'd.)

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

- 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,
  - 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.

**3.11 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.

**3.12 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. 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.

## AmlIncome Management

### 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 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.

##### 3.14 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.

#### 4. INVESTMENTS

	31.01.2026 RM	31.07.2025 RM
<b>Financial assets at FVTPL</b>		
At nominal value:		
Malaysian Government Securities	3,300,000	-
Government Investment Issue	-	3,500,000
	<u>3,300,000</u>	<u>3,500,000</u>
At fair value:		
Malaysian Government Securities	3,347,392	-
Government Investment Issue	-	3,594,318
	<u>3,347,392</u>	<u>3,594,318</u>

## AmlIncome Management

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

#### 4. INVESTMENTS (CONT'D.)

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

<b>Maturity date</b>	<b>Issuer</b>	<b>Nominal value RM</b>	<b>Fair value RM</b>	<b>Adjusted cost RM</b>	<b>Fair value as a percentage of NAV %</b>
<b>Malaysian Government Securities</b>					
31.05.2027	Government of Malaysia	3,300,000	3,347,392	3,348,075	96.20
<b>Total Malaysian Government Securities</b>		<b>3,300,000</b>	<b>3,347,392</b>	<b>3,348,075</b>	<b>96.20</b>
<b>Total financial asset at FVTPL</b>		<b>3,300,000</b>	<b>3,347,392</b>	<b>3,348,075</b>	<b>96.20</b>
<b>Shortfall of fair value over adjusted cost</b>			<b>(683)</b>		

#### 5. DEPOSIT WITH LICENSED FINANCIAL INSTITUTION

	<b>31.01.2026 RM</b>	<b>31.07.2025 RM</b>
At nominal value: Short-term deposit	140,000	238,000
At carrying value: Short-term deposit	140,022	238,018

Details of deposit with licensed financial institution are as follows:

<b>Maturity date</b>	<b>Financial Institution</b>	<b>Nominal value RM</b>	<b>Carrying value RM</b>	<b>Carrying value as a percentage of NAV %</b>
<b>31.01.2026</b>				
<b>Short-term deposit</b>				
03.02.2026	Hong Leong Bank Berhad	140,000	140,022	4.02

## AmlIncome Management

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

#### 6. AMOUNT DUE TO MANAGER

	31.01.2026 RM	31.07.2025 RM
<b>Due to Manager</b>		
Management fee payable	1,118	1,321

Management fee is at a rate of 0.35% (31.07.2025: 0.35%) 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.

#### 7. AMOUNT DUE TO TRUSTEE

Trustee's fee is at a rate of 0.06% (31.07.2025: 0.06%) per annum on the NAV of the Fund, calculated on a daily basis, subject to a minimum fee of RM10,000 per annum.

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 gain/(loss) on sale of investments	13,895	(26,368)
- Net unrealised (loss)/gain on changes in fair value of investments	(19,779)	7,723
	<u>(5,884)</u>	<u>(18,645)</u>

#### 9. TOTAL EQUITY

Total equity is represented by:

	Note	31.01.2026 RM	31.07.2025 RM
Unit holders' capital	(a)	(9,229,760)	(8,909,608)
Retained earnings			
- Realised income	(b)	12,710,061	12,709,648
- Unrealised (loss)/gain	(c)	(683)	19,096
		<u>3,479,618</u>	<u>3,819,136</u>

## AmlIncome Management

### 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	3,836,963	(8,909,608)	9,677,159	(3,017,372)
Creation during the financial period/year	161,063	160,499	1,036,466	1,033,550
Reinvestment of distributions	55,423	55,034	432,391	433,317
Cancellation during the financial period/year	(538,496)	(535,685)	(7,309,053)	(7,359,103)
At end of the financial period/year	<u>3,514,953</u>	<u>(9,229,760)</u>	<u>3,836,963</u>	<u>(8,909,608)</u>

The negative balance of unit holders' capital was due to the cancellation of units at a higher NAV per unit following the price appreciation of the Fund as compared to the units being created at a lower NAV per unit in prior years.

##### (b) Realised

	31.01.2026 RM	31.07.2025 RM
At beginning of the financial period/year	12,709,648	12,941,493
Net realised income for the financial period/year	53,046	112,374
Distributions out of realised income	(52,633)	(344,219)
At end of the financial period/year	<u>12,710,061</u>	<u>12,709,648</u>

##### (c) Unrealised

	31.01.2026 RM	31.07.2025 RM
At beginning of the financial period/year	19,096	(4,913)
Net unrealised (loss)/gain for the financial period/year	(19,779)	24,009
At end of the financial period/year	<u>(683)</u>	<u>19,096</u>

## AmlIncome Management

### 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.

#### 11. TAXATION

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

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:

	<b>01.08.2025 to 31.01.2026 RM</b>	<b>01.08.2024 to 31.01.2025 RM</b>
Net income before taxation	<u>33,267</u>	<u>72,831</u>
Taxation at Malaysian statutory rate of 24% (2025: 24%)	7,984	17,479
Tax effects of:		
Income not subject to taxation	(17,628)	(29,904)
Losses not allowed for tax deduction	4,747	6,328
Restriction on tax deductible expenses for unit trust fund	1,949	3,167
Non-permitted expenses for tax purposes	2,731	2,578
Permitted expenses not used and not available for future financial periods	<u>217</u>	<u>352</u>
Tax expense for the financial period	<u>-</u>	<u>-</u>

## AmlIncome Management

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

#### 12. DISTRIBUTIONS

Details of distributions to unit holders for the current and previous financial periods are as follows:

##### Financial period ended 31 January 2026

<b>Distributions Ex-date</b>	<b>Gross distributions per unit RM (sen)</b>	<b>Net distributions per unit RM (sen)</b>	<b>Total distributions RM</b>
29 August 2025	0.20	0.20	7,638
30 September 2025	0.17	0.17	6,748
31 October 2025	0.18	0.18	6,510
28 November 2025	0.15	0.15	5,426
31 December 2025	0.59	0.59	21,038
30 January 2026	0.15	0.15	5,273
	<u>1.44</u>	<u>1.44</u>	<u>52,633</u>

##### Financial period ended 31 January 2025

<b>Distributions Ex-date</b>	<b>Gross distributions per unit RM (sen)</b>	<b>Net distributions per unit RM (sen)</b>	<b>Total distributions RM</b>
30 August 2024	3.06	3.06	239,717
31 December 2024	0.83	0.83	35,293
	<u>3.89</u>	<u>3.89</u>	<u>275,010</u>

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 distributions declared for the financial period ended 31 January 2026 have been proposed before taking into account the net unrealised loss of RM19,779 arising during the financial period which is carried forward to the next financial period.

All distributions during the current financial period were sourced from realised income. There were no distributions out of capital.

## AmlIncome Management

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

#### 13. TOTAL EXPENSE RATIO (“TER”)

The Fund’s TER is as follows:

	<b>01.08.2025 to 31.01.2026 % p.a.</b>	<b>01.08.2024 to 31.01.2025 % p.a.</b>
Management fee	0.17	0.18
Trustee’s fee	0.14	0.07
Fund’s other expenses	0.24	0.12
Total TER	<u>0.55</u>	<u>0.37</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 0.94 times (01.08.2024 to 31.01.2025: 2.78 times).

#### 15. SEGMENTAL REPORTING

In accordance with the objective of the Fund, substantially all of the Fund’s investments are made in the form of fixed income securities in Malaysia. The Manager is of the opinion that the risk and rewards from these investments are not individually or segmentally distinct and hence the Fund does not have a separately identifiable business or geographical segments.

#### 16. TRANSACTIONS WITH BROKER

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

	<b>Transactions value</b>	
	<b>RM</b>	<b>%</b>
Malayan Banking Berhad	<u>6,900,405</u>	<u>100.00</u>

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.

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

**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, management risk and non-compliance risk.

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.

**(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 would be 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 deposits with licensed financial institutions, the Fund makes placements with financial institutions with sound rating of P1/MARC-1 and above. Cash at bank is held for liquidity purposes and is 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 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.

**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.)**

**(c) Liquidity risk (cont'd.)**

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.

**(f) Management risk**

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

**(g) 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.

## **AmIncome Management**

### **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 AmIncome Management (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 AMINCOME MANAGEMENT ("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 deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

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

For Deutsche Trustees Malaysia Berhad

**Ng Hon Leong**  
Head, Fund Operations

**Sylvia Beh**  
Chief Executive Officer

Kuala Lumpur  
18 March 2026

## DIRECTORY

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Postal Address AmFunds Management Berhad  
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*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.)*

