QUARTERLY REPORT
30 April 2025

AHAM **Flexible Maturity Income** Fund 21

MANAGER
AHAM Asset Management Berhad
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TRUSTEE
TMF Trustees Malaysia Berhad
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AHAM FLEXIBLE MATURITY INCOME FUND 21

Quarterly Report and Financial Statements
As at 30 April 2025

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QUARTERLY REPORT

FUND INFORMATION

Fund Name	AHAM Flexible Maturity Income Fund 21
Fund Type	Income
Fund Category	Fixed Income (Wholesale)
Investment Objective	The Fund aims to provide income through investments in fixed income instruments
Duration of the Fund	Five (5) years
Termination Date	14 December 2026
Benchmark	5-year Malayan Banking Berhad fixed deposit rate as at Investment Date
Distribution Policy	Depending on the level of income the Fund generates, the Fund will provide distribution on an annual basis

FUND PERFORMANCE DATA

Category	**As at 30 Apr 2025**	**As at 31 Jan 2025**
Total NAV (RM'million)	168.303	166.971
NAV per Unit (RM)	0.9671	0.9585
Unit in Circulation (million)	174.036	174.203

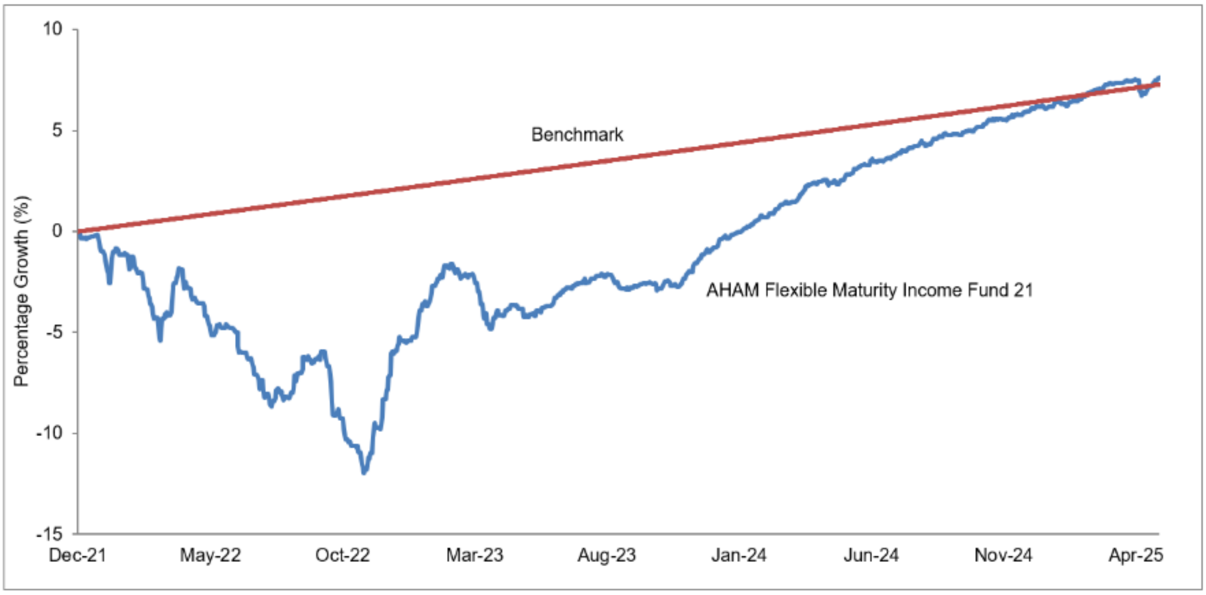
Fund Performance

Performance as at 30 April 2025

	3 Months (1/2/25 - 30/4/25)	6 Months (1/11/24 - 30/4/25)	1 Year (1/5/24 - 30/4/25)	3 Years (1/5/22 - 30/4/25)	Since Commencement (13/12/21 - 30/4/25)
Fund	0.90%	1.92%	4.95%	11.55%	7.61%
Benchmark	0.51%	1.04%	2.10%	6.44%	7.29%
Outperformance	0.39%	0.88%	2.85%	5.11%	0.32%

Source of Benchmark: Bloomberg

Movement of the Fund versus the Benchmark



"This information is prepared by AHAM Asset Management Berhad for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg."
Benchmark: 5-years Malayan Banking Berhad fixed deposit rate as at Investment Date

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

Asset Allocation

Fund's asset mix during the period under review:

	30 April 2025
	(%)
Fixed Income	96.56
Derivative	1.06
Cash & money market	2.38
Total	100.00

Strategies Employed

The Flexible Maturity Income Fund series has historically employed a more passive buy-and-hold to-maturity strategy. The Manager would invest in a portfolio of bonds with maturities that closely match those of the respective funds and monitor the credit fundamentals of these issuers throughout the remaining tenure of the funds. However, in response to challenging market conditions and unprecedented rate hikes, especially experienced over 2022 to 2023 and selective periods thereafter, the Manager has adopted a more active investing approach. This includes progressively rebalancing the portfolios to improve portfolio yield and manage risks while at times also participating in primary deals to potentially enhance returns.

Over the period under review, the Manager has continued to overweight Investment Grade (IG) bonds for the Fund. By favouring IG assets over High Yield (HY) instruments, it aligns the portfolio with a more conservative risk profile. The Manager has also prudently rebalanced the portfolio duration of the Fund to ensure that it closely matches the Fund's maturity. Additionally, the Fund's foreign currency exposure has been fully hedged since its inception to mitigate foreign currency risk.

Market Review

Over the three-month period ending April 2025, the global fixed income market has been defined by persistent inflation, cautious central banks, and renewed geopolitical as well as trade risks. The Federal Open Market Committee (FOMC) has maintained a pause on interest rate changes throughout 2025 so far, keeping the federal funds rate steady in a target range of 4.25% to 4.50%. This “wait and see” approach started early in the year reflects the Fed’s cautious approach amid rising economic uncertainty, persistent inflation pressures, and evolving risks from trade policies. Yields have been volatile, with periods of both steepening and flattening yield curves.

In April 2025, financial assets sold off sharply post Liberation Day including equities, credits, and US government bonds as investors flocked away from US exposure. While recent data showed minimal tariff impact, sentiment gauges such as Fed surveys and PMIs pointed to weakening business activity. The US tariff trade war remains an evolving situation, with the ultimate consensus being a slowdown in global growth, suggesting easier monetary policy conditions. By the end of April, both equities and bonds had retraced almost all of their initial losses except for USD, which ended weaker. In Asia, credit spreads widened significantly alongside other risk assets but managed to recover some losses towards the end of the month.

In Malaysia, Bank Negara Malaysia has continuously kept the Overnight Policy Rate unchanged at 3% since the last hike seen in May 2023, supported by the relatively moderate inflation and the central bank’s stance to support growth. This together with strong demand for MYR denominated bonds translated to lower local bond market yields in both the government bonds and private debt securities space.

Investment Outlook

Elevated yields, slowing growth expectation, and persistent inflation risks defined the landscape, while policy and geopolitical uncertainty remain key watchpoints for the year ahead. Despite volatile market, for the remainder of the year, we continue to expect global interest rates to be on a declining trend albeit on a very gradual and data dependent basis as central banks are concerned with rising inflation expectations. Furthermore, with yields on government bonds remaining relatively attractive compared to historical standards, they are likely to attract risk-averse investors seeking stability amidst market volatility. However, the pace of economic recovery and inflation dynamics will be critical factors influencing bond performance, as unexpected inflation could erode real returns.

The announcement of the “Liberation Day” tariffs has delivered a major shock to global trade, with export-driven Asian economies likely to bear the brunt of the fallout. While we believe the direct impact of U.S. tariffs is relatively contained and effectively mitigated, Asian issuers still face the broader repercussions of a sharp slowdown in economic growth—one that could potentially derail the recent recovery in the credit cycle. Asian credit markets, particularly investment-grade segment, should remain technically well supported. However, this support may not be enough to insulate the region from a broader repricing of global credit in response to rising recession risks.

Moreover, Trump's renewed skepticism toward environmental, social, and governance (ESG) initiatives has introduced significant headwinds for the US green bond market in 2025. Major US financial institutions, including JPMorgan Chase, Citigroup, and Goldman Sachs, have scaled back their commitments to net-zero initiatives, reflecting a broader industry retreat from ESG-focused alliances. This shift is partly driven by concerns over regulatory burdens and political backlashes. Despite these challenges in the US market, the global green bond market remains resilient, we expect increasing participation driven by continued investments in clean energy and climate adaptation projects, particularly in Europe and Asia. The growing emphasis on ESG factors presents a dual opportunity to enhance returns while contributing to sustainable practices, particularly in the corporate bond space.

To navigate the current market turbulence, several factors must be considered. Interest rate risk remains a significant concern, as rising rates can lead to declining bond prices, particularly for long-duration securities. On the positive note, we view that interest rates are more likely to be cut over the next twelve months, though the pace and timing remain cautious and data dependent. Despite concerns on slowing growth and recession risks, the current environment allows for active management strategies, where investors can capitalize on mispriced securities through diligent credit analysis and duration management. Moreover, the growing emphasis on ESG factors presents a dual opportunity to enhance returns while contributing to sustainable practices, particularly in the corporate bond space. Thus, while risks persist, the potential for attractive returns through strategic investment choices remains robust.

AHAM FLEXIBLE MATURITY INCOME FUND 21

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2025

	Financial period ended 30.4.2025 RM	Financial period ended 30.4.2024 RM
INVESTMENT INCOME		
Interest income from financial assets at amortised cost	31,356	21,654
Interest income from financial assets at fair value through profit or loss	2,030,378	2,035,929
Net gain/(loss) on foreign currency exchange	157,449	(240,993)
Net gain on forward foreign currency contracts at fair value through profit or loss	1,006,965	500,614
Net (loss)/gain on financial assets at fair value through profit or loss	(1,621,018)	678,993
	1,605,130	2,996,197
EXPENSES		
Management fee	(81,819)	(82,556)
Trustee fee	(16,364)	(16,511)
Fund accounting fee	(3,250)	(3,250)
Auditors' remuneration	(2,131)	(2,022)
Tax agent's fee	(933)	(885)
Other expenses	(6,901)	(8,030)
	(111,398)	(113,254)
NET PROFIT BEFORE TAXATION	1,493,732	2,882,943
Taxation	-	-
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD	1,493,732	2,882,943

Net profit after taxation is made up of the following:

Realised amount	1,375,303	1,830,184
Unrealised amount	118,429	1,052,759
	1,493,732	2,882,943

AHAM FLEXIBLE MATURITY INCOME FUND 21

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2025

	2025 RM	2024 RM
ASSETS		
Cash and cash equivalents	3,644,854	4,350,073
Amount due from dealer	1,200,755	-
Financial assets at fair value through profit or loss	164,420,623	169,682,337
Forward foreign currency contracts at fair value through profit or loss	2,245,324	78,348
Tax recoverable	415,678	478,017
TOTAL ASSETS	171,927,234	174,588,775
LIABILITIES		
Forward foreign currency contracts at fair value through profit or loss	461,954	2,996,179
Amount due to dealers	3,047,398	2,385,000
Amount due to Manager		
- management fee	27,583	27,672
- cancellation of units	65,756	-
Amount due to Trustee	5,517	5,534
Fund accounting fee	1,083	1,083
Auditors' remuneration	10,131	2,022
Tax agent's fee	4,433	4,385
Deferred tax liabilities	-	246,001
Other payables and accruals	-	23
TOTAL LIABILITIES	3,623,855	5,667,899
NET ASSET VALUE OF THE FUND	168,303,379	168,920,876
EQUITY		
Unitholders' capital	174,401,024	176,427,274
Accumulated losses	(6,097,645)	(7,506,398)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	168,303,379	168,920,876
NUMBER OF UNITS IN CIRCULATION	174,036,000	176,129,000
NET ASSET VALUE PER UNIT (RM)	0.9671	0.9591

AHAM FLEXIBLE MATURITY INCOME FUND 21

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2025

	Unitholders' capital RM	Accumulated losses RM	Total RM
Balance as at 1 February 2025	174,562,125	(7,591,377)	166,970,748
Total comprehensive income for the financial period	-	1,493,732	1,493,732
Movement in unitholders' capital:			
Cancellation of units	(161,101)	-	(161,101)
Balance as at 30 April 2025	174,401,024	(6,097,645)	168,303,379
Balance as at 1 February 2024	176,896,655	(10,389,341)	166,507,314
Total comprehensive income for the financial period	-	2,882,943	2,882,943
Movement in unitholders' capital:			
Cancellation of units	(469,381)	-	(469,381)
Balance as at 30 April 2024	176,427,274	(7,506,398)	168,920,876

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