

EASTSPRING INVESTMENTS SHORT TERM BOND FUND

ANNUAL REPORT

FOR THE FINANCIAL PERIOD FROM 15 JANUARY 2025
(DATE OF LAUNCH) TO 28 FEBRUARY 2026



Dear Valued Investor,

Greetings from Eastspring Investments Berhad!

First and foremost, we would like to take this opportunity to thank you for choosing to invest with Eastspring Investments Berhad.

We are pleased to enclose a copy of the Annual Fund Reports of Eastspring Investments Berhad's fund(s) for the reporting period ended 28 February 2026.

You may also download these reports from our website at www.eastspring.com/my

Should you require any assistance, please do not hesitate to contact our Client Services at 03-2778 1000.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Sioh Hoon', written in a cursive style.

YAP SIOK HOON

Executive Director/Chief Executive Officer

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FUND INFORMATION

Name of Fund	Eastspring Investments Short Term Bond Fund (the "Fund")
Fund Category/ Type	Bond/Income
Fund Objective	<p>The Fund seeks to provide investors with regular income*.</p> <p><i>* Income declared will be paid out by way of e-payment (i.e. telegraphic, online transfer or other forms of electronic payment) in accordance with the Unit Holders' instructions in the master account opening form.</i></p> <p>ANY MATERIAL CHANGE TO THE FUND'S OBJECTIVE WOULD REQUIRE UNIT HOLDERS' APPROVAL.</p>
Performance Benchmark	<p>Maybank 1-month fixed deposit rate.</p> <p>Source: www.maybank2u.com.my</p> <p>Note: The risk profile of the Fund is not the same as the risk profile of the performance benchmark.</p>
Fund Income Distribution Policy	<p>Subject to the availability of income, distribution of income, if any, will be on quarterly basis, after the deduction of taxation and expenses.</p>

KEY PERFORMANCE DATA FOR THE FINANCIAL PERIOD ENDED

Category	Since commencement 5.2.2025 to 28.2.2026 (%)
Unquoted fixed income securities	65.05
Cash and other assets	34.95
Total	100.00
Net Asset Value (NAV) (RM'000)	22,352
Units In Circulation (Units '000)	21,734
Net Asset Value Per Unit (RM)	1.0284
Highest Net Asset Value Per Unit (RM)#	1.0283
Lowest Net Asset Value Per Unit (RM)#	1.0220
Total Return (%)	
- Capital Growth	2.84
- Income Distribution	1.00
Total Return (%)	3.87
Gross Distribution Per Unit (RM)	0.0102
Net Distribution Per Unit (RM)	0.0102
Total Expense Ratio (TER) (%)*	0.55
Portfolio Turnover Ratio (PTR) (times)^	0.45

Figures shown as ex-distribution.

* There were no significant changes to the TER during the period under review.

^ There were no significant changes to the PTR during the period under review.

KEY PERFORMANCE DATA (CONTINUED)

	1 year 1.3.2025 to 28.2.2026	Since commencement 5.2.2025 to 28.2.2026
	(%)	(%)
Average total return	3.69	3.87

	Since commencement 5.2.2025 to 28.2.2026
	(%)
Annual total return	3.87

Source: The above total return of the Fund was sourced from Lipper for Investment Management.

Bases of calculation and assumptions made in calculating returns:

$$\text{Percentage growth} = \frac{\text{NAV}_t - 1}{\text{NAV}_0}$$

NAV_t = NAV at the end of the period

NAV₀ = NAV at the beginning of the period

$$\text{Performance annualised} = (1 + \text{Percentage Growth})^{1/n} - 1$$

Adjusted for unit split and distribution paid out for the period

n = Number of years

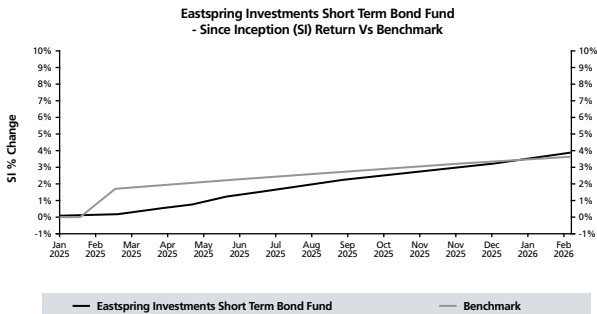
Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

MANAGER'S REPORT

Fund Performance

Since inception, the Fund recorded a return of 3.87%, outperforming the benchmark return of 3.63% by 0.24%.

The outperformance since inception and for the period was mainly due to the fund's investments in longer-term money market placements and short-term corporate bonds.



The performance is calculated on NAV-to-NAV basis with gross income or dividend reinvested.

Benchmark: Maybank 1-month fixed deposit rate.

Source: www.maybank2u.com.my

Past performance of the Fund is not necessarily indicative of its future performance.

MANAGER'S REPORT (CONTINUED)

Analysis of Fund Performance

For the financial period ended 28 February 2026:

Income Return	Capital Return*	Total Return	Total Return of Benchmark
(%)	(%)	(%)	(%)
1.00	2.84	3.87	3.63

* Capital return components (NAV per unit to NAV per unit).

Distribution/ Unit Split

Impact on NAV arising from distribution for the financial period ended 28 February 2026.

Ex-date	Distribution Per Unit		Net Asset Value Per Unit	
	Gross	Net	Before Distribution	After Distribution
	(RM)	(RM)	(RM)	(RM)
25-Sept-25	0.0051	0.0051	1.0243	1.0192
26-Dec-25	0.0051	0.0051	1.0271	1.0220

No unit split were declared for the financial period ended 28 February 2026.

Investment Strategy During the Period Under Review

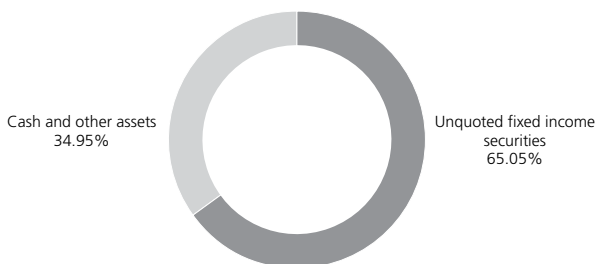
The fund will continue to invest in good quality short-term corporate bonds that offer attractive risk-adjusted returns and optimizing the return of cash holdings.

MANAGER'S REPORT (CONTINUED)

Asset Allocation

Asset Allocation	28-Feb 2026 (%)	Changes (%)
Unquoted fixed income securities	65.05	65.05
Cash and other assets	34.95	34.95

Asset Allocation as at 28 February 2026



There were no significant changes in asset allocation of the Fund for the period under review.

State of Affairs of the Fund

There have been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

MARKET REVIEW

During the review period global macroeconomic trends were shaped by escalating trade tensions driven by the United States. Heightened tariffs and retaliatory measures created persistent volatility, disrupting supply chains, elevating policy uncertainty and influencing investment and trade flows. Against this backdrop, the US economy showed resilience, with GDP growth accelerating in the second and third quarters, supported by consumer spending and fiscal measures – although inflation remained above the Federal Reserve’s 2% target and labour market loosened, with the unemployment rate ending the year above 4%.

China delivered robust growth, achieving around 5% for the year, supported by government stimulus and export diversification to non-U.S. markets – resulting in a record trade surplus nearing US\$1.2 trillion despite intensified U.S tariffs. Globally, the sustained trade conflict exerted downward pressure on global trade volumes, as new and retaliatory tariffs restricted cross-border commerce and investment. In response, central banks worldwide largely adopted an accommodative policy stance, with nearly all major institutions enacting at least one interest rate cut during the year. While cautious optimism persisted, the unresolved US trade issues continued to cloud the global outlook, weighing on international commerce and prospects for expansion.

Throughout 2025, the Federal Reserve maintained a gradual easing stance. After keeping rates steady at 4.25%–4.50% early in the year, the Fed cut the policy rate by 25 bps in the September, October and December meetings, bringing the target range to 3.50%-3.75% by year-end. This reflected moderation in inflation and moderating job gains. Forward guidance via the dot plot emphasized gradual adjustments towards a neutral rate closer to 3%.

Malaysia’s economy remained very resilient throughout 2025, growing by approximately 4.9% for the full year, above the official projection band of 4.0–4.8%. Growth was underpinned by strong domestic demand, sustained private investment, and robust services sector performance, particularly from tourism and retail. Manufacturing continued to be steady, led by electrical and electronics exports. The labour market strengthened, with the unemployment rate dropping to 2.9% by year-end. Meanwhile, the Ringgit was appreciated by nearly 10% against the US Dollar, signaling investor confidence. Fiscal consolidation was ongoing, with the deficit targeted at 3.8% of GDP. Monetary and structural reforms under the MADANI Economy Framework, alongside supportive policies from Budget 2026 helped sustain momentum despite external headwinds and softer global demand in the final quarter.

Malaysia's inflation stayed subdued, averaging about 1.4% and closing the period with Feb 2026 headline CPI reading at 1.4%. This outcome was below prior expectations, due to the limited impact of subsidy rationalization and lower global commodity prices, and the tepid inflation maintained notwithstanding minimum wage and civil servant salary hikes during the year, SST expansion and water and electricity tariff adjustments. Core inflation ended the period steadily at 2.2%. Bank Negara Malaysia cut the OPR by 25 bps to 2.75% in July—its first easing in five years—and maintained it at this level through year-end, reflecting balanced risks to growth and inflation. The central bank reiterated its data-dependent stance, with further cuts seen as unlikely unless economic conditions deteriorate.

REBATES AND SOFT COMMISSIONS

During the period under review, the Manager and the its delegates (if any) did not receive any soft commissions from stockbrokers.

SECURITIES LENDING OR REPURCHASE TRANSACTIONS

No securities lending or repurchase transaction have been carried out during the financial period under review.

EASTSPRING INVESTMENTS SHORT TERM BOND FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 15 JANUARY 2025
(DATE OF LAUNCH) TO 28 FEBRUARY 2026

STATEMENT BY THE MANAGER

We, Yap Siok Hoon and John Campbell Tupling, being two of the Directors of Eastspring Investments Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 16 to 47 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 28 February 2026 and of its financial performance, changes in equity and cash flows for the financial period from 15 January 2025 (date of launch) to 28 February 2026 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
EASTSPRING INVESTMENTS BERHAD

YAP SIOK HOON
Executive Director/Chief Executive Officer

JOHN CAMPBELL TUPLING
Independent, Non-Executive Director

Kuala Lumpur
23 April 2026

TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS SHORT TERM BOND FUND (“Fund”)

We have acted as Trustee of the Fund for the financial period from 15 January 2025 (launch date) to 28 February 2026 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Eastspring Investments 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 deed, 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
23 April 2026

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS SHORT TERM BOND FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Eastspring Investments Short Term Bond Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 28 February 2026, and of its financial performance and its cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 28 February 2026, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 16 to 47.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

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

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises the Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

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

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

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

Responsibilities of the Manager for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

- e. Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

OTHER MATTERS

This report is made solely to the unit holders of the Fund, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
Date: 23 April 2026

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 15 JANUARY 2025

(DATE OF LAUNCH) TO 28 FEBRUARY 2026

	Note	Financial period from 15.1.2025 (date of launch) to 28.2.2026
		RM
INVESTMENT INCOME		
Interest income from deposits with licensed financial institutions		233,597
Interest income from unquoted fixed income securities		397,593
Net gain on financial assets at fair value through profit or loss	7	<u>51,405</u>
		<u>682,595</u>
EXPENSES		
Management fee	3	(34,589)
Trustee fee	4	(15,987)
Audit fee		(7,000)
Tax agent fee		(4,700)
Other expenses		<u>(25,802)</u>
		<u>(88,078)</u>
PROFIT BEFORE TAXATION		594,517
TAXATION	5	<u>-</u>
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME		<u>594,517</u>
Profit after taxation is made up of the following:		
Realised amount		543,112
Unrealised amount		<u>51,405</u>
		<u>594,517</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2026

	Note	2026 RM
ASSETS		
Cash and cash equivalents	8	2,911,694
Deposits with licensed financial institutions		5,036,976
Financial assets at fair value through profit or loss	7	14,539,767
Amount due from Manager		<u>312,200</u>
TOTAL ASSETS		<u>22,800,637</u>
LIABILITIES		
Accrued management fee		3,385
Amount due to Manager		419,075
Amount due to Trustee		1,150
Other payables and accruals		<u>25,488</u>
TOTAL LIABILITIES		<u>449,098</u>
NET ASSET VALUE OF THE FUND		<u>22,351,539</u>
EQUITY		
Unit holders' capital		21,900,013
Retained earnings		<u>451,526</u>
NET ASSET ATTRIBUTABLE TO UNIT HOLDERS		<u>22,351,539</u>
NUMBER OF UNITS IN CIRCULATION	9	<u>21,734,327</u>
NET ASSET VALUE PER UNIT (EX-DISTRIBUTION) (RM)		<u>1.0284</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD FROM 15 JANUARY 2025
(DATE OF LAUNCH) TO 28 FEBRUARY 2026

	Note	Unit holders' capital	Retained earnings	Total
		RM	RM	RM
Balance as at 15 January 2025 (date of launch)		-	-	-
Movement in unit holders' contribution:				
Creation of units from applications		34,594,890	-	34,594,890
Creation of units from distributions		124,076	-	124,076
Cancellation of units		(12,765,791)	-	(12,765,791)
Distributions (Gross/Net: 1.02 cents)	6	(53,162)	(142,991)	(196,153)
Total comprehensive income for the financial period		-	594,517	594,517
Balance as at 28 February 2026		<u>21,900,013</u>	<u>451,526</u>	<u>22,351,539</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 15 JANUARY 2025
(DATE OF LAUNCH) TO 28 FEBRUARY 2026

	Financial period from 15.1.2025 (date of launch) to 28.2.2026
Note	RM
CASH FLOWS FROM OPERATING ACTIVITIES	
Purchase of investments	(14,321,600)
Placement of deposits with licensed financial institutions	(6,000,000)
Proceeds from maturity of deposits with licensed financial institutions	1,000,000
Interest received from deposits with licensed financial institutions	196,621
Interest received from unquoted fixed income securities	230,830
Management fee paid	(31,204)
Trustee fee paid	(14,837)
Payment for other fees and expenses	(12,014)
Net cash used in operating activities	<u>(18,592,204)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Cash proceeds from units created	34,282,690
Payments for cancellation of units	(12,346,715)
Distribution paid	(72,077)
Net cash generated from financing activities	<u>21,863,898</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,911,694
CASH AND CASH EQUIVALENTS AT THE LAUNCH DATE	<u>-</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	8 <u>2,911,694</u>

The accompanying material accounting policy information and notes to the financial statements form an integral part of these financial statements.

MATERIAL ACCOUNTING POLICY INFORMATION

FOR THE FINANCIAL PERIOD FROM 15 JANUARY 2025
(DATE OF LAUNCH) TO 28 FEBRUARY 2026

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with the MFRS and International Financial Reporting Standards requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported financial period. It also requires the Manager to exercise their judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note J.

- a. Standards, amendments to published standards and interpretations that are applicable and effective:

There are no standards, amendments to standards or interpretations that are applicable and effective for annual periods beginning on 1 January 2025 that have a material effect on the financial statements of the Fund.

- b. Standards and amendments that have been issued that are applicable to the Fund but not yet effective:
 - Amendments to MFRS 9 and MFRS 7 ‘Amendments to the Classification and Measurement of Financial Instruments’ (effective 1 January 2026)
 - The amendments clarify that financial assets are derecognised when the rights to the cash flows expire or when the asset is transferred, and financial liabilities are derecognised at the settlement date (i.e. when the liability is extinguished or qualifies for derecognition).

- There is an optional exception to derecognise a financial liability at a date earlier than the settlement date if the cash transfer takes place through an electronic payment system, provided that all the specified criteria are met;
 - The amendments also clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (“SPPI”) criterion;
 - There are additional new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
 - The amendments update the disclosures for equity instruments designated at fair value through other comprehensive income (“FVOCI”).
- Annual improvements to MFRS Accounting Standards for enhanced consistency (effective 1 January 2026)
 - MFRS 18 ‘Presentation and Disclosure in Financial Statements’ (effective 1 January 2027) replaces MFRS 101 ‘Presentation of Financial Statements’
 - The new MFRS introduces a new structure of profit or loss statement.
 - i. Income and expenses are classified into 3 new main categories:
 - Operating category which typically included results from the main business activities;
 - Investing category that presents the results of investments in associates and joint venture and other assets that generate a return largely independently of other resources; and
 - Financing category that presents income and expenses from financing liabilities.
 - ii. Entities are required to present two new specified subtotals: ‘Operating profit or loss’ and ‘Profit or loss before financing and income taxes’.
 - Management-defined performance measures are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.
 - Changes to the guidance on aggregate and disaggregation which focus on grouping items based on their shared characteristics.

The Fund is currently still assessing the effect of the above standards and amendments. No other new standards or amendments to standards are expected to have a material effect on the financial statements of the Fund.

B INCOME RECOGNITION

Interest income from short-term deposits placed with licensed financial institutions and unquoted fixed income securities are recognised on an accrual basis using the effective interest rate method.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gain or loss on disposal of unquoted fixed income securities is accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, which is determined on cost adjusted for accretion of discount and amortisation of premium.

C TAXATION

Current tax expense is determined according to the Malaysian tax laws at the current rate based upon the taxable income earned during the financial period.

D FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is the Fund’s functional and presentation currency.

E FINANCIAL ASSETS AND FINANCIAL LIABILITIES

i Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss, and
- those to be measured at amortised cost

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents and amount due from Manager as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies accrued management fee, amount due to Manager, amount due to Trustee and other payables and accruals as financial liabilities measured at amortised cost.

ii Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

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

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit or loss” in the financial period in which they arise. Any unrealised gains however are not distributable.

Unquoted fixed income securities are carried at cost and adjusted for any amortisation of premium or accretion of discount from acquisition date to maturity date. The carrying cost is revalued to reflect its fair value on a daily basis based on fair value prices quoted by a bond pricing agency (“BPA”) registered with the Securities Commission (“SC”) as per the SC Guidelines on Unit Trust Funds.

Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- i. records its basis for using a non-BPA price;
- ii. obtains necessary internal approvals to use the non-BPA price; and
- iii. keeps an audit trail of all decisions and basis for adopting the market yield.

Financial assets and other financial liabilities are subsequently carried at amortised cost using the effective interest rate method.

iii Impairment for assets carried at amortised costs

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 months expected credit losses as any such impairment would be wholly insignificant to the Fund.

iv Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

v Definition of default and credit-impaired financial assets

Any contractual payment which is more than 90 days past due is considered credit impaired.

vi Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial period.

F CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balances and short-term deposits with licensed financial institutions with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

G UNIT HOLDERS' CAPITAL

The unit holders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there are no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial period if unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

H AMOUNT DUE FROM/(TO) BROKERS

Amount due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The amount due from brokers balance is held for collection. Refer to Note E for accounting policy on recognition and measurement.

Any contractual payment which is more than 90 days past due is considered credit impaired.

Significant financial difficulties of the brokers, probability that the brokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

I DISTRIBUTIONS

A distribution to the Fund's unit holders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the financial period in which it is approved by the Trustee of the Fund.

J CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents on the estimates, certain key variables that are anticipated to have material impacts to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgements are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC's Guidelines on Unit Trust Funds.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 15 JANUARY 2025

(DATE OF LAUNCH) TO 28 FEBRUARY 2026

1 INFORMATION ON THE FUND

Eastspring Investments Short Term Bond Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 3 January 2023 (the “Deed”) entered into between Eastspring Investments Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”) (collectively referred to as the “Deed”).

The Fund was launched on 15 January 2025 and will continue its operations until terminated as provided under Part 12 of the Deed.

The Fund seeks to provide investors with regular income. The Manager aims to achieve the Fund’s objective by investing a minimum of 60% of the Fund’s NAV in debt securities and a maximum of 40% of the Fund’s NAV will be invested in money market instruments, deposits and/or held in cash for liquidity purposes.

All investments will be subjected to the Securities Commission’s (“SC”) Guidelines on Unit Trust Funds, the Deeds and the Fund’s objective.

The Manager is a company incorporated in Malaysia and is related to Prudential Plc., a public listed company in the United Kingdom. The principal activity of the Manager is the establishment and management of unit trust funds and asset management.

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk and interest rate risk), liquidity risk, credit/default risk, fund management risk, non-compliance risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated in the Deed.

Financial instruments of the Fund are as follows:

	Note	Financial assets at amortised cost RM	Financial assets at fair value through profit or loss RM	Total RM
2026				
Cash and cash equivalents	8	2,911,694	-	2,911,694
Deposits with licensed financial institutions	10	5,036,976	-	5,036,976
Unquoted fixed income securities	7	-	14,539,767	14,539,767
Amount due from Manager		312,200	-	312,200
		<u>8,260,870</u>	<u>14,539,767</u>	<u>22,800,637</u>

All liabilities are financial liabilities which are carried at amortised cost.

Market risk

i Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The table below shows assets of the Fund as at 28 February which are exposed to price risk:

	2026 RM
Financial assets at fair value through profit or loss:	
Unquoted fixed income securities	<u>14,539,767</u>

* Includes interest receivables of RM193,445.

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to movements in price of unquoted fixed income securities at the end of each financial reporting period. The analysis is based on the assumptions that the price of the unquoted fixed income securities increased and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the unquoted fixed income securities, having regard to the historical volatility of the prices.

	2026	
% Change in price	Market value	Impact on profit after tax and net asset value
	RM	RM
+5%	15,063,638	717,316
-5%	13,629,006	<u>(717,316)</u>

ii. Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows.

In general, when interest rates rise, unquoted fixed income securities prices will tend to fall and vice versa. Therefore, the net asset value of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund holds an unquoted fixed income securities till maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the net asset value shall not be affected at maturity. In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

Investors should note that the movement in prices of unquoted fixed income securities and money market instruments are benchmarked against interest rates. As such, the investments are exposed to the movement of the interest rates.

This risk is crucial since unquoted fixed income securities portfolio management depends on forecasting interest rate movements. Prices of unquoted fixed income securities move inversely to interest rate movements, therefore as interest rates rise, the prices of unquoted fixed income securities decrease and vice versa. Furthermore, unquoted fixed income securities with longer maturity and lower yield coupon rates are more susceptible to interest rate movements.

Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to make payments of interest income and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to movements in prices of investments at the end of each financial reporting period as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate changed by 1% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the interest rate, having regard to the historical volatility of the interest rate.

	2026
% Change in interest rate of unquoted fixed income securities	Impact on profit after tax and net asset value
	RM
+1%	(20,838)
-1%	<u>20,880</u>

The Fund's investments in deposits with licensed financial institutions are short-term in nature. Therefore, exposure to interest rate fluctuations is minimal.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. Generally, all investments are subject to a certain degree of liquidity risk depending on the nature of the investment instruments, market, sector and other factors. For the purpose of the Fund, the Manager will attempt to balance the entire portfolio by investing in a mix of assets with satisfactory trading volume and those that occasionally could encounter poor liquidity. This is expected to reduce the risks for the entire portfolio without limiting the Fund's growth potentials.

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 bank balances, deposits with licensed financial institutions and other instruments which are capable of being converted into cash within 7 days.

The table below summarises the Fund's financial liabilities into relevant maturity groupings based on the remaining period as at the statement of financial position date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
2026			
Accrued management fee	3,385	-	3,385
Amount due to Manager	419,075	-	419,075
Amount due to Trustee	1,150	-	1,150
Other payables and accruals	-	25,488	25,488
Contractual undiscounted cash outflows	<u>423,610</u>	<u>25,488</u>	<u>449,098</u>

Credit/Default risk

Credit risk refers to the ability of an issuer or a counter party to make timely payments of interest income, principals and proceeds from realisation of investments.

Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA1 or higher.

The credit risk arising from placements of deposits with licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The credit/default risk is minimal as all transactions in quoted securities are settled/paid upon delivery using approved brokers.

For unquoted fixed income securities, the Manager regularly reviews the rating assigned to the issuer so that necessary steps can be taken if the rating falls below those described by the Deeds and SC's Guidelines on Unit Trust Funds.

The following table sets out the credit risk concentrations and counterparties of the Fund.

	Financial assets at fair value through profit or loss	Cash and cash equivalents	Deposits with licensed financial institutions	Amount due from Manager	Total
	RM	RM	RM	RM	RM
<u>2026</u>					
Financial Services					
- AAA	-	2,911,694	5,036,976	-	7,948,670
Consumer Discretionary					
- AA1 (S)	3,624,339	-	-	-	3,624,339
Energy & Utilities					
- AA3	1,030,723	-	-	-	1,030,723
- AA- IS	1,020,287	-	-	-	1,020,287
Financial					
- AAA	2,048,355	-	-	-	2,048,355
- AA1	1,820,036	-	-	-	1,820,036
- AA3	1,935,834	-	-	-	1,935,834
Information Technology					
- AA- IS (CG)	1,035,778	-	-	-	1,035,778
Real Estate					
- AAA (FG)	2,024,415	-	-	-	2,024,415
Other					
- NR	-	-	-	312,200	312,200
	<u>14,539,767</u>	<u>2,911,694</u>	<u>5,036,976</u>	<u>312,200</u>	<u>22,800,637</u>

None of these financial assets are past due or impaired

Fund management risk

There is the risk that the management company may not adhere to the investment mandate of the respective Funds. With close monitoring by the investment committee, back office system being incorporated with limits and controls, and regular reporting to the senior management team, the management company is able to manage such risk. The Trustees have an oversight function over management of the Fund by the management company to safeguard the interests of unit holders.

Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund are not compliant to the rules set out in the Fund's constitution or the laws that govern the Fund or applicable internal control procedures, or acts of fraudulence or dishonesty.

Non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the Manager.

Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM21,900,013 and retained earnings of RM451,526. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unit holders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unit holders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

Fair value estimation

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

The fair value of financial assets traded in active market (such as trading securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is representative of the fair value.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

i. Fair value hierarchy

The following table analyses financial instruments carried at fair value by valuation method.

The different levels have been defined as follows:

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

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes “observable” requires significant judgement by the Fund. The Fund considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy of the Fund’s financial assets (by class) measured at fair value:

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
<u>2026</u>				
Financial assets at fair value through profit or loss since inception:				
Unquoted fixed income securities		- 14,539,767	- 14,539,767	

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2 which include unquoted fixed income securities. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information. The Fund’s policies on valuation of these financial assets are stated in Note E to the financial statements.

- ii. The carrying value of cash and cash equivalents, amount due from Manager and all liabilities are a reasonable approximation of their fair values due to their short-term nature.

3 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 2.00% per annum of the net asset value of the Fund calculated on daily basis.

For the financial period from 15 January 2025 (date of launch) to 28 February 2026, the management fee is recognised at a rate of 0.20% per annum on the net asset value of the Fund, calculated on daily basis.

There will be no further liability to the Manager in respect of the management fee other than the amounts recognised above.

4 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.20% per annum of the net asset value of the Fund, subject to a minimum fee of RM15,000 per annum (excluding foreign custodian fees and charges).

For the financial period from 15 January 2025 (date of launch) to 28 February 2026, the Trustee fee is recognised at a rate of 0.06% subject to a minimum fee of RM15,000 per annum on the net asset value of the Fund, inclusive of local custodian fee, calculated on daily basis.

There will be no further liability to the Trustee in respect of the Trustee fee other than the amounts recognised above.

5 TAXATION

	Financial period from 15.1.2025 (date of launch) to 28.2.2026
	RM

Tax charged for the financial period:

Current taxation

-

The numerical reconciliation between profit before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	Financial period from 15.1.2025 (date of launch) to 28.2.2026
	RM
Profit before taxation	<u>594,517</u>
Tax at Malaysian statutory rate of 24%	142,684
Tax effects of:	
Investment income not subject to tax	(163,823)
Expenses not deductible for tax purposes	11,158
Restriction on tax deductible expenses for Unit Trust Funds	<u>9,981</u>
Taxation	<u>-</u>

6 DISTRIBUTIONS

	2026
	RM

Distribution to unit holders is from the following sources:

Interest income from deposits with licensed financial institutions	169,038
Dividend equalisation	53,162
Gross realised income	<u>222,200</u>
Less: Expenses	<u>(26,047)</u>
	<u>196,153</u>

	Gross/Net distribution
Ex-Date	2026
	Cents/Unit
25 September 2025	0.0051
26 December 2025	<u>0.0051</u>

Gross distribution is derived using total income less total expenses. The distribution is made from current financial periods' realised income.

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.

Distribution equalisation represents the average amount of distributable income included in the creation and cancellation prices of units. It is computed as at each date of creation and cancellation of units. For the purposes of determining amount available for distribution, distribution equalisation is included in the computation of realised gain or income available for distribution.

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026
	RM
Financial assets at fair value through profit or loss since inception:	
Unquoted fixed income securities	<u>14,539,767</u>
Net gain on financial assets at fair value through profit or loss:	
Change in unrealised fair value gain	<u>51,405</u>
	<u>51,405</u>

Unquoted fixed income securities

Name of counter	Nominal value	Aggregate cost	Fair value	Percentage
			as at 28.2.2026	of net asset value of the Fund
	RM	RM	RM	%
3.95% Alsreit Capital Sdn Bhd 22.11.2030 (AAA (FG))	2,000,000	2,020,995	2,024,415	9.06
4.30% AmBank (M) Berhad 8.3.2032 (AA3)	1,100,000	1,130,067	1,129,753	5.05
4.80% EXSIM Capital Resources Berhad 17.1.2030 (AA3)	800,000	806,798	806,081	3.61
5.07% GENM Capital Berhad 5.5.2028 (AA1 (S))	1,000,000	1,037,485	1,037,163	4.64
5.30% GENM Capital Berhad 11.7.2028 (AA1 (S))	1,000,000	1,034,842	1,034,550	4.63
5.19% Genting RMTN Berhad 25.3.2027 (AA1 (S))	1,500,000	1,547,741	1,552,626	6.95
4.05% Hong Leong Bank Berhad 9.6.2034 (AA1)	800,000	812,262	815,581	3.65
3.10% Malayan Banking Berhad 8.10.2032 (AA1)	1,000,000	995,568	1,004,455	4.49
4.32% ORKIM Sdn Bhd 28.2.2030 (AA- IS)	1,000,000	1,000,237	1,020,287	4.56

Unquoted fixed income securities (continued)

Name of counter	Nominal value	Aggregate cost	Fair value as at 28.2.2026	Percentage of net asset value of the Fund
	RM	RM	RM	%
5.16% RP Hydro (Kelantan) Sdn Bhd 13.7.2029 (AA3)	1,000,000	1,021,402	1,030,723	4.61
4.85% TY Consolidated Capital Berhad 23.9.2030 (AAA)	2,000,000	2,050,103	2,048,355	9.16
4.74% VS Capital Management Sdn Bhd 21.9.2027 (AA- IS (CG))	1,000,000	1,030,862	1,035,778	4.64
TOTAL UNQUOTED FIXED INCOME SECURITIES	<u>14,200,000</u>	14,488,362	<u>14,539,767</u>	65.05
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>51,405</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>14,539,767</u>	

The effective weighted average rate of return of unquoted fixed income securities per annum as at the date of the statement of financial position are as follows:

	2026
	%
Unquoted fixed income securities	<u>4.07</u>

8 CASH AND CASH EQUIVALENTS

	2026
	RM
Bank balance with a licensed bank	71,231
Deposits with licensed financial institutions	<u>2,840,463</u>
	<u>2,911,694</u>

The effective weighted average interest rate of short-term deposits with licensed financial institutions per annum as at the date of statement of financial position are as follows:

	2026
	%
Deposits with licensed financial institutions	<u>2.97</u>

The deposits have an average maturity of 2 days.

9 UNITS IN CIRCULATION

	2026
	No. of units
At the beginning of the date of launch	-
Creation of units during the financial period:	
- Arising from applications	34,103,141
- Arising from distributions	121,531
Cancellation of units during the financial period	<u>(12,490,345)</u>
At the end of the financial period	<u>21,734,327</u>

10 DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	2026
	RM
Deposits of more than 3 months with licensed financial institutions	5,036,976
	<u>5,036,976</u>

The effective weighted average interest rate of deposits of more than 3 months with licensed financial institutions per annum as at the date of statement of financial positions are as follows:

	2026
	%
Deposits of more than 3 months with licensed financial institutions	<u>3.75</u>

The deposits have an average maturity of 93 days.

11 TRANSACTIONS WITH DEALERS

Details of transactions with the dealers are as follows:

Name of dealers	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
<u>2026</u>				
Hong Leong Bank Berhad	8,509,920	59.42	-	-
Public Investment Bank Berhad	2,008,800	14.03	-	-
CIMB Bank Berhad	2,000,000	13.96	-	-
Affin Hwang Bank Berhad	1,000,000	6.98	-	-
United Overseas Bank (Malaysia) Berhad	802,880	5.61	-	-
	<u>14,321,600</u>	<u>100.00</u>	<u>-</u>	<u>-</u>

All dealers highlighted above are not related to the Manager. There are no brokerage fees charged by the dealers for the financial period ended 28 February 2026.

12 TOTAL EXPENSE RATIO (“TER”)

	Financial period from 15.1.2025 (date of launch) to 28.2.2026
	%
TER	<u>0.55</u>

TER is derived from the following calculation:

$$\text{TER} = \frac{(A + B + C + D + E)}{F} \times 100$$

A = Management fee

B = Trustee fee

C = Audit fee

D = Tax agent fee

E = Other expenses

F = Average net asset value of the Fund calculated on a daily basis

The average net asset value of the Fund for the financial period calculated on a daily basis is RM15,888,015.

13 PORTFOLIO TURNOVER RATIO (“PTR”)

	Financial period from 15.1.2025 (date of launch) to 28.2.2026
PTR (times)	<u>0.45</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisitions for the financial period} + \text{total disposals for the financial period}) \div 2}{\text{Average net asset value of the Fund for the financial period calculated on a daily basis}}$$

where:

total acquisitions for the financial period = RM14,321,600

total disposals for the financial period = RM Nil

14 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

Related parties	Relationship
Director of Eastspring Investments Berhad	Director of the Manager
Eastspring Investments Berhad	The Manager
Eastspring Investments Group Private Limited	Immediate holding company of the Manager
Prudential Plc	Ultimate holding company of the Manager

Units held by Manager:

	2026
	RM
No. of units	
Eastspring Investments Berhad	1,039
	<u>1,010</u>

The above units were transacted at the prevailing market price.

The units are held legally beneficially by the Manager. Other than the above, there were no units held by the Directors or parties related to the Manager.

In addition to the related parties disclosure mentioned in the financial statements, there were no other significant related parties transactions and balances.

15 COMPARATIVES

There are no comparatives as this is the Fund's first set of financial statements.

16 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 23 April 2026.

CORPORATE DIRECTORY

THE MANAGER

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

200001028634 (531241-U)

REGISTERED OFFICE

Level 25, Menara Hong Leong

No. 6, Jalan Damanlela

Bukit Damansara

50490 Kuala Lumpur

BUSINESS OFFICE

Level 22, Menara Prudential

Persiaran TRX Barat

55188 Tun Razak Exchange

Kuala Lumpur

TELEPHONE NO.

603-2778 3888

FAX NO.

603-2789 7220

EMAIL

cs.my@eastspring.com

WEBSITE

www.eastspring.com/my

TRUSTEE

NAME

DEUTSCHE TRUSTEES MALAYSIA BERHAD

COMPANY NO.

200701005591 (763590-H)

REGISTERED OFFICE & BUSINESS OFFICE

Level 20, Menara IMC

No. 8, Jalan Sultan Ismail

50250 Kuala Lumpur

TELEPHONE NO.

603-2053 7522

FAX NO.

603-2053 7526

SALE & PURCHASE OF UNITS

Eastspring Investments Berhad

Level 22, Menara Prudential

Persiaran TRX Barat

55188 Tun Razak Exchange

Kuala Lumpur

TELEPHONE NO.

603-2778 1000

BRANCHES

Petaling Jaya

Eastspring Investments Berhad
A-17-P1 & M
Block A, Jaya One
72A, Jalan Profesor Diraja Ungku Aziz
46200 Petaling Jaya, Selangor

TELEPHONE NO.

603-7948 1288

Kota Kinabalu

Eastspring Investments Berhad
Suite E3, 9th Floor
CPS Tower, Centre Point Sabah
No. 1, Jalan Centre Point
88000 Kota Kinabalu, Sabah

TELEPHONE NO.

6088-238 613

ENQUIRIES

CLIENT SERVICES

603-2778 1000

Eastspring Investments Berhad 200001028634 (531241-U)
Level 22, Menara Prudential, Persiaran TRX Barat
55188 Tun Razak Exchange, Kuala Lumpur
T: (603) 2778 3888 F: (603) 2789 7220
eastspring.com/my

Client Services
T: (603) 2778 1000
cs.my@eastspring.com