

EASTSPRING INVESTMENTS ASIAN HIGH YIELD BOND MY FUND

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024



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/Semi-annual/Quarterly Fund Reports of Eastspring Investments Berhad's fund(s) for the reporting period ended 31 March 2024.

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 'Yap Siok Hoon', written in a cursive style.

Yap Siok Hoon

Non-Independent, Executive Director and Chief Executive Officer

TABLE OF CONTENTS

Fund Information	1
Key Performance Data	2
Manager's Report	5
Market Review	10
Rebates and Soft Commissions	10
Securities Lending or Repurchase Transactions	10
Statement by the Manager	12
Trustee's Report to the Unit Holders of Eastspring Investments Asian High Yield Bond MY Fund	13
Independent Auditors' Report to the Unit Holders of Eastspring Investments Asian High Yield Bond MY Fund	14
Statement of Comprehensive Income	18
Statement of Financial Position	19
Statement of Changes in Net Assets Attributable to Unit Holders	21
Statement of Cash Flows	22
Material Accounting Policy Information	23
Notes to the Financial Statements	31
Corporate Directory	58

FUND INFORMATION

Name of Fund	Eastspring Investments Asian High Yield Bond MY Fund (the "Fund")
Fund Category/Type	Wholesale (feeder fund)/income and growth
Fund Objective	<p>The Fund aims to maximise income* and capital appreciation by investing in the Eastspring Investments - Asian High Yield Bond MY Fund, which invests primarily^ in Asian high yield bonds.</p> <p>* Income distributed will be reinvested into additional Units in each Class unless Unit Holder opts for the distribution to be paid out.</p> <p>^ primarily means at least 66% of the Target Fund's net asset value.</p>
Performance Benchmark	<p>J.P Morgan Asia Credit Index ("JACI") Non-Investment Grade.</p> <p>Source: Eastspring Investments (Singapore) Limited and Bloomberg.</p>
Fund Income Distribution Policy	Subject to the availability of income, income distribution will be declared at least on a quarterly basis.

KEY PERFORMANCE DATA

FOR THE FINANCIAL YEAR ENDED

Category	2024	2023	2022
	(%)	(%)	(%)
Collective investment scheme	99.21	98.82	99.46
Derivatives	-	1.09	0.18
Cash and other assets	0.79	0.09	0.36
Total	100.00	100.00	100.00
Net Asset Value (NAV) (USD'000)			
USD Class	15	15	97
AUD Hedged-class	110	108	159
RM Hedged-class	1,903	2,784	9,886
Units In Circulation (Units '000)			
USD Class	60	64	319
AUD Hedged-class	637	637	653
RM Hedged-class	33,686	47,395	125,632
Net Asset Value Per Unit (USD)			
USD Class	0.2528	0.2373	0.3048
AUD Hedged-class	0.1734	0.1699	0.2432
RM Hedged-class	0.0565	0.0587	0.0787
Net Asset Value Per Unit in respective currencies			
USD Class	0.2528	0.2373	0.3048
AUD Hedged-class	0.2659	0.2537	0.3240
RM Hedged-class	0.2667	0.2591	0.3307
Highest Net Asset Value Per Unit in respective currencies [#]			
USD Class	0.2527	0.2500	0.3048
AUD Hedged-class	0.2658	0.3353	0.3240
RM Hedged-class	0.2666	0.3424	0.3307
Lowest Net Asset Value Per Unit in respective currencies [#]			
USD Class	0.2181	0.1991	0.3003
AUD Hedged-class	0.2314	0.2149	0.3192
RM Hedged-class	0.2339	0.2189	0.3260

KEY PERFORMANCE DATA (CONTINUED)

Category	2024	2023	2022
Capital Growth (%)			
USD Class	6.49	(22.15)	(30.81)
AUD Hedged-class	4.77	(21.70)	(31.02)
RM Hedged-class	2.89	(21.65)	(30.45)
Income Distribution (%)			
USD Class	1.00	1.02	1.03
AUD Hedged-class	1.00	1.00	1.03
RM Hedged-class	1.00	1.00	1.03
Total Return (%)			
USD Class	6.49	(20.42)	(28.63)
AUD Hedged-class	4.77	(21.70)	(28.86)
RM Hedged-class	2.89	(21.65)	(28.26)
Gross Distribution Per Unit in respective currencies			
USD Class	-	0.0054	0.0113
AUD Hedged-class	-	-	0.0120
RM Hedged-class	-	-	0.0123
Net Distribution Per Unit in respective currencies			
USD Class	-	0.0054	0.0113
AUD Hedged-class	-	-	0.0120
RM Hedged-class	-	-	0.0123
Total Expense Ratio (TER) (%)*	1.63	1.39	1.44
Portfolio Turnover Ratio (PTR) (times)^	0.30	0.46	0.30

Figure 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 1.4.2023 to 31.3.2024	3 years 1.4.2021 to 31.3.2024	5 years 1.4.2019 to 31.3.2024
	(%)	(%)	(%)
Average total return			
USD Class	6.49	(15.42)	(8.90)
AUD Hedged-class	4.77	(16.42)	(9.90)
RM Hedged-class	2.89	(16.67)	(9.76)

Year ended	1.4.2023 to 31.3.2024	1.4.2022 to 31.3.2023	1.4.2021 to 31.3.2022	1.4.2020 to 31.3.2021	1.4.2019 to 31.3.2020
	(%)	(%)	(%)	(%)	(%)
Annual total return					
USD Class	6.49	(20.42)	(28.63)	19.29	(13.05)
AUD Hedged-class	4.77	(21.70)	(28.86)	18.52	(14.19)
RM Hedged-class	2.89	(21.65)	(28.26)	19.58	(13.52)

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

Bases of calculation and assumptions made in calculating returns:

$$\begin{aligned} \text{Percentage growth} &= \frac{\text{NAV}_t - \text{NAV}_0}{\text{NAV}_0} \\ \text{NAV}_t &= \text{NAV at the end of the period} \\ \text{NAV}_0 &= \text{NAV at the beginning of the period} \\ \text{Performance annualised} &= (1 + \text{Percentage Growth})^{1/n} - 1 \\ &\quad \text{Adjusted for unit split and distribution paid out for the period} \\ n &= \text{Number of years} \end{aligned}$$

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

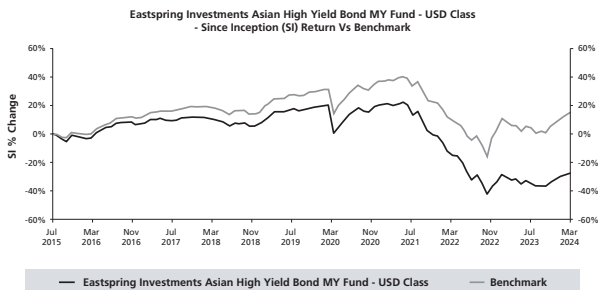
MANAGER'S REPORT

Fund Performance

USD Class

Over the 5-year period, the Fund recorded a return of -37.27%, underperforming the benchmark return of -7.25% by 30.02%.

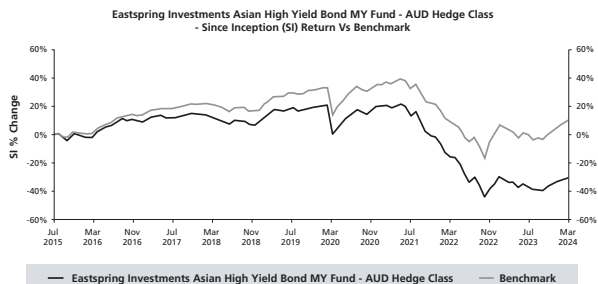
For the period under review, the Fund registered a return of 6.49%, underperforming the benchmark return of 8.54% by 2.05%.



AUD Hedged-class

Over the 5-year period, the Fund recorded a return of -40.65%, underperforming the benchmark return of -13.86% by 26.79%.

For the period under review, the Fund registered a return of 4.77%, underperforming the benchmark return of 6.71% by 1.94%.



MANAGER'S REPORT (CONTINUED)

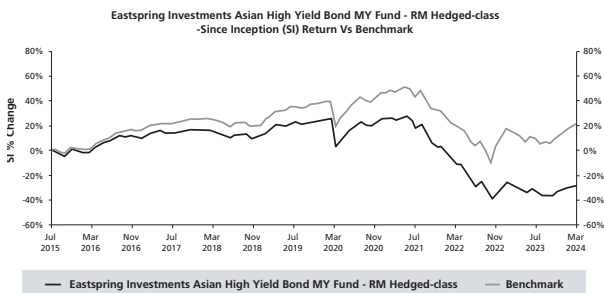
Fund Performance (continued)

RM Hedged-class

Over the 5-year period, the Fund recorded a return of -40.19%, underperforming the benchmark return of -9.01% by 31.18%

For the period under review, the Fund registered a return of 2.89%, underperforming the benchmark return of 5.73% by 2.84%.

Relative returns were weighed down by negative credit selection effects, particularly the underweights in the Philippine utility and Hong Kong financial sectors. Fund positions in Indonesian high yield real estate credits also detracted from relative performance. However, the overweights in Macau consumer, Sri Lankan sovereigns and Indian utilities narrowed underperformance.



MANAGER'S REPORT (CONTINUED)

Fund Performance (continued)

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

Benchmark: J.P Morgan Asia Credit Index ("JACI")
Non-Investment Grade.

Source: Lipper for Investment Management, Eastspring Investments (Singapore) Limited and Bloomberg, as at 31 March 2024.

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

Analysis of Fund Performance

For the financial year ended 31 March 2024:

	Income Return	Capital Return*	Total Return	Total Return of Benchmark
	(%)	(%)	(%)	(%)
USD Class	1.00	6.49	6.49	8.54
AUD Hedged-class	1.00	4.77	4.77	6.71
RM Hedged-class	1.00	2.89	2.89	5.73

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

Distribution/ Unit Split

No distribution or unit split were declared for the financial year ended 31 March 2024.

MANAGER'S REPORT (CONTINUED)

Investment Strategy During the Period Under Review

Economic activity in 2024 has been stronger than expected. Labour markets in the US is displaying a healthy pace of hiring, household consumption is upbeat while the manufacturing sector seems to be bottoming out and at the point of reaccelerating. In addition, the speed at which inflation has moderated in recent months has been encouraging. Yet the global economy still faces moderate headwinds from geopolitical tensions, climate change and trade fragmentation. Going forward, policy makers will have to navigate the path towards less restrictive levels with progress likely to be data dependent.

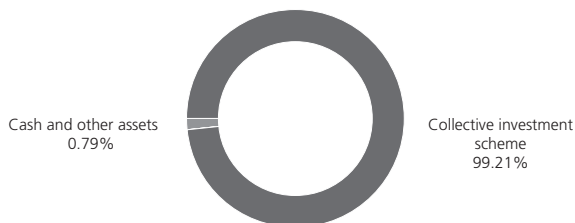
We remain constructive on Asia's longer term growth prospects as the region has established an increasingly important position as the world's manufacturing and trade hub. Larger economies such as Indonesia and India will continue to drive regional growth backed by sturdy domestic demand and higher capital expenditure. In the near term, if a higher-for-longer theme returns, we may see more distressed issues and credit spreads could move wider in response. We are mindful of the risks going forward and continue to be opportunistic in our issuer preferences. Against such a backdrop, we look for income enhancement opportunities as well as bouts of volatility to take on tactical positions.

MANAGER'S REPORT (CONTINUED)

Asset Allocation

Asset Allocation	31-Mar 2024	31-Mar 2023	Changes
	(%)	(%)	(%)
Collective investment scheme	99.21	98.82	0.39
Derivatives	-	1.09	(1.09)
Cash and other assets	0.79	0.09	0.70

Asset Allocation as at 31 March 2024



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

Over the year, Asian high yield bonds delivered a strong performance as sentiment improved between late 2023 and the first quarter of 2024. Risk appetite was on a general downtrend in early 2023, but quickly reversed in the fourth quarter as market concerns about an elevated inflationary environment dissipated.

The second quarter of 2023 was dominated by banking sector uncertainties while markets also recalibrated expectations on inflation and central bank policy. The failure of Credit Suisse weakened confidence and drove investors to the safety of high-quality assets. In May, concerns over a US debt ceiling gridlock surfaced, coinciding with heightened US Treasury yields. Fitch Ratings cited a weak fiscal outlook for the US and downgraded its long-term ratings to 'AA+'.

Over the third quarter, higher US Treasury yields and a general weakness in China weighed on the returns of high yield bonds. Treasury yields continued rising on the back of a hawkish Federal Reserve, a US rating downgrade and the rising prospect of a US government shutdown amid a political deadlock at the end of September.

However, investor appetite soon recovered with better than expected data in the US and real GDP growth in China reaching 5.2% in 2023. The People's Bank of China maintained an accommodative monetary policy, while policymakers also announced several support measures to lift confidence in the real estate market.

Overall, the US Treasury ("UST") yield curve bear steepened as the two- and ten-year UST yields increased 56bps and 70bps to 4.62% and 4.19% respectively. The JP Morgan Asia Credit Non-Investment Grade Index climbed 8.6%.

REBATES AND SOFT COMMISSIONS

During the period under review, the Manager and 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 ASIAN HIGH YIELD BOND MY FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

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 18 to 57 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 31 March 2024 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year ended on that date 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
Date: 27 May 2024

TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS ASIAN HIGH YIELD BOND MY FUND ("Fund")

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

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework;
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.

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
Date: 27 May 2024

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS ASIAN HIGH YIELD BOND MY FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Eastspring Investments Asian High Yield Bond MY Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 31 March 2024, and of its financial performance and its cash flows for the financial year 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 31 March 2024, and the statement of comprehensive income, statement of changes in net asset attributable to unit holders and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 18 to 57.

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: 27 May 2024

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024	2023
		USD	USD
INVESTMENT LOSS			
Dividend income		162,230	506,537
Net loss on financial assets at fair value through profit or loss	6	(28,449)	(2,882,226)
Net loss on forward foreign currency contracts at fair value through profit or loss	7	(230,536)	(867,777)
Net foreign currency exchange loss		(1,533)	(16,655)
Other income		379	-
		<u>(97,909)</u>	<u>(3,260,121)</u>
EXPENSES			
Management fee	3	(26,566)	(76,406)
Trustee fee	4	(4,344)	(4,696)
Audit fee		(1,800)	(1,800)
Tax agent fee		(864)	(869)
Other expenses		(1,177)	(1,430)
		<u>(34,751)</u>	<u>(85,201)</u>
LOSS BEFORE FINANCE COST AND TAXATION		(132,660)	(3,345,322)
FINANCE COST	10	-	(1,740)
LOSS BEFORE TAXATION		(132,660)	(3,347,062)
TAXATION	5	-	-
DECREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>(132,660)</u>	<u>(3,347,062)</u>
Decrease in net assets attributable to unit holders is made of the following:			
Realised amount		(956,260)	(5,480,968)
Unrealised amount		823,600	2,133,906
		<u>(132,660)</u>	<u>(3,347,062)</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 31 MARCH 2024

	Note	2024	2023
		USD	USD
ASSETS			
Cash and cash equivalents	8	22,827	16,061
Financial assets at fair value through profit or loss	6	2,012,142	2,872,642
Forward foreign currency contracts at fair value through profit or loss	7	818	32,194
Amount due from Manager		7,302	580
Management fee rebate receivable		1,691	2,551
TOTAL ASSETS		2,044,780	2,924,028
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	7	823	425
Accrued management fee		2,138	3,167
Amount due to Manager		5,585	1,721
Amount due to Trustee		368	369
Other payables and accruals		7,780	10,567
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		16,694	16,249
NET ASSET VALUE OF THE FUND		2,028,086	2,907,779
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		2,028,086	2,907,779

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2024 (CONTINUED)

	Note	2024	2023
		USD	USD

REPRESENTED BY:

FAIR VALUE OF OUTSTANDING UNITS

USD Class		15,201	15,214
AUD Hedged-class		110,383	108,160
RM Hedged-class		1,902,502	2,784,405

NUMBER OF UNITS IN CIRCULATION (UNITS)

USD Class	9	60,118	64,118
AUD Hedged-class	9	636,752	636,752
RM Hedged-class	9	33,685,833	47,395,431

NET ASSET VALUE PER UNIT IN USD (EX-DISTRIBUTION)

USD Class		0.2528	0.2373
AUD Hedged-class		0.1734	0.1699
RM Hedged-class		0.0565	0.0587

NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES (EX-DISTRIBUTION)

USD Class		0.2528	0.2373
AUD Hedged-class		0.2659	0.2537
RM Hedged-class		0.2667	0.2591

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

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

	Note	2024	2023
		USD	USD
Net assets attributable to unit holders at the beginning of financial year		2,907,779	10,142,236
Movement in unit holders' contribution:			
Creation of units from applications			
USD Class		-	4,999
RM Hedged-class		166,948	644,339
Creation of units from distributions			
USD Class	10	-	1,740
Cancellation of units			
USD Class		(955)	(66,260)
AUD Hedged-class		-	(2,805)
RM Hedged-class		(913,026)	(4,469,408)
Decrease in net assets attributable to unit holders during the financial year		(132,660)	(3,347,062)
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AS AT THE END OF THE FINANCIAL YEAR		2,028,086	2,907,779

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 YEAR ENDED 31 MARCH 2024

	Note	2024	2023
		USD	USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		1,048,000	4,963,000
Purchase of investments		(237,229)	(691,536)
Other income		379	-
Realised loss on forward foreign currency contracts		(198,762)	(881,621)
Dividend income		162,230	506,537
Management fee paid		(27,595)	(83,005)
Management fee rebate received		22,140	66,414
Trustee fee paid		(4,345)	(4,796)
Payment for other fees and expenses		(6,628)	(9,534)
Net realised foreign currency exchange loss		(558)	(16,242)
Net cash generated from operating activities		757,632	3,849,217
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash proceeds from units created		160,226	712,571
Payments for cancellation of units		(910,117)	(4,591,217)
Distribution paid		-	(1,262)
Net cash used in financing activities		(749,891)	(3,879,908)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		7,741	(30,691)
EFFECTS OF FOREIGN EXCHANGE DIFFERENCES			
		(975)	(413)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR			
		16,061	47,165
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR			
	8	22,827	16,061

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 YEAR ENDED 31 MARCH 2024

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 ("IFRS"). 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 IFRS 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 year. 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 L.

- a. Standards and amendments to existing standards effective 1 January 2023:

There are no other standards, amendments to standards or interpretations that are effective for financial year beginning on 1 April 2023 that have a material effect on the financial statements of the Fund.

- b. New standards, amendments and interpretations effective after 1 January 2023 and have not been early adopted:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 April 2023 and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

B. INCOME RECOGNITION

Dividend income is recognised on the ex-dividend date, when the right to receive the dividend has been established.

Realised gains or losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis for collective investment scheme.

C. TAXATION

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

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 United States Dollar ("USD"), 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. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from Manager and management fee rebate receivable 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 quoted financial instrument.

Financial liabilities are derecognised when the obligation under the liabilities are 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 including the effects of currency translation” 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 year in which they arise.

Investment in collective investment scheme is valued at the last published net asset value (“NAV”) per unit or share of such collective investment scheme or, if unavailable, on the average of the last published buying price and the last published selling price of such unit or share (excluding any sales charge included in selling in such selling price).

Financial assets and other financial liabilities are subsequently carried at amortised cost using the effective interest 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 consider both historical analysis and forward looking information in determining any expected credit loss. Management consider 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 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 year.

F. FOREIGN CURRENCY TRANSLATION

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

G. CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise bank balances that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

H. CREATION AND CANCELLATION OF UNITS

The unit holders' contributions to the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units in three classes of units, known respectively as USD Class, AUD Hedged-class and RM Hedged-class, which are cancelled at the unit holder's option and do not have identical features subject to restrictions as stipulated in the Disclosure Document and Securities Commission's ("SC") Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value of respective classes. The outstanding units is carried at the redemption amount that is payable at the statement of financial position date if the holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at the holder's option at prices based on the Fund's net asset value per unit of respective classes at the close of business on the relevant working day. The Fund's net asset value per unit of respective classes is calculated by dividing the net asset attributable to unit holders with the total number of outstanding units of respective classes.

I. INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Income not distributed is included in net assets attributable to unit holders.

J. FINANCE COST

A distribution to the Fund's unit holders is accounted for as a finance cost in the statement of comprehensive income, when they are appropriately authorised and no longer at the discretion of the Fund. A proposed distribution is recognised as a liability in the year in which it is approved by the Trustee.

K. DERIVATIVE FINANCIAL INSTRUMENTS

A derivative financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

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

Derivative investments consist of forward foreign currency contracts. Financial derivative position will be "marked to market" at the close of each valuation day. Foreign exchange gains or losses on the derivative financial instrument are recognised in statement of comprehensive income when settled or at the date of the statement of the financial position at which they are included in the measurement of the derivative financial instrument.

The fair value of forward foreign currency contracts is determined using forward foreign exchange rates at the date of the statement of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as financial assets/liabilities at fair value through profit or loss and accounted for in accordance with the accounting policy set out in Note E.

L. 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 Securities Commission's ("SC") Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024

1. INFORMATION ON THE FUND

Eastspring Investments Asian High Yield Bond MY Fund (the “Fund”) is a Wholesale Fund which was constituted pursuant to the execution of a Deed dated 22 May 2015 entered into between Eastspring Investments Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”).

The Fund was launched on 16 June 2015 and will continue its operations until terminated as provided under Part 11 of the Deed.

The Fund invests in the Eastspring Investments - Asian High Yield Bond Fund (“Target Fund”) which is a collective investment scheme registered in Luxembourg.

All investments will be subjected to the Securities Commission’s (“SC”) Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, the Deed and the objective of the Fund.

The Fund aims to maximise income and capital appreciation by investing in the Eastspring Investments - Asian High Yield Bond Fund - ADM, which invests primarily in Asian high yield bonds.

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

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk (inclusive of price risk, currency risk and interest rate risk), liquidity risk, country risk, fund management risk, credit 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	Financial assets at fair value through profit or loss	Financial liabilities at fair value through profit or loss	Total
		USD	USD	USD	USD
2024					
Cash and cash equivalents	8	22,827	-	-	22,827
Collective investment scheme	6	-	2,012,142	-	2,012,142
Forward foreign currency contracts at fair value through profit or loss	7	-	818	(823)	(5)
Amount due from Manager		7,302	-	-	7,302
Management fee rebate receivable		1,691	-	-	1,691
		<u>31,820</u>	<u>2,012,960</u>	<u>(823)</u>	<u>2,043,957</u>
2023					
Cash and cash equivalents	8	16,061	-	-	16,061
Collective investment scheme	6	-	2,872,642	-	2,872,642
Forward foreign currency contracts at fair value through profit or loss	7	-	32,194	(425)	31,769
Amount due from Manager		580	-	-	580
Management fee rebate receivable		2,551	-	-	2,551
		<u>19,192</u>	<u>2,904,836</u>	<u>(425)</u>	<u>2,923,603</u>

All liabilities except for forward foreign currency contracts 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 31 March which are exposed to price risk.

	2024	2023
	USD	USD
Financial assets at fair value through profit or loss:		
Collective investment scheme	2,012,142	2,872,642

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

% Change in price	Market value	Impact on loss after tax and net asset value
	USD	USD
<u>2024</u>		
+5%	2,112,749	100,607
-5%	1,911,535	(100,607)
<u>2023</u>		
+5%	3,016,274	143,632
-5%	2,729,010	(143,632)

ii. Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against United State dollar, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of a foreign currency versus United State dollar based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels and technical chart considerations.

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

	Financial assets/ (liabilities) at fair value through profit or loss	Cash and cash equivalents	Receivables /(payables)	Net asset attributable to unit holders	Total
	USD	USD	USD	USD	USD
<u>2024</u>					
AUD	(823)	-	-	110,383	109,560
MYR	818	535	(6,063)	1,902,502	1,897,792
	<u>(5)</u>	<u>535</u>	<u>(6,063)</u>	<u>2,012,885</u>	<u>2,007,352</u>
<u>2023</u>					
AUD	(152)	-	-	108,160	108,008
MYR	31,921	1,385	(11,708)	2,784,405	2,806,003
	<u>31,769</u>	<u>1,385</u>	<u>(11,708)</u>	<u>2,892,565</u>	<u>2,914,011</u>

The table below summarises the sensitivity of the Fund's loss after tax and net asset value to changes in foreign exchange movements at the end of each reporting financial year. The analysis is based on the assumption that the foreign exchange rate changes by each currency's respective historical volatility, with all other variables remain constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate.

Disclosures below are shown in absolute terms, changes and impact could be positive or negative.

	Change in foreign exchange rate	Impact on loss after tax and net asset value
	%	USD
<u>2024</u>		
AUD	7.73	8,469
MYR	5.53	104,948
<u>2023</u>		
AUD	12.01	12,972
MYR	5.76	161,626

iii. Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

As at the end of the financial year, the Fund does not hold any financial instruments that expose it to interest rate risk.

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 which are capable of being converted into cash within 7 days.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period 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
	USD	USD	USD
2024			
Accrued management fee	2,138	-	2,138
Amount due to Manager	5,585	-	5,585
Amount due to Trustee	368	-	368
Other payables and accruals	-	7,780	7,780
Forward foreign currency contracts at fair value through profit or loss	823	-	823
Net assets attributable to unit holders	2,028,086	-	2,028,086
Contractual undiscounted cash outflows	2,037,000	7,780	2,044,780
2023			
Accrued management fee	3,167	-	3,167
Amount due to Manager	1,721	-	1,721
Amount due to Trustee	369	-	369
Other payables and accruals	-	10,567	10,567
Forward foreign currency contracts at fair value through profit or loss	425	-	425
Net assets attributable to unit holders	2,907,779	-	2,907,779
Contractual undiscounted cash outflows	2,913,461	10,567	2,924,028

Country risk

The Fund invests in the Target Fund which is domiciled in Luxembourg. Any adverse in the Luxembourg's economic fundamentals, social and political stability, currency movements and foreign investments policies in Luxembourg may have an impact on the prices of the securities that the Target Fund invests in and consequently may also affect the Fund's net asset value.

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 Trustee has an oversight function over management of the Fund by the management company to safeguard the interests of unit holders.

Credit risk

Credit risk refers to the ability of an issuer or a counterparty 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 settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Unlisted Capital Market Products under Lodge and Launch Framework. The credit risk is minimal as all transactions in collective investment scheme are settled/paid upon delivery using approved brokers.

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	Amount due from Manager	Management fee rebate receivable	Total
	USD	USD	USD	USD	USD
<u>2024</u>					
Financial Services					
- AA1	-	22,827	-	-	22,827
Forward foreign currency contracts					
- AA1	818	-	-	-	818
Other					
- NR	-	-	7,302	1,691	8,993
	<u>818</u>	<u>22,827</u>	<u>7,302</u>	<u>1,691</u>	<u>32,638</u>
<u>2023</u>					
Financial Services					
- AA1	-	16,061	-	-	16,061
Forward foreign currency contracts					
- AA1	32,194	-	-	-	32,194
Other					
- NR	-	-	580	2,551	3,131
	<u>32,194</u>	<u>16,061</u>	<u>580</u>	<u>2,551</u>	<u>51,386</u>

None of these financial assets are past due or impaired.

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 net asset attributable to unit holders, consisting of unit holders' capital and retained earnings. The amount of net asset attributable to unit holders 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 traded derivatives and trading securities) are based on quoted market prices at the close of trading on the financial year 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 and financial liabilities (by class) measured at fair value:

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
<u>2024</u>				
Financial assets at fair value through profit or loss:				
Collective investment scheme	2,012,142	-	-	2,012,142
Forward foreign currency contracts	-	818	-	818
Financial liabilities at fair value through profit or loss:				
Forward foreign currency contracts	-	(823)	-	(823)
<u>2023</u>				
Financial assets at fair value through profit or loss:				
Collective investment scheme	2,872,642	-	-	2,872,642
Forward foreign currency contracts	-	32,194	-	32,194
Financial liabilities at fair value through profit or loss:				
Forward foreign currency contracts	-	(425)	-	(425)

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, including collective investment scheme. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note E to the financial statements.

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. This include derivatives. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuation maybe 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 values of cash and cash equivalents, amount due from Manager, management fee rebate receivable 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 3.00% per annum of the net asset value of the Fund calculated on a daily basis.

For the financial year ended 31 March 2024, the management fee is recognised at a rate of 1.25% (2023: 1.25%) per annum on the net asset value of the Fund, calculated on a daily basis as stated in the Fund's information memorandum.

There will be no further liability to the Manager in respect of 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 RM18,000 per annum or its equivalent in the base currency (excluding foreign custodian fees and charges, if applicable).

For the financial year ended 31 March 2024, the Trustee fee is recognised at a rate of 0.06% (2023: 0.06%) per annum on the net asset value of the Fund, subject to minimum of RM18,000 per annum or its equivalent in the base currency (excluding foreign custodian fees and charges), calculated on a daily basis as stated in the Fund's information memorandum.

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

5. TAXATION

	2024	2023
	USD	USD

Tax charged for the financial year:

Current taxation	-	-
------------------	---	---

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

	2024	2023
	USD	USD
Loss before taxation	(132,660)	(3,347,062)
Tax at Malaysian statutory rate of 24% (2023: 24%)	(31,838)	(803,295)
Tax effects of:		
Investment loss not deductible for tax purposes	23,499	782,429
Expenses not deductible for tax purposes	1,532	2,097
Restriction on tax deductible expenses for Wholesale Funds	6,807	18,769
Taxation	-	-

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	USD	USD
Financial assets at fair value through profit or loss:		
Collective investment scheme	2,012,142	2,872,642
Net loss on financial assets at fair value through profit or loss:		
Realised loss on sale of investments	(906,078)	(5,063,927)
Change in unrealised fair value gain	856,349	2,120,475
Management fee rebate [#]	21,280	61,226
	(28,449)	(2,882,226)

[#] In arriving at the fair value of collective investment scheme, the management fee initially paid to the Manager of the collective investment scheme has been considered as part of its net asset value. In order to prevent the double charging of management fee which is not permissible under SC Guidelines, management fee charged on the Fund's investments in collective investment scheme has been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager collective investment scheme is reflected as an increase in the net asset value of the collective investment scheme. The rebate of management fee is 1.00% per annum or USD21,280 (2023: 1.00% per annum or USD61,226) calculated on net asset value of Eastspring Investments - Asian High Yield Bond Fund – ADM on a daily basis.

Collective investment scheme

	Quantity	Aggregate cost	Fair value as at 31.3.2024	Percentage of net asset value of the Fund
	Units	USD	USD	%
Eastspring Investments - Asian High Yield Bond Fund - Class ADM	<u>478,512</u>	3,415,053	<u>2,012,142</u>	99.21
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>(1,402,911)</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>2,012,142</u>		

Collective investment scheme

	Quantity	Aggregate cost	Fair value as at 31.3.2023	Percentage of net asset value of the Fund
	Units	USD	USD	%
Eastspring Investments - Asian High Yield Bond Fund - Class ADM	<u>682,500</u>	5,131,902	<u>2,872,642</u>	98.82
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>(2,259,260)</u>		
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>2,872,642</u>	

The investment objective of Eastspring Investments - Asian High Yield Bond Fund - Class ADM ("Target Fund") is to invests in a diversified portfolio consisting primarily of high yield fixed income or debt securities issued by Asian entities or their subsidiaries. This Target Fund's portfolio primarily consists of securities denominated in US dollars as well as the various Asian currencies and aims to maximise total returns through investing primarily in fixed income or debt securities rated below BBB-.

A minimum of 95% of its net asset value will be invested in the Target Fund. However, the asset allocation may be reduced due to creation of units at the point of reporting date. The ratio will be adjusted back to the minimum level after the reporting year.

7. FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of statement of financial position, there are 2 (2023: 4) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD1,966,834 (receivable) and USD1,966,839 (payable) (2023: USD3,113,722 (receivable) and USD3,081,953 (payable)). The forward foreign currency contracts entered into during the financial year were for hedging against the currency exposure arising from the creation and cancellation of units denominated in AUD and MYR. As the Fund has not adopted hedge accounting during the financial year, the change in the fair value of the forward foreign currency contract is recognised immediately in the profit or loss.

	2024	2023
	USD	USD

Financial assets at fair value through profit or loss:

Forward foreign currency contracts	818	32,194
------------------------------------	-----	--------

Financial liabilities at fair value through profit or loss:

Forward foreign currency contracts	(823)	(425)
------------------------------------	-------	-------

	2024	2023
	USD	USD

Net loss on forward foreign currency contracts

at fair value through profit or loss:

Realised loss on forward foreign currency contracts	(198,762)	(881,621)
---	-----------	-----------

Unrealised (loss)/gain on forward foreign currency contracts	(31,774)	13,844
--	----------	--------

	(230,536)	(867,777)
--	-----------	-----------

Forward foreign currency contracts

Name of issuer	Receivables	Payables	Fair value as at 31.3.2024	Percentage of net asset value of the Fund
	USD	USD	USD	%
Deutsche Bank Malaysia Berhad	1,966,834	1,966,839	(5)	-

Name of issuer	Receivables	Payables	Fair value as at 31.3.2023	Percentage of net asset value of the Fund
	USD	USD	USD	%
Deutsche Bank Malaysia Berhad	3,113,722	3,081,953	31,769	1.09

8. CASH AND CASH EQUIVALENTS

	2024	2023
	USD	USD
Bank balances with a licensed bank	22,827	16,061

The currency exposure profile of cash and cash equivalents is as follows:

	2024	2023
	USD	USD
- MYR	535	1,385
- USD	22,292	14,676

9. UNITS IN CIRCULATION

	USD Class	AUD Hedged- class	RM Hedged- class	Total
	No. of units	No. of units	No. of units	No. of units
2024				
At the beginning of the financial year	64,118	636,752	47,395,431	48,096,301
Creation of units from applications during the financial year	-	-	3,075,769	3,075,769
Cancellation of units during the financial year	(4,000)	-	(16,785,367)	(16,789,367)
At the end of the financial year	60,118	636,752	33,685,833	34,382,703
2023				
At the beginning of the financial year	318,623	652,764	125,632,071	126,603,458
Creation of units from applications during the financial year	21,106	-	10,346,821	10,367,927
Creation of units from distributions during the financial year	7,111	-	-	7,111
Cancellation of units during the financial year	(282,722)	(16,012)	(88,583,461)	(88,882,195)
At the end of the financial year	64,118	636,752	47,395,431	48,096,301

10. DISTRIBUTIONS

	2024	2023
	USD	USD

Distribution to unit holders is from the following sources:

Non-taxable income	-	2,043
Less: Expenses	-	(303)
	-	1,740

	Gross/Net distribution per unit	
USD Class	2024/2023	2023/2022
Ex-Date	USD/unit	USD/unit
30 June	-	0.0029
30 September	-	0.0025
30 December	-	-
30 March	-	-
	-	0.0054

Gross distribution is derived using total income less total expenses. 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.

11. TRANSACTIONS WITH ISSUER

Details of transactions with the issuer are as follows:

	Value of trades	Percentage of total trades
	USD	%
2024		
Eastspring Investments (Singapore) Limited [#]	1,285,230	100.00
2023		
Eastspring Investments (Singapore) Limited [#]	5,654,536	100.00

[#] Included in transactions with issuer are trades conducted with Eastspring Investments (Singapore) Limited, a related company to the Manager, amounting to USD1,285,230 (2023: USD5,654,536). The Manager is of the opinion that all transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

12. 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
Eastspring Investments (Singapore) Limited	Related company of the Manager
Eastspring Investments - Asian High Yield Bond Fund (Class ADM)	Collective investment scheme managed by Eastspring Investments (Singapore) Limited
Prudential Plc	Ultimate holding company of the Manager

Units held by Manager and parties related to the Manager:

	No. of units	USD Class	No. of units	AUD Hedged- class	No. of units	RM Hedged- class
<u>2024</u>						
Eastspring Investments Berhad	14,355	3,629*	13,086	3,480*	2,704	721*
<u>2023</u>						
Eastspring Investments Berhad	14,355	3,406*	13,086	3,320*	2,704	701*

* In respective currencies

The above units were transacted at the prevailing market price.

The units are held legally and beneficially by the Manager and are within the prescribed limit allowed by SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework. Other than the above, there were no units held by the Directors or parties related to the Manager.

Significant related party transactions

	2024	2023
	USD	USD
Purchase of collective investment scheme managed by Eastspring Investments (Singapore) Limited	237,230	185,000
Sales of collective investment scheme managed by Eastspring Investments (Singapore) Limited	1,048,000	4,963,000

All transactions with the related company have been entered into in the normal course of business at agreed terms between the related party.

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

13. TOTAL EXPENSE RATIO ("TER")

	2024	2023
	%	%
TER	1.63	1.39

TER is derived from the following calculation:

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

A = Management fee (excluding management fee rebate)

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 year calculated on a daily basis is USD2,126,438 (2023: USD6,122,828).

14. PORTFOLIO TURNOVER RATIO ("PTR")

	2024	2023
PTR (times)	0.30	0.46

PTR is derived from the following calculation:

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

where:

total acquisitions for the financial year = USD237,230 (2023: USD691,536)

total disposals for the financial year = USD1,048,000 (2023: USD4,963,000)

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 27 May 2024.

CORPORATE DIRECTORY

THE MANAGER

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

200001028634 (531241-U)

REGISTERED OFFICE

Level 25, Menara Hong Leong

No. 6, Jalan Damanela

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