

# EASTSPRING INVESTMENTS EQUITY INCOME FUND

SEMI-ANNUAL REPORT

FOR THE SIX MONTHS FINANCIAL PERIOD  
ENDED 31 DECEMBER 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 December 2024.**

You may also download these reports from our website at  
[www.eastspring.com/my](http://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 'Siook Hoon', written in a cursive style.

**YAP SIOK HOON**

Executive Director/Chief Executive Officer

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## FUND INFORMATION

<b>Name of Fund</b>	Eastspring Investments Equity Income Fund (the "Fund")
<b>Fund Category/ Type</b>	Equity/income
<b>Fund Objective</b>	<p>The Fund seeks to provide a stable income* stream with medium to long-term capital growth.</p> <p>* Income distributed to a Unit Holder will be reinvested into additional Units unless Unit Holder opts for the distribution to be paid out.</p> <p><b>ANY MATERIAL CHANGES TO THE FUND'S OBJECTIVE WOULD REQUIRE UNIT HOLDERS' APPROVAL.</b></p>
<b>Performance Benchmark</b>	<p>The performance benchmark of the Fund is FTSE Bursa Malaysia 100 Index ("FBM100").</p> <p><b>Source:</b> <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a></p> <p><b>Note:</b> The risk profile of the Fund is different from the risk profile of the performance benchmark.</p>
<b>Fund Income Distribution Policy</b>	At least once a year, subject to the availability of income.

## KEY PERFORMANCE DATA

FOR THE FINANCIAL PERIOD ENDED

Category	2024	2023	2022
	(%)	(%)	(%)
<b>Quoted securities</b>			
Construction	5.26	3.06	3.09
Consumer Products & Services	3.21	9.49	15.17
Energy	-	1.46	1.22
Financial Services	32.05	31.74	32.39
Health Care	5.62	2.41	1.98
Industrial Products & Services	6.92	8.64	7.02
Plantation	9.47	6.88	4.27
Property	3.49	3.05	0.55
Real Estate Investment Trust	3.09	2.72	2.82
Technology	2.85	2.92	4.97
Telecommunications & Media	9.00	10.27	9.20
Transportation & Logistics	2.57	3.91	3.81
Utilities	14.40	8.32	3.14
	97.93	94.87	89.63
Cash and other assets	2.07	5.13	10.37
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

## KEY PERFORMANCE DATA (CONTINUED)

Category	2024	2023	2022
Net Asset Value (NAV) (RM'000)	415,491	419,096	429,674
Units In Circulation (Units '000)	505,504	569,083	570,904
Net Asset Value Per Unit (RM)	0.8219	0.7364	0.7526
Highest Net Asset Value Per Unit (RM)	0.8270	0.7394	0.7526
Lowest Net Asset Value Per Unit (RM)	0.7581	0.6902	0.7005
Total Return (%)			
- Capital Growth	3.34	6.60	5.23
- Income Distribution	-	-	-
Total Return (%)	3.34	6.60	5.23
Gross Distribution Per Unit (RM)	-	-	-
Net Distribution Per Unit (RM)	-	-	-
Total Expense Ratio (TER) (%)*	0.80	0.80	0.80
Portfolio Turnover Ratio (PTR) (times)^	0.52	0.19	0.06

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

^ The higher turnover was due to the increase in market volatility in 2024. During the year under review, heighten financial market volatility across the globe on the back of Middle East geopolitical tension in April as well as global selloff during August carry trade unwinding stemmed from BoJ rate normalization. The Fund undertook significant portfolio rebalancing to activities in order to increase Fund resiliency and switch out from holdings that may be cyclical in nature, to a more defensive tilt. Also, during the period under review, the Fund experienced a significant withdrawal which also contributed to changes in PTR.

## KEY PERFORMANCE DATA (CONTINUED)

	1 year		3 years		5 years	
	1.1.2024 to 31.12.2024		1.1.2022 to 31.12.2024		1.1.2020 to 31.12.2024	
	(%)		(%)		(%)	
Average total return	16.89		6.89		5.28	

Year ended	1.7.2023 to 30.6.2024	1.7.2022 to 30.6.2023	1.7.2021 to 30.6.2022	1.7.2020 to 30.6.2021	1.7.2019 to 30.6.2020
	(%)	(%)	(%)	(%)	(%)
Annual total return	20.57	1.22	(0.14)	8.02	(7.22)

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

### Bases of calculation and assumptions made in calculating returns:

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

$\text{NAV}_t$  = NAV at the end of the period

$\text{NAV}_0$  = 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.**

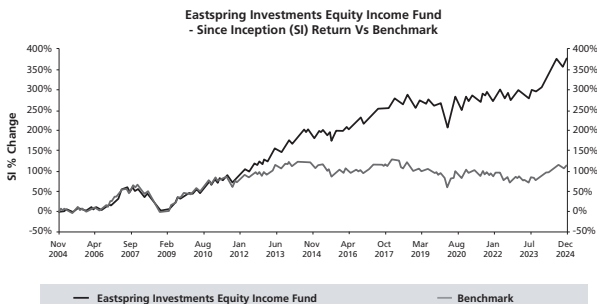
# MANAGER'S REPORT

## Fund Performance

Over the 5-year period, the Fund recorded a return of 29.38%, outperforming the benchmark return of 10.36% by 19.02%.

During the period under review, the Fund registered a return of 3.34%, underperforming the benchmark return of 3.97% by 0.63%.

The underperformance during the period under review was mainly due to our sector and stock selections. Exposure to technology, property, and plantation sectors were contributors to the Fund performance. Meanwhile, exposure to energy, material, and underweight in industrial sectors were detractors to the Fund performance.



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

**Benchmark:** The performance benchmark of the Fund is FTSE Bursa Malaysia 100 Index ("FBM100").

**Source:** Lipper for Investment Management and [www.bursamalaysia.com](http://www.bursamalaysia.com) as at 31 December 2024.

**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 31 December 2024:

Income Return	Capital Return*	Total Return	Total Return of Benchmark
(%)	(%)	(%)	(%)
0.00	3.34	3.34	3.97

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

### Distribution/ Unit Split

No distribution or unit split were declared for the financial period ended 31 December 2024.

### Investment Strategy During the Period Under Review

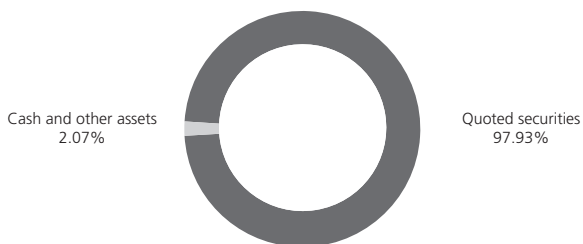
During the period under review, the Fund deployed investment strategy with the aim to invest in the defensive and dividend yielding stocks. We also positioned in financial sector and dividend paying companies with strong cash flow which could bode well in relatively uncertain global economic environment. We are also positioned in property, utilities sectors and DCs related play to leverage on Malaysia competitive advantage in global supply chain re-location theme.

## MANAGER'S REPORT (CONTINUED)

## Asset Allocation

Asset Allocation	31-Dec 2024	30-Jun 2024	Changes
	(%)	(%)	(%)
Quoted securities	97.93	89.30	8.63
Cash and other assets	2.07	10.70	(8.63)

## Asset Allocation as at 31 December 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

For most of 3Q2024, Malaysian equity markets performed positively driven partly by a much stronger Malaysian Ringgit, on the expectations of the US FOMC will cut rates starting September, and better than expected macro data reported for Malaysia. In August, global markets corrected sharply in the beginning of the month, post the surprise BoJ rate hike on the 31 July, and the unwinding of the Yen carry trades. Economic indicators in the US were also of concern, as jobs data was spurring fears of a recession, prompting significant market volatility globally. The confluence of factors led to widespread declines across major stock indices. Thankfully, global markets rebounded soon after. Corporate earnings reported for the 2Q2024 were mostly in line, but the global concerns early in the month spurred many investors to take profits on the mid to smaller cap names, but Financials saw a rally. The Technology sector was hit hard from weak corporate earnings reported for the 2Q2024, and the expectation that stronger MYR would be negative for exporters including technology companies. Investors also took profits on property names during the August market sell down as they rotated out to other themes. The oil and gas sector was also affected by weaker crude oil prices as Brent prices trended down from above USD85/bbl to about USD70/bbl on concerns over global growth and demand going forward. By the end of 3Q2024, Malaysian equity markets saw a correction, underperforming regional markets in September. Chinese stocks rallied hard in the last week of September, on the back of China's government stimulus announcement to provide a supportive stance towards the stock market and economy, and focus on stabilizing the property market. Many investors were underweight on China, and forced to jump back into the market, which may have seen foreign flows diverting out of Malaysia and other markets back to China. Despite that, the Malaysian Ringgit posted its best ever performance after the US Fed 50bps rate cut and news of the Chinese stimulus measures boosted Malaysia's trade outlook. The MYR rallied nearly 13% QTD, hitting a low of RM4.1235 as at 30 Sept 2024, levels last seen in June 2021.

For most of 4Q2024, Malaysian equity markets trended down in line with weakness in the region, as investors stayed on the sidelines ahead of the US elections in November. Month of October was fairly quiet, and domestic news was centered on Budget 2025. An expansionary budget focused on reforming the economy, fuelling change and bringing prosperity to the people. Minimal new taxes were introduced, and a timeline for RON95 subsidy rationalization was stated for mid-2025, although the mechanism of its rollout is still lacking. Cash aid was the highest in this budget at RM13b, and minimum wages will increase to RM1700/month effective 1 February 2025. The US Presidential Elections took centre stage in the beginning of November. President-elect Trump winning convincingly was a bit of a surprise as investors were expecting the race to be tighter. Nevertheless, emerging markets post this election result saw weakness as the threat of US imposing higher import tariffs have become more of a reality. The month of November was corporate results reporting for the 3Q2024, and results re either inline or below expectations, with some underlying weakness seen in some consumer and technology

stocks. The impact of the sharp MYR appreciation up to end Sept 2024 when it reached RM4.1235/USD, also negatively affected many companies' earnings in unrealized forex losses, hitting exporters especially hard. By the end of 4Q2024, the Malaysian equity market rebounded likely on window dressing activities, as news flow was weak for the last month of the year. The signing of the JSSEZ was delayed from 9 December 2024, as Singapore's Prime Minister was infected with COVID-19. The KLCI saw two new constituents added to the index: Gamuda and 99 Speedmart, replacing Genting Malaysia and Genting Berhad. Foreign investors were net sellers of Malaysian equities for 4Q2024, to the tune of RM7.7b for the quarter.

The FBM KLCI closed the period under review at 1,642.33 points, higher by 3.29%. In tandem with the FBM KLCI, the FBM Emas Index closed the period under review higher by 3.02% while the MSCI Asia Pacific ex-Japan Index rose by 0.46% in USD terms.<sup>1</sup>

## REBATES AND SOFT COMMISSIONS

During the period under review, the Manager and its delegates (if any) received soft commissions from brokers/dealers in the form of goods and services which directly assist the investment management of the Fund, including research and advisory services, market analyses, data and quotation services, and computer hardware and software used for and/or in support of the investment process of fund managers. Such soft commissions received are utilised in the investment management of the Fund and are of demonstrable benefit to the Fund and Unitholders. There were no churning of trades.

The Manager and its delegates (if any) have not received any rebates or shared any commissions from any brokers during the same period under review.

## SECURITIES LENDING OR REPURCHASE TRANSACTIONS

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

<sup>1</sup> Source: Bloomberg; World indices

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# EASTSPRING INVESTMENTS EQUITY INCOME FUND

## UNAUDITED FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 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 unaudited financial statements set out on pages 14 to 53 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 December 2024 and of its financial performance, changes in equity and cash flows for the six months financial period 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: 24 February 2025

## TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS EQUITY INCOME FUND ("Fund")

We have acted as Trustee of the Fund for the financial period ended 31 December 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 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.

For Deutsche Trustees Malaysia Berhad

**Ng Hon Leong**  
Head, Fund Operations

**Sylvia Beh**  
Chief Executive Officer

Kuala Lumpur  
Date: 24 February 2025



## UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2024

	Note	6-months financial period ended 31.12.2024	6-months financial period ended 31.12.2023
		RM	RM
<b>INVESTMENT INCOME</b>			
Gross dividend income		11,006,294	7,803,820
Interest income from deposits with licensed financial institutions		482,540	500,339
Net gain on financial assets at fair value through profit or loss	6	<u>10,269,181</u>	<u>21,921,621</u>
		<u>21,758,015</u>	<u>30,225,780</u>
<b>EXPENSES</b>			
Management fee	3	(4,142,352)	(3,149,357)
Trustee fee	4	(193,310)	(146,970)
Audit fee		(3,831)	(3,821)
Tax agent fee		(1,866)	(1,860)
Other expenses		(72,961)	(45,778)
Transaction cost		<u>(1,513,326)</u>	<u>(488,938)</u>
		<u>(5,927,646)</u>	<u>(3,836,724)</u>
<b>PROFIT BEFORE TAXATION</b>		15,830,369	26,389,056
<b>TAXATION</b>	5	<u>-</u>	<u>-</u>
<b>PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME</b>		<u>15,830,369</u>	<u>26,389,056</u>
Profit after taxation is made up of the following:			
Realised amount		11,867,113	(14,756,984)
Unrealised amount		<u>3,963,256</u>	<u>41,146,040</u>
		<u>15,830,369</u>	<u>26,389,056</u>

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

# UNAUDITED STATEMENT OF FINANCIAL POSITION

## AS AT 31 DECEMBER 2024

	Note	2024	2023
		RM	RM
<b>ASSETS</b>			
Cash and cash equivalents	7	7,992,338	21,401,910
Financial assets at fair value through profit or loss	6	406,909,932	397,619,150
Amount due from Manager		2,897,260	532,865
Dividends receivable		6,166	379,626
<b>TOTAL ASSETS</b>		<u>417,805,696</u>	<u>419,933,551</u>
<b>LIABILITIES</b>			
Accrued management fee		556,198	530,794
Amount due to Manager		1,212,251	268,333
Amount due to Trustee		25,956	24,770
Amount due to brokers		506,671	-
Other payables and accruals		13,680	13,870
<b>TOTAL LIABILITIES</b>		<u>2,314,756</u>	<u>837,767</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>415,490,940</u>	<u>419,095,784</u>
<b>EQUITY</b>			
Unit holders' capital		275,461,124	349,818,082
Retained earnings		140,029,816	69,277,702
<b>NET ASSET ATTRIBUTABLE TO UNIT HOLDERS</b>		<u>415,490,940</u>	<u>419,095,784</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	8	<u>505,503,856</u>	<u>569,083,120</u>
<b>NET ASSET VALUE PER UNIT (RM)</b>		<u>0.8219</u>	<u>0.7364</u>

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

## UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2024

	Unit holders' capital	Retained earnings	Total
	RM	RM	RM
Balance as at 1 July 2024	472,510,812	124,199,447	596,710,259
Movement in unit holders' contribution:			
Creation of units from applications	36,151,577	-	36,151,577
Cancellation of units	(233,201,265)	-	(233,201,265)
Total comprehensive income for the financial period	-	15,830,369	15,830,369
Balance as at 31 December 2024	<u>275,461,124</u>	<u>140,029,816</u>	<u>415,490,940</u>
Balance as at 1 July 2023	359,847,230	42,888,646	402,735,876
Movement in unit holders' contribution:			
Creation of units from applications	11,554,414	-	11,554,414
Cancellation of units	(21,583,562)	-	(21,583,562)
Total comprehensive income for the financial period	-	26,389,056	26,389,056
Balance as at 31 December 2023	<u>349,818,082</u>	<u>69,277,702</u>	<u>419,095,784</u>

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

# UNAUDITED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2024

	6-months financial period ended 31.12.2024	6-months financial period ended 31.12.2023
Note	RM	RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from sale of investments	359,059,628	70,825,741
Purchase of investments	(219,888,784)	(92,734,990)
Dividends received	11,377,649	8,018,015
Interest received from deposits with licensed financial institutions	482,540	500,339
Management fee paid	(4,319,215)	(3,117,360)
Trustee fee paid	(201,564)	(145,477)
Payment for other fees and expenses	(26,583)	(25,456)
Net cash generated from/(used in) operating activities	146,483,671	(16,679,188)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash proceeds from units created	35,047,262	11,060,561
Payments for cancellation of units	(232,582,486)	(21,867,183)
Net cash used in financing activities	(197,535,224)	(10,806,622)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(51,051,553)	(27,485,810)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	59,043,891	48,887,720
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD</b>	7,992,338	21,401,910

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

## MATERIAL ACCOUNTING POLICY INFORMATION FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 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 require 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 and amendments to existing standards effective 1 January 2024:

There are no other standards, amendments to standards or interpretations that are effective for financial period beginning on 1 July 2024 that have a material effect on the financial statements of the Fund.

b. New standards, amendments and interpretations effective after 1 January 2024 and have not been early adopted:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2024 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**

Interest income from short-term deposits placed with licensed financial institutions is 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).

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

Realised gain or loss on disposal of quoted securities are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, which is determined on a weighted average cost basis.

## **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. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from Manager and dividends 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, amount due to brokers 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 and transaction costs are expensed in the statement of comprehensive income.

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 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.

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund’s right to receive payments is established.

Quoted securities in Malaysia are valued at the last done market price quoted on the Bursa Malaysia Securities Berhad (“Bursa Securities”) at the date of the statement of financial position.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or no market price is available, including in the event of a suspension in the quotation of the quoted securities for a financial period exceeding 14 days, or such shorter period as agreed by the Trustee, then the quoted securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

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 there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of obligor'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 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.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amount due from brokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12 months expected credit losses. 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.

If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

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

## **I. TRANSACTION COSTS**

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

## **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 Securities Commission's ("SC") Guidelines on Unit Trust Funds.

# NOTES TO THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2024

## 1. INFORMATION ON THE FUND

Eastspring Investments Equity Income Fund (the “Fund”) was constituted pursuant to the execution of a Deed dated 8 October 2004, Master Supplemental Deed dated 12 July 2007 and Second Supplemental Master Deed dated 30 November 2009 between HSBC (Malaysia) Trustee Berhad (“HSBC Trustee”) and Eastspring Investments Berhad (the “Manager”). The Fund replaced HSBC Trustee with Deutsche Trustees Malaysia Berhad (the “Trustee”) effective 1 October 2010. A Supplemental Master Deed was entered into between Eastspring Investments Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”) on 30 July 2010 to effect the change of trustee from HSBC Trustee to the Trustee, followed by Second Supplemental Master Deed dated 28 January 2011, Third Supplemental Master Deed dated 9 March 2011, Fourth Supplemental Master Deed dated 20 January 2012, Fifth Supplemental Master Deed dated 26 March 2014, Sixth Supplemental Master Deed dated 2 January 2015, Seventh Supplemental Master Deed dated 11 July 2016, Eighth Supplemental Master Deed dated 25 January 2017, Ninth Supplemental Master Deed dated 11 December 2017, Tenth Supplemental Master Deed dated 4 June 2018, Eleventh Supplemental Master Deed dated 30 September 2021, Twelfth Supplemental Master Deed dated 29 June 2022 and Thirteenth Supplemental Master Deed dated 29 November 2022 (collectively referred to as the “Deeds”).

The Fund was launched on 18 October 2004 and will continue its operations until terminated by the Trustee or the Manager as provided under Part 12 of the Deed.

The Fund invests in equities and equity-related securities of companies that have consistent track record of dividend distributions and prospects for capital growth or increase in future dividend distributions.

The main objective of the Fund seeks to provide a stable income stream with medium to long-term capital growth.

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

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), stock/issuer risk, fund management risk, liquidity risk, non-compliance risk, credit/default 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 Deeds.

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
<u>2024</u>				
Cash and cash equivalents	7	7,992,338	-	7,992,338
Quoted securities	6	-	406,909,932	406,909,932
Amount due from Manager		2,897,260	-	2,897,260
Dividends receivable		6,166	-	6,166
		<u>10,895,764</u>	<u>406,909,932</u>	<u>417,805,696</u>
<u>2023</u>				
Cash and cash equivalents	7	21,401,910	-	21,401,910
Quoted securities	6	-	397,619,150	397,619,150
Amount due from Manager		532,865	-	532,865
Dividends receivable		379,626	-	379,626
		<u>22,314,401</u>	<u>397,619,150</u>	<u>419,933,551</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 31 December which are exposed to price risk:

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
Quoted securities	406,909,932	397,619,150

The following table summarises the sensitivity of the Fund's profit after tax and net asset value to movements in prices of quoted securities at the end of each financial reporting period. The analysis is based on the assumptions that the market price of the quoted 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 quoted securities, having regard to the historical volatility of the prices.

% Change in price	Market value	Impact on profit after tax and net asset value
	RM	RM
<u>2024</u>		
+5%	427,255,429	20,345,497
-5%	386,564,435	(20,345,497)
<u>2023</u>		
+5%	417,500,108	19,880,958
-5%	377,738,193	(19,880,958)

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.

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

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

### **Stock/Issuer risk**

The Fund is restricted to investment in securities issued by and securities relating to any issuer of not more than ten percent (10%) of its net asset value. Furthermore, the Fund is restricted to invest in securities issued by and securities relating to any group of companies of not more than twenty percent (20%) of its net asset value. Under such restrictions, the exposure risk to the securities of any single issuer or any one group of companies is minimised.

### **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 interest of unit holders.



## 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 and 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.

	<b>Less than 1 month</b>	<b>Between 1 month to 1 year</b>	<b>Total</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>2024</b>			
Accrued management fee	556,198	-	556,198
Amount due to Manager	1,212,251	-	1,212,251
Amount due to Trustee	25,956	-	25,956
Amount due to brokers	506,671	-	506,671
Other payables and accruals	-	13,680	13,680
Contractual undiscounted cash outflows	<u>2,301,076</u>	<u>13,680</u>	<u>2,314,756</u>
<b>2023</b>			
Accrued management fee	530,794	-	530,794
Amount due to Manager	268,333	-	268,333
Amount due to Trustee	24,770	-	24,770
Other payables and accruals	-	13,870	13,870
Contractual undiscounted cash outflows	<u>823,897</u>	<u>13,870</u>	<u>837,767</u>

**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.

**Credit/Default risk**

Credit risk refers to the ability of an issuer or a counter party to make timely payments of interest, 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. For amount due from brokers, the settlement terms are governed by the relevant rules and regulations as prescribed by Bursa Malaysia Securities Berhad ("Bursa Malaysia"). 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.

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

	Cash and cash equivalents	Dividends receivable	Amount due from Manager	Total
	RM	RM	RM	RM
<u>2024</u>				
Financial Services				
- AAA	7,992,338	-	-	7,992,338
Technology				
- NR	-	6,166	-	6,166
Other				
- NR	-	-	2,897,260	2,897,260
	<u>7,992,338</u>	<u>6,166</u>	<u>2,897,260</u>	<u>10,895,764</u>
<u>2023</u>				
Construction				
- NR	-	30,000	-	30,000
Consumer Products & Services				
- NR	-	25,000	-	25,000
Energy				
- NR	-	31,840	-	31,840
Financial Services				
- AAA	21,215,665	-	-	21,215,665
- AA1	186,245	-	-	186,245
- NR	-	102,000	-	102,000
Plantation				
- NR	-	127,463	-	127,463
Property				
- NR	-	19,323	-	19,323
Technology				
- NR	-	44,000	-	44,000
Other				
- NR	-	-	532,865	532,865
	<u>21,401,910</u>	<u>379,626</u>	<u>532,865</u>	<u>22,314,401</u>

None of these financial assets are past due or impaired.

## Capital risk

The capital of the Fund is represented by equity consisting of unit holders' capital of RM275,461,124 (2023: RM349,818,082) and retained earnings of RM140,029,816 (2023: RM69,277,702). 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>2024</u>				
Financial assets at fair value through profit or loss:				
Quoted securities	406,909,932	-	-	406,909,932
<u>2023</u>				
Financial assets at fair value through profit or loss:				
Quoted securities	397,619,150	-	-	397,619,150

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active quoted securities. 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.

- ii. The carrying value of cash and cash equivalents, amount due from Manager, dividends 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 2.00% per annum of the net asset value of the Fund accrued and calculated on daily basis.

For the financial period ended 31 December 2024, the management fee is recognised at a rate of 1.50% (2023: 1.50%) 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 RM18,000 per annum.

For the financial period ended 31 December 2024, the Trustee fee is recognised at a rate of 0.07% (2023: 0.07%) subject to a minimum fee of RM18,000 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

	6-months financial period ended 31.12.2024	6-months financial period ended 31.12.2023
	RM	RM

Tax charged for the financial period:

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

	6-months financial period ended 31.12.2024	6-months financial period ended 31.12.2023
	RM	RM
Profit before taxation	15,830,369	26,389,056
Tax at Malaysian statutory rate of 24% (2023: 24%)	3,799,289	6,333,373
Tax effects of:		
Investment income not subject to tax	(5,221,924)	(7,254,187)
Expenses not deductible for tax purposes	427,551	164,051
Restriction on the tax deductible expenses for Unit Trust Funds	995,084	756,763
Taxation	-	-



**6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Financial assets at fair value through profit or loss:		
Quoted securities	406,909,932	397,619,150
Net gain on financial assets at fair value through profit or loss:		
Realised gain/(loss) on disposals	6,305,925	(19,224,419)
Change in unrealised fair value gain	3,963,256	41,146,040
	<u>10,269,181</u>	<u>21,921,621</u>

Quoted securities

Name of counter	Quantity	Aggregate cost	Fair value	Percentage
			as at 31.12.2024	of net asset value of the Fund
	Units	RM	RM	%
<u>Construction</u>				
Gamuda Berhad	3,046,000	14,587,919	14,438,040	3.47
IJM Corporation Berhad	1,682,000	5,238,077	5,113,280	1.23
Sunway Construction Group Berhad	501,000	2,273,150	2,319,630	0.56
	<u>5,229,000</u>	<u>22,099,146</u>	<u>21,870,950</u>	<u>5.26</u>
<u>Consumer Products &amp; Services</u>				
Hong Leong Industries Berhad	283,000	2,770,074	4,046,900	0.97
Mr D.I.Y. Group (M) Berhad	2,392,000	4,161,728	4,425,200	1.07
Sime Darby Berhad	2,065,000	5,526,560	4,873,400	1.17
	<u>4,740,000</u>	<u>12,458,362</u>	<u>13,345,500</u>	<u>3.21</u>

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value	Percentage
			as at 31.12.2024	of net asset value of the Fund
	Units	RM	RM	%
<u>Financial Services</u>				
Alliance Bank Malaysia Berhad	764,000	3,724,649	3,697,760	0.89
AMMB Holdings Berhad	910,000	4,748,153	4,986,800	1.20
Bursa Malaysia Berhad	336,000	2,200,556	3,010,560	0.72
CIMB Group Holdings Berhad	4,307,000	27,422,822	35,317,400	8.50
Hong Leong Bank Berhad	410,000	7,099,436	8,429,600	2.03
Hong Leong Financial Group Berhad	129,000	2,401,400	2,386,500	0.57
Malayan Banking Berhad	3,084,000	29,500,517	31,580,160	7.60
Public Bank Berhad	7,678,000	33,433,119	35,011,680	8.43
RHB Bank Berhad	1,355,000	8,365,904	8,780,400	2.11
	<u>18,973,000</u>	<u>118,896,556</u>	<u>133,200,860</u>	<u>32.05</u>
<u>Health Care</u>				
Hartalega Holdings Berhad	1,069,000	3,246,023	4,222,550	1.02
IHH Healthcare Berhad	1,490,000	9,824,608	10,877,000	2.62
Kossan Rubber Industries Berhad	2,000,000	4,412,563	5,660,000	1.36
KPJ Healthcare Berhad	1,054,000	2,191,499	2,561,220	0.62
	<u>5,613,000</u>	<u>19,674,693</u>	<u>23,320,770</u>	<u>5.62</u>

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at	Percentage of net
			31.12.2024	asset value of the Fund
	Units	RM	RM	%
<u>Industrial Products &amp; Services</u>				
Engtex Group Berhad	3,000,000	1,771,189	1,860,000	0.45
Malayan Cement Berhad	769,000	3,897,114	3,768,100	0.91
Malaysia Smelting Corporation Berhad	988,000	3,309,947	2,223,000	0.54
PETRONAS Chemicals Group Berhad	990,000	7,744,098	5,118,300	1.23
Press Metal Aluminium Holdings Berhad	2,166,000	10,916,112	10,613,400	2.55
Sunway Berhad	1,077,000	3,933,450	5,158,830	1.24
	<u>8,990,000</u>	<u>31,571,910</u>	<u>28,741,630</u>	<u>6.92</u>
<u>Plantation</u>				
Hap Seng Plantations Holdings Berhad	2,272,000	4,406,185	4,521,280	1.09
IOI Corporation Berhad	2,276,000	8,989,184	8,830,880	2.13
Johor Plantations Group Berhad	3,023,000	3,521,482	4,081,050	0.98
Kuala Lumpur Kepong Berhad	376,000	8,617,264	8,196,800	1.97
Sarawak Oil Palms Berhad	410,000	1,265,042	1,303,800	0.31
SD Guthrie Berhad	2,508,000	11,391,642	12,414,600	2.99
	<u>10,865,000</u>	<u>38,190,799</u>	<u>39,348,410</u>	<u>9.47</u>
<u>Property</u>				
S P Setia Berhad	3,265,000	4,934,516	4,766,900	1.15
Sime Darby Property Berhad	2,656,000	4,012,968	4,488,640	1.08
UEM Sunrise Berhad	4,866,000	5,536,771	5,255,280	1.26
	<u>10,787,000</u>	<u>14,484,255</u>	<u>14,510,820</u>	<u>3.49</u>

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 31.12.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Real Estate Investment Trust</u>				
Axis Real Estate Investment Trust	1,715,400	3,089,302	2,967,642	0.71
IGB Real Estate Investment Trust	855,000	1,402,202	1,829,700	0.44
KLCC Property Holdings Berhad	299,000	2,281,576	2,436,850	0.59
Sunway Real Estate Investment Trust	1,113,000	1,723,771	2,059,050	0.50
YTL Hospitality REIT	3,000,000	3,616,716	3,540,000	0.85
	<u>6,982,400</u>	<u>12,113,567</u>	<u>12,833,242</u>	<u>3.09</u>
<u>Technology</u>				
CTOS Digital Berhad	734,000	912,086	880,800	0.21
Frontken Corporation Berhad	704,000	3,220,796	3,139,840	0.76
Inari Amertron Berhad	1,648,000	5,419,213	5,042,880	1.21
SNS Network Technology Berhad	4,190,000	2,531,821	2,765,400	0.67
	<u>7,276,000</u>	<u>12,083,916</u>	<u>11,828,920</u>	<u>2.85</u>
<u>Telecommunications &amp; Media</u>				
Axiata Group Berhad	2,074,000	9,185,254	5,164,260	1.24
CelcomDigi Berhad	2,316,000	10,179,529	8,383,920	2.02
Maxis Berhad	1,526,000	5,897,139	5,569,900	1.34
REDtone Digital Berhad	2,248,000	2,017,332	1,933,280	0.47
Telekom Malaysia Berhad	1,798,000	10,279,685	11,956,700	2.88
TIME dotCom Berhad	927,000	4,835,569	4,347,630	1.05
	<u>10,889,000</u>	<u>42,394,508</u>	<u>37,355,690</u>	<u>9.00</u>

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 31.12.2024	Percentage of net asset value of the Fund
	Units	RM	RM	%
<u>Transportation &amp; Logistics</u>				
MISC Berhad	1,041,000	8,007,924	7,911,600	1.90
Westports Holdings Berhad	599,000	2,671,905	2,791,340	0.67
	<u>1,640,000</u>	<u>10,679,829</u>	<u>10,702,940</u>	<u>2.57</u>
<u>Utilities</u>				
Gas Malaysia Berhad	506,000	1,940,915	2,170,740	0.52
PETRONAS Gas Berhad	458,000	8,157,241	8,097,440	1.95
Ranhill Utilities Berhad	1,680,000	2,097,318	2,553,600	0.61
Tenaga Nasional Berhad	2,300,000	28,051,261	34,362,000	8.27
YTL Corporation Berhad	2,678,000	7,864,351	7,150,260	1.72
YTL Power Internation Berhad	1,248,000	5,110,224	5,516,160	1.33
	<u>8,870,000</u>	<u>53,221,310</u>	<u>59,850,200</u>	<u>14.40</u>
<b>TOTAL QUOTED SECURITIES</b>	<u>100,854,400</u>	<u>387,868,851</u>	<u>406,909,932</u>	<u>97.93</u>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>19,041,081</u>		
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			<u>406,909,932</u>	

Quoted securities

Name of counter	Quantity	Aggregate cost	Fair value	Percentage
			as at 31.12.2023	of net asset value of the Fund
	Units	RM	RM	%
<u>Construction</u>				
Gamuda Berhad	1,000,000	3,937,122	4,590,000	1.10
IJM Corporation Berhad	2,482,100	6,519,403	4,666,348	1.11
Kerjaya Prospek Group Berhad	1,500,000	1,392,673	2,325,000	0.55
Sunway Construction Group Berhad	650,000	1,248,542	1,261,000	0.30
	<u>5,632,100</u>	<u>13,097,740</u>	<u>12,842,348</u>	<u>3.06</u>
<u>Consumer Products &amp; Services</u>				
Bermaz Auto Berhad	500,000	1,036,967	1,180,000	0.28
Farm Fresh Berhad	1,736,000	2,446,110	2,291,520	0.55
Genting Berhad	711,000	4,760,356	3,284,820	0.78
Genting Malaysia Berhad	843,000	2,989,505	2,267,670	0.54
Heineken Malaysia Berhad	70,000	1,300,852	1,689,800	0.40
Hong Leong Industries Berhad	825,600	8,081,178	7,603,776	1.81
Mr D.I.Y. Group (M) Berhad	2,700,000	4,719,787	3,915,000	0.93
Padini Holdings Berhad	462,000	1,591,598	1,621,620	0.39
PPB Group Berhad	485,100	8,208,527	7,024,248	1.68
Sime Darby Berhad	3,800,000	8,585,439	8,930,000	2.13
	<u>12,132,700</u>	<u>43,720,319</u>	<u>39,808,454</u>	<u>9.49</u>
<u>Energy</u>				
Dialog Group Berhad	1,011,000	3,037,164	2,092,770	0.50
Hibiscus Petroleum Berhad	1,592,000	4,111,999	4,043,680	0.96
	<u>2,603,000</u>	<u>7,149,163</u>	<u>6,136,450</u>	<u>1.46</u>

Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at	Percentage of net
			31.12.2023	asset value of the Fund
	Units	RM	RM	%
<u>Financial Services</u>				
Alliance Bank Malaysia Berhad	801,700	2,986,054	2,717,763	0.65
AMMB Holdings Berhad	1,443,000	5,430,077	5,786,430	1.38
Bursa Malaysia Berhad	900,000	5,894,346	6,219,000	1.48
CIMB Group Holdings Berhad	5,300,000	27,859,099	31,005,000	7.40
Hong Leong Bank Berhad	428,000	7,218,562	8,089,200	1.93
Hong Leong Financial Group Berhad	54,800	884,669	900,912	0.21
Malayan Banking Berhad	4,249,000	38,909,874	37,773,610	9.01
Public Bank Berhad	8,188,000	35,846,763	35,126,520	8.38
RHB Bank Berhad	1,000,000	5,410,656	5,450,000	1.30
	<u>22,364,500</u>	<u>130,440,100</u>	<u>133,068,435</u>	<u>31.74</u>
<u>Health Care</u>				
IHH Healthcare Berhad	1,240,700	7,287,345	7,481,421	1.79
Kossan Rubber Industries Berhad	1,800,000	2,052,000	2,592,000	0.62
	<u>3,040,700</u>	<u>9,339,345</u>	<u>10,073,421</u>	<u>2.41</u>

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value	Percentage
			as at 31.12.2023	of net asset value of the Fund
	Units	RM	RM	%
<u>Industrial Products &amp; Services</u>				
Malayan Cement Berhad Malaysia Smelting Corporation Berhad	800,500	2,986,826	3,386,115	0.81
PETRONAS Chemicals Group Berhad	933,000	2,075,375	1,893,990	0.45
Press Metal Aluminium Holdings Berhad	2,332,000	18,407,763	16,697,120	3.98
Sunway Berhad	2,510,400	12,391,165	12,075,024	2.88
	1,056,000	2,082,549	2,175,360	0.52
	7,631,900	37,943,678	36,227,609	8.64
<u>Plantation</u>				
IOI Corporation Berhad	1,822,900	7,129,685	7,163,997	1.71
Kuala Lumpur Kepong Berhad	492,472	11,411,357	10,745,739	2.56
Sime Darby Plantation Berhad	2,236,200	9,699,423	9,973,452	2.38
TSH Resources Berhad	1,000,000	1,023,473	975,000	0.23
	5,551,572	29,263,938	28,858,188	6.88
<u>Property</u>				
IOI Properties Group Berhad	1,317,000	2,175,293	2,304,750	0.55
Matrix Concepts Holdings Berhad	772,900	1,169,671	1,275,285	0.30
S P Setia Berhad	2,884,000	3,011,211	2,307,200	0.55
Sime Darby Property Berhad	4,348,000	3,067,616	2,717,500	0.65
UEM Sunrise Berhad	5,147,000	4,250,157	4,194,805	1.00
	14,468,900	13,673,948	12,799,540	3.05



Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value as at	Percentage of net
			31.12.2023	asset value of the Fund
	Units	RM	RM	%
<u>Real Estate Investment Trust</u>				
Axis Real Estate Investment Trust	1,636,660	2,920,831	2,929,621	0.70
IGB Real Estate Investment Trust	1,800,000	2,806,569	3,096,000	0.74
KLCC Property Holdings Berhad	430,000	3,297,787	3,048,700	0.73
Sunway Real Estate Investment Trust	1,500,000	2,342,802	2,310,000	0.55
	5,366,660	11,367,989	11,384,321	2.72
<u>Technology</u>				
Frontken Corporation Berhad	656,000	2,150,923	2,125,440	0.51
Inari Amertron Berhad	2,000,000	4,706,424	6,020,000	1.44
ITMAX System Berhad	1,100,000	1,886,568	1,969,000	0.47
SNS Network Technology Berhad	9,000,000	2,313,958	2,115,000	0.50
	12,756,000	11,057,873	12,229,440	2.92
<u>Telecommunications &amp; Media</u>				
Axiata Group Berhad	2,481,780	12,078,231	5,906,636	1.41
CelcomDigi Berhad	2,668,200	12,039,563	10,886,256	2.60
Maxis Berhad	1,500,000	8,140,844	5,775,000	1.38
REDtone Digital Berhad	3,150,000	2,211,625	2,205,000	0.53
Telekom Malaysia Berhad	1,800,000	9,164,219	9,990,000	2.38
TIME dotCom Berhad	1,526,000	7,063,759	8,240,400	1.97
	13,125,980	50,698,241	43,003,292	10.27

## Quoted securities (continued)

Name of counter	Quantity	Aggregate cost	Fair value	Percentage
			as at 31.12.2023	of net asset value of the Fund
	Units	RM	RM	%
<u>Transportation &amp; Logistics</u>				
Malaysia Airports Holdings Berhad	883,324	6,251,455	6,501,265	1.55
MISC Berhad	1,102,700	8,333,433	8,038,683	1.92
Westports Holdings Berhad	500,000	1,888,085	1,825,000	0.44
	<u>2,486,024</u>	<u>16,472,973</u>	<u>16,364,948</u>	<u>3.91</u>
<u>Utilities</u>				
PETRONAS Gas Berhad	246,000	4,094,356	4,280,400	1.02
Tenaga Nasional Berhad	2,064,600	24,000,710	20,728,584	4.95
YTL Corporation Berhad	2,850,000	3,563,234	5,386,500	1.29
YTL Power International Berhad	1,743,000	3,372,916	4,427,220	1.06
	<u>6,903,600</u>	<u>35,031,216</u>	<u>34,822,704</u>	<u>8.32</u>
<b>TOTAL QUOTED SECURITIES</b>	<u>114,063,636</u>	409,256,523	<u>397,619,150</u>	94.87
<b>ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			<u>(11,637,373)</u>	
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>			<u>397,619,150</u>	

**7. CASH AND CASH EQUIVALENTS**

	<b>2024</b>	<b>2023</b>
	<b>RM</b>	<b>RM</b>
Bank balance with a licensed bank	1,391,750	186,245
Deposits with licensed financial institution	6,600,588	21,215,665
	<u>7,992,338</u>	<u>21,401,910</u>

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

	<b>2024</b>	<b>2023</b>
	<b>%</b>	<b>%</b>
Deposits with licensed financial institution	<u>3.25</u>	<u>3.25</u>

The deposits have an average maturity of 2 days (2023: 2 days).

**8. UNITS IN CIRCULATION**

	<b>2024</b>	<b>2023</b>
	<b>No. of units</b>	<b>No. of units</b>
At the beginning of the financial period	750,353,913	582,942,838
Creation of units arising from applications during the financial period	44,775,695	16,002,381
Cancellation of units during the financial period	<u>(289,625,752)</u>	<u>(29,862,099)</u>
At the end of the financial period	<u>505,503,856</u>	<u>569,083,120</u>

## 9. TRANSACTIONS WITH BROKERS

Details of transactions with the top 10 brokers are as follows:

Name of brokers	Value	Percentage	Brokerage fees	Percentage
	of trades	of total		of total
	RM	%	RM	%
<b>2024</b>				
CLSA Securities Malaysia Sdn Bhd	99,359,666	17.45	195,867	18.35
RHB Investment Bank Berhad	75,882,859	13.32	123,663	11.59
J.P. Morgan Securities (Malaysia) Sdn Bhd	57,471,674	10.09	109,196	10.23
UOB Kay Hian Securities (M) Sdn Bhd	56,755,896	9.97	107,836	10.10
CIMB Securities Sdn Bhd	55,746,186	9.79	122,288	11.46
CGS International Securities Malaysia Sdn Bhd	51,654,372	9.07	98,143	9.19
Kenanga Investment Bank Berhad	46,356,561	8.14	87,188	8.17
Maybank Investment Bank Berhad	34,369,006	6.03	65,255	6.11
Affin Hwang Investment Bank Berhad	28,548,696	5.01	37,478	3.51
UBS Securities Malaysia Sdn Bhd	28,128,870	4.94	53,445	5.01
Others	35,269,372	6.19	67,013	6.28
	<b>569,543,158</b>	<b>100.00</b>	<b>1,067,372</b>	<b>100.00</b>

Name of brokers	Value	Percentage	Brokerage fees	Percentage
	of trades	of total		of total
	RM	%	RM	%
<b>2023</b>				
RHB Investment Bank Berhad	21,710,259	13.43	45,766	14.68
Maybank Investment Bank Berhad	19,286,590	11.93	36,662	11.76
Macquarie Capital Securities (Malaysia) Sdn Bhd	17,154,814	10.61	32,594	10.45
UOB Kay Hian Securities (M) Sdn Bhd	16,413,412	10.15	31,185	10.00
Kenanga Investment Bank Berhad	15,859,246	9.81	30,133	9.66
CLSA Securities Malaysia Sdn Bhd	14,454,980	8.94	27,479	8.81
UBS Securities Malaysia Sdn Bhd	12,692,571	7.85	24,147	7.74
J.P. Morgan Securities (Malaysia) Sdn Bhd	12,588,681	7.79	23,932	7.67
CGS - CIMB Securities Sdn Bhd	8,740,171	5.40	18,461	5.92
KAF Equities Sdn Bhd	8,621,902	5.33	16,308	5.23
Others	14,160,012	8.76	25,161	8.08
	<b>161,682,638</b>	<b>100.00</b>	<b>311,828</b>	<b>100.00</b>

All brokers highlighted above are not related to the Manager.

## 10. 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:

	2024		2023	
	No. of units	RM	No. of units	RM
Eastspring Investments Berhad	4,447	3,655	4,245	3,126

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 the SC's Guidelines on Unit Trust Funds. 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.

## 11. TOTAL EXPENSE RATIO (“TER”)

	2024	2023
	%	%
TER	0.80	0.80

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 (excluding sales and service tax on transaction cost and withholding tax)

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 RM547,910,587 (2023: RM417,574,214).

## 12. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024	2023
PTR (times)	0.52	0.19

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 = RM216,757,330 (2023: RM91,555,047)

total disposals for the financial period = RM352,835,822 (2023: RM70,982,499)

### **13. APPROVAL OF FINANCIAL STATEMENTS**

The unaudited financial statements have been approved for issue by the Manager on 24 February 2025.



## CORPORATE DIRECTORY

### **THE MANAGER**

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

200001028634 (531241-U)

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### **TRUSTEE**

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### **SALE & PURCHASE OF UNITS**

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**ENQUIRIES**

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