

EASTSPRING INVESTMENTS CASH MANAGEMENT FUND

SEMI-ANNUAL REPORT

FOR THE SIX MONTHS FINANCIAL PERIOD
ENDED 30 JUNE 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 30 June 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 'YSH', written in a cursive style.

YAP SIOK HOON

Executive Director/Chief Executive Officer

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FUND INFORMATION

Name of Fund	Eastspring Investments Cash Management Fund (the "Fund")
Fund Category/ Type	Money market/income
Fund Objective	<p>The Fund seeks to provide a high level of liquidity with reasonable returns by investing in a portfolio of money market and other short-term debt instruments.</p> <p>ANY MATERIAL CHANGES TO THE FUND'S OBJECTIVE WOULD REQUIRE UNIT HOLDERS' APPROVAL.</p>
Performance Benchmark	<p>The performance benchmark of the Fund is Maybank overnight deposit rate.</p> <p>Source: www.maybank2u.com.my</p> <p>Note: The risk profile of the Fund is different from the risk profile of the performance benchmark.</p>
Fund Income Distribution Policy	At least once a month, subject to the availability of income.

KEY PERFORMANCE DATA

FOR THE FINANCIAL PERIOD ENDED

Category	2024	2023	2022
	(%)	(%)	(%)
Unquoted fixed income securities	20.66	22.03	25.09
Deposits with licensed financial institutions	80.33	77.97	74.85
Cash and other assets	(0.99)	-	0.06
Total	100.00	100.00	100.00
Net Asset Value (NAV) (RM'000)			
- Retail class	32,898	40,464	55,166
- Corporate class	16,122	55,882	46,651
Units In Circulation (Units '000)			
- Retail class	58,191	72,345	101,416
- Corporate class	28,517	99,912	85,780
Net Asset Value Per Unit (RM)			
- Retail class	0.5654	0.5593	0.5439
- Corporate class	0.5654	0.5593	0.5439
Highest Net Asset Value Per Unit (RM)#			
- Retail class	0.5593	0.5593	0.5439
- Corporate class	0.5593	0.5593	0.5439
Lowest Net Asset Value Per Unit (RM)#			
- Retail class	0.5586	0.5586	0.5434
- Corporate class	0.5586	0.5586	0.5434
Total Return (%)			
Capital Growth			
- Retail class	0.48	1.62	0.80
- Corporate class	0.48	1.62	0.82
Income Distribution (%)			
- Retail class	1.25	0.11	0.06
- Corporate class	1.25	0.11	0.06

KEY PERFORMANCE DATA (CONTINUED)

Category	2024	2023	2022
Total Return (%)			
- Retail class	1.73	1.73	0.85
- Corporate class	1.73	1.73	0.87
Gross Distribution Per Unit (RM)			
- Retail class	0.0070	0.0006	0.0003
- Corporate class	0.0070	0.0006	0.0003
Net Distribution Per Unit (RM)			
- Retail class	0.0070	0.0006	0.0003
- Corporate class	0.0059	0.0006	0.0003
Total Expense Ratio (TER) (%)*	0.20	0.19	0.19
Portfolio Turnover Ratio (PTR) (times)^	29.54	28.67	35.45

Figures shown as ex-distribution.

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

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

KEY PERFORMANCE DATA (CONTINUED)

	1 year 1.7.2023 to 30.6.2024	3 years 1.7.2021 to 30.6.2024	5 years 1.7.2019 to 30.6.2024
	(%)	(%)	(%)

Average total return

- Retail class	3.47	2.76	2.65
- Corporate class	3.47	2.76	2.65

Year ended	1.1.2023 to 31.12.2023	1.1.2022 to 31.12.2022	1.1.2021 to 31.12.2021	1.1.2020 to 31.12.2020	1.1.2019 to 31.12.2019
	(%)	(%)	(%)	(%)	(%)

Annual total return

- Retail class	3.46	2.17	1.83	2.40	3.29
- Corporate class	3.46	2.19	1.81	2.40	3.29

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

Bases of calculation and assumptions made in calculating returns:

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

NAV_t = NAV at the end of the period

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

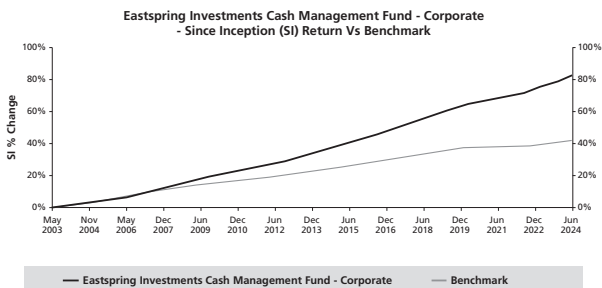
Past performance is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

MANAGER'S REPORT

Fund Performance

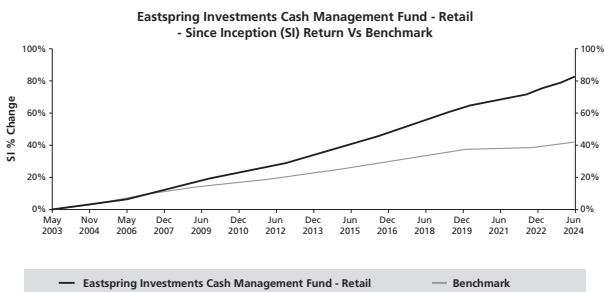
Over the 5-year period, the Fund recorded a return of 13.99%, outperforming the benchmark return of 4.19% by 9.80%.

During the period under review, the Fund registered a return of 1.73%, outperforming the benchmark return of 0.65% by 1.08%.



Over the 5-year period, the Fund recorded a return of 13.99%, outperforming the benchmark return of 4.19% by 9.80%.

During the period under review, the Fund registered a return of 1.73%, outperforming the benchmark return of 0.65% by 1.08%.



MANAGER'S REPORT (CONTINUED)

Fund Performance (continued)

Investments in short term corporate bonds and commercial papers have contributed to the outperformance of the Fund.

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

Benchmark: Maybank overnight deposit rate

Source: Lipper for Investment Management and www.maybank2u.com.my, as at 30 June 2024.

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

Analysis of Fund Performance

For the financial period ended 30 June 2024:

	Income Return	Capital Return*	Total Return	Total Return of Benchmark
	(%)	(%)	(%)	(%)
Retail class	1.25	0.48	1.73	0.65
Corporate class	1.25	0.48	1.73	0.65

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

MANAGER'S REPORT (CONTINUED)

Distribution/
Unit Split

Retail class

Ex-Date	Distribution per unit		Net Asset Value per unit	
	Gross (RM)	Net (RM)	Before	After
			Distribution (RM)	Distribution (RM)
15/1/2024	0.0012	0.0012	0.5634	0.5622
15/2/2024	0.0013	0.0013	0.5639	0.5626
15/3/2024	0.0011	0.0011	0.5642	0.5631
15/4/2024	0.0011	0.0011	0.5648	0.5637
15/5/2024	0.0011	0.0011	0.5652	0.5641
18/6/2024	0.0012	0.0012	0.5659	0.5647

Corporate class

Ex-Date	Distribution per unit		Net Asset Value per unit	
	Gross (RM)	Net (RM)	Before	After
			Distribution (RM)	Distribution (RM)
15/1/2024	0.0012	0.0010	0.5632	0.5622
15/2/2024	0.0013	0.0011	0.5638	0.5627
15/3/2024	0.0011	0.0009	0.5640	0.5631
15/4/2024	0.0011	0.0009	0.5646	0.5637
15/5/2024	0.0011	0.0009	0.5650	0.5641
18/6/2024	0.0012	0.0011	0.5657	0.5647

No unit split were declared for the financial period ended 30 June 2024.

Investment
Strategy During
the Period Under
Review

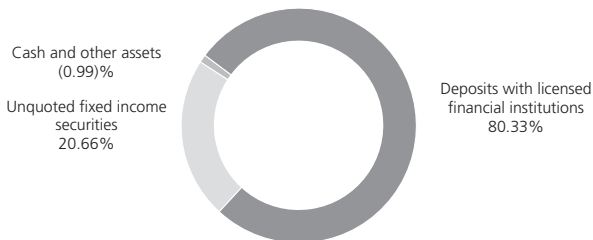
The Fund participated in fixed deposits, selective quality short-term debt securities for yield pick-up and short-term money market instruments for liquidity purposes.

MANAGER'S REPORT (CONTINUED)

Asset Allocation

Asset Allocation	30-Jun 2024	31-Dec 2023	Changes
	(%)	(%)	(%)
Unquoted fixed income securities	20.66	16.81	3.85
Deposits with licensed financial institutions	80.33	83.14	(2.81)
Cash and other assets	(0.99)	0.05	(1.04)

Asset Allocation as at 30 June 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

The first half 2024 period saw investors aggressively dialing back expectations for central bank rate cuts, as the US overheating worries that had taken root towards the end of the first quarter meant strong April data was poorly received by the markets. But as the quarter progressed, the worst of these worries abated, and soft-landing hopes were revived. In Europe, economic momentum also remained positive as the effects of the cost-of-living shock continued to abate. During the period, the Federal Open Market Committee ("FOMC") unanimously decided to maintain the target range for the federal funds rate at 5.25-5.50% in both the January, March and June meetings and that Chair Powell underscored the Fed's decision on the direction of rates continues to be "meeting by meeting" with the "data leading the way" but noted 'modest further' inflation progress. The minutes of the Federal Open Market Committee ("FOMC") meeting suggested that rates may stay elevated for longer until it has gained greater confidence that inflation is moving sustainably towards the 2% objective.

U.S. June 2024 data continued to point to the resilience of its economy. Both headline and core U.S. Personal Consumption Expenditure ("PCE") price index were lower at 2.6% y-o-y in May 2024 (April: 2.7% and 2.8% respectively). The University of Michigan Consumer Sentiment index for June 2024 dropped to 68.2 (May: 69.1). The Non-Farm Payrolls data showed that the U.S. economy added 206,000 jobs in June 2024 (May: 218,000 jobs) although unemployment rate increased to 4.1% in June 2024 (May: 4.0%). The U.S. Composite Purchasing Managers' Index ("PMI") increased to 54.8 in June 2024 (May: 54.5), as both Services and Manufacturing PMI increased to 55.3 and 51.6 respectively (May: 54.8 and 51.3).

Elsewhere, European Central Bank ("ECB") decided to cut its three key interest rates on the main refinancing operations, marginal lending facility and the deposit facility by 25bps to 4.25%, 4.50% and 3.75% respectively in June 2024. In June 2024, Eurozone's Manufacturing PMI increased to 45.8 (May: 47.3) while the Services PMI declined to 52.8 (May: 53.2). Eurozone's inflation rate fell to 2.5% (May: 2.6%) while core inflation rate held steady at 2.9% in June 2024. Bank of Japan ("BoJ") kept its policy rate at 0.0 to +0.1%, while the Reserve Bank of Australia ("RBA") decided to keep its cash rate unchanged at 4.35% in June 2024. In Asia, Bank of Thailand, and the central banks of Indonesia and the Philippines maintained their policy interest rates at 2.50%, 6.25% and 6.50% respectively in June. Meanwhile, the People's Bank of China ("PBoC") maintained its key lending rate, 1-year and 5-year loan prime rate ("LPR") at 3.45% and 3.95% respectively in June 2024. Economic activity data from China showed some improvement, although its economic recovery is perceived to still be fragile. China's imports and exports in May 2024 rose by 8.4% and 7.6% respectively y-o-y in USD terms (April: 8.4%; 1.5%). Retail sales expanded by 3.7% y-o-y in May 2024 (April: 2.3%) and industrial production grew 5.6% y-o-y over the same period (April: 6.7%). China's fixed asset investments registered 4.0% y-o-y growth in May 2024 (April: 4.2%).

In Malaysia, recent economic data releases for Malaysia have been positive, pointing to a firm start for the economy in 2Q2024. Headline inflation for May 2024 ticked-up at 2.0% Year-on-Year (“y-o-y”) above consensus expectations of 1.9% y-o-y (April 2024: 1.8% y-o-y), as core inflation sustained at 1.90% y-o-y for the second month in a row in May 2024 (March 2024: 1.70% y-o-y). Both measures are currently being driven by base-effect factors from the 2023 recovery year. Going forward, both inflation gauges are on track to fall within Bank Negara’s estimates for 2024 of 2.0-3.5% for headline inflation and 2.0-3.0% for core inflation.

Industrial Production saw an expansion in April 2024 at 6.1% y-o-y (March 2024: 2.4% y-o-y) continuing the recovery in economic activity since the start of the year. Manufacturing remains the main driver of the recovery posting 10.0% y-o-y growth after pausing in March 2024 at 4.9% y-o-y (February 2024: 8.1% y-o-y) while mining also showed signs of improvement at 4.9% y-o-y (March 2024: 1.3% y-o-y). Wholesale & retail trade was resilient, with growth accelerating to 7.5% in April 2024 (1Q2024: 2.3%), consistent with the higher domestic-oriented production growth for the month. On the external sector, trade surprised on the upside in May 2024 with export growth at 7.3% y-o-y beating consensus expectation of 2.3% y-o-y (April 2024: 9.1% y-o-y revised) indicating current strong external demand. Meanwhile, imports also expanded strongly at 13.8% y-o-y, surprising consensus expectation of 8.4% y-o-y (April 2024: 15.6% y-o-y) pointing towards likely robust exports for the next few months.

Also, Bank Negara Malaysia (“BNM”) retained its Overnight Policy Rate (“OPR”) at 3.00% over third consecutive Monetary Policy Committee (“MPC”) meetings (January, March and May) as the central bank continued to reiterate that the OPR remains supportive of the economy and is consistent with the current assessment of the inflation and growth prospects. Also, the MPC retains its data-dependent stance, noting the government’s intention to review price controls and subsidies in 2024 will affect the outlook for inflation and demand conditions.

The month of June 2024 saw the announcement of diesel fuel subsidy rationalisation with an increase in diesel retail price from RM2.15/litre to RM3.35/litre on 10 Jun which ticks another box in Budget 2024 strategies. The blanket removal of diesel subsidy is expected to produce a savings of RM4bn. Noting the potential impact on certain part of the economy and household, the Government has concurrently announced targeted assistance via fleet card application under the Subsidised Diesel Control System (“SKDS”) alongside monthly Budi MADANI cash aid of RM200 to eligible recipients.

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.

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EASTSPRING INVESTMENTS CASH MANAGEMENT FUND

UNAUDITED FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 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 16 to 50 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 30 June 2024 and of its financial performance, changes in net assets attributable to unit holders 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: 23 August 2024

TRUSTEE'S REPORT TO THE UNIT HOLDERS OF EASTSPRING INVESTMENTS CASH MANAGEMENT FUND ("Fund")

We have acted as Trustee of the Fund for the financial period ended 30 June 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.

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

For Deutsche Trustees Malaysia Berhad

Ng Hon Leong
Head, Fund Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur
Date: 23 August 2024

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

	Note	6-months financial period ended 30.6.2024	6-months financial period ended 30.6.2023
		RM	RM
INVESTMENT INCOME			
Interest income from deposits with licensed financial institutions		912,854	1,481,454
Interest income from unquoted fixed income securities		197,609	287,651
Net gain on financial assets at fair value through profit or loss	6	8,000	31,020
		<u>1,118,463</u>	<u>1,800,125</u>
EXPENSES			
Management fee	3	(86,587)	(141,015)
Trustee fee	4	(14,431)	(23,502)
Audit fee		(4,177)	(4,165)
Tax agent fee		(1,840)	(1,687)
Other expenses		(7,559)	(6,541)
		<u>(114,594)</u>	<u>(176,910)</u>
PROFIT BEFORE FINANCE COST AND TAXATION		1,003,869	1,623,215
FINANCE COST	7	<u>(715,939)</u>	<u>(102,388)</u>
PROFIT BEFORE TAXATION		287,930	1,520,827
TAXATION	5	<u>-</u>	<u>-</u>
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>287,930</u>	<u>1,520,827</u>
Increase in net assets attributable to unit holders is made up of the following:			
Realised amount		279,930	1,489,807
Unrealised amount		8,000	31,020
		<u>287,930</u>	<u>1,520,827</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 30 JUNE 2024

	Note	2024	2023
		RM	RM
ASSETS			
Cash and cash equivalents		48,929	42,176
Financial assets at fair value through profit or loss	6	49,508,511	96,353,650
TOTAL ASSETS		<u>49,557,440</u>	<u>96,395,826</u>
LIABILITIES			
Accrued management fee		12,700	23,865
Amount due to Manager		500,000	-
Amount due to Trustee		2,117	3,978
Distribution payable		5,235	-
Other payables and accruals		16,903	21,842
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)		<u>536,955</u>	<u>49,685</u>
NET ASSET VALUE OF THE FUND		<u>49,020,485</u>	<u>96,346,141</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>49,020,485</u>	<u>96,346,141</u>
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
Retail class		32,898,348	40,463,781
Corporate class		16,122,137	55,882,360
NUMBER OF UNITS IN CIRCULATION (UNITS)			
Retail class	8	58,190,775	72,344,853
Corporate class	8	28,516,864	99,912,203
NET ASSET VALUE PER UNIT (EX-DISTRIBUTION) (RM)			
Retail class		0.5654	0.5593
Corporate class		0.5654	0.5593

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 NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

	Note	2024	2023
		RM	RM
Balance as at beginning of the financial period		60,308,247	94,931,695
Movement in unit holders' contribution:			
Creation of units from applications			
Retail class		2,008,975	1,842,984
Corporate class		2,620,001	11,019,600
Creation of units from distributions			
Retail class		462,432	44,579
Corporate class		211,969	48,703
Cancellation of units			
Retail class		(8,994,735)	(6,680,381)
Corporate class		(7,884,334)	(6,381,866)
		<u>48,732,555</u>	<u>94,825,314</u>
Increase in net assets attributable to unit holders during the financial period		<u>287,930</u>	<u>1,520,827</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AS AT THE END OF THE FINANCIAL PERIOD		<u>49,020,485</u>	<u>96,346,141</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 30 JUNE 2024

	6-months financial period ended 30.6.2024	6-months financial period ended 30.6.2023
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceed from maturity of deposits with licensed financial institutions	1,720,290,001	2,706,800,000
Placement of deposits with licensed financial institutions	(1,709,430,000)	(2,710,350,000)
Proceeds from sale of investments	-	17,000,000
Purchase of investments	-	(14,981,000)
Interest received	1,025,225	1,917,289
Management fee paid	(90,328)	(142,533)
Trustee fee paid	(15,054)	(23,754)
Payment for other fees and expenses	(17,594)	(18,387)
Net cash generated from operating activities	<u>11,762,250</u>	<u>201,615</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash proceeds from units created	4,628,976	12,862,584
Payments for cancellation of units	(16,379,069)	(13,062,247)
Distributions paid	(44,307)	(10,545)
Net cash used in financing activities	<u>(11,794,400)</u>	<u>(210,208)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(32,150)	(8,593)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	<u>81,079</u>	<u>50,769</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	<u>48,929</u>	<u>42,176</u>

Cash and cash equivalents as at 30 June 2024 and 30 June 2023 comprise of bank balances.

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 30 JUNE 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 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 revenue 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 standards, amendments to standards or interpretations that are effective for financial periods beginning on 1 January 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 January 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 and unquoted fixed income securities are recognised on an accrual basis using the effective interest rate method.

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

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

C. TAXATION

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

D. FUNCTIONAL AND PRESENTATION CURRENCY

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

E. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

i. Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The contractual cash flows of the Fund's debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents 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, distribution payable and other payables and accruals as financial liabilities measured at amortised cost.

ii. Recognition and measurement

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

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

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

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

Gains or losses arising from changes in the fair value of the "financial assets at fair value through profit or loss" category are presented in the statement of comprehensive income within "net gain/(loss) on financial assets at fair value through profit or loss" in the financial period in which they arise.

Unquoted fixed income securities are carried at cost and adjusted for any amortisation of premium or accretion of discount from acquisition date to maturity date. The carrying cost is revalued to reflect its fair value on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission's ("SC") Guidelines on Unit Trust Funds. Where such quotations are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

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

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

iii. Impairment for assets carried at amortised costs

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

iv. Significant increase in credit risk

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

v. Definition of default and credit-impaired financial assets

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

vi. Write-off

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

F. CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, cash and cash equivalents comprise bank balances and 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. 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 two classes of units, known respectively as Retail Class and Corporate class, which are cancelled at the unit holder's option and do not have identical features subject to restrictions as stipulated in Prospectus and the SC Malaysia Guidelines on Unit Trust Funds. 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 unit holders exercise the right to put the unit back to the Fund.

Units are created and cancelled at the unit 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 of each class of units with the total number of outstanding units of respective classes.

H. DISTRIBUTIONS

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 financial year in which it is approved by the Trustee of the Fund.

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

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

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 the Trustee and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 30 JUNE 2024

1. INFORMATION ON THE FUND

Eastspring Investments Cash Management Fund (the “Fund”) was constituted pursuant to the execution of Master Deed dated 4 May 2001, Supplemental Deed dated 26 May 2003, Supplemental Master Deed dated 15 February 2006, Master Supplemental Deed dated 25 July 2007 and Second Supplemental Master Deed dated 30 November 2009 between BHLB Trustee Berhad (“BHLB Trustee”) and Eastspring Investments Berhad (the “Manager”). The Fund replaced BHLB Trustee with Deutsche Trustees Malaysia Berhad (the “Trustee”) effective 1 October 2010. A Supplemental Master Deed was entered into between the Manager and the Trustee on 30 July 2010 to effect the change of trustee from BHLB 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 29 May 2003 and will continue its operations until terminated as provided under Part 12 of the Deed.

The main objective of the Fund seeks to provide investors with a high level of liquidity with reasonable returns by investing in a portfolio of money market and other short-term debt securities.

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), liquidity risk, credit/default risk, fund management risk, non-compliance risk and capital risk.

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

Financial instruments of the Fund are as follows:

	Note	Financial assets at amortised cost	Financial assets at fair value through profit or loss	Total
		RM	RM	RM
2024				
Cash and cash equivalents		48,929	-	48,929
Financial assets at fair value through profit or loss				
Deposits with licensed financial institutions	6	-	39,380,148	39,380,148
Unquoted fixed income securities	6	-	10,128,363	10,128,363
		<u>48,929</u>	<u>49,508,511</u>	<u>49,557,440</u>
2023				
Cash and cash equivalents		42,176	-	42,176
Financial assets at fair value through profit or loss				
Deposits with licensed financial institutions	6	-	75,123,751	75,123,751
Unquoted fixed income securities	6	-	21,229,899	21,229,899
		<u>42,176</u>	<u>96,353,650</u>	<u>96,395,826</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 30 June which are exposed to price risk:

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
Unquoted fixed income securities*	10,128,363	21,229,899

* Includes interest receivables of RM123,363 (2023: RM245,329).

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to movements in price of unquoted fixed income securities at the end of each reporting financial period. The analysis is based on the assumptions that the price of the unquoted fixed income securities increased and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the 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%	10,505,250	500,250
-5%	9,504,750	(500,250)
<u>2023</u>		
+5%	22,033,799	1,049,229
-5%	19,935,342	(1,049,229)

ii. 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.

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

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

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

Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to meet obligation under the instrument, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential default by an issuer.

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to movements in interest rate for investments at the end of each reporting financial period as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate changed by 1% (2023: 1%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the interest rate, having regard to the historical volatility of the interest rate.

	2024	2023
% Change in interest rate of unquoted fixed income securities	Impact on profit after tax and net asset value	Impact on profit after tax and net asset value
	RM	RM
+1% (2023: +1%)	(10,016)	(34,107)
-1% (2023: -1%)	10,037	34,196

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

Liquidity risk

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

The Fund maintains sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellations of units by unit holders. Liquid assets comprise bank balances, deposits with licensed financial institutions and other instruments which are capable of being converted into cash within 7 days.

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

	Less than 1 month	Between 1 month to 1 year	Total
	RM	RM	RM
2024			
Accrued management fee	12,700	-	12,700
Amount due to Manager	500,000	-	500,000
Amount due to Trustee	2,117	-	2,117
Distribution payable	5,235	-	5,235
Other payables and accruals	-	16,903	16,903
Net assets attributable to unit holders*	49,020,485	-	49,020,485
Contractual undiscounted cash outflows	<u>49,540,537</u>	<u>16,903</u>	<u>49,557,440</u>
2023			
Accrued management fee	23,865	-	23,865
Amount due to Trustee	3,978	-	3,978
Other payables and accruals		21,842	21,842
Net assets attributable to unit holders*	96,346,141	-	96,346,141
Contractual undiscounted cash outflows	<u>96,373,984</u>	<u>21,842</u>	<u>96,395,826</u>

* Outstanding units are redeemed on demand at the unit holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of actual cash outflows, as unit holder's of these instruments typically retain them for the medium to long term.

Credit/Default risk

Credit risk refers to the ability of an issuer or a counter party to make timely payments of interest income, principals and proceeds from realisation of investments. Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA1 or higher.

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

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

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

	Financial assets at fair value through profit or loss	Cash and cash equivalents	Total
	RM	RM	RM
<u>2024</u>			
Financial Services			
- AAA	39,380,148	-	39,380,148
- AA1	-	48,929	48,929
Unquoted Fixed Income Securities			
Financial Services			
- AA	5,083,834	-	5,083,834
- A1	5,044,529	-	5,044,529
	<u>49,508,511</u>	<u>48,929</u>	<u>49,557,440</u>
<u>2023</u>			
Financial Services			
- AAA	57,041,477	-	57,041,477
- AA1	-	42,176	42,176
- AA3	18,082,274	-	18,082,274
Unquoted Fixed Income Securities			
Financial Services			
- A1	15,127,002	-	15,127,002
Energy & Utilities			
- AA1	6,102,897	-	6,102,897
	<u>96,353,650</u>	<u>42,176</u>	<u>96,395,826</u>

None of these financial assets are past due or impaired.

Fund management risk

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

Non-compliance risk

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

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

Capital risk

The capital of the Fund is represented by 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 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
2024				
Financial assets at fair value through profit or loss:				
Deposits with licensed financial institutions	-	39,380,148	-	39,380,148
Unquoted fixed income securities	-	10,128,363	-	10,128,363

2023

Financial assets at fair value through profit or loss:

Deposits with licensed financial institutions	-	75,123,751	-	75,123,751
Unquoted fixed income securities	-	21,229,899	-	21,229,899

The financial assets are short-term financial instruments for which the carrying amount approximates the fair values.

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

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

3. MANAGEMENT FEE

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

For the financial period ended 30 June 2024, the management fee is recognised at a rate of 0.30% (2023: 0.30%) 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, inclusive of custodian 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 30 June 2024, the Trustee fee is recognised at a rate of 0.05% (2023: 0.05%) 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 30.6.2024	6-months financial period ended 30.6.2023
	RM	RM
Tax charged for the financial period:		
Current taxation	-	-

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

	6-months financial period ended 30.6.2024	6-months financial period ended 30.6.2023
	RM	RM
Profit before taxation	287,930	1,520,827
Tax at Malaysian statutory rate of 24% (2023: 24%)	69,103	364,998
Tax effects of:		
Investment income not subject to tax	(268,431)	(432,030)
Expenses not deductible for tax purposes	177,545	32,189
Restriction on tax deductible expenses for Unit Trust Funds	21,783	34,843
Taxation	-	-

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024	2023
	RM	RM
Financial assets at fair value through profit or loss:		
Deposits with licensed financial institutions*	39,380,148	75,123,751
Unquoted fixed income securities	10,128,363	21,229,899
	<u>49,508,511</u>	<u>96,353,650</u>

* Includes interest receivables of RM360,148 (2023: RM123,751).

Unquoted fixed income securities

Net gain on financial assets at fair value through profit or loss:		
Change in unrealised fair value gain	8,000	31,020

Unquoted fixed income securities

Name of counter	Nominal value	Aggregate cost	Fair value as at 30.6.2024	Percentage of net asset value of the Fund
	RM	RM	RM	%
3.75% Bank Islam Malaysia Berhad 26.3.2030 (A1)	5,000,000	5,011,341	5,044,529	10.29
4.88% CIMB Group Holdings Berhad 13.9.2024 (AA)	5,000,000	5,081,441	5,083,834	10.37
TOTAL UNQUOTED FIXED INCOME SECURITIES	<u>10,000,000</u>	10,092,782	<u>10,128,363</u>	20.66
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>35,581</u>	
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>10,128,363</u>	

Unquoted fixed income securities

Name of counter	Nominal value	Aggregate cost	Fair value as at 30.6.2023	Percentage of net asset value of the Fund
	RM	RM	RM	%
4.88% Ambank Islamic Berhad 18.10.2028 (A1)	10,000,000	10,124,145	10,122,137	10.51
3.75% Bank Islam Malaysia Berhad 26.3.2030 (A1)	5,000,000	5,004,972	5,004,865	5.19
4.65% YTL Power International Berhad 24.8.2023 (AA1)	6,000,000	6,103,684	6,102,897	6.33
TOTAL UNQUOTED FIXED INCOME SECURITIES	<u>21,000,000</u>	21,232,801	<u>21,229,899</u>	22.03
ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>(2,902)</u>	
TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS			<u>21,229,899</u>	

The effective weighted average interest rate of unquoted fixed income securities and deposits with licensed financial institutions per annum as at the date of the statement of financial position are as follows:

	2024	2023
	%	%
Unquoted fixed income securities	3.77	4.46
Deposits with licensed financial institutions	3.92	3.41

The deposits have an average maturity of 61 days (2023: 12 days).

7. DISTRIBUTIONS

	2024	2023
	RM	RM
Distributions to unit holders are from the following sources:		
Interest income	860,454	123,625
Gross realised income	860,454	123,625
Less: Expenses	(144,515)	(21,237)
	<u>715,939</u>	<u>102,388</u>

During the financial period, distributions were made as follows:

Ex-Date	Gross/Net distribution	
	2024	2023
	sen/unit	sen/unit
<u>Retail Class</u>		
15 January/16 January	0.12	0.01
15 February	0.13	0.01
15 March	0.11	0.01
15 April/17 April	0.11	0.01
15 May	0.11	0.01
18 June/15 June	0.12	0.01
	<u>0.70</u>	<u>0.06</u>
<u>Corporate Class</u>		
15 January/16 January	0.12	0.01
15 February	0.13	0.01
15 March	0.11	0.01
15 April/17 April	0.11	0.01
15 May	0.11	0.01
18 June/15 June	0.12	0.01
	<u>0.70</u>	<u>0.06</u>

Gross distribution is derived using total income less total expenses. The distribution is made from current and prior financial period's realised income.

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

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

8. UNITS IN CIRCULATION

	Retail class	Corporate class	Total
	No. of units	No. of units	No. of units
<u>2024</u>			
At the beginning of the financial period	69,743,084	37,450,650	107,193,734
Creation of units from applications during the financial period	3,565,040	4,647,763	8,212,803
Creation of units from distributions during the financial period	820,876	376,280	1,197,156
Cancellation of units during the financial period	<u>(15,938,225)</u>	<u>(13,957,829)</u>	<u>(29,896,054)</u>
At the end of the financial period	<u>58,190,775</u>	<u>28,516,864</u>	<u>86,707,639</u>
<u>2023</u>			
At the beginning of the financial period	81,011,264	91,463,340	172,474,604
Creation of units from applications during the financial period	3,325,678	19,863,476	23,189,154
Creation of units from distributions during the financial period	80,346	87,760	168,106
Cancellation of units during the financial period	<u>(12,072,435)</u>	<u>(11,502,373)</u>	<u>(23,574,808)</u>
At the end of the financial period	<u>72,344,853</u>	<u>99,912,203</u>	<u>172,257,056</u>

9. TRANSACTIONS WITH DEALERS

Details of transactions with the dealers and financial institutions are as follows:

Name of dealers and financial institutions	Value of trades	Percentage of total trades	Brokerage fees	Percentage of total brokerage fees
	RM	%	RM	%
2024				
Malayan Banking Berhad	1,216,430,000	71.16	-	-
Hong Leong Bank Berhad	409,000,000	23.93	-	-
CIMB Bank Berhad	66,000,000	3.86	-	-
Public Bank Berhad	15,000,000	0.88	-	-
CIMB Islamic Bank Berhad	3,000,000	0.17	-	-
	1,709,430,000	100.00	-	-
2023				
Malayan Banking Berhad	1,316,500,000	48.31	-	-
Hong Leong Bank Berhad	1,208,451,000	44.34	-	-
CIMB Bank Berhad	99,380,000	3.65	-	-
United Overseas Bank (Malaysia) Berhad	37,000,000	1.36	-	-
Public Bank Berhad	27,000,000	0.99	-	-
AmBank (M) Berhad	18,000,000	0.66	-	-
Hong Leong Islamic Bank Berhad	10,000,000	0.37	-	-
RHB Bank Berhad	9,000,000	0.32	-	-
	2,725,331,000	100.00	-	-

All dealers and financial institutions highlighted above are not related to the Manager. There are no brokerage fees charged by the dealers and financial institutions for the financial period ended 30 June 2024 and 30 June 2023.

10. TOTAL EXPENSE RATIO (“TER”)

	2024	2023
	%	%
TER	0.20	0.19

TER is derived from the following calculation:

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

A = Management fee

B = Trustee fee

C = Audit fee

D = Tax agent fee

E = Other expenses

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

The average net asset value of the Fund for the financial period calculated on a daily basis is RM58,044,922 (2023: RM94,748,313).

11. PORTFOLIO TURNOVER RATIO (“PTR”)

	2024	2023
PTR (times)	29.54	28.67

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 = RM1,709,430,000 (2023: RM2,725,331,000)

total disposals for the financial period = RM1,720,290,000 (2023: RM2,706,800,000)

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
Prudential Plc	Ultimate holding company of the Manager

Units held by Manager:

	2024		2023	
	Corporate Class		Corporate Class	
	No. of units	RM	No. of units	RM
Eastspring Investments Berhad	1,403	793	1,375	769

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.

13. APPROVAL OF FINANCIAL STATEMENTS

The unaudited financial statements have been approved for issue by the Manager on 23 August 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

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FAX NO.

603-2789 7220

EMAIL

cs.my@eastspring.com

WEBSITE

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TRUSTEE

NAME

DEUTSCHE TRUSTEES MALAYSIA BERHAD

COMPANY NO.

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REGISTERED OFFICE & BUSINESS OFFICE

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SALE & PURCHASE OF UNITS

Eastspring Investments Berhad

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Persiaran TRX Barat

55188 Tun Razak Exchange

Kuala Lumpur

TELEPHONE NO.

603-2778 1000

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6088-238 613

ENQUIRIES

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