

EASTSPRING INVESTMENTS ASIAN HIGH YIELD BOND MY FUND

QUARTERLY REPORT

FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2023
TO 31 DECEMBER 2023



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 2023.

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 read 'Raymond Tang Chee Kin', written in a cursive style.

Raymond Tang Chee Kin

Non-Independent, Executive Director and Chief Executive Officer

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FUND INFORMATION

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

KEY PERFORMANCE DATA

FOR THE FINANCIAL PERIOD ENDED

Category	Third quarter from 1.10.2023 to 31.12.2023	Second quarter from 1.7.2023 to 30.9.2023	First quarter from 1.4.2023 to 30.6.2023
	(%)	(%)	(%)
Collective investment scheme	98.13	99.44	101.05
Derivatives	1.86	0.03	(0.91)
Cash and other assets	0.01	0.53	(0.14)
Total	100.00	100.00	100.00
Net Asset Value (NAV) (USD'000)			
USD Class	14	13	14
AUD Hedged-class	108	97	106
RM Hedged-class	1,797	1,755	2,164
Units In Circulation (Units '000)			
USD Class	60	60	60
AUD Hedged-class	637	637	637
RM Hedged-class	32,758	34,599	39,823
Net Asset Value Per Unit (USD)			
USD Class	0.2368	0.2221	0.2343
AUD Hedged-class	0.1703	0.1518	0.1660
RM Hedged-class	0.0549	0.0507	0.0543
Net Asset Value Per Unit in respective currencies			
USD Class	0.2368	0.2221	0.2343
AUD Hedged-class	0.2496	0.2352	0.2494
RM Hedged-class	0.2518	0.2380	0.2535

KEY PERFORMANCE DATA (CONTINUED)

Category	Third quarter from 1.10.2023 to 31.12.2023	Second quarter from 1.7.2023 to 30.9.2023	First quarter from 1.4.2023 to 30.6.2023
Highest Net Asset Value Per Unit in respective currencies			
USD Class	0.2368	0.2330	0.2404
AUD Hedged-class	0.2497	0.2479	0.2569
RM Hedged-class	0.2518	0.2520	0.2620
Lowest Net Asset Value Per Unit in respective currencies			
USD Class	0.2189	0.2181	0.2244
AUD Hedged-class	0.2316	0.2314	0.2391
RM Hedged-class	0.2339	0.2345	0.2435
Capital Growth (%)			
USD Class	6.62	(5.21)	(1.26)
AUD Hedged-class	6.16	(5.69)	(1.69)
RM Hedged-class	5.80	(6.11)	(2.16)
Income Distribution (%)			
USD Class	-	-	-
AUD Hedged-class	-	-	-
RM Hedged-class	-	-	-
Total Return (%)			
USD Class	6.62	(5.21)	(1.26)
AUD Hedged-class	6.16	(5.69)	(1.69)
RM Hedged-class	5.80	(6.11)	(2.16)

KEY PERFORMANCE DATA (CONTINUED)

Category	Third quarter from 1.10.2023 to 31.12.2023	Second quarter from 1.7.2023 to 30.9.2023	First quarter from 1.4.2023 to 30.6.2023
Gross Distribution Per Unit in respective currencies			
USD Class	-	-	-
AUD Hedged-class	-	-	-
RM Hedged-class	-	-	-
Net Distribution Per Unit in respective currencies			
USD Class	-	-	-
AUD Hedged-class	-	-	-
RM Hedged-class	-	-	-
Total Expense Ratio (TER) (%)	-	-	-
Portfolio Turnover Ratio (PTR) (times)	-	-	-

KEY PERFORMANCE DATA (CONTINUED)

	1 year 1.1.2023 to 31.12.2023	3 years 1.1.2021 to 31.12.2023	5 years 1.1.2019 to 31.12.2023
	(%)	(%)	(%)
Average total return			
USD Class	1.94	(17.42)	(8.70)
AUD Hedged-class	(0.08)	(18.36)	(9.70)
RM Hedged-class	(1.49)	(18.39)	(9.44)

Year ended	1.4.2022 to 31.3.2023	1.4.2021 to 31.3.2022	1.4.2020 to 31.3.2021	1.4.2019 to 31.3.2020	1.4.2018 to 31.3.2019
	(%)	(%)	(%)	(%)	(%)
Annual total return					
USD Class	(20.42)	(28.63)	19.29	(13.05)	4.85
AUD Hedged-class	(21.70)	(28.86)	18.52	(14.19)	3.99
RM Hedged-class	(21.65)	(28.26)	19.58	(13.52)	4.85

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

Bases of calculation and assumptions made in calculating returns:

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

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.

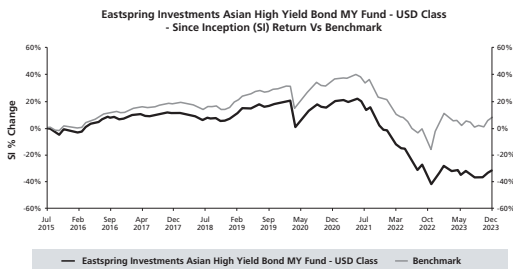
MANAGER'S REPORT

Fund Performance

USD Class

Over the 5-year period, the Fund recorded a return of -36.58%, underperforming the benchmark return of -6.37% by 30.21%.

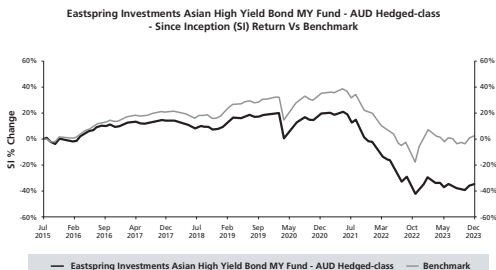
During the period under review, the Fund registered a return of 6.62%, outperforming the benchmark return of 6.28% by 0.34%.



AUD Hedged-class

Over the 5-year period, the Fund recorded a return of -39.98%, underperforming the benchmark return of -13.08% by 26.90%.

During the period under review, the Fund registered a return of 6.16%, outperforming the benchmark return of 5.70% by 0.46%.



MANAGER'S REPORT (CONTINUED)

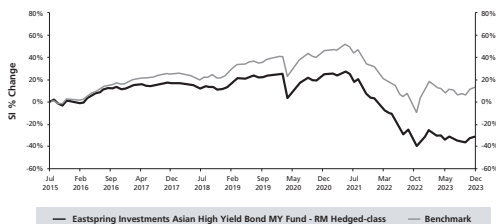
Fund Performance (continued)

RM Hedged-class

Over the 5-year period, the Fund recorded a return of -39.11%, underperforming the benchmark return of -7.58% by 31.53%.

During the period under review, the Fund registered a return of 5.80%, outperforming the benchmark return of 5.51% by 0.29%.

Eastspring Investments Asian High Yield Bond MY Fund - RM Hedged-class
- Since Inception (SI) Return Vs Benchmark



The Fund recorded its best quarterly return since June 2020. The overweight in high yield sovereigns, while overweighting corporates contributed to relative return. Security selections in Indonesia real estate, Macau consumer and the Indian utility sectors supported performance. However, the gains were offset by the Fund's underweights in Hong Kong financials, as well as Philippine utility corporate credits.

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

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

Source: Lipper for Investment Management, Eastspring Investments (Singapore) Limited and Bloomberg, as at 31 December 2023.

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 2023:

Currency Class	Income Return	Capital Return*	Total Return	Total Return of Benchmark
	(%)	(%)	(%)	(%)
USD Class	-	6.62	6.62	6.28
AUD Hedged-class	-	6.16	6.16	5.70
RM Hedged-class	-	5.80	5.80	5.51

* 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 2023.

Investment Strategy During the Period Under Review

Financial markets ended 2023 with a fourth quarter rally and the prospect of easier Fed policy is creating talk of a soft landing rather than a hard recession in 2024. The global economy stayed resilient in the face of aggressive rate hikes and increased tension in the Middle East. Looking ahead to this year, global output is projected to weaken as the lagged cumulative effects of high interest rates kick in. Economic growth will decelerate to varying degrees across different economies. In Asia, the outlook remains upbeat on strong domestic demand. Developing Asian countries should continue to see growth on the back of stable consumption and investment trends.

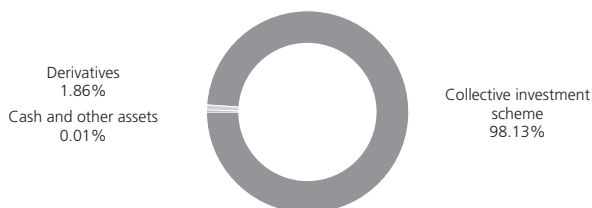
We continue to maintain an up-in-quality bias in the high yield market given the elevated interest rate environment. Our focus remains on higher quality bonds that offer reasonable spread on a risk adjusted basis. These may include discounted credits in well-researched situations, issuers with good earnings visibility, positive rating trajectories, improvement in asset coverage or de-leveraging potential.

MANAGER'S REPORT (CONTINUED)

Asset Allocation

Asset Allocation	31-Dec 2023	30-Sep 2023	Changes
	(%)	(%)	(%)
Collective investment scheme	98.13	99.44	(1.31)
Derivatives	1.86	0.03	1.83
Cash and other assets	0.01	0.53	(0.52)

Asset Allocation as at 31 December 2023



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

Asian high yield bonds, represented by the JP Morgan Asia Credit Non-Investment Grade Bond Index (“JACI Non-IG”), delivered a 6.3% over the fourth quarter, on the heels of improved sentiment, higher Treasury returns, and coupon carry driving performance for the segment. Despite elevated geopolitical tensions in the Middle East, a risk rally that began in late October continued through December amid lower rates, resulting in gains across the high yield market.

Recent CPI reports point to core inflation stabilizing amid fading downward pressure on goods prices alongside sticky service price inflation. In December, the FOMC Committee held policy rates on hold for the third consecutive meeting. The Summary of Economic Projections forecasted rate cuts in 2024, while projecting lower growth and higher unemployment. Meanwhile, the US labour market, which remained resilient for most of 2023, displayed signs of softening in the final quarter.

US Treasury yields fell across the maturity curve with yields on the 2-year, 5-year and 10-year notes falling by 79 bps, 76 bps and 69 bps to 4.25%, 3.85% and 3.88% respectively. In China, factory activity contracted for the third consecutive month in December. Official manufacturing PMI fell from 49.4 in November to 49.0 in December, suggesting that the Chinese economy may require more policy support to achieve its economic stabilization goals in 2024.

Among constituents in the JACI Non-IG Index, high yield sovereign bonds outperformed quasi-sovereign and corporate credits. Across countries, Pakistan bonds recorded high returns on positive developments with the IMF while Sri Lanka and Mongolia also posted notable gains. Across corporates, financials, utilities and consumer credits were the top performing sectors for the quarter.

REBATES AND SOFT COMMISSIONS

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

SECURITIES LENDING OR REPURCHASE TRANSACTIONS

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

EASTSPRING INVESTMENTS ASIAN HIGH YIELD BOND MY FUND

CONDENSED FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2023
TO 31 DECEMBER 2023

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2023 TO 31 DECEMBER 2023

	Financial period from 1.10.2023 to 31.12.2023	Financial period from 1.10.2022 to 31.12.2022
	USD	USD
INVESTMENT INCOME/(LOSS)		
Dividend income	34,219	106,289
Net gain/(loss) on financial assets at fair value through profit or loss	95,155	(490,367)
Net gain on forward foreign currency contracts	31,133	52,806
Net foreign currency exchange loss	(138)	(17,198)
	<u>160,369</u>	<u>(348,470)</u>
EXPENSES		
Management fee	(5,885)	(13,736)
Trustee fee	(1,092)	(1,095)
Audit fee	(453)	(454)
Tax agent fee	(201)	(202)
Other expenses	(213)	(393)
	<u>(7,844)</u>	<u>(15,880)</u>
PROFIT/(LOSS) BEFORE TAXATION	152,525	(364,350)
TAXATION	-	-
PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS)	<u>152,525</u>	<u>(364,350)</u>
Profit/(loss) after taxation is made up of the following:		
Realised amount	(81,990)	(4,052,713)
Unrealised amount	234,515	3,688,363
	<u>152,525</u>	<u>(364,350)</u>

CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	31.12.2023	31.3.2023
	USD	USD
ASSETS		
Cash and cash equivalents	14,506	16,061
Financial assets at fair value through profit or loss	1,883,780	2,872,642
Forward foreign currency contracts at fair value through profit or loss	35,705	32,194
Amount due from Manager	-	580
Amount due from broker	45,000	-
Management fee rebate receivable	1,626	2,551
Tax recoverable	-	812
TOTAL ASSETS	<u>1,980,617</u>	<u>2,924,840</u>
LIABILITIES		
Forward foreign currency contracts at fair value through profit or loss	-	425
Accrued management fee	2,035	3,167
Amount due to Manager	49,972	1,721
Amount due to Trustee	368	369
Tax payable	812	-
Other payables and accruals	<u>7,691</u>	<u>11,379</u>
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)	<u>60,878</u>	<u>17,061</u>
NET ASSET VALUE OF THE FUND	<u>1,919,739</u>	<u>2,907,779</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	<u>1,919,739</u>	<u>2,907,779</u>

CONDENSED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023 (CONTINUED)

	31.12.2023	31.3.2023
	USD	USD
REPRESENTED BY:		
FAIR VALUE OF OUTSTANDING UNITS		
USD Class	14,234	15,214
AUD Hedged-class	108,460	108,160
RM Hedged-class	1,797,045	2,784,405
	<hr/>	<hr/>
NUMBER OF UNITS IN CIRCULATION (UNITS)		
USD Class	60,118	64,118
AUD Hedged-class	636,751	636,752
RM Hedged-class	32,757,704	47,395,431
	<hr/>	<hr/>
NET ASSET VALUE PER UNIT IN USD		
USD Class	0.2368	0.2373
AUD Hedged-class	0.1703	0.1699
RM Hedged-class	0.0549	0.0587
	<hr/>	<hr/>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
USD Class	0.2368	0.2373
AUD Hedged-class	0.2496	0.2537
RM Hedged-class	0.2518	0.2591
	<hr/>	<hr/>

CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2023 TO 31 DECEMBER 2023

	2023	2022
	USD	USD
Balance as at beginning of the financial period		
Movement in unit holders' contribution:	1,864,517	6,774,508
Creation of units from applications		
RM Hedged-class	18,905	114,339
Cancellation of units		
USD Class	-	(25,566)
AUD Hedged-class	-	-
RM Hedged-class	(116,208)	(3,314,843)
Increase in net assets attributable to unit holders during the financial period	1,767,214	3,548,438
Total comprehensive income/(loss) for the financial period	152,525	(364,350)
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AS AT THE END OF THE FINANCIAL PERIOD	1,919,739	3,184,088

CONDENSED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 1 OCTOBER 2023 TO 31 DECEMBER 2023

	Financial period from 1.10.2023 to 31.12.2023	Financial period from 1.10.2022 to 31.12.2022
	USD	USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	80,000	3,458,000
Realised loss on forward foreign currency contracts	(4,090)	(88,852)
Purchase of investments	(64,219)	(216,290)
Dividend income received	34,219	106,289
Management fee rebate received	4,616	14,470
Management fee paid	(5,783)	(17,969)
Trustee fee paid	(1,080)	(1,094)
Payment for other fees and expenses	(213)	(4,341)
Net foreign currency exchange loss	(33)	(17,172)
Net cash generated from operating activities	43,417	3,233,041
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from units created	18,969	125,111
Payments for cancellation of units	(67,160)	(3,335,059)
Distribution paid	-	(816)
Net cash used in financing activities	(48,191)	(3,210,764)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(4,774)	22,277
EFFECTS OF FOREIGN EXCHANGE DIFFERENCES	-	(26)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	19,280	17,513
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	14,506	39,764

CORPORATE DIRECTORY

THE MANAGER

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

200001028634 (531241-U)

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COMPANY NO.

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FAX NO.

603-2053 7526

SALE & PURCHASE OF UNITS

Eastspring Investments Berhad

Level 22, Menara Prudential

Persiaran TRX Barat

55188 Tun Razak Exchange

Kuala Lumpur

TELEPHONE NO.

603-2778 1000

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