

# EASTSPRING INVESTMENTS ASIAN HIGH YIELD BOND MY FUND

ANNUAL REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025



**Dear Valued Investor,**

Greetings from Eastspring Investments Berhad!

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

**We are pleased to enclose a copy of the Annual/Semi-annual/Quarterly Fund Reports of Eastspring Investments Berhad's fund(s) for the reporting period ended 31 March 2025.**

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

## KEY PERFORMANCE DATA

### FOR THE FINANCIAL YEAR ENDED

Category	2025	2024	2023
	(%)	(%)	(%)
Collective investment scheme	100.02	99.21	98.82
Derivatives	(0.03)	-	1.09
Cash and other assets	0.01	0.79	0.09
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Net Asset Value (NAV) (USD'000)			
USD Class	-	15	15
AUD Hedged-class	-	110	108
RM Hedged-class	1,648	1,903	2,784
Units In Circulation (Units '000)			
USD Class	-	60	64
AUD Hedged-class	-	637	637
RM Hedged-class	26,122	33,686	47,395
Net Asset Value Per Unit (USD)			
USD Class	-	0.2528	0.2373
AUD Hedged-class	-	0.1734	0.1699
RM Hedged-class	0.0631	0.0565	0.0587
Net Asset Value Per Unit in respective currencies			
USD Class	-	0.2528	0.2373
AUD Hedged-class	-	0.2659	0.2537
RM Hedged-class	0.2797	0.2667	0.2591
Highest Net Asset Value Per Unit in respective currencies <sup>#</sup>			
USD Class	-	0.2527	0.2500
AUD Hedged-class	-	0.2658	0.3353
RM Hedged-class	0.2813	0.2666	0.3424
Lowest Net Asset Value Per Unit in respective currencies <sup>#</sup>			
USD Class	-	0.2181	0.1991
AUD Hedged-class	-	0.2314	0.2149
RM Hedged-class	0.2631	0.2339	0.2189

## KEY PERFORMANCE DATA (CONTINUED)

Category	2025	2024	2023
Capital Growth (%)			
USD Class	7.72	6.49	(22.15)
AUD Hedged-class	3.31	4.77	(21.70)
RM Hedged-class	5.10	2.89	(21.65)
Income Distribution (%)			
USD Class	1.00	1.00	1.02
AUD Hedged-class	1.00	1.00	1.00
RM Hedged-class	1.00	1.00	1.00
Total Return (%)			
USD Class	7.72	6.49	(20.42)
AUD Hedged-class	3.31	4.77	(21.70)
RM Hedged-class	5.10	2.89	(21.65)
Gross Distribution Per Unit in respective currencies			
USD Class	-	-	0.0054
AUD Hedged-class	-	-	-
RM Hedged-class	-	-	-
Net Distribution Per Unit in respective currencies			
USD Class	-	-	0.0054
AUD Hedged-class	-	-	-
RM Hedged-class	-	-	-
Total Expense Ratio (TER) (%)*	1.72	1.63	1.39
Portfolio Turnover Ratio (PTR) (times)^	0.42	0.30	0.46

# Figure shown as ex-distribution.

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

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

## KEY PERFORMANCE DATA (CONTINUED)

	1 year 1.4.2024 to 31.3.2025	3 years 1.4.2022 to 31.3.2025	5 years 1.4.2020 to 31.3.2025
	(%)	(%)	(%)

Average total return

USD Class	7.72	(2.99)	(4.92)
AUD Hedged-class	3.31	(5.36)	(6.50)
RM Hedged-class	5.10	(5.37)	(6.18)

Year ended	1.4.2024 to 31.3.2025	1.4.2023 to 31.3.2024	1.4.2022 to 31.3.2023	1.4.2021 to 31.3.2022	1.4.2020 to 31.3.2021
	(%)	(%)	(%)	(%)	(%)

Annual total return

USD Class	7.72	6.49	(20.42)	(28.63)	19.29
AUD Hedged-class	3.31	4.77	(21.70)	(28.86)	18.52
RM Hedged-class	5.10	2.89	(21.65)	(28.26)	19.58

**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

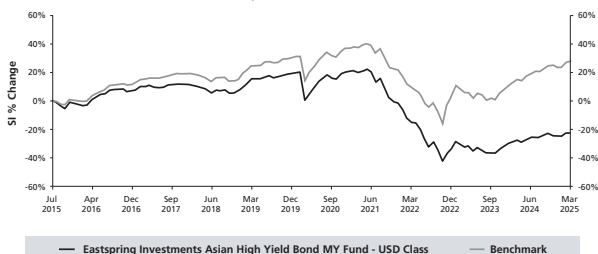
## Fund Performance

### USD Class

Over the 5-year period, the Fund recorded a return of -22.29%, underperforming the benchmark return of 11.93% by 34.22%.

For the period under review, the Fund registered a return of 7.72%, underperforming the benchmark return of 11.11% by 3.39%.

Eastspring Investments Asian High Yield Bond MY Fund - USD Class  
- Since Inception (SI) Return Vs Benchmark

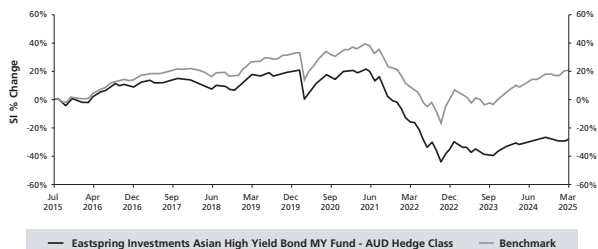


### AUD Hedged-class

Over the 5-year period, the Fund recorded a return of -28.54%, underperforming the benchmark return of 5.19% by 33.73%.

For the period under review, the Fund registered a return of 3.31%, underperforming the benchmark return of 10.28% by 6.97%.

Eastspring Investments Asian High Yield Bond MY Fund - AUD Hedge Class  
- Since Inception (SI) Return Vs Benchmark





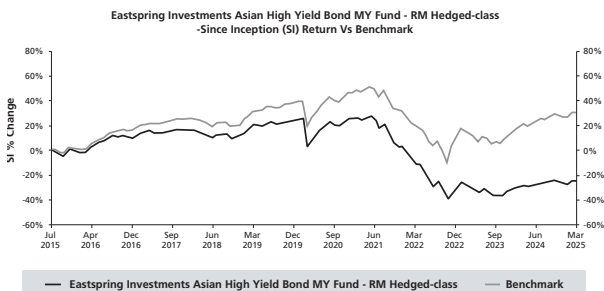
# MANAGER'S REPORT (CONTINUED)

## Fund Performance (continued)

### RM Hedged-class

Over the 5-year period, the Fund recorded a return of -27.31%, underperforming the benchmark return of 7.22% by 34.53%.

For the period under review, the Fund registered a return of 5.10%, underperforming the benchmark return of 8.82% by 3.72%.



The Fund trailed its benchmark over the year. Security selections in the real estate sector were among the main detractors of relative returns. The underweight in financials also detracted from performance. However, the overweight in the Macau consumer and Indian utilities high yield sectors contributed to relative performance. Positions in EUR and SGD local currency bonds also supported active returns.

## MANAGER'S REPORT (CONTINUED)

### Fund Performance (continued)

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

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

**Source:** Lipper for Investment Management, Eastspring Investments (Singapore) Limited and Bloomberg, as at 31 March 2025.

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

### Analysis of Fund Performance

For the financial year ended 31 March 2025:

	Income Return	Capital Return*	Total Return	Total Return of Benchmark
	(%)	(%)	(%)	(%)
USD Class	1.00	7.72	7.72	11.11
AUD Hedged-class	1.00	3.31	3.31	10.28
RM Hedged-class	1.00	5.10	5.10	8.82

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

### Distribution/ Unit Split

No distribution or unit split were declared for the financial year ended 31 March 2025.

## MANAGER'S REPORT (CONTINUED)

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### **Investment Strategy During the Period Under Review**

With the announcement of tariffs dominating the headlines, investors are understandably concerned about the outlook for the global economy. While recent events and the implementation of tariffs may lead to short-term market volatility, there are still questions about how the current US policy will evolve, how long tariffs would stay in place and how countries would negotiate or retaliate. Risks to growth have skewed to the downside and we believe that most central banks will likely maintain an accommodative monetary policy to provide some cushion against the slowdown in growth.

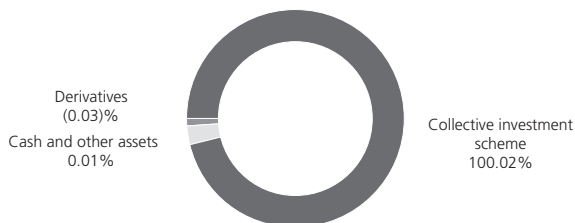
At the Fund level, we will monitor our holdings closely for any material deterioration in credit quality. The portfolio will continue to be selective in our security selections and actively manage exposures to avoid the industries at risk in the event of a trade war. Whilst we expect this period of uncertainty and heightened volatility to persist, this should also provide opportunities to pick up quality assets at attractive valuations, allowing us to further improve the risk-return profile of the portfolio.

## MANAGER'S REPORT (CONTINUED)

## Asset Allocation

Asset Allocation	31-Mar 2025	31-Mar 2024	Changes
	(%)	(%)	(%)
Collective investment scheme	100.02	99.21	0.81
Derivatives	(0.03)	-	(0.03)
Cash and other assets	0.01	0.79	(0.78)

## Asset Allocation as at 31 March 2025



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

## State of Affairs of the Fund

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

## MARKET REVIEW

Over the year, Asian high yield bonds delivered a strong performance as credit spreads tightened. Risk appetite was broadly on an upward trend, although market concerns about an economic slowdown surfaced towards the end of March 2025 due to the imposition of US tariffs.

During the second quarter of 2024, fixed income markets delivered positive returns despite weaker-than-anticipated economic growth. This slowdown was attributed to a lag in consumer spending and a decrease in consumer confidence, which were in turn linked to diminishing incomes in the United States. Central banks across the globe adopted a cautious approach, opting to wait for inflation to align with their targets before considering any potential rate cuts. In line with the broader market trend, the JP Morgan Asia Credit Non-Investment Grade Index rose 3.5% over the quarter.

During the third quarter, bond markets experienced an upswing, buoyed by lower interest rates, a depreciating USD, and subsiding inflationary pressures. Among constituents in the JP Morgan Asia Credit Non-Investment Grade Index, Asian corporate high yield bonds outperformed sovereign and quasi-sovereign bonds.

Market concerns about reigniting inflation, weakening economic indicators and heightened trade risks exerted downward pressure on fixed income markets in the fourth quarter of 2024. However, bucking the broader market trend, Asian high yield bonds recorded a small gain over the quarter. On a weighted basis, high yield bonds in Sri Lanka and China were the best performers. Sovereigns outperformed corporates and quasi-sovereigns. Across sectors, industrials and miners registered the highest returns but real estate and transport lagged their sector peers.

Asian high yield bonds extended gains in the first quarter of 2025. The benchmark recorded its sixth consecutive quarter of positive return.

## REBATES AND SOFT COMMISSIONS

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

## SECURITIES LENDING OR REPURCHASE TRANSACTIONS

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

# EASTSPRING INVESTMENTS ASIAN HIGH YIELD BOND MY FUND

## FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

## STATEMENT BY THE MANAGER

We, Yap Siok Hoon and John Campbell Tupling, being two of the Directors of Eastspring Investments Berhad, do hereby state that, in the opinion of the Manager, the accompanying financial statements set out on pages 18 to 59 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 31 March 2025 and of its financial performance, changes in net assets attributable to unit holders and cash flows for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,  
**EASTSPRING INVESTMENTS BERHAD**

**YAP SIOK HOON**  
Executive Director/Chief Executive Officer

**JOHN CAMPBELL TUPLING**  
Independent, Non-Executive Director

Kuala Lumpur  
Date: 26 May 2025

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

We have acted as Trustee of the Fund for the financial year ended 31 March 2025 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Eastspring Investments Berhad has operated and managed the Fund during the year covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For Deutsche Trustees Malaysia Berhad

**Ng Hon Leong**  
Head, Fund Operations

**Sylvia Beh**  
Chief Executive Officer

Kuala Lumpur  
Date: 26 May 2025



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

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Our opinion

In our opinion, the financial statements of Eastspring Investments Asian High Yield Bond MY Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 31 March 2025, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

### What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, statement of changes in net asset attributable to unit holders and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 18 to 59.

### Basis for opinion

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

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

### *Independence and other ethical responsibilities*

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

### Information other than the financial statements and auditors' report thereon

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

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

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

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

### Responsibilities of the Manager for the financial statements

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

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

### Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

## OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

Kuala Lumpur  
Date: 26 May 2025

# STATEMENT OF COMPREHENSIVE INCOME

## FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		USD	USD
<b>INVESTMENT INCOME/(LOSS)</b>			
Dividend income		144,436	162,230
Net gain/(loss) on financial assets at fair value through profit or loss	6	27,251	(28,449)
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss	7	64,928	(230,536)
Net foreign currency exchange loss		(867)	(1,533)
Other income		-	379
		<u>235,748</u>	<u>(97,909)</u>
<b>EXPENSES</b>			
Management fee	3	(24,080)	(26,566)
Trustee fee	4	(4,344)	(4,344)
Audit fee		(1,700)	(1,800)
Tax agent fee		(800)	(864)
Other expenses		(2,154)	(1,177)
		<u>(33,078)</u>	<u>(34,751)</u>
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		202,670	(132,660)
<b>TAXATION</b>	5	-	-
<b>PROFIT/(LOSS) AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME/(LOSS)</b>		<u>202,670</u>	<u>(132,660)</u>
Increase/(decrease) in net assets attributable to unit holders is made of the following:			
Realised amount		(408,811)	(956,260)
Unrealised amount		611,481	823,600
		<u>202,670</u>	<u>(132,660)</u>

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

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Note	2025	2024
		USD	USD
<b>ASSETS</b>			
Cash and cash equivalents	8	24,518	22,827
Financial assets at fair value through profit or loss	6	1,647,755	2,012,142
Forward foreign currency contracts at fair value through profit or loss	7	-	818
Amount due from Manager		266	7,302
Management fee rebate receivable		1,402	1,691
<b>TOTAL ASSETS</b>		<b>1,673,941</b>	<b>2,044,780</b>
<b>LIABILITIES</b>			
Forward foreign currency contracts at fair value through profit or loss	7	573	823
Accrued management fee		1,772	2,138
Amount due to Manager		22,573	5,585
Amount due to Trustee		369	368
Other payables and accruals		1,149	7,780
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS)*</b>		<b>26,436</b>	<b>16,694</b>
<b>NET ASSET VALUE OF THE FUND</b>		<b>1,647,505</b>	<b>2,028,086</b>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS*</b>		<b>1,647,505</b>	<b>2,028,086</b>
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS</b>			
USD Class		-	15,201
AUD Hedged-class		-	110,383
RM Hedged-class		1,647,505	1,902,502

\* Net assets attributable to unit holders are classified as equity as at 31 March 2025 and as financial liabilities as at 31 March 2024.

# STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025 (CONTINUED)

	Note	2025	2024
		USD	USD
<b>NUMBER OF UNITS IN CIRCULATION (UNITS)</b>			
USD Class	9	-	60,118
AUD Hedged-class	9	-	636,752
RM Hedged-class	9	26,122,226	33,685,833
<b>NET ASSET VALUE PER UNIT IN USD</b>			
USD Class		-	0.2528
AUD Hedged-class		-	0.1734
RM Hedged-class		0.0631	0.0565
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>			
USD Class		-	0.2528
AUD Hedged-class		-	0.2659
RM Hedged-class		0.2797	0.2667

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

# STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	2025	2024
	USD	USD
Net assets attributable to unit holders at the beginning of financial year*	2,028,086	2,907,779
Movement in unit holders' contribution:		
Creation of units from applications		
RM Hedged-class	600,238	166,948
Cancellation of units		
USD Class	(16,071)	(955)
AUD Hedged-class	(112,964)	-
RM Hedged-class	(1,054,454)	(913,026)
Increase in net assets attributable to unit holders during the financial year	1,444,835	2,160,746
Total comprehensive income/(loss) for the financial year	202,670	(132,660)
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS AS AT THE END OF THE FINANCIAL YEAR*</b>	<b>1,647,505</b>	<b>2,028,086</b>

\* During the year ended 31 March 2024, net assets attributable to unit holders are classified as a liability. During the year ended 31 March 2025, net assets attributable to unit holders are classified as equity.

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



# STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		USD	USD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from sale of investments		1,075,000	1,048,000
Purchase of investments		(702,436)	(237,229)
Other income		-	379
Realised gain/(loss) on forward foreign currency contracts		65,496	(198,762)
Dividend income		144,436	162,230
Management fee paid		(24,446)	(27,595)
Management fee rebate received		19,364	22,140
Trustee fee paid		(4,343)	(4,345)
Payment for other fees and expenses		(11,286)	(6,628)
Net realised foreign currency exchange loss		(1,979)	(558)
Net cash generated from operating activities		<u>559,806</u>	<u>757,632</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash proceeds from units created		607,274	160,226
Payments for cancellation of units		(1,166,501)	(910,117)
Net cash used in financing activities		<u>(559,227)</u>	<u>(749,891)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		579	7,741
<b>EFFECTS OF FOREIGN EXCHANGE DIFFERENCES</b>		1,112	(975)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		<u>22,827</u>	<u>16,061</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	8	<u>24,518</u>	<u>22,827</u>

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

## MATERIAL ACCOUNTING POLICY INFORMATION

### FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

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

#### A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

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

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

There are no standards, amendments to standards or interpretations that are applicable and effective for annual periods beginning on 1 January 2024 that have a material effect on the financial statements of the Fund.

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

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

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

## **B. INCOME RECOGNITION**

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

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

## **C. TAXATION**

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

## **D. FUNCTIONAL AND PRESENTATION CURRENCY**

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

## **E. FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

### **i. Classification**

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. Consequently, all investments are measured at fair value through profit or loss.

Investments in CIS have contractual cash flows that do not represent SPPI and therefore are classified as fair value through profit or loss.

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

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

ii. Recognition and measurement

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

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

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

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

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss including the effects of currency translation” category are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit or loss” in the financial year in which they arise.

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

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

iii. Impairment for assets carried at amortised costs

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

iv. Significant increase in credit risk

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

v. Definition of default and credit-impaired financial assets

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

vi. Write-off

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

## **F. FOREIGN CURRENCY TRANSLATION**

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

## **G. CASH AND CASH EQUIVALENTS**

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

## **H. CREATION AND CANCELLATION OF UNITS**

Prior to 31 March 2025, the Fund classified its puttable instruments as liabilities in accordance with MFRS 132 "Financial Instruments: Presentation".

MFRS 132 requires puttable financial instruments that meet the definition of a financial liability to be classified as equity where certain strict criteria are met. Those criteria include:

- the puttable instruments must entitle the holder to a pro-rata share of net assets;
- the puttable instruments must be the most subordinated class and class features must be identical;
- there must be no contractual obligations to deliver cash or another financial asset other than the obligation on the issuer to repurchase; and
- the total expected cash flows from the puttable instrument over its life must be based substantially on the profit or loss of the issuer.

These conditions were met when Class USD and Class AUD-Hedged became fully redeemed on 31 March 2025, and Class MYR-Hedged became the sole share class in the Fund.

As a result of the reclassification of cancellable units from liabilities to equity, the Fund's distributions are no longer be classified as a finance cost in the statement of comprehensive income, but rather as a dividends paid in the statement of changes in net assets attributable to unit holders.

Should the terms or conditions of the units change such that they do not comply with the strict criteria contained in MFRS 132, the units would be reclassified to a financial liability from the date the instrument ceases to meet the criteria. The financial liability would be measured at the instrument's fair value at the date of reclassification. Any difference between the carrying value of the equity instrument and fair value of the liability on the date of reclassification would be recognised in equity.

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 calculated in accordance with the Fund's regulations.

The outstanding units are carried at the redemption amount that is payable at the statement of financial position date if the unit holder exercises 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 at the close of business on the relevant working day. The Fund's net asset value per unit is calculated by dividing the net asset attributable to unit holders with the total number of outstanding units.

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

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

#### **J. FINANCE COST**

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

#### **K. DERIVATIVE FINANCIAL INSTRUMENTS**

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

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

The fair value of forward foreign currency contracts is determined using forward foreign exchange rates at the date of the statement of financial position, with the resulting value discounted back to present value. Financial derivative positions will be "marked to market" at the close of each valuation day.



Foreign exchange gains and losses on the derivative financial instrument are recognised in profit or loss when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative financial instrument. Derivative instruments that have a positive fair value and negative fair value are presented as financial assets measured at fair value through profit or loss and financial liabilities measured at fair value through profit or loss, respectively.

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

## **L. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

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

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

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission's ("SC") Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

### 1. INFORMATION ON THE FUND

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

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

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

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

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

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

### 2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

Financial instruments of the Fund are as follows:

	Note	Financial assets at amortised cost USD	Financial assets at fair value through profit or loss USD	Financial liabilities at fair value through profit or loss USD	Total USD
<b>2025</b>					
Cash and cash equivalents	8	24,518	-	-	24,518
Collective investment scheme	6	-	1,647,755	-	1,647,755
Forward foreign currency contracts at fair value through profit or loss	7	-	-	(573)	(573)
Amount due from Manager		266	-	-	266
Management fee rebate receivable		1,402	-	-	1,402
		<b>26,186</b>	<b>1,647,755</b>	<b>(573)</b>	<b>1,673,368</b>
<b>2024</b>					
Cash and cash equivalents	8	22,827	-	-	22,827
Collective investment scheme	6	-	2,012,142	-	2,012,142
Forward foreign currency contracts at fair value through profit or loss	7	-	818	(823)	(5)
Amount due from Manager		7,302	-	-	7,302
Management fee rebate receivable		1,691	-	-	1,691
		<b>31,820</b>	<b>2,012,960</b>	<b>(823)</b>	<b>2,043,957</b>

All liabilities except for forward foreign currency contracts are financial liabilities which are carried at amortised cost.

## Market risk

### i. Price risk

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

The table below shows assets of the Fund as at 31 March which are exposed to price risk.

	2025	2024
	USD	USD

Financial assets at fair value through profit or loss:

Collective investment scheme	1,647,755	2,012,142
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The following table summarises the sensitivity of the Fund's profit/(loss) after tax and net asset value to movements in prices of collective investment scheme at the end of each financial reporting year. The analysis is based on the assumptions that the market price of the collective investment scheme increased by 5% and decreased by 5% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the collective investment scheme, having regard to the historical volatility of the prices.

% Change in price	Market value	Impact on profit/(loss) after tax and net asset value
	USD	USD
<u>2025</u>		
+5%	1,730,143	82,388
-5%	1,565,367	(82,388)
<u>2024</u>		
+5%	2,112,749	100,607
-5%	1,911,535	(100,607)

## ii. Currency risk

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

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

	<b>Financial assets/ (liabilities) at fair value through profit or loss</b>	<b>Cash and cash equivalents</b>	<b>Receivables/ (payables)</b>	<b>Net assets attributable to unit holders</b>	<b>Total</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
<u>2025</u>					
AUD	-	9,344	(8,688)	-	656
MYR	(573)	408	(2,956)	1,647,505	1,644,384
	<u>(573)</u>	<u>9,752</u>	<u>(11,644)</u>	<u>1,647,505</u>	<u>1,645,040</u>
<u>2024</u>					
AUD	(823)	-	-	110,383	109,560
MYR	818	535	(6,063)	1,902,502	1,897,792
	<u>(5)</u>	<u>535</u>	<u>(6,063)</u>	<u>2,012,885</u>	<u>2,007,352</u>

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

Any increase/(decrease) in foreign exchange rate will result in a corresponding increase/(decrease) in net assets attributable to unitholders by each currency's respective historical volatility.

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

	Change in foreign exchange rate	Impact on profit/(loss) after tax and net asset value
	%	USD
<u>2025</u>		
AUD	+/- 7.62	50
MYR	+/- 6.69	110,009
<u>2024</u>		
AUD	+/- 7.73	+/- 8,469
MYR	+/- 5.53	+/- 104,948

### iii. 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.

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

**Liquidity risk**

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

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



The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts in the table are the contractual undiscounted cash flows.

	<b>Less than 1 month</b>	<b>Between 1 month to 1 year</b>	<b>Total</b>
	<b>USD</b>	<b>USD</b>	<b>USD</b>
<b>2025</b>			
Accrued management fee	1,772	-	1,772
Amount due to Manager	22,573	-	22,573
Amount due to Trustee	369	-	369
Other payables and accruals	-	1,149	1,149
Forward foreign currency contracts at fair value through profit or loss	573	-	573
Net assets attributable to unit holders	1,647,505	-	1,647,505
Contractual undiscounted cash outflows	<u>1,672,792</u>	<u>1,149</u>	<u>1,673,941</u>
<b>2024</b>			
Accrued management fee	2,138	-	2,138
Amount due to Manager	5,585	-	5,585
Amount due to Trustee	368	-	368
Other payables and accruals	-	7,780	7,780
Forward foreign currency contracts at fair value through profit or loss	823	-	823
Net assets attributable to unit holders	2,028,086	-	2,028,086
Contractual undiscounted cash outflows	<u>2,037,000</u>	<u>7,780</u>	<u>2,044,780</u>

**Country risk**

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

**Fund management risk**

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

**Credit risk**

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

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

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

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

	Financial assets at fair value through profit or loss	Cash and cash equivalents	Amount due from Manager	Management fee rebate receivable	Total
	USD	USD	USD	USD	USD
<u>2025</u>					
Financial Services					
- AAA	-	24,518	-	-	24,518
Forward foreign currency contracts					
- AAA	(573)	-	-	-	(573)
Other					
- NR	-	-	266	1,402	1,668
	(573)	24,518	266	1,402	25,613
<u>2024</u>					
Financial Services					
- AA1	-	22,827	-	-	22,827
Forward foreign currency contracts					
- AA1	818	-	-	-	818
Other					
- NR	-	-	7,302	1,691	8,993
	818	22,827	7,302	1,691	32,638

None of these financial assets are past due or impaired.

## **Non-compliance risk**

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

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

## **Capital risk**

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

## **Fair value estimation**

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

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

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

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

i. Fair value hierarchy

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

The different levels have been defined as follows:

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

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

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

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

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

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
<b>2025</b>				
Financial assets at fair value through profit or loss:				
Collective investment scheme	1,647,755	-	-	1,647,755
Financial liabilities at fair value through profit or loss:				
Forward foreign currency contracts	-	(573)	-	(573)
<b>2024</b>				
Financial assets at fair value through profit or loss:				
Collective investment scheme	2,012,142	-	-	2,012,142
Forward foreign currency contracts	-	818	-	818
Financial liabilities at fair value through profit or loss:				
Forward foreign currency contracts	-	(823)	-	(823)

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, including collective investment scheme. The Fund does not adjust the quoted prices for these instruments.

Financial instruments that trade in markets that are considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. This include derivatives. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuation maybe adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

The Fund's policies on valuation of these financial assets are stated in Note E to the financial statements.

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

### **3. MANAGEMENT FEE**

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 3.00% per annum of the net asset value of the Fund calculated on a daily basis.

For the financial year ended 31 March 2025, the management fee is recognised at a rate of 1.25% (2024: 1.25%) per annum on the net asset value of the Fund, calculated on a daily basis as stated in the Fund's information memorandum.

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

#### **4. TRUSTEE FEE**

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.20% per annum of the net asset value of the Fund, subject to a minimum fee of RM18,000 per annum or its equivalent in the base currency (excluding foreign custodian fees and charges, if applicable).

For the financial year ended 31 March 2025, the Trustee fee is recognised at a rate of 0.06% (2024: 0.06%) per annum on the net asset value of the Fund, subject to minimum of RM18,000 per annum or its equivalent in the base currency (excluding foreign custodian fees and charges), calculated on a daily basis as stated in the Fund's information memorandum.

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



5. TAXATION

	2025	2024
	USD	USD

Tax charged for the financial year:

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

	2025	2024
	USD	USD
Profit/(loss) before taxation	202,670	(132,660)
Tax at Malaysian statutory rate of 24% (2024: 24%)	48,641	(31,838)
Tax effects of:		
(Investment income not subject to tax)/ investment loss not deductible for tax purposes	(56,579)	23,499
Expenses not deductible for tax purposes	1,752	1,532
Restriction on tax deductible expenses for Wholesale Funds	6,186	6,807
Taxation	-	-

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

	2025	2024
	USD	USD
Financial assets at fair value through profit or loss:		
collective investment scheme	1,647,755	2,012,142
Net gain/(loss) on financial assets at fair value through profit or loss:		
Realised loss on sale of investments	(602,761)	(906,078)
Change in unrealised fair value gain	610,937	856,349
Management fee rebate <sup>#</sup>	19,075	21,280
	27,251	(28,449)

<sup>#</sup> In arriving at the fair value of collective investment scheme, the management fee initially paid to the Manager of the collective investment scheme has been considered as part of its net asset value. In order to prevent the double charging of management fee which is not permissible under SC Guidelines, management fee charged on the Fund's investments in collective investment scheme has been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager, collective investment scheme is reflected as an increase in the net asset value of the collective investment scheme. The rebate of management fee is 1.00% per annum or USD19,075 (2024: 1.00% per annum or USD21,280) calculated on net asset value of Eastspring Investments - Asian High Yield Bond Fund – ADM on a daily basis.

Collective investment scheme

	Quantity	Aggregate cost	Fair value as at 31.3.2025	Percentage of net asset value of the Fund
	Units	USD	USD	%
Eastspring Investments - Asian High Yield Bond Fund - Class ADM	<u>388,988</u>	2,439,729	<u>1,647,755</u>	100.02
<b>ACCUMULATED UNREALISED LOSS ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>(791,974)</u>		
<b>TOTAL FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>1,647,755</u>		

Collective investment scheme

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

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

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

## 7. FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of statement of financial position, there are 1 (2024: 2) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD1,619,378 (receivable) and USD1,619,951 (payable) (2024: USD1,966,834 (receivable) and USD1,966,839 (payable)). The forward foreign currency contracts entered into during the financial year were for hedging against the currency exposure arising from the creation and cancellation of units denominated in AUD and MYR. As the Fund has not adopted hedge accounting during the financial year, the change in the fair value of the forward foreign currency contract is recognised immediately in the profit or loss.

	2025	2024
	USD	USD

Financial assets at fair value through profit or loss:

Forward foreign currency contracts	-	818
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Financial liabilities at fair value through profit or loss:

Forward foreign currency contracts	(573)	(823)
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	2025	2024
	USD	USD

Net gain/(loss) on forward foreign currency contracts  
at fair value through profit or loss:

Realised gain/(loss) on forward foreign currency contracts	65,496	(198,762)
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Unrealised loss on forward foreign currency contracts	(568)	(31,774)
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	64,928	(230,536)
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Forward foreign currency contracts

Name of issuer	Receivables	Payables	Fair value as at 31.3.2025	Percentage of net asset value of the Fund
	USD	USD	USD	%
Deutsche Bank Malaysia Berhad	1,619,378	1,619,951	(573)	(0.03)

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

**8. CASH AND CASH EQUIVALENTS**

	2025	2024
	USD	USD
Bank balances with a licensed bank	24,518	22,827

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

	2025	2024
	USD	USD
- AUD	9,344	-
- MYR	408	535
- USD	14,766	22,292

## 9. UNITS IN CIRCULATION

	USD Class	AUD Hedged- class	RM Hedged- class	Total
	No. of units	No. of units	No. of units	No. of units
<b>2025</b>				
At the beginning of the financial year	60,118	636,752	33,685,833	34,382,703
Creation of units from applications during the financial year	-	-	9,798,519	9,798,519
Cancellation of units during the financial year	(60,118)	(636,752)	(17,362,126)	(18,058,996)
At the end of the financial year	-	-	26,122,226	26,122,226
<b>2024</b>				
At the beginning of the financial year	64,118	636,752	47,395,431	48,096,301
Creation of units from applications during the financial year	-	-	3,075,769	3,075,769
Cancellation of units during the financial year	(4,000)	-	(16,785,367)	(16,789,367)
At the end of the financial year	60,118	636,752	33,685,833	34,382,703

## 10. UNIT HOLDER'S CAPITAL

The cancellable units were reclassified to equity when Class USD and Class AUD-Hedged became fully redeemed on 31 March 2025, and Class MYR-Hedged became the sole share class in the Fund.

As at 31 March 2025, the Fund had USD1,647,505 (2024: Nil) of puttable financial instruments classified as equity.

A breakdown of the Fund's equity balance is disclosed in the table extract below:

	Unit holders' capital	Retained earnings	Total
	USD	USD	USD
Balance as at 31 March 2024	-	-	-
Adjustment for classification of cancellable units to equity	7,461,402	(5,433,316)	2,028,086
Creation of units	600,238	-	600,238
Cancellation of units	(1,183,489)	-	(1,183,489)
Total comprehensive income	-	202,670	202,670
Balance as at 31 March 2025	<u>6,878,151</u>	<u>(5,230,646)</u>	<u>1,647,505</u>



11. TRANSACTIONS WITH ISSUER

Details of transactions with the issuer are as follows:

	Value of trades	Percentage of total trades
	USD	%
<u>2025</u>		
Eastspring Investments (Singapore) Limited <sup>#</sup>	1,633,000	100.00
<u>2024</u>		
Eastspring Investments (Singapore) Limited <sup>#</sup>	1,285,230	100.00

<sup>#</sup> Included in transactions with issuer are trades conducted with Eastspring Investments (Singapore) Limited, a related company to the Manager, amounting to USD1,633,000 (2024: USD1,285,230). The Manager is of the opinion that all transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

## 12. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

Related parties	Relationship
Director of Eastspring Investments Berhad	Director of the Manager
Eastspring Investments Berhad	The Manager
Eastspring Investments Group Private Limited	Immediate holding company of the Manager
Eastspring Investments (Singapore) Limited	Related company of the Manager
Eastspring Investments - Asian High Yield Bond Fund (Class ADM)	Collective investment scheme managed by Eastspring Investments (Singapore) Limited
Prudential Plc	Ultimate holding company of the Manager

**Units held by Manager and parties related to the Manager:**

	No. of units	USD Class	No. of units	AUD Hedged- class	No. of units	RM Hedged- class
<u>2025</u>						
Eastspring Investments Berhad		-	-	-	2,704	756*
<u>2024</u>						
Eastspring Investments Berhad	14,355	3,629*	13,086	3,480*	2,704	721*

\* In respective currencies

The above units were transacted at the prevailing market price.

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

Significant related party transactions

	2025	2024
	USD	USD
Purchase of collective investment scheme managed by Eastspring Investments (Singapore) Limited	558,000	237,230
Sales of collective investment scheme managed by Eastspring Investments (Singapore) Limited	1,075,000	1,048,000

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

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

**13. TOTAL EXPENSE RATIO ("TER")**

	2025	2024
	%	%
TER	1.72	1.63

TER is derived from the following calculation:

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

A = Management fee (excluding management fee rebate)

B = Trustee fee

C = Audit fee

D = Tax agent fee

E = Other expenses

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

The average net asset value of the Fund for the financial year calculated on a daily basis is USD1,927,113 (2024: USD2,126,438).

**14. PORTFOLIO TURNOVER RATIO ("PTR")**

	2025	2024
PTR (times)	0.42	0.30

PTR is derived from the following calculation:

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

where:

total acquisitions for the financial year = USD558,000 (2024: USD237,230)

total disposals for the financial year = USD1,075,000 (2024: USD1,048,000)

## **15. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements have been approved for issue by the Manager on 26 May 2025.

## CORPORATE DIRECTORY

### **THE MANAGER**

NAME

EASTSPRING INVESTMENTS BERHAD

COMPANY NO.

200001028634 (531241-U)

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### **TRUSTEE**

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DEUTSCHE TRUSTEES MALAYSIA BERHAD

COMPANY NO.

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FAX NO.

603-2053 7526

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

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Persiaran TRX Barat

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**ENQUIRIES**

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