



**BOS WEALTH
MANAGEMENT**

A subsidiary of Bank of Singapore

BOSWM ASIAN INCOME FUND

QUARTERLY REPORT
For the financial period from
1 January 2026 to 31 March 2026

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FUND INFORMATION
As at 31 March 2026

Name of Fund (Feeder)	:	BOSWM Asian Income Fund
Manager of Fund	:	BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)
Name of Target Fund	:	Lion Capital Funds II – Lion-Bank of Singapore Asian Income Fund
Investment Manager of Target Fund	:	Lion Global Investors Limited (198601745D)
Sub-Investment Manager of Target Fund	:	Bank of Singapore Limited (197700866R)
Launch Date	:	Class MYR – 12 January 2017 Class MYR BOS – 12 September 2019 Class USD BOS – 12 September 2019
		The Fund will continue its operations until terminated as provided under Part 11 of the Deed.
Category of Fund	:	Mixed assets – feeder fund (wholesale)
Type of Fund	:	Growth and income [□]
Investment Objective	:	BOSWM Asian Income Fund aims to provide capital growth and income [□] in the medium* to long term* by investing in the Target Fund – Lion Capital Funds II – Lion-Bank of Singapore Asian Income Fund.
		[□] <i>Income is in reference to the Fund's distribution, which will be in the form of cash or units.</i>
		[*] <i>Medium term is defined as a period of one to three years, and long term is a period of more than three years.</i>
Performance Benchmark	:	Nil – The Fund does not have a performance benchmark assigned.
Distribution Policy	:	Subject to the availability of income, distribution of income will be on a quarterly basis.
Fund Size	:	Class MYR – 0.79 million units Class MYR BOS – 10.17 million units Class USD BOS – Nil

FUND PERFORMANCE

For the Financial Period From 1 January 2026 to 31 March 2026

Market and Fund Review

Review of the Lion Capital Funds II – Lion-Bank of Singapore Asian Income Fund (Target Fund of BOSWM Asian Income Fund)

January 2026

Market overview:

The Investment Manager of Target Fund expect the thematic drivers that impacted the market's performance in 2025, namely global AI capital expenditure (capex), global defence capex, corporate value unlocking (mostly in Korea), to remain effective in 2026, at least in the first half of the year. On the other hand, while many central banks around the Asia Pacific region eased multiple times in 2025, the greater likelihood is for policy rate cuts to taper in in 2026. However, the investment horizon looks relatively clear, with global economic growth continuing with inflation under control.

US 10-year treasury yield started the month of January 2026 at 4.17% and ended the month 7 basis points (bps) higher at 4.24%. The yield curve flattened with 2-year yields higher by 5bps and 30-year yields higher by 3bps.

January was filled with drama as Trumps' threat to slap some European countries with 25% tariffs if they did not agree to sell Greenland to USA brought 'Sell America' trade back into play. Initiation of criminal investigations against Fed chair Jerome Powell further undermined investors' confidence in dollar assets with US dollars bearing the brunt of selling, though Treasury yields also increased. Gold and silver metal prices went exponential while Emerging Market equities outperformed US equities significantly. Kevin Warsh's appointment as future Fed chair at the end of the month brought relief to the dollar rout and served as a catalyst for the largest decline in gold and silver prices in decades.

J.P. Morgan Asia Credit Index (JACI) generated a total return of 0.23% in January 2026. Index spreads were tighter while Treasury yields were higher. Investment Grade (IG) spreads tightened 4bps while High Yield (HY) spreads tightened by 43bps. Indonesia underperformed as negative sentiment from MSCI's threat to downgrade Indonesian equities to Frontier Market status from Emerging Market status spilled over to bonds while Pakistan and Sri Lankan bonds continued their outperformance. With the latest data showing a stabilisation in the US labour market, the Investment Manager of Target Fund do not expect further rate cuts near term, they will stay neutral duration with emphasis on coupon carry.

Portfolio asset allocation:

The current target fund allocation as of end January 2026 is 61.07% in equities, 37.82% in fixed income, and the balance 1.11% in cash.

Portfolio update:

Month-to-Date (MTD)/Year-to-Date (YTD) Contributors:

- Both equities and fixed income allocations solidly outperformed their respective benchmarks in January 2026.
- Within equities, Taiwan and Korea were the largest contributors to returns, as Artificial Intelligence (AI) related stocks surged.
- Besides these two markets, Hong Kong provided the target fund a modest boost in relative performance.

Month-to-Date (MTD)/Year-to-Date (YTD) Detractors:

- Only Indonesia equities yielded negative returns in the month of January 2026.
- In relative terms, Malaysia equities and Singapore equities detracted in relative performance terms -- due to a lack of exposure in the former and poor stock selection in the later.

February 2026**Market overview:**

The US-Israeli aerial and missile attack on Iran now dominates the investment outlook of global asset prices. The fundamental economic linkage is through the price of crude oil, which has increased dramatically since the conflict. The higher it rises, the more likely that economic growth will be impinged and global interest rates will rise. At present, it does not appear that it is in Iran's interest to bring the conflict to a quick end. Meanwhile, the unpredictability of the US president means that all outcomes should be considered. The target fund has reduced its equity exposure and risk materially since the end of February as a precautionary measure.

US 10-year treasury yield started the month of February at 4.24% and ended the month 30 basis points (bps) lower at 3.94%. President Trump's initiation of attacks on Iran on the last day of February helped to provide a bid to Treasuries, even though a prolonged war will likely be negative for Treasuries as inflation expectations rise over time.

J.P. Morgan Asia Credit Index generated a total return of 1.1% in February. Index spreads were wider while Treasury yields were lower. Investment Grade spreads widened 13bps while High Yield spreads widened by 17bps. As sentiment was generally 'risk-off', Pakistan underperformed while countries such as Philippines with longer duration outperformed. Indonesia was the exception as sentiment on macroeconomic situation was already weak and Moody's change of outlook to negative added to concerns.

While spreads have widened due to risk aversion, they have not widened to the extent that total returns turn negative. They continue to think that carry-returns will dominate for now, and AI disruption for Asian credits is not as imminent compared to US and European credits due to differences in hard asset intensity.

The target fund will maintain a cautious stance given the uncertainties in the macro picture.

Portfolio update:

Month-to-Date (MTD) Contributors:

- Both equities and fixed income outperformed their respective benchmarks this month.
- In equities, Taiwan, followed by Korea equities contributed most to the outperformance in the month, thanks to significant exposure to the semiconductor sector.
- Hong Kong equities also contributed via a stock in the real estate sector.

MTD Detractors:

- Singapore and Philippines equities were the minor detractors in the month against the equity benchmark.
- This was caused by poor stock selection.

Year-to-Date (YTD) Contributors:

- Both the equities and fixed income allocations in the target fund outperformed their respective benchmarks since the start of the year.
- In the former, Taiwan equities contributed more than half of the relative outperformance, being driven, as in the case of the outperformance in Korean equities, by earnings growth from Artificial Intelligence (AI) capital expenditure.

YTD Detractors:

- Philippines equity and Singapore equities underperformed relative to their allocations in the benchmark, year to date, though the target fund disposed of the former to zero early in the year.
- In both cases, the underperformance stems from inferior stock selections.

March 2026**Market overview:**

After several weeks of kinetic conflict, the Iran War appears to have not progress anywhere for all parties. Though the price of crude has surged, the release of Strategic Petroleum Reserves (SPR) has limited the damage to the global economy though shortages have been reported in several emerging markets. A ceasefire is now in effect but a definitive agreement between all parties remains elusive. Pressure on crude oil prices will mount over time as SPR stocks run down with no easing in the Straits of Hormuz. But this may force the warring parties to come to terms. In short, the range of outcomes in the next few weeks remains wide and the fund remains wary of the short-term.

Treasuries sold off in March as market participants feared a rise in inflation expectations from the war in Iran. Bank of England (BoE) and European Central Bank (ECB) confirmed investors' worst fears as the respective monetary policy committee meetings in March seemed to suggest both central banks stood ready to hike rates to combat inflation. US Fed officials were not as hawkish in their commentaries but market began pricing in rate hikes in the US as well.

J.P Morgan Asia Credit Index (JACI) generated a total return of -1.77% in March mainly due to the higher Treasury yields. Credit spreads were relatively well contained despite the elevated perception of risk. Investment Grade (IG) spreads were flat while High Yield (HY) spreads widened by 47 basis points (bps). As sentiment was 'risk-off' with duration selling off, Pakistan and Sri Lanka

underperformed together with countries with longer duration such as Indonesia and Philippines.

With the Middle East Conflict in the background, market liquidity is likely to stay thin. We will avoid making changes to the portfolio unless necessary as we perceive demand for Asian credit remains relatively healthy and carry returns should smooth out the market volatility.

Portfolio update:

MTD Contribution:

- In the equity allocation, three markets contributed to performance on a relative basis in March: China, Indonesia, and Philippines.
- In China, the target fund's stock selection proved more defensive compared to the market portfolio into this month's market rout.
- Meanwhile, the absence of allocation in the latter two markets was the source of relative performance advantage.

MTD Detraction:

- Unsurprisingly, the best performing markets up to the start of the conflict, namely Taiwan and Korea, suffered the brunt of the market downdraft.
- Both equities and fixed income detracted in the month but rapid liquidation of substantial equity positions in the month helped cushion the fall.

YTD Contribution:

- Despite the performance set-back in March, the target fund has outperformed its benchmark in the first quarter of 2026. Equities accounted for the lion's share of the gains against the benchmark but fixed income also contributed.
- Artificial Intelligence (AI) stocks in Taiwan and Korea were notable drivers of performance in the period. Taiwan was the best performing equity market for the target fund by a long way, followed by Korea, then Hong Kong.

YTD Detraction:

- Only Singapore equities detracted within the equity allocation. Singapore was a relative underperformer in Asia; but the target fund's stock selection there was also problematic in the period.

Fund Returns

	Total Returns	
	Class MYR	Class MYR BOS
1.1.2026 To 31.3.2026	2.14%	1.84%
1 Year's Period (1.4.2025 To 31.3.2026)	8.70%	16.46%
3 Years' Period (1.4.2023 To 31.3.2026)	16.70%	19.71%
5 Years' Period (1.4.2021 To 31.3.2026)	-2.16%	-7.09%
Year-To-Date (1.1.2026 To 31.3.2026)	2.14%	1.84%
Since Investing Date To 31.3.2026	16.86%	10.03%

Note:

- BOSWM Asian Income Fund Class MYR – Launch/investing date: 12.1.2017
- BOSWM Asian Income Fund Class MYR BOS – Launch/investing date: 12.9.2019
- BOSWM Asian Income Fund Class USD BOS – Launch/investing date: 12.9.2019

Past performance figures shown are only a guide and should not be taken as indicative of future performance, and that unit prices and investment returns may go down, as well as up.

Source: BOS Wealth Management Malaysia Berhad

Asset Allocation

	<u>As at 31 March 2026</u>
Collective Investment Scheme: Lion Capital Funds II – Lion-Bank of Singapore Asian Income Fund USD Class C (Distribution) and/or USD Class C (Accumulation)	96.48%
Cash and Liquid Assets	<u>3.52%</u>
	<u>100.00%</u>

Income Distribution

Nil

Net Asset Value (NAV) Per Unit

(as at 31 March 2026)

Class MYR

RM1.0913

Class MYR BOS

RM1.0578

Significant Changes in the State of Affairs of the Fund

Nil

BOSWM ASIAN INCOME FUND

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026**

	31.03.2026
	RM
Assets	
Investments	11,202,230
Interest receivable	59
Tax recoverable	1,442
Other receivables	20,794
Financial derivatives	8,176
Cash and cash equivalents	409,818
Total Assets	<u>11,642,519</u>
Liabilities	
Amount due to Manager	7,106
Other payables	24,927
Total Liabilities	<u>32,033</u>
Net Asset Value Of The Fund	<u>11,610,486</u>
Equity	
Unitholders' capital	13,384,955
Accumulated losses	(1,774,469)
Net Asset Value Attributable To Unitholders	<u>11,610,486</u>
Total Equity And Liabilities	<u>11,642,519</u>

BOSWM ASIAN INCOME FUND

**UNAUDITED STATEMENT OF FINANCIAL POSITION (CONT'D.)
AS AT 31 MARCH 2026**

	31.03.2026
	RM
Net Asset Value Attributable To Unitholders	
- Class MYR	856,945
- Class MYR BOS	10,753,541
- Class USD BOS	-
	<u>11,610,486</u>
Number Of Units In Circulation (Units)	
- Class MYR	785,254
- Class MYR BOS	10,166,754
Net Asset Value Per Unit (MYR)	
- Class MYR	1.0913
- Class MYR BOS	1.0578
Net Asset Value Per Unit In Respective Currencies	
- Class MYR	RM1.0913
- Class MYR BOS	RM1.0578

BOSWM ASIAN INCOME FUND**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2026 TO 31 MARCH 2026**

	01.01.2026 to 31.03.2026 RM
Investment Income	
Interest income	4,189
Net gains on investments	
- Financial assets at fair value through profit or loss	1,134,520
- Foreign exchange	(414,887)
- Financial derivatives	579,190
Net unrealised loss on changes in value of financial assets at fair value through profit or loss	<u>(749,094)</u>
	<u>553,918</u>
Expenses	
Audit fee	2,119
Tax agent's fee	814
Manager's fee	20,618
Trustee's fee	1,578
Administration expenses	<u>8,204</u>
	<u>33,333</u>
Net Income Before Taxation	520,585
Taxation	-
Net Income After Taxation, Representing Total Comprehensive Income for the Period	<u>520,585</u>
Total Comprehensive Income	<u>520,585</u>
Total Comprehensive Income Is Made Up As Follows:	
Realised Income	1,269,679
Unrealised Loss	<u>(749,094)</u>
	<u>520,585</u>

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INSTITUTIONAL UNIT TRUST ADVISERS (IUTA)

For more details on the list of appointed IUTA (if any), please contact the Manager. Our IUTA may not carry the complete set of our funds. Investments made via our IUTA may be subject to different terms and conditions.

IMPORTANT NOTICES

Beware of phishing scams

Kindly be alert of any email or SMS that requires you to provide your personal information and/or to login to your account via an unsolicited link. Do not click on email links or URLs without verifying the sender of the email. Please ensure the actual internet address is displayed i.e. www.boswm.com.my.

If you suspect your account may be compromised and/or would like to seek clarification, please contact us as above.

Update of particulars

Investors are advised to furnish us updated personal details on a timely basis. You may do so by downloading and completing the Update of Particulars Form available at www.boswm.com.my, and e-mail to ContactUs@boswm.com. Alternatively, you may call or email us as above.