



**BOS WEALTH
MANAGEMENT**

A subsidiary of Bank of Singapore

BOSWM EMERGING MARKET BOND FUND

QUARTERLY REPORT
For the financial period from
1 July 2025 to 30 September 2025

CONTENTS

Fund Information	2
Fund Performance	3
Market And Fund Review	
Fund Returns	
Asset Allocation	
Income Distribution	
Net Asset Value (NAV) Per Unit	
Significant Changes In The State Of Affairs Of The Fund	
Financial Statements	
Unaudited Statement Of Financial Position	10
Unaudited Statement Of Comprehensive Income	12

FUND INFORMATION
As At 30 September 2025

Name Of Fund (Feeder)	: BOSWM Emerging Market Bond Fund
Manager Of Fund	: BOS Wealth Management Malaysia Berhad 199501006861 (336059-U)
Name Of Target Fund	: Lion Capital Funds II – Lion-Bank of Singapore Emerging Market Bond 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 – 26 January 2016 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	: Fixed income – feeder fund (wholesale)
Type Of Fund	: Growth and income [□]
Investment Objective	: BOSWM Emerging Market Bond Fund aims to provide capital growth and income [□] in the medium* to long term* by investing in the Target Fund. [□] <i>Income is in reference to the Fund's distribution, which could 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 - 7.94 million units Class MYR BOS - 1.07 million units Class USD BOS - Nil

FUND PERFORMANCE

For The Financial Period from 1 July 2025 To 30 September 2025

Market And Fund Review

Review Of The Lion Capital Funds II – Lion-Bank Of Singapore Emerging Market Bond Fund (Target Fund Of BOSWM Emerging Market Bond Fund)

July 2025

Year-to-Date (YTD) Contributors:

- YTD the target fund returned 3.98% lagging the benchmark by 85 basis points (bps) on a net basis.
- The Investment Manager of Target Fund allocation to Emerging Market (EM) sovereigns, especially to Egypt was a key contributor to both relative and absolute performance. Moreover, their Overweight position in Mexico contributed positively on account of strong performance in post announcement of government plan to aid Pemex to repair the balance sheet. Their allocation to Supranational was another contributor to performance.
- The Investment Manager of Target Fund Underweight allocation to A rated segment and Overweight position in BB/B segment benefitted the portfolio. In the A rated segment their selection effect, mainly to capital structure of highly rated entities contributed most to the relative performance. In the B-rated segment their Underweight position in higher beta credits benefitted the portfolio.
- On duration, the Investment Manager of Target Fund Overweight allocation to 7-10yr part of the yield curve contributed to performance.

Year-to-Date (YTD) Detractors:

- The Investment Manager of Target Fund Underweight allocation to China was a key detractor of performance YTD. They are Underweight higher beta segments of China, especially Real Estate which detracted from performance. In addition, their Underweight position in Israel and South Korea contributed negatively to relative performance.
- Rating wise, the Investment Manager of Target Fund Underweight position in the Non-Rated segment was a key detractor due to their cautious defensive positioning within the credit curve. Their Underweight position in AAA-AA segment also detracted from relative performance.
- On duration, the Investment Manager of Target Fund Underweight position in 3-7yr segment was a key detractor of performance. Furthermore, their Overweight allocation in the long end of the curve detracted due to steepening of the yield curve.

Month-to-Date (MTD) Contributors:

- The target fund returned 0.85% in July 2025 on net basis largely in line with the benchmark. On a gross basis the target fund outperformed the benchmark by 10bps.
- The Investment Manager of Target Fund selection effect in Hong Kong contributed positively to relative performance. Their positioning in FWD group benefitted from rating upgrade Investment Grade levels and their Underweight positioning in higher beta names in Hong Kong aided the relative performance. In addition, recovery in Taiwan Life Insurance sector contributed positively as well. Their allocation to Egypt continued to contribute positively in July 2025.
- The Investment Manager of Target Fund Overweight position in BB and BBB segment contributed positively to relative performance. Within BB segment their positioning in Ecopetrol and Macau gaming benefitted the portfolio. In the BBB segment their longer duration positioning and exposure to Adani group of companies were key contributors to relative performance.

- The Investment Manager of Target Fund duration positioning contributed positively to performance in July 2025. The Overweight allocation in the 7-10yr segment was a key contributor to performance.

Month-to-Date (MTD) Detractors:

- The Investment Manager of Target Fund Underweight allocation to Turkey and lower credit risk within Turkish credit complex detracted from performance. In addition, selection effect in Singapore detracted from relative performance. Their Underweight positioning in Saudi Arabia contributed negatively to relative performance.
- The Investment Manager of Target Fund conservative credit selection in the B+ and below segment detracted from relative performance as some of the higher beta credits rallied in July 2025 owing to idiosyncratic reasons.
- The Investment Manager of Target Fund Underweight allocation in Energy and Communication Services detracted from relative performance in July 2025.

Risk assets have continued to march higher on strong earnings and dissipating uncertainty over the tariff policies. Emerging Markets (EM) assets have had a strong year so far. The relative weakness in the United States dollar (USD) has been a tailwind for EM economies. The Investment Manager of Target Fund continue to see tariffs as a demand for shock for EM economies over the near term which may subdue growth prospects. They expect the Federal Reserve to cut one time in 2025 as inflation remains relatively sticky in US. As a result, they have a more cautious view on duration and may see 10yr US Treasury (UST) yields marching higher in the near term.

The Investment Manager of Target Fund remain constructive on EM corporate bonds underpinned by favourable default outlook, stable fundamentals and strong technicals. The opening up of the new issue market has allowed both EM sovereigns and Corporates to improve their debt maturity profiles. They have reduced their low coupon long duration positions to the rally in UST yields in July 2025. They redeployed the proceeds into subordinate debt of high-quality companies as these bonds provide attractive spread pick up over their senior bonds. They have also lowered allocation to United Arab Emirates (UAE) and Indonesia, while increasing allocation Mexico and supranationals. Looking ahead, they will continue to add value accretive new issues to the portfolio. they aim to improve the portfolio resilience through careful country allocation and security selection.

August 2025

Year-to-Date (YTD) Contributors:

- YTD target fund returned 5.34% on a net of fee basis, lagging the benchmark by 93 basis points (bps). The Investment Manager of Target Fund key Overweight in the Emerging Market (EM) sovereign space, Egypt and South Africa were key contributors to both absolute and relative performance in 2025. EM sovereigns have benefitted from spread tightening as well as improvements in credit fundamentals. Their Overweight in Mexico benefitted from both duration and credit spread tightening; the tender offer by Pemex supported returns in their Overweight position in the credit. Their key Overweight in Brazil contributed positively to performance thanks to positioning in Protein sector.
- The Investment Manager of Target Fund Overweight allocation to 7-10yr part of the duration segment contributed positively owing to the favourable movement in the yield curve.
- The Investment Manager of Target Fund Overweight allocation to A segment as well as Overweight positioning within the higher beta segments in the Investment Grade sector benefitted the portfolio due to tightening in credit spreads.

Year-to-Date (YTD) Detractors:

- The Investment Manager of Target Fund Underweight allocation to China was a key detractor of performance YTD. They are Underweight higher beta segments of China, especially Real Estate which detracted from performance. In addition, their Underweight position in Israel and South Korea contributed negatively to relative performance.
- The Investment Manager of Target Fund Underweight position in the higher beta segments of the credit curve, especially to the Unrated segment detracted from performance.
- On duration the Investment Manager of Target Fund Underweight in the short end of the curve and relative Overweight in the longer end of the curve detracted owing to steepening of the US Treasury (UST) yield curve.

Month-to-Date (MTD) Contributors:

- The target fund returned 1.3% in August 2025 on net of fees basis, marginally behind (7bps) the benchmark. The Investment Manager of Target Fund key Overweight position in Egypt, where improvements in the macroeconomic and external position has supported bond prices was a key contributor to the performance in August. Furthermore, their tactical allocation to Japan benefitted from the strong performance of Japanese lifers and tech companies.
- Selection effect contributed positively in Brazil, as the Investment Manager of Target Fund key Overweight positions in Protein and Oil & Gas performed well in August 2025.
- The Investment Manager of Target Fund duration positioning ahead of the potential rate cut by the Federal Reserve (Fed) in September 2025 benefitted the portfolio. Going into August 2025, they were Overweight 10+year segment and 7-10yr segment which benefitted from the movement in the UST curve.
- The Investment Manager of Target Fund Overweight positioning in the BB segment in High Yield and higher beta segments within the Investment Grade space contributed positively as these segments benefitted from both duration and spread tightening.

Month-to-Date (MTD) Detractors:

- The relative Underweight positioning in the higher beta segments of the market detracted from the performance in August 2025. In turkey and Colombia the Investment Manager of Target Fund defensive positioning detracted from relative performance as some of the higher beta names outperformed. Argentina was another detractor from performance due to recent adverse developments in the political and economic front. While they are Underweight Argentina on a relative basis, their selection effect contributed negatively.
- On the duration front, the Investment Manager of Target Fund Underweight positioning in the shorter end of the maturity segment detracted from relative performance.
- The Investment Manager of Target Fund Underweight allocation to Real Estate sector, especially to Hong Kong higher beta segment detracted from performance due to idiosyncratic events.

Risk assets continued to generate strong returns in August as weak employment data has fuelled expectations of September rate cut by the Fed. The Investment Manager of Target Fund now expect 3 rates cuts from the Fed in 2025 as the policy makers give priority to the weakening labour market data in the near term. The expected rate cut cycle should bring in favourable tail winds for the Emerging Market (EM) economies, as it will help to lower borrowing costs and improve the funding environment. They already see strong technical in the new issue market with higher yielding new issues receiving strong demand from the investors.

The portfolio has benefitted from the Investment Manager of Target Fund selection and allocation to EM sovereign bonds in 2025. While they remain constructive on the sector, recent spread tightening limits further alpha opportunities in the sector. In August we increased allocation to Saudi Arabia through ARAMCO curve, to take advantage of the steep spread

curve in the long end. They also increased allocation to Macau gaming sector as well as to Thailand and Mexico during the month, preferring longer end of the curve ahead of the Fed easing cycle. They remain constructive on the outlook for the EM Corporates, supported by stable fundamentals, improving default outlook and strong technical. They will continue to participate in value accretive new issues in the market while remaining defensive on their credit selection.

September 2025

Year-to-Date (YTD) Contributors:

- YTD, the target fund has returned 6.69%, behind the benchmark by 41 basis points (bps) on a net of fee basis. The Investment Manager of Target Fund Overweight positions in Emerging Market (EM) Sovereigns (Egypt, South Africa) were the key drivers of returns in 2025. In addition, their duration positioning aided the portfolio returns, owing to favourable move in the yield curve. Their allocation to Indonesia, Mexico and India were key contributors to relative performance. In Indonesia, longer duration allocation PLN aided performance, while in Mexico, allocation to Pemex and credit selection effect benefitted the portfolio. In India, their positioning in Adani group and Vedanta were key contributors; the dissipation of headline risk benefitted Adani credit spreads while Vedanta continue to benefit from the improvement in the credit fundamentals.
- The Investment Manager of Target Fund Overweight allocation to the belly of the curve (3-10yr part) contributed positively to the relative performance of the target fund.
- The Investment Manager of Target Fund Overweight positioning within the higher beta segments in the Investment Grade sector benefitted the portfolio due to tightening in credit spreads.

Year-to-Date (YTD) Detractors:

- The Investment Manager of Target Fund Underweight allocation to higher beta credits was a key detractor of performance in 2025, as these segments benefitted from the risk-on environment and certain idiosyncratic credit events. Their Underweight position in China and Hong Kong, especially in the real estate sector detracted from performance. In addition, their limited exposure to Israel credits detracted from performance as credit spread tightened with the recent progress in peace process. Similarly, their limited credit risk exposure to Peru was another source of detraction. Furthermore, their allocation to Braskem, which surprised the market by hiring advisors adversely impacted the portfolio performance.
- The Investment Manager of Target Fund Underweight position in the higher beta segments of the credit curve, especially to the Unrated segment detracted from performance.
- On duration the Investment Manager of Target Fund Underweight in the 3-7yr part of the curve detracted from performance mainly owing to negative selection effect.

Month-to-Date (MTD) Contributors:

- The target fund returned 1.28% in September 2025 on net of fee basis, ahead of the benchmark return of 0.5%. The Investment Manager of Target Fund key Overweight positions in Egypt and relatively longer duration of the Fund were key drivers of the performance in September 2025.
- The Investment Manager of Target Fund positioning in the EM Sovereigns such as South Africa and Sharjah were key contributors to both absolute and relative returns in September 2025. In Mexico, Pemex and their selection effect was beneficial to the portfolio. Similarly, in Turkey, their limited exposure some of the idiosyncratic credits such as WESODA contributed to relative performance.
- The Investment Manager of Target Fund duration positioning was a key contributor to the performance; they have preferred to take duration risk over credit risk in 2025, as evident from their Overweight in duration and Underweight in the some of the higher beta segments of the high yield market. They are Overweight 10+yr segment in the

yield curve and Underweight 1-3yr segment, which was beneficial to the portfolio owing to the favourable move in the yield curve.

- The Investment Manager of Target Fund Overweight positioning in the BB segment in High Yield and higher beta segments within the Investment Grade space contributed positively as these segments benefitted from both duration and spread tightening.

Month-to-Date (MTD) Detractors:

- The Investment Manager of Target Fund relative underweight positioning in the higher beta property segment in China and Hong Kong detracted from performance in September. In addition, their Underweight position in Israel detracted owing to positive progress made on the peace process. Their duration underweight in Saudi Arabia was a source of negative relative returns due to the rally in United States Treasury (UST) yields.
- The Underweight position in higher quality segments of the market (AAA to A) detracted from performance due to the movement in the yield curve.
- The Investment Manager of Target Fund underweight allocation to Real Estate sector, especially to Hong Kong higher beta segment detracted from performance due to idiosyncratic events.

September 2025 was another good month for risk assets as both equities and fixed income ended the month in positive territory. As expected, the Federal Reserve cut interest rates in September 2025 and the Investment Manager of Target Fund expect two more rate cuts in 2025 as policy makers continue to focus on the weaknesses in the labour market. This coupled with stable inflation numbers have led to sharp rally in the UST yields in recent months – 10yr yields are touching 4%-mark vs 4.6% level in June 2025. The 30yr yields, which had underperformed in earlier parts of the year, have now started to perform as well. They continue to expect long end yields to resume climbing given as fiscal related concerns may resurface in the near term.

The portfolio has benefitted from the Investment Manager of Target Fund selection and allocation to EM sovereign bonds in 2025; in addition, their preference to take duration risk over credit risk has benefitted the portfolio thanks to the favourable move in the shape of yield curve. They have increased exposure to Thailand via new PTTGC perpetual bond and participated in some of the new Tier 2 bonds Saudi bank which came at attractive levels for strong Investment Grade rating. They have also taken the opportunity to pare down some of the long duration bonds in the portfolio to the rally in UST yields, while recycling the proceeds into 5-7yr part of the curve. They remain constructive on the outlook for the EM Corporates, supported by stable fundamentals, improving default outlook and strong technical. They will continue to participate in value accretive new issues in the market while remaining defensive on their credit selection.

Fund Returns

	Total Returns	
	Class MYR	Class MYR BOS
1.1.2025 To 31.3.2025	0.81%	0.82%
1.4.2025 To 30.6.2025	0.93%	0.88%
1.7.2025 To 30.9.2025	2.68%	-1.12%
1 Year's Period (1.10.2024 To 30.9.2025)	3.15%	-0.40%
3 Years' Period (1.10.2022 To 30.9.2025)	9.71%	5.55%
5 Years' Period (1.10.2020 To 30.9.2025)	-13.21%	-17.00%
Financial Year-To-Date (1.1.2025 To 30.9.2025)	4.47%	0.57%
Since Investing Date To 30.9.2025	4.47%	-15.63%

Note:

- BOSWM Emerging Market Bond Fund Class MYR – Launch date: 26.1.2016;
Investing date: 2.3.2016
- BOSWM Emerging Market Bond Fund Class MYR BOS – Launch date: 12.9.2019;
Investing date: 12.9.2019
- BOSWM Emerging Market Bond Fund Class USD BOS – Launch date: 12.9.2019;
Investing date: 12.9.2019

Source: BOS Wealth Management Malaysia Berhad

Asset Allocation

As At 30 September 2025

Collective Investment Scheme: Lion Capital Funds II – Lion-Bank of Singapore Emerging Market Bond Fund USD Class C (Distribution) and/or USD Class C (Accumulation)	99.39%
Cash And Liquid Assets	0.61%
	<u>100.00%</u>

Income Distribution

Nil

Net Asset Value (NAV) Per Unit

(as at 30 September 2025)

Class MYR	RM0.9387
Class MYR BOS	RM0.8176
Class USD BOS	-

Significant Changes In The State Of Affairs Of The Fund

Nil

BOSWM EMERGING MARKET BOND FUND

**UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025**

	30.09.2025
	RM
Assets	
Investments	8,281,205
Other receivables	20,451
Tax recoverable	5,954
Financial derivatives	59,490
Cash and cash equivalents	53,050
Total Assets	<u>8,420,150</u>
Liabilities	
Amount due to Manager	72,640
Other payables	15,758
Total Liabilities	<u>88,398</u>
Net Asset Value Of The Fund	<u>8,331,752</u>
Equity	
Unitholders' capital	14,181,933
Accumulated losses	(5,850,181)
Net Asset Value Attributable To Unitholders	<u>8,331,752</u>
Total Equity And Liabilities	<u>8,420,150</u>

BOSWM EMERGING MARKET BOND FUND

**UNAUDITED STATEMENT OF FINANCIAL POSITION (CONT'D.)
AS AT 30 SEPTEMBER 2025**

	30.09.2025
	RM
Net Asset Value Attributable To Unitholders	
- Class MYR	7,454,153
- Class MYR BOS	877,599
	<u>8,331,752</u>
Number Of Units In Circulation (Units)	
- Class MYR	7,941,575
- Class MYR BOS	1,073,464
Net Asset Value Per Unit (MYR)	
- Class MYR	0.9387
- Class MYR BOS	0.8176
- Class USD BOS	-
Net Asset Value Per Unit In Respective Currencies	
- Class MYR	RM0.9387
- Class MYR BOS	RM0.8176

BOSWM EMERGING MARKET BOND FUND

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 JULY 2025 TO 30 SEPTEMBER 2025**

	01.07.2025 to 30.09.2025 RM
Investment Income	
Interest income	1,055
Net gain on investments	
- Financial assets at fair value through profit or loss	518,397
- Foreign exchange	(244,877)
- Financial derivatives	508,987
Net unrealised loss on changes in value of financial assets at fair value through profit or loss	<u>(569,899)</u>
	<u>213,663</u>
Expenses	
Audit fee	2,171
Tax agent's fee	1,098
Manager's fee	18,650
Trustee's fee	912
Administration expenses	4,967
	<u>27,798</u>
Net Income Before Taxation	185,865
Taxation	(188)
Net Income After Taxation, Representing Total Comprehensive Income for the Period	<u>185,677</u>
Total Comprehensive Income	<u>185,677</u>
Total Comprehensive Income Is Made Up As Follows:	
Realised Income	755,576
Unrealised Loss	<u>(569,899)</u>
	<u>185,677</u>

BOS WEALTH MANAGEMENT MALAYSIA BERHAD 199501006861 (336059-U)
A subsidiary of Bank of Singapore

09-02, Level 9, Imazium
No. 8 Jalan SS 21/37
Damansara Uptown
47400 Petaling Jaya, Selangor
Tel: 03-7712 3000
ContactUs@boswm.com
www.boswm.com.my

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.