

Fullerton SGD Heritage Income

August 2026

Investment Objective

The investment objective of the Fund is to generate regular income and long term capital appreciation for investors.

The Fund will invest primarily in a diversified portfolio of collective investment schemes, other investment funds, securities, including but not limited to fixed income securities, equities, real estate investment trusts ("REITs"), money market instruments and cash as deemed appropriate by us in accordance with its investment objective. In normal market conditions, the Fund aims to invest around 50% of the Fund's NAV in Singapore securities (defined by country of risk) and/or SGD denominated securities, cash and cash equivalents, and/or non-SGD fixed income securities hedged back to SGD. The Fund may also invest in developed market equities (ex-Asia) for diversification reason.

Fund Information

Fund Size	SGD 164.33 million
Base Currency	SGD
Preliminary Charge	Currently up to 3%
Dealing Frequency	Every Business Day
Subscription Mode	Cash, SRS

Manager's Commentary

Market Review

(All returns are quoted in US dollar terms unless otherwise stated)

Global risk assets recovered in August following the sharp rotation and correction in July. Sentiment was supported by improving liquidity conditions, normalising volatility, resilient growth and continued AI-related investment, although markets remained sensitive to elevated long-end yields, crowded positioning and geopolitical uncertainty. The latest market backdrop was characterised by cautious resilience: equities advanced across most major regions, while oil prices were largely stable and gold rose strongly on safe-haven demand and persistent inflation risks.

Global equities moved higher, with the MSCI AC World Index returning 2.7% over the month. In the US, the S&P 500 gained 2.7%, while the Nasdaq rose 3.9% after July's valuation and positioning reset in the technology sector, as resilient economic activity, robust AI capital expenditure and continued confidence in the earnings outlook outweighed periodic valuation concerns. European equities also advanced, with MSCI Europe returning 1.4%, participating in the broader risk-on move but lagging markets with greater exposure to the AI and technology cycle. Japanese equities gained 3.4%, supported by continued strength in technology and financials, corporate re-rating and constructive domestic fundamentals, although yen appreciation and Bank of Japan policy uncertainty remained important considerations.

Asian equities were positive overall but remained highly dispersed. The MSCI AC Asia ex-Japan Index rose 3.3%, supported by regional technology supply chains, AI-related demand and improving liquidity. MSCI Korea gained 5.9% as semiconductor and AI-related exposures recovered, although the market remained vulnerable to concentrated positioning and elevated earnings expectations. MSCI China declined 0.3%, as weak consumer activity and a lower medium-term growth outlook offset policy support and strength across selected energy, technology, industrial and financial names. MSCI Singapore kept the trend of strong July performance and returned 5.6% in US dollar terms and 3.6% in Singapore dollar terms, led by financials and a continued market re-rating supported by resilient domestic growth and low inflation. Singapore REITs fell 2.8% in Singapore dollar terms, reflecting renewed pressure on rate-sensitive assets from uncertainty over long-end yields.

Fixed income delivered modestly positive returns. The Bloomberg Global Aggregate Index returned 0.5% on an unhedged basis and 0.1% on a hedged basis, while the J.P. Morgan JACI Investment Grade Index gained 0.3% in US dollar terms and 0.1% in Singapore dollar hedged terms. Carry, resilient credit fundamentals and strong Asian credit technicals provided support, although higher-for-longer policy expectations, sticky inflation and heavy government and corporate issuance continued to create volatility in duration. The US 10-year Treasury yield rose 2 bps over the month to 4.75%, while the Singapore 10-year government bond yield ended the month unchanged at 2.35%.

Commodity and currency markets reflected the continuing divergence between geopolitical risk and improving near-term energy supply conditions. Gold rose 9.7%, supported by safe-haven demand, persistent inflation uncertainty, geopolitical risks, central-bank buying and a recovery in investment flows. Brent crude was broadly unchanged, gaining 0.2%, as alternative pipeline routes partially offset supply disruption and mitigated near-term supply concerns, while expectations of potential increases in global supply capped the upside. The DXY dollar index declined 0.5%, as the US-Japan yen intervention impact on dollar liquidity and crowded long positioning was partially offset by support from US economic exceptionalism through resilient US growth, consumption and AI-related investment.

Investment Outlook and Strategy

Our outlook for risk assets remains cautiously constructive, supported by strong productivity, consumption, trade and investment, while market volatility has broadly normalised. However, excess liquidity remains tight, and risk appetite remains a key swing factor, so we expect returns to be more uneven and dispersed.

Against this backdrop, we remain constructive on equities but prefer broader participation over concentrated bets. We have reduced technology concentration and are broadening exposure in industrials, financials, healthcare and selected beneficiaries of wider AI adoption, while retaining exposure to AI infrastructure and productivity themes where earnings visibility remains strong. We favour companies with durable earnings, strong balance sheets and credible cash-flow generation, while remaining disciplined around crowded exposures and the risk that AI-related capital expenditure becomes less supportive.

Within fixed income, we continue to favour high-quality carry, core investment-grade exposure and selective Asian credit. We are managing duration actively as the balance between inflation, growth, term premia and bond-market liquidity evolves; we are gradually moving duration closer to neutral levels where attractive opportunities present themselves, while closely monitoring the inflation and policy dynamics.

Risk management remains central to our approach. We will use diversification, disciplined position sizing and targeted hedges where relevant and applicable, while monitoring concentration and valuation risks, cross-asset correlations, liquidity conditions, inflation expectations and geopolitical developments. This includes the ongoing US-Iran conflict and resulting impact on energy supply, yield curve movements and potential further AI-related volatility.

Performance (%)

	1 month	3 months	6 months	1 year	3 years	5 years	Since Inception
A-SGD (bid-to-bid)	-0.20	-0.55	-1.49	2.79	3.47	-2.43	-0.35
A-SGD (offer-to-bid)	-3.11	-3.45	-4.36	-0.20	2.45	-3.00	-0.76
B-SGD (bid-to-bid)	-0.20	-0.55	-1.49	2.79	3.47	-2.43	-0.35
B-SGD (offer-to-bid)	-3.11	-3.45	-4.36	-0.20	2.45	-3.00	-0.76
C-SGD (bid-to-bid)	-0.21	-0.55	-1.49	2.79	3.47	-2.43	-0.35
C-SGD (offer-to-bid)	-3.11	-3.44	-4.36	-0.20	2.45	-3.00	-0.76
B1-USD (bid-to-bid)	0.00	0.04	-0.27	5.47	5.66	-1.01	0.14
B1-USD (offer-to-bid)	-2.91	-2.87	-3.17	2.39	4.63	-1.59	-0.29

Returns are calculated on a single pricing basis with net dividends and distributions (if any) reinvested. Offer-to-bid returns include an assumed preliminary charge of 3% which may or may not be charged to investors. Returns more than a year are annualised.

Asset Allocation (%)¹

Equities	11.5
REITs	13.4
Fixed Income	67.6
Commodities	0.0
Cash and cash equivalents	7.5

Geographical Exposure (%)^{1,2}

Singapore	34.8
Hong Kong	8.4
China	6.6
Japan	5.8
Korea	3.7
India	3.5
Saudi Arabia	3.4
Indonesia	2.5
Taiwan	1.6
Thailand	1.3
Macau	1.1
Developed Markets	25.9
Others	1.4

Top 5 Holdings (Equities, % of NAV)

Oversea-Chinese Banking Corp Ltd	1.0
DBS Group Holdings Ltd	1.0
Singapore Telecommunications Ltd	0.4
Alphabet Inc	0.4
Taiwan Semiconductor Manufacturing Co Ltd	0.4

Top 5 Holdings (Fixed Income, % of NAV)

BPCE SA 5% Mar 2034	1.8
Nippon Life Insurance Co 6.25% Sep 2053	1.7
Credit Agricole SA 4.25% Jan 2035	1.6
Hongkong Land Treasury Services Singapore Pte Ltd/The 3.45% Dec 2039	1.6
Sembcorp Financial Services Pte Ltd 2.45% Jun 2031	1.5

Sector Exposure (%)^{1,2}

Financials	38.1
Real Estate	25.3
Consumer Discretionary	8.2
Materials	5.4
Utilities	5.3
Industrials	5.2
Communication Services	4.1
Sovereigns & Supranational	3.1
Information Technology	2.7
Energy	1.8
Health Care	0.5
Consumer Staples	0.3

Top 5 Holdings (REITs, % of NAV)

CapitaLand Integrated Commercial Trust	3.7
CapitaLand Ascendas REIT	2.3
Keppel DC REIT	1.2
Mapletree Logistics Trust	1.1
Mapletree Pan Asia Commercial Trust	0.9

Fund Statistics

Fixed Income	
Duration	4.9 years
Average Credit Rating ³	BBB+
Yield-to-Worst ⁴	4.4%
Equities	
Dividend Yield	2.0%
Price to Book	2.9x
Price to Earnings	19.4x
S-REITs	
Dividend Yield	5.3%
Price to Book	1.0x
Price to Earnings	18.1x

Dividend History⁵

	Dividend / share	Record Date
Class B	SGD 0.0028	31 Jul 2026
Class B	SGD 0.0028	31 Aug 2026
Class C	SGD 0.0038	31 Jul 2026
Class C	SGD 0.0038	31 Aug 2026
Class B1	USD 0.0029	31 Jul 2026
Class B1	USD 0.0029	31 Aug 2026

Fund Details

	Class A	Class B (Distribution)	Class C (Distribution)
Inception Date	21 May 2019	21 May 2019	21 May 2019
NAV per Unit⁶	SGD 0.97	SGD 0.68	SGD 0.52
Management Fee	Currently 0.80% p.a.	Currently 0.80% p.a.	Currently 0.80% p.a.
Initial Investment	None	None	None
Subsequent Investment	None	None	None
ISIN Code	SGXZ28681005	SGXZ51694974	SGXZ70176466
Bloomberg Code	FULSHIA SP	FULSHIB SP	FULSHIC SP

	Class B1 (Distribution)
Inception Date	21 Oct 2019
NAV per Unit⁶	USD 0.71
Management Fee	Currently 0.80% p.a.
Initial Investment	None
Subsequent Investment	None
ISIN Code	SGXZ92431121
Bloomberg Code	FULSHB1 SP

Note: All fund data are sourced from Fullerton, Bloomberg dated as at 31 August 2026, unless otherwise stated.

1. Numbers might not add due to rounding.
2. Geographical and Sector exposures exclude derivatives, cash and cash equivalents.
3. Where the security is not rated by external rating agencies, Fullerton's internal rating methodology will apply.
4. Refers to Yield-to-Worst in base currency, before hedging.
5. Distribution amount is not guaranteed. Please refer to our website for more details on the dividend payouts.
6. Figures are truncated to 2 decimal places. Please refer to Fullerton's website for official price.

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