

Monthly Investor Update

February 2026

Dear Simpan Client,

February saw volatile trading across equities, with the Jakarta Composite Index (JCI) rebounding in initial weeks, but closing out lower by -1.08% MoM. **Market sentiment weakened towards month-end, primarily driven by escalating geopolitical tensions in the Middle East which shifted investor appetite to a "risk-off" stance.** Additionally, lack of clarity around MSCI-related issues and continued Rupiah weakness further deteriorated investor optimism. Despite the broader decline, the blue-chip index IDX30 gained around +2%, suggesting that the index's decline was mainly driven by momentum stocks.

In economic headlines, BI continued to keep rates unchanged at 4.75%. The move was aimed to support the Rupiah, which saw continued pressure especially due to heightened global financial uncertainty. However, BI reaffirmed that they see room for rate cuts in 2026 if inflation falls within their target range of 2.5% +/-1%.

In Fixed Income, Government Bond yields traded higher, with 10Y yields reaching 6.43% and 5Y yields closing at 5.78%. The main catalyst driving yields higher was Moody's downgrade of Indonesia's credit outlook from Stable to Negative, which triggered a wave of selling across bonds and equities and pushed the Rupiah lower. **Given the rising yield environment, we plan to gradually extend duration further, supported by our constructive medium to long-term outlook on the Indonesian bond market.** However, we are also staying cautious, as the recent geopolitical uncertainties pose inflationary risks from rising oil prices, and anticipate possible yield shocks driven by widening fiscal deficit.

Despite the volatile environment, all our funds had positive performance in February, though our Bond Fund and Equity Fund lagged benchmarks. Although the JCI saw weakness, our equity portfolios delivered gains by realizing profits opportunistically, especially within the nickel sector. We continue to maintain an active trading approach, adopting a risk-off stance in equities and increasing exposure to commodity-linked sectors such as gold, coal, and select oil & gas names, which historically has performed well in times of geopolitical stress or inflationary environments. All AMP portfolios also saw gains, though risk 2 -5 portfolios slightly underperformed benchmarks.

Heading into March, we expect near-term volatility to persist given unstable geopolitical dynamics and uncertainties around MSCI policy changes. However, we do expect the domestic economy to remain intact, due to the upcoming Ramadhan period which would support consumption and real-sector activity.

We thank you for your continued trust and confidence in us and remain committed to managing your investments with the same dedication and care as ever.



Yours Sincerely,
Julian Thio

Member of the Investment Committee

February Market Highlights

1. JCI Traded Volatile, Rebounding in Initial Weeks but Closing Out Lower by -1.08% MoM

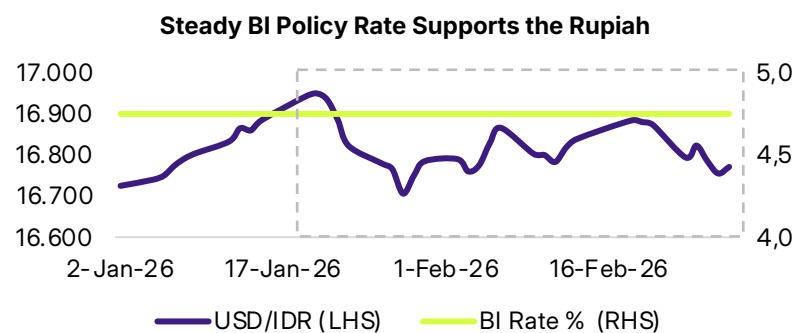
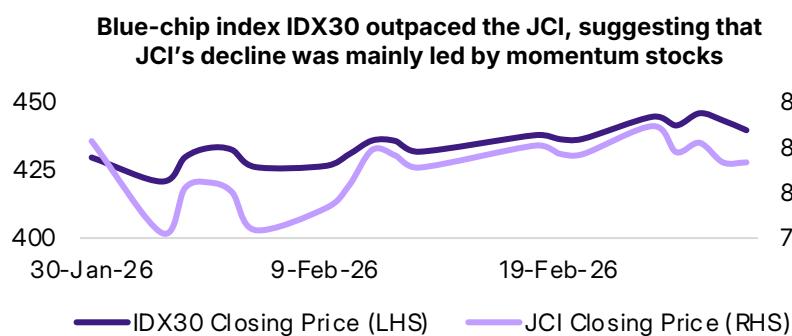
- In initial weeks, the JCI rebounded as investors bought on weakness when the index traded at support levels of ~7,900.
- However, momentum was not strong enough with markets falling towards month-end due to lack of clarity around MSCI-related issues, continued Rupiah weakness, lack of near-term catalysts, and rising geopolitical tensions in the Middle East which prompted risk-off positioning from investors. Foreign investors were net sellers of ~IDR 5.37T in February, while domestic investors absorbed supply.
- Despite the broader decline, the blue-chip index IDX30 gained +2.34%, reflecting resilience in fundamentally strong large caps and suggesting that the index's decline was mainly led by momentum stocks.

2. BI Kept Rates Unchanged at 4.75%

- The decision aims primarily to support the Rupiah, which has continued to weaken and edge closer to ~17,000 (USD/IDR) in February. Weakness in the currency has been largely driven by heightened global financial uncertainty.
- However, BI reaffirmed its commitment to strengthen the effectiveness of accommodative monetary and macroprudential policies and mentioned that they see room for rate cuts in 2026 if inflation stays within its target range of 2.5% ±1%.

3. Moody's Downgraded Indonesia's Credit Outlook from Stable to Negative, but Reaffirms Baa2 Rating

- The outlook downgrade was largely due to growing warnings about policy uncertainty around Danantara & fiscal policy direction and concerns over policy predictability, governance, and institutional clarity under the current administration. However, Baa2 rating was reaffirmed, supported by ~5% GDP growth, fiscal deficits below 3% of GDP, and debt levels below Baa-rated peers.
- On the news, 5Y and 10Y bond yields spiked and the Rupiah weakened to ~16,825 (USD/IDR). Markets also saw pressure, with JCI falling ~-3% on the news.



Tracking Our Projections

What We Said Last Month

- Potential changes to MSCI's index criteria and broader market restructuring could keep the JCI vulnerable in the near term.
- We expect consumption to gradually strengthen in the first quarter, as preparations for the Lebaran festivities begin.

What Happened This Month

- The JCI traded volatile in February, rebounding in initial weeks but closing out the month lower by -1.08%.
- Indonesia's inflation surged to 4.6% YoY in February, driven mainly by rising food prices due to Ramadan and higher gold prices.

Market Outlook

We expect near-term market sentiment to remain volatile, influenced by uncertainties surrounding MSCI policy changes and ongoing geopolitical developments. Rising oil prices following the closure of the Strait of Hormuz pose inflationary risks for Indonesia, a net oil importer, which could widen the fiscal deficit and place additional pressure on the Rupiah. Despite these uncertainties, **we anticipate domestic economic activity to remain resilient.** The upcoming Ramadhan festive period is expected to support sustained consumption and real-sector activity, underpinning overall domestic economic growth. This fundamental resilience provides a constructive backdrop for selectively deploying capital into fundamentally sound companies with clear earnings visibility.

Portfolio Positioning

Fixed Income – We have modestly extended portfolio duration following last month's bond market correction. **We plan to gradually extend duration further, supported by our constructive medium to long-term outlook on the Indonesian bond market.** However, we are staying cautious in the near-term due to inflationary pressure risks from higher oil prices, possible yield shocks in the government bond market driven by widening fiscal deficit concerns, and the persistence of elevated interest rates.

Equities – Amid ongoing equity volatility, we maintain an active trading approach to tactically capture gains and redeploy during attractive corrections. In response to evolving market conditions, **we are adopting a risk-off stance in equities, focusing on increasing exposure to commodity-linked sectors such as gold, coal, and oil & gas,** given their earnings resilience and effectiveness as hedges against macro and market volatility.

Actively Managed Portfolio (AMP)

Actively Managed Portfolio (AMP) is an automatic rebalancing strategy which combines data-driven technology and the expertise of our Investment Team to form a forward-looking view of market conditions and adjust portfolio asset allocation accordingly at the mutual fund allocation level.

Asset Allocation Changes and Rationale

We expect a bearish outlook for March, driven by uncertainty around MSCI-related issues in Indonesia, unstable global geopolitical dynamics, as well as seasonal factors ahead of Ramadhan, where investors tend to hold higher cash levels. That said, the recent correction has made equity valuations more compelling, allowing us to gradually increase allocation to equities through measured portfolio adjustments. However, we remain cautious and are not positioning aggressively yet, as we continue to monitor developments closely while the situation evolves.

In risk 3–5, we slightly increased allocation to Simpan Sustainable Equity Fund to capture potential upside given attractive equity valuations, and reduced allocation to Simpan Bond Fund and Simpan Cash Fund. Risk 2 portfolio allocation remains unchanged, as we deem the current positioning appropriate to balance risk and stability. In risk 1, we added allocation to Simpan Bond Fund to capture attractive yields, while trimming exposure to Simpan Cash Fund.

| | Risk 1 | | | Risk 2 | | | Risk 3 | | | Risk 4 | | | Risk 5 | | |
|---------------|--------|-------|-----|--------|--------|--------|--------|-------|-------|--------|--------|--------|--------|--------|-------|
| | CF | BF | SEF | CF | BF | SEF | CF | BF | SEF | CF | BF | SEF | CF | BF | SEF |
| Feb 26 | 40.6% | 59.4% | 0% | 42.75% | 42.75% | 14.50% | 36.0% | 36.0% | 28.0% | 28.75% | 28.75% | 42.50% | 22.0% | 22.0% | 56.0% |
| Mar 26 | 37.3% | 62.8% | 0% | 42.75% | 42.75% | 14.50% | 33.5% | 33.5% | 33.0% | 26.25% | 26.25% | 47.50% | 19.50% | 19.50% | 61.0% |

Notes: CF is Simpan Cash Fund, BF is Simpan Bond Fund, SEF is Simpan Sustainable Equity Fund

Fund Performance per Risk Level

| | Feb 2026 | 3M | YTD | 1Y | Since Inception (p.a.)* |
|-----------------------------|--------------|--------------|--------------|---------------|-------------------------|
| AMP Portfolio Risk 1 | 0.26% | 0.92% | 0.37% | 6.47% | 5.58% |
| Benchmark | 0.26% | 0.98% | 0.40% | 6.42% | 5.61% |
| AMP Portfolio Risk 2 | 0.72% | 2.15% | 0.78% | 8.15% | 6.58% |
| Benchmark | 0.73% | 1.99% | 0.77% | 9.21% | 6.11% |
| AMP Portfolio Risk 3 | 1.14% | 3.28% | 1.10% | 9.91% | 7.63% |
| Benchmark | 1.17% | 2.96% | 1.09% | 11.97% | 6.58% |
| AMP Portfolio Risk 4 | 1.57% | 4.48% | 1.42% | 11.65% | 8.58% |
| Benchmark | 1.58% | 3.91% | 1.37% | 14.68% | 6.96% |
| AMP Portfolio Risk 5 | 1.97% | 5.60% | 1.70% | 13.34% | 9.54% |
| Benchmark | 1.95% | 4.81% | 1.61% | 17.35% | 7.26% |

Notes: The benchmark used is a Strategic Asset Allocation (SAA) portfolio with a fixed asset mix per risk level (Risk Level 1: 0% equity, Risk Level 2: 12.5% equity, Risk Level 3: 25% equity, Risk Level 4: 37.5% equity, Risk Level 5: 50% equity). The remaining allocation is split evenly between bonds and money market instruments. Unlike AMP, the SAA benchmark does not adjust allocations based on market conditions.

Portfolio Performance Commentary

- For risk 1 portfolios, gains were driven by solid performance in the money market holdings and accrued interest from our bond holdings, particularly in FR0050 and FR0068.
- Risk 2 – 5 portfolios gained in February, though slightly underperformed benchmarks. Despite the JCI's decline, our equity portfolios delivered gains as we took profits from names that have seen a sharp run-up, particularly within the commodities sector. In equities, top gainers were EMAS, TINS, and BMRI.

Fund Performance Commentary

- **All our funds delivered positive performance in February.** Most funds outperformed respective benchmarks, with the exception of our Bond Fund and Equity Fund.
- **Despite the market correction, our equity portfolios delivered gains by actively capturing price dislocations and realizing profits opportunistically.** We also trimmed exposure towards names that no longer align with the evolving macro backdrop and forward-looking fundamentals.
- **In Fixed Income, Indonesian Government Bond yields traded higher in February.** The 10Y yield rose to 6.47% before moderating to 6.43% by month-end. The 5Y yield also increased, closing at 5.78%. Despite the volatility, foreign investor ownership remained broadly stable at around 13% of total outstanding issuance.

Fund Performance vs Benchmark – Conventional Mutual Funds

Cash Fund – Money Market Fund (100% Deposits & Bonds below 1 Year) for Liquidity Management

- Gained +0.28% in February, outperformed the benchmark (+0.23%).

| | Feb 2026 | 3M | YTD | 1Y | Since Inception (p.a.)* |
|---|--------------|--------------|--------------|--------------|-------------------------|
| Cash Fund | 0.28% | 0.95% | 0.61% | 4.47% | 4.24% |
| Benchmark (100% 3 Month Deposit Rates) | 0.23% | 0.76% | 0.49% | 3.25% | 3.16% |

Notes: Management Fees (excluding Tax) - 0.50%; *Inception for Cash Fund is as of 28 November 2022

Bond Fund – Indonesian Fixed Income Strategy for Medium-Term Capital Appreciation

- Gained +0.24% in February, but still underperformed benchmark (+0.40%).
- Gains were driven by accrued interest from FRO050 and FRO068.

| | Feb 2026 | 3M | YTD | 1Y | Since Inception (p.a.)* |
|---|--------------|--------------|--------------|--------------|-------------------------|
| Bond Fund | 0.24% | 1.00% | 0.20% | 8.15% | 6.48% |
| Benchmark (100% IndoBex Total Return Index, Net Tax) | 0.40% | 1.22% | 0.24% | 9.38% | 8.03% |

Notes: Management Fees (excluding Tax) - 0.50%; *Inception for Bond Fund is as of 29 May 2024

Balanced Fund – All Weather Strategy (65% Bonds + 35% Equity) for Medium to Long Term Growth Strategy

- Gained +1.22% in February, outperformed the benchmark (-0.13%).
- Equities were the main contributor as they gained +1.48%, while bond portfolio returned +0.23%.
- In equities, **top gainers were TINS, EMAS, MBMA** while RMKE, DEWA RAJA were top laggards.

| | Feb 2026 | 3M | YTD | 1Y | 3Y (p.a.) | Since Inception (p.a.)* |
|---|--------------|--------------|---------------|---------------|--------------|-------------------------|
| Balanced Fund | 1.22% | 3.00% | -1.03% | 17.03% | 5.27% | 4.69% |
| Benchmark (65% IndoBex Total Return Index, Net Tax + 35% IHSG) | -0.13% | -0.33% | -1.51% | 17.09% | 6.95% | 6.00% |

Notes: Management Fees (excluding Tax) – 1.00%; *Inception for Balanced Fund is as of 31 March 2022 following rebrand to Simpan Asset Management.

Sustainable Equity Fund – Equity Strategy in ESG-Compliant Indonesian Equities for Long Term Investing

- Gained +3.19% in February, but still underperformed the benchmark (+4.42%).
- **Top gainers were EMAS, TINS, BMRI**, while RMKE, MORI, BCA were top laggards.

| | Feb 2026 | 3M | YTD | 1Y | Since Inception (p.a.)* |
|---|--------------|--------------|--------------|---------------|-------------------------|
| Sustainable Equity Fund | 3.19% | 8.09% | 2.20% | 29.42% | 7.60% |
| Benchmark (MSCI Indonesia IMI Value Weighted Ex) | 4.42% | 6.39% | 5.02% | 33.34% | 10.63% |

Notes: Management Fees (excluding Tax) – 2.00%; *Inception for Sustainable Equity Fund is as of 13 June 2024

Fund Performance vs Benchmark – Syariah-Compliant Mutual Funds

Cash Syariah Fund – Syariah-Compliant Money Market Fund (100% Deposits & Bonds below 1 Year) for Liquidity Management

- Gained +0.28% in February, outperformed the benchmark (+0.22%).

| | Feb 2026 | 3M | YTD | 1Y | Since Inception (p.a.)* |
|---|--------------|--------------|--------------|--------------|-------------------------|
| Cash Syariah Fund | 0.28% | 0.95% | 0.61% | 4.39% | 4.49% |
| Benchmark (100% 1 Month Deposit Rates) | 0.22% | 0.72% | 0.46% | 3.07% | 3.11% |

Notes: Management Fees (excluding Tax) - 0.50%; *Inception for Cash Syariah Fund is as of 26 September 2024

Amanah Syariah Fund – All Weather Strategy (80% Bonds + 20% Equity) for Medium to Long Term Growth Strategy

- Gained +1.06% in February, outperformed the benchmark (+0.11%).
- Equities were the main contributor as they gained +1.18%, while the bond portfolio gained +0.30%.
- In equities, **top gainers were TINS, MBMA, AADI** while RMKE, MORA, BULL were top laggards.

| | Feb 2026 | 3M | YTD | 1Y | 3Y (p.a.) | Since Inception (p.a.)* |
|---|--------------|--------------|---------------|---------------|--------------|-------------------------|
| Amanah Syariah Fund | 1.06% | 1.01% | -0.93% | 15.93% | 5.42% | 5.38% |
| Benchmark (65% IGSIX Sukuk Index, Net Tax + 20% ISSI) | 0.11% | 0.52% | -0.49% | 17.06% | 8.96% | 6.13% |

Notes: Management Fees (excluding Tax) – 1.00%; *Inception for Amanah Syariah Fund is as of 31 March 2022 following rebrand to Simpan Asset Management.

Key Trades of the Month – Equities

Energy – Oil, Gas & Consumable Fuels – We increased our exposure to the thermal coal mining sector, specifically AADI and PTBA, amid heightened geopolitical tensions involving key energy-producing regions. In such environments, thermal coal prices tend to strengthen as energy security concerns rise and demand shifts toward alternative energy sources, supporting near-term earnings visibility for coal producers. Within the Oil & Gas segment, RAJA remained our top pick. This position reflects our continued preference for companies with resilient fundamentals and strong visibility during periods of macro and geopolitical uncertainty.

Basic Materials – Metals & Mining – We exited out of the precious metals segment, particularly from our exposures to tin and nickel-related names, to realize profits given strong price performance during the month, underpinned by supportive sector sentiment and a constructive policy stance from the government. Profit-taking was executed in a disciplined manner to lock in gains following the sharp run-up, while allowing us to reallocate capital more efficiently amid evolving market conditions.

Increased

| Company | Fund |
|--------------------------------|---|
| Adaro Andalan Indonesia (AADI) | Balanced Fund Amanah Syariah Fund Sustainable Equity Fund |
| Rukun Raharja (RAJA) | Balanced Fund Amanah Syariah Fund Sustainable Equity Fund |
| Bukit Asam (PTBA) | Balanced Fund Amanah Syariah Fund Sustainable Equity Fund |

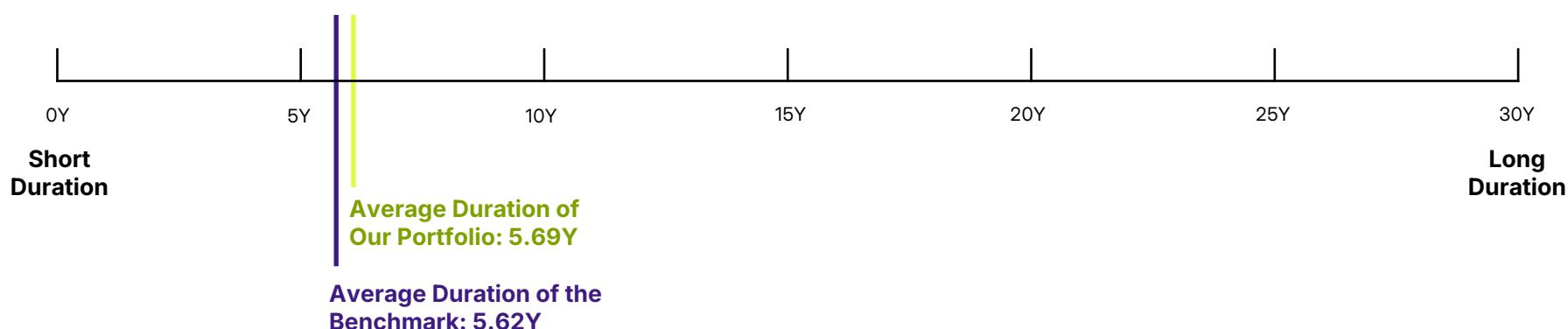
Decreased / Exited

| Company | Fund |
|----------------------------------|---|
| Timah (TINS) | Balanced Fund Amanah Syariah Fund Sustainable Equity Fund |
| Trimegah Bangun Persada (NCKL) | Balanced Fund Amanah Syariah Fund Sustainable Equity Fund |
| Vale Indonesia (INCO) | Balanced Fund Amanah Syariah Fund Sustainable Equity Fund |
| Merdeka Battery Materiala (MBMA) | Balanced Fund Amanah Syariah Fund Sustainable Equity Fund |

Key Trades of the Month – Fixed Income

Our open-ended funds maintained an average duration of 5.69 years, slightly higher than the benchmark. During the month, the fund delivered a return of +0.24%, underperforming the benchmark which recorded a return of +0.40% due to our previous conservative positioning.

Duration Positioning



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