

Affin Hwang Aiiman

Asia (ex Japan) Growth Fund

Annual Report
31 October 2020

Out **think.** Out **perform.**



AFFIN HWANG
CAPITAL

MANAGER
Affin Hwang Asset Management Berhad
199701014290 (429786-T)

TRUSTEE
Deutsche Trustees Malaysia Berhad (763590-H)

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

Annual Report and Audited Financial Statements For The Financial Year Ended 31 October 2020

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FUND INFORMATION

Fund Name	Affin Hwang Aiman Asia (ex Japan) Growth Fund
Fund Type	Growth
Fund Category	Equity
Investment Objective	The Fund seeks to provide investors with capital appreciation by investing in Shariah-compliant investments
Benchmark	Dow Jones Islamic Market Asia / Pacific ex Japan Index
Distribution Policy	Subject to the availability of income, the Fund will distribute income on an annual basis after the end of the first financial year end of the Fund

BREAKDOWN OF UNITHOLDERS BY SIZE AS AT 31 OCTOBER 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	4,391	5,802
5,001 to 10,000	1,434	10,648
10,001 to 50,000	423	7,720
50,001 to 500,000	80	8,737
500,001 and above	9	265,709
Total	6,337	298,616

* Note : Excluding Manager's stock

FUND PERFORMANCE DATA

Category	As at 31 Oct 2020 (%)	As at 31 Oct 2019 (%)	As at 31 Oct 2018 (%)
Portfolio composition			
Shariah-compliant quoted equities – local			
- Consumer products & services	-	2.24	-
- Financial services	-	1.92	-
- Healthcare	-	2.10	-
- Industrial products	-	-	2.64
- Technology	-	3.04	-
- Telecommunication & media	2.19	2.15	-
- Trading / services	-	-	-
- Warrant	-	-	0.03
Total Shariah-compliant quoted equities – local	2.19	11.45	2.67
Shariah-compliant quoted equities – foreign			
- Basic materials	2.53	3.14	3.03
- Consumer goods	6.48	8.56	1.99
- Consumer services	18.57	14.50	5.12
- Financial services	5.05	3.75	-
- Healthcare	3.21	1.05	0.94
- Industrials	6.22	11.31	5.85
- Oil & gas	-	-	3.32
- Preference shares	3.73	3.56	1.15
- REITs	-	-	6.28
- Technology	36.32	22.41	4.39
- Telecommunications	-	2.49	3.11
- Utilities	-	5.17	7.74
Total Shariah-compliant quoted equities – foreign	82.11	75.94	42.92
Exchange-traded fund	2.78	2.38	1.21
Cash & cash equivalent	12.92	10.23	53.20
Total	100.00	100.00	100.00
Total NAV (RM'million)	223.950	211.538	227.14
NAV per Unit (RM)	0.7496	0.6154	0.5955
Unit in Circulation (million)	298.750	343.76	381.43
Highest NAV	0.7794	0.6404	0.6924
Lowest NAV	0.5641	0.5728	0.5899
Return of the Fund (%) ⁱⁱⁱ	26.39	3.34	-9.32
- Capital Growth (%) ⁱ	21.81	3.34	-12.10
- Income Distribution (%) ⁱⁱ	3.76	Nil	3.17
Gross Distribution per Unit (sen)	2.50	Nil	2.00
Net Distribution per Unit (sen)	2.50	Nil	2.00
Management Expense Ratio (%) ¹	1.94	1.92	2.00
Portfolio Turnover Ratio (times) ²	1.62	1.30	1.57

¹The Fund's MER were slightly higher than previous year due to lower average NAV of the Fund for the financial year.

²The PTR of the Fund was higher than previous year due to higher average sum of total acquisition and disposal for the financial year.

Basis of calculation and assumption made in calculating the returns:-

The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distribution payable (if any) during the stipulated period.

An illustration of the above would be as follow:-

Capital return	= NAV per Unit end / NAV per Unit begin – 1
Income return	= Income distribution per Unit / NAV per Unit ex-date
Total return	= (1+Capital return) x (1+Income return) – 1

MANAGER'S REPORT

Income Distribution / Unit Split

The Net Asset Value per unit prior and subsequent to the distribution was as follows:-

Cum Date	Ex-Date	Cum-distribution (MYR)	Distribution per Unit (MYR)	Ex-distribution (MYR)
17-Dec-19	18-Dec-19	0.6571	0.0150	0.6427
14-Jul-20	15-Jul-20	0.7187	0.0100	0.7170

No unit split were declared for the financial year ended 31 October 2020.

Performance Review

For the period 1 November 2019 to 31 October 2020, the Fund registered a return of 26.39%. The Net Asset Value (NAV) per unit of the Fund as at 31 October 2020 was RM0.7496 while the NAV per unit on 31 October 2019 was RM0.6154. The Benchmark for the period registered a return of 32.17%. The Fund underperformed the Benchmark by 5.78%. The fund declared a gross income distribution of RM0.025 per unit for the period.

Since its inception to 31 October 2020, the Fund has registered a return of 60.49%. Compared to the benchmark that rose 71.46% for the same period, the Fund underperformed the Benchmark by 10.97%. The fund has declared a total gross income distribution of RM0.045 per unit to-date. As such, we believe that the Fund has met its objective of providing investors with capital appreciation by investing in Shariah-compliant investments.

Table 1: Performance of the Fund

	1 Year (1/11/19 - 31/10/20)	3 Years (1/11/17 - 31/10/20)	Since Commencement (30/12/15 - 31/10/20)
Fund	26.39%	18.44%	60.49%
Benchmark	32.17%	27.17%	71.46%
Outperformance	(5.78%)	(8.73%)	(10.97%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/11/19 - 31/10/20)	3 Years (1/11/17 - 31/10/20)	Since Commencement (30/12/15 - 31/10/20)
Fund	26.39%	5.80%	10.26%
Benchmark	32.17%	8.33%	11.77%
Outperformance	(5.78%)	(2.53%)	(1.51%)

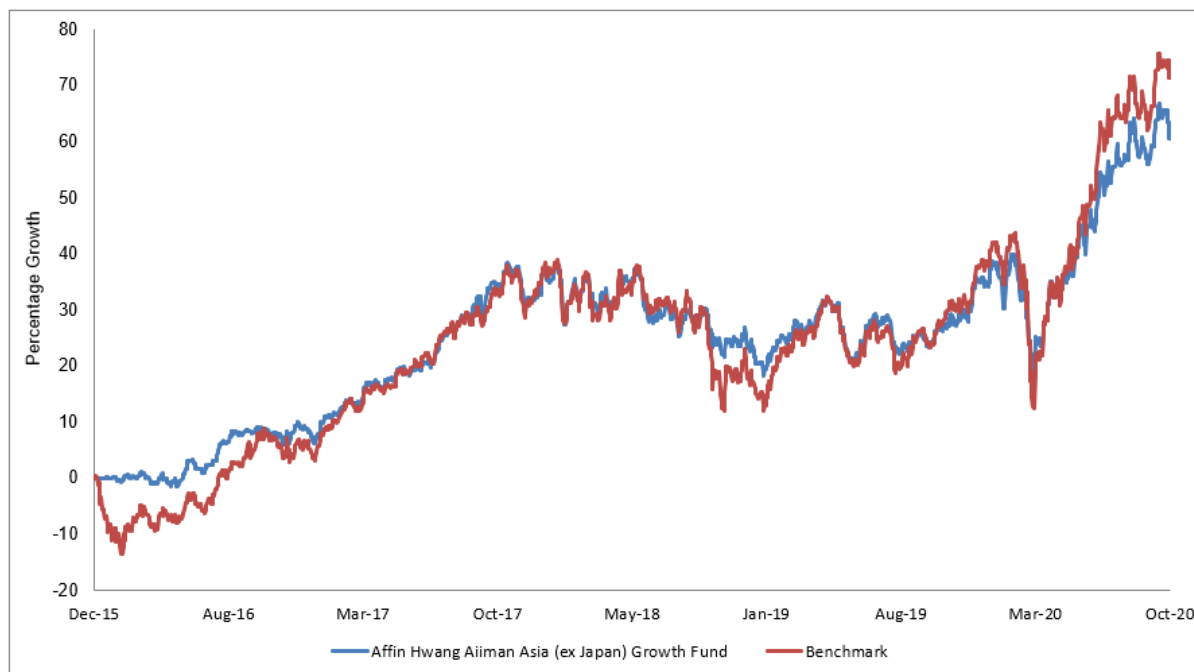
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2020 (1/11/19 - 31/10/20)	FYE 2019 (1/11/18 - 31/10/19)	FYE 2018 (1/11/17 - 31/10/18)	FYE 2017 (1/11/16 - 31/10/17)	FYE 2016 (30/12/15 - 31/10/16)
Fund	26.39%	3.34%	(9.32%)	26.14%	7.42%
Benchmark	32.17%	12.50%	(14.48%)	27.60%	5.66%
Outperformance	(5.78%)	(9.16%)	5.16%	(1.46%)	1.76%

Source of Benchmark: Bloomberg

Figure 1: Movement of the Fund versus the Benchmark since commencement.



"This information is prepared by Affin Hwang Asset Management Berhad (AFFINHWANGAM) for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg."

Benchmark: Dow Jones Islamic Market Asia / Pacific ex Japan Index

Past performance is not necessarily indicative of future performance and that Unit prices and investment returns may go down, as well as up.

Asset Allocation

For a snapshot of the Fund's asset mix during the period under review, please refer to Fund Performance Data.

As at 31 October 2020, the asset allocation of the Fund stood at 84.30% in Shariah-compliant equities, 41.80 percentage points lower than 87.39% a year ago. Within the domestic market, the Manager had ceased exposure into most of the sectors and only maintain telecommunication & media sector exposure. On the flip side, the foreign equity space allocation had been increased via allocation towards the technology sector. Cash and cash equivalent on the other hand dropped slightly due to trimming activities from the local allocations.

Strategies Employed

With the extreme volatility in markets, we raised our cash holdings and went into a defensive stance in our allocation. As the sell-down accelerated, we then slowly deployed back into the market with a focus on

quality. We continue to keep close monitor on market development amidst the rare double whammy of global pandemic and oil price collapse.

Market Review

Global markets got off to a rocky start in 2020 as benchmark gauges reeled from contagion fears as a result of the coronavirus outbreak. The World Health Organization declared a global health emergency as soon as the coronavirus outbreak has claimed the lives of at least 300 people with rates of infection rapidly increasing. The global equities trended lower as risk assets continue to reel from the impact of the Covid-19 outbreak which sent chills to investors. The rapid spread of the infection outside of China with new cases springing in Italy, South Korea and Iran led to a rush towards safe haven assets with US Treasury yields dipping to record lows.

Coming into March, the global markets faced a washout, as few asset classes were spared from the selloff due to the pandemic fears as infection rates continue to escalate rapidly. The MSCI Asia ex-Japan index closed 12.2% lower in the month. In the US, the S&P 500 index closed 12.5% lower that month. In an attempt to stem the fallout from the coronavirus, major economies led by the US has introduced an unprecedented relief package to cushion its economy. The relief package comes as the US also reports the most number of Covid-19 cases, making it the country with the largest outbreak in the world surpassing that of Italy and China.

However, global equities staged a rebound in April as markets looked past recent softness in economic data and were instead buoyed by stimulus optimism as well as encouraging developments on the COVID-19 front. The rally was fuelled by a volley of stimulus measures rolled out by major central banks including an expansion package by the US Federal Reserve and the European Union (EU). The S&P 500 index advanced since; while positive effects were also felt in Asia in which the Hong Kong Hang Seng and the broader MSCI Asia ex-Japan index rose by 4.4% and 8.9% respectively.

The US unveiled its Main Street Lending Program which is designed to provide support and ensure credit flow into SMEs that were in “good financial standing”. Similarly, the EU proposed a European Stability Mechanism (“ESM”) which offers a credit line of up to 240 billion Euros to EU members.

Tensions between the two global powerhouse rose recently after China ordered the US to close its Chengdu-based consulate. The order followed the US closure of the Chinese consulate in Houston. On the other hand, remarks by US President Donald Trump that he will move to ban Chinese-owned video app TikTok in the US also added fuel to this fire.

On commodities, crude oil prices slid by about 40% YTD as at end of October, after oil prices rebounded in June following a move by Organization of the Petroleum Exporting Countries (“OPEC”) and its oil-producing allies to extend the group’s historic production cut.

On the domestic front, the country plunged into political turmoil which ultimately culminated in the appointment of Tan Sri Muhyiddin Yassin as the eighth Prime Minister, from the Perikatan Nasional coalition (UMNO, PAS, Bersatu and a splinter faction of PKR). The appointment was announced by Istana Negara amidst shifting political allegiances and frantic horse-trading across the ruling and opposition coalitions.

Malaysia's economy posted a smaller contraction of 2.7 per cent in the third quarter (3Q) of 2020, surpassing consensus estimate of -4.6 per cent, as well as the Gross Domestic Product (GDP) contraction of 17.1 per cent in 2Q, supported by improvements in all sectors.

Prime Minister Tan Sri Muhyiddin Yassin unveiled a RM250 billion economic stimulus package to soften the economic blow due to the impact of Covid-19 with businesses shuttered due to the movement control order (MCO). Called the Pakej Rangsangan Ekonomi Prihatin Rakyat or Prihatin, the package comprises RM128 billion to protect the welfare of the people, RM100 billion to protect the welfare of small and medium enterprises (“SMEs”) and RM2 billion to strengthen the country’s economy according to The Edge. This was on top of the RM20 billion stimulus that was earlier announced on 27 February.

Whilst RM250 billion seems like a massive amount on the surface, the actual fiscal spending outlay amounts to 10.0% or RM25billion. The rest of the relief package comes in the form of loan guarantees, moratorium in loan repayments, EPF withdrawals, among others. In April, Prime Minister had announced an additional RM10billion package to help SMEs cope during the pandemic.

Recent placement exercises by Tenaga Nasional Bhd (“TNB”) and Serba Dinamik Holdings Bhd point to strong appetite. Khazanah raised RM1 billion from TNB placement (3x oversubscribed) while Serba Dinamik raised RM456.7 million (1.5x oversubscribed). We could see more placement exercises in the market with ample liquidity on the side-lines as most funds are sitting on decent amounts of cash.

The Malaysia bond market treaded quietly for the most part of October as investors opted to stay on the side lines ahead of the several risk events lined-up, including BNM’s monetary policy committee (“MPC”) meeting as well as the tabling of the Malaysia Budget 2021. It was also quiet in terms of supply pipeline, though several new issuances are expected to roll out in the coming weeks.

Investment Outlook

Global markets have rallied sharply from their lowest, supported by fiscal and monetary stimulus. The economy is still recovering, albeit at a slow pace, as consumers’ confidence return following the low death rates despite the rise in infections. The accelerated efforts to shorten the timeline for a successful vaccine inoculation also lessened market’s response towards increasing infection rates. Economic restarts have since moved at different paces between countries, each depending on their own ways of dealing with Covid-19.

A Biden presidency may be positive for the Asian stock markets. Biden prides himself as one who respects international laws, supporting more coordinated foreign policies. Trade tensions might ease, with technology sector equities and high-yield credits benefitting provided the ongoing Huawei and TikTok issues can be solved amicably. Biden’s clean energy revolution plan could also revitalise US’ energy sector and create more well-paying jobs, further boosting US economy. Considering that the World Trade Organisation (“WTO”) has recently ruled Trump’s China tariff as illegal, Biden may also consider reducing or removing tariffs on China imports.

The worldwide Covid-19 death toll has since breached the 1 million mark, with US cases remaining stable at a high rate and Europe battling new waves. The shift in infections to younger age groups and more effective treatments however ensured Europe’s continuous recovery despite the increasing infection rates. It is also more exposed to global trade than US, thus will benefit from the rebound in Chinese demand. Europe’s exposure to financials, cyclical sectors such as energy and industrials, will potentially outperform in the second phase of recovery when economy continues to pick up as yield curve steepens. US dollar should weaken as economy recovers globally given its counter-cyclical behaviour, with more economically sensitive currencies appreciating instead, including euro and British sterling that are undervalued. However, British sterling faces higher volatility due to Brexit negotiations.

On the other hand, recent alarming increase in Covid-19 cases caused targeted lockdowns in Malaysia, potentially delaying economic recovery although remaining positive on a full rebound by 2021. From a bottom-up perspective, markets are still focused on more export-oriented industries i.e. gloves, electromotive force and technology stocks. Politics pose as minor distraction seeing how the peak of political risk has passed after Sabah election results were released. However, the risk to policy continuity caused by uncertainty of a majority win could lead to potential loss on FDI opportunities to other emerging market countries.

Inflows into global equity funds surge past US\$100 billion in the last 3 weeks of November as investors continue to pile into equities with markets turning risk-on. Buoyed by a “Goldilocks” environment with a favourable US election outcome, low interest rates and positive developments on the vaccine front, we could see additional support for risk assets.

Earnings momentum is expected to continue into 2021 with earnings growth projected to rise by 38.0% in Asia ex-Japan (ex-Financials) according to estimates by some sell-side analysts. Key sectors leading the recovery include the energy, consumer discretionary and industrials. Though, this is tempered by moderately higher valuations which has crept up above historical averages.

State of Affairs of the Fund

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

Soft Commissions received from Brokers

As per the requirements of the Securities Commission's Guidelines on Unit Trust Funds and Guidelines on Compliance Function for Fund Management Companies, soft commissions received from brokers/dealers may be retained by the management company only if the –

- (i) goods and services provided are of demonstrable benefit to Unit holders of the Fund; and
- (ii) goods and services are in the form of research and advisory services that assists in the decision making process.

During the financial period under review, the management company had received on behalf of the Fund, soft commissions in the form of research materials, data and quotation services, investment-related publications, market data feed and industry benchmarking agencies which are of demonstrable benefit to Unitholders of the Fund.

Cross Trade

No cross trade transactions have been carried out during the reported period.

TRUSTEE'S REPORT TO THE UNITHOLDERS OF AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

We have acted as Trustee for Affin Hwang Aiiman Asia (ex Japan) Growth Fund (the "Fund") for the financial year ended 31 October 2020. To the best of our knowledge, for the financial year under review, Affin Hwang Asset Management Berhad (the "Manager"), has operated and managed the Fund in accordance with the following:

- a) limitation imposed on the investment powers of the Manager under the Deed(s), the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- b) valuation and pricing of units of the Fund is carried out in accordance with the Deed(s) of the Fund and applicable regulatory requirements; and
- c) creation and cancellation of units for the Fund are carried out in accordance with the Deed(s) of the Fund and applicable regulatory requirements

We are of the view that the distributions made during this financial period ended 31 October 2020 by the Manager are not inconsistent with the objectives of the Fund.

For Deutsche Trustees Malaysia Berhad

Soon Lai Ching
Senior Manager, Trustee Operations

Gerald Ang Boon Hock
Chief Executive Officer

Kuala Lumpur
11 December 2020

SHARIAH ADVISER'S REPORT

To the Unit Holders of Affin Hwang Aiiman Asia (Ex Japan) Growth Fund ("Fund")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Affin Hwang Asset Management Berhad has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

For **Amanie Advisors Sdn Bhd**

Datuk Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
11 December 2020

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED TO 31 OCTOBER 2020

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020

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AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020

	<u>Note</u>	<u>2020</u> RM	<u>2019</u> RM
INVESTMENT INCOME			
Dividend income		3,235,432	4,712,791
Profit income from financial assets at amortised cost		76,761	67,072
Net gain/(loss) on foreign currency exchange		999,658	(1,487,358)
Net loss on forward foreign currency contracts at fair value through profit or loss		(285,620)	(817,893)
Net gain on financial assets at fair value through profit or loss	8	51,689,466	10,486,113
		<u>55,715,697</u>	<u>12,960,725</u>
EXPENSES			
Management fee	4	(3,723,785)	(3,957,188)
Trustee fee	5	(125,868)	(132,589)
Auditors' remuneration		(9,000)	(9,000)
Tax agent's fee		(47,285)	(47,585)
Transaction cost		(1,604,498)	(1,164,166)
Other expenses		(365,826)	(370,110)
		<u>(5,876,262)</u>	<u>(5,680,638)</u>
NET PROFIT BEFORE TAXATION		49,839,435	7,280,087
Taxation	6	-	-
NET PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>49,839,435</u>	<u>7,280,087</u>
Net profit after taxation is made up of the following:			
Realised amount		22,910,944	(6,439,126)
Unrealised amount		26,928,491	13,719,213
		<u>49,839,435</u>	<u>7,280,087</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2020

	<u>Note</u>	<u>2020</u> RM	<u>2019</u> RM
ASSETS			
Cash and cash equivalents	9	33,039,150	26,445,750
Financial assets at fair value through profit or loss	8	195,006,596	189,951,276
Amount due from brokers		-	311,759
Amount due from Manager			
- management fee rebate receivable		1,614	1,293
- creation of units		1,134,444	-
Dividends receivable		22,440	33,385
TOTAL ASSETS		<u>229,204,244</u>	<u>216,743,463</u>
LIABILITIES			
Amount due to Manager			
- management fee		347,787	323,767
- cancellation of units		80,889	186,240
Amount due to brokers		4,795,365	4,666,501
Amount due to Trustee		11,593	10,792
Auditors' remuneration		9,000	9,000
Tax agent's fee		8,500	8,500
Other payables and accruals		1,039	1,011
TOTAL LIABILITIES		<u>5,254,173</u>	<u>5,205,811</u>
NET ASSET VALUE OF THE FUND		<u>223,950,071</u>	<u>211,537,652</u>
EQUITY			
Unitholders' capital		162,712,617	192,292,318
Retained earnings		61,237,454	19,245,334
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>223,950,071</u>	<u>211,537,652</u>
NUMBER OF UNITS IN CIRCULATION	11	<u>298,750,000</u>	<u>343,759,000</u>
NET ASSET VALUE PER UNIT (RM)		<u>0.7496</u>	<u>0.6154</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED TO 31 OCTOBER 2020

	Unitholders' <u>capital</u> RM	Retained <u>earnings</u> RM	<u>Total</u> RM
Balance as at 1 November 2019	192,292,318	19,245,334	211,537,652
Total comprehensive income for the financial year	-	49,839,435	49,839,435
Distributions (Note 7)	-	(7,847,315)	(7,847,315)
Movement in unitholders' capital:			
Creation of units arising from applications	42,162,237	-	42,162,237
Creation of units arising from distributions	7,840,679	-	7,840,679
Cancellation of units	(79,582,617)	-	(79,582,617)
Balance as at 31 October 2020	<u>162,712,617</u>	<u>61,237,454</u>	<u>223,950,071</u>
Balance as at 1 November 2018	215,178,236	11,965,247	227,143,483
Total comprehensive income for the financial year	-	7,280,087	7,280,087
Movement in unitholders' capital:			
Creation of units arising from applications	4,343,180	-	4,343,180
Cancellation of units	(27,229,098)	-	(27,229,098)
Balance as at 31 October 2019	<u>192,292,318</u>	<u>19,245,334</u>	<u>211,537,652</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020

	<u>Note</u>	<u>2020</u> RM	<u>2019</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		374,308,393	249,817,901
Purchase of Shariah-compliant investments		(328,855,267)	(319,796,538)
Profit received from short-term Shariah based deposits with licensed financial institutions		76,761	67,072
Dividend received		3,246,377	4,823,265
Rebate of management fee received		16,824	13,205
Management fee paid		(3,699,765)	(3,990,202)
Trustee fee paid		(125,067)	(133,689)
Realised loss on forward foreign currency contract		(285,620)	(817,893)
Payment for other fees and expenses		(422,083)	(426,791)
Realised net gain/(loss) on foreign exchange		999,738	(1,485,795)
		<hr/>	<hr/>
Net cash generated from/(used in) operating activities		45,260,291	(71,929,465)
		<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		41,027,793	4,343,180
Payments for cancellation of units		(79,687,968)	(27,324,688)
Payments for distributions		(6,636)	-
		<hr/>	<hr/>
Net cash used in financing activities		(38,666,811)	(22,981,508)
		<hr/>	<hr/>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		6,593,480	(94,910,973)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		(80)	(1,563)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		26,445,750	121,358,286
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	9	33,039,150	26,445,750
		<hr/> <hr/>	<hr/> <hr/>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020

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 under the historical cost convention, except as disclosed in the summary of significant accounting policies and comply with Malaysian Financial Reporting Standards, International Financial Reporting Standards (“MFRS”).

The preparation of financial statements in conformity with MFRS 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 judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment 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 effective

- IC Interpretation 23 ‘Uncertainty over Income Tax Treatments’ (effective 1 January 2019)
- Annual Improvements to MFRSs 2015 – 2017 Cycle (effective 1 January 2019)

The adoption of the above standards, amendments to standards or interpretations did not have a material effect on the financial statements of the Fund.

(b) Standards and amendments that have been issued but not yet effective

- Amendments to MFRS 3 ‘Definition of a Business’ (effective 1 January 2020) revise the definition of a business.
- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date.

The adoption of the above standards, amendments to standards or interpretations is not expected to have a material effect on the financial statements of the Fund.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

B INCOME RECOGNITION

Dividend Income

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income on the ex-dividend date, when the right to receive the dividend has been established.

Profit Income

Profit from short term Shariah-based deposits with licensed financial institutions is recognised based on effective profit rate method on an accruals basis.

Profit income is calculated by applying the effective profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gains and losses on sale of investments

For Shariah-compliant quoted equities and exchange traded fund ("ETF"), realised gains and losses on sale of Shariah-compliant 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.

C TRANSACTION COSTS

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include the bid-ask spread, fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

D DISTRIBUTIONS

A distribution to the Fund's unitholders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

E TAXATION

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

Withholding taxes on investment income from investment are not “income tax” in nature and are recognised and measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

F 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 Ringgit Malaysia (“RM”), which is the Fund’s functional and presentation currency.

G FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. 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 statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

H FINANCIAL ASSETS AND FINANCIAL LIABILITES

(i) Classification

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

- those to be measured 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

The contractual cash flows of the Fund’s debt securities are solely principal and interest⁽¹⁾ (“SPPI”). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund’s business model’s objective. Consequently, all investments and derivatives not designated as hedging instruments are measured at fair value through profit or loss.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

The Fund classifies cash and cash equivalents, amount due from brokers, dividends receivable and amount due from Manager 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 amount due to Manager, amount due to brokers, amount due to Trustee, auditors' remuneration, tax agent's fee and other payables and accruals as financial liabilities measured at amortised cost.

⁽¹⁾ *For the purposes of this Fund, interest refers to profits earned from Shariah-compliant investments.*

(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. Shariah-compliant investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

Financial liabilities, within the scope of MFRS 9, 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 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 derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

Gain or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category including the effects of currency transactions 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 which they arise.

The fair value of financial assets traded in active markets (such as 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 most representative of the fair value.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

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

(iii) Impairment

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. Management considers 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 month expected credit losses as any such impairment would be wholly insignificant to the Fund.

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.

Definition of default and credit-impaired financial assets

The Fund defines a financial instrument as default, which is fully aligned with the definition of credit-impaired, when it meets one or more of the following criteria:

Quantitative criteria:

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

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Definition of default and credit-impaired financial assets (continued)

Qualitative criteria:

The debtor meets unlikelihood to pay criteria, which indicates the debtor is in significant financial difficulty. The Fund considers the following instances:

- the debtor is in breach of financial covenants
- concessions have been made by the lender relating to the debtor's financial difficulty
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- the debtor is insolvent

Financial instruments that are credit-impaired are assessed on individual basis.

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 bad debt recoveries. There are no write-offs/recoveries during the financial year.

I CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and short-term Shariah-based deposits held in highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

J AMOUNTS DUE FROM/(TO) BROKERS

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The due from brokers balance is held for collection. Refer to Note H for accounting policy on recognition and measurement.

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

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

K UNITHOLDERS' CAPITAL

The unitholders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net assets value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the Fund to repurchase; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if unitholder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units.

L CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS 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 judgments 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 Unit Trust Funds.

However, the Manager is of the opinion that there are no accounting policies which require significant judgment to be exercised.

In undertaking any of the Fund's Shariah-compliant 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 Unit Trust Funds.

M REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name Affin Hwang Aiiman Asia (Ex Japan) Growth Fund (the “Fund”) pursuant to the execution of a Deed dated 6 February 2015 and modified by Supplemental Deed dated 5 October 2018 (the “Deed”) entered into between Affin Hwang Asset Management Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”).

The Fund commenced operations on 30 December 2015 and will continue its operations until terminated by the Trustee as provided under Clause 12.1 of the Deed.

The Fund may invest in any of the following investments in foreign and/or local market:

- (a) Shariah-compliant securities listed on Bursa Malaysia or any other approved exchanges;
- (b) Unlisted Shariah-compliant securities including without limitation, Shariah-compliant securities that have been approved by the relevant regulatory authorities for the listing of and quotation of such securities;
- (c) Shariah-compliant warrants;
- (d) Sukuk;
- (e) Islamic deposits;
- (f) Islamic money market instruments;
- (g) Islamic structured products;
- (h) Unit of shares in Islamic collective investment schemes;
- (i) Islamic derivative for hedging purposes only; and
- (j) Any other Shariah-compliant investment as may be permitted by the SAC of the SC and/or Shariah Adviser from time to time which is in line with the objective of the fund.

All investments will be subjected to the SC’s Guidelines on Unit Trust Funds, the Deeds and the objective of the Fund.

The main objective of the Fund is to provide investors with capital appreciation by investing in Shariah-compliant investments.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, exchange-traded funds and private retirement schemes as well as providing fund management services to private clients.

The financial statements were authorised for issue by the Manager on 11 December 2020.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	Note	At amortised costs RM	At fair value through profit or loss RM	Total RM
<u>2020</u>				
<u>Financial assets</u>				
Shariah-compliant quoted equities	8	-	188,782,841	188,782,841
Shariah-compliant exchange-traded funds	8	-	6,223,755	6,223,755
Cash and cash equivalents	9	33,039,150	-	33,039,150
Amount due from Manager				
- management fee rebate receivable		1,614	-	1,614
- creation of units		1,134,444	-	1,134,444
Dividends receivable		22,440	-	22,440
Total		<u>34,197,648</u>	<u>195,006,596</u>	<u>229,204,244</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		347,787	-	347,787
- cancellation of units		80,889	-	80,889
Amount due to Trustee		11,593	-	11,593
Amount due to broker		4,795,365	-	4,795,365
Auditor's remuneration		9,000	-	9,000
Tax agent's fee		8,500	-	8,500
Other payables and accruals		1,039	-	1,039
Total		<u>5,254,173</u>	<u>-</u>	<u>5,254,173</u>
<u>2019</u>				
<u>Financial assets</u>				
Shariah-compliant quoted equities	8	-	184,914,784	184,914,784
Shariah-compliant exchange-traded funds	8	-	5,036,492	5,036,492
Cash and cash equivalents	9	26,445,750	-	26,445,750
Amount due from brokers		311,759	-	311,759
Management fee rebate receivable		1,293	-	1,293
Dividends receivable		33,385	-	33,385
Total		<u>26,792,187</u>	<u>189,951,276</u>	<u>216,743,463</u>

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial instruments are as follows: (continued)

	At amortised <u>costs</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2019 (continued)</u>			
<u>Financial liabilities</u>			
Amount due to Manager			
- management fee	323,767	-	323,767
- cancellation of units	186,240	-	186,240
Amount due to brokers	4,666,501	-	4,666,501
Amount due to Trustee	10,792	-	10,792
Auditor's remuneration	9,000	-	9,000
Tax agent's fee	8,500	-	8,500
Other payables and accruals	1,011	-	1,011
Total	<u>5,205,811</u>	<u>-</u>	<u>5,205,811</u>

The Fund is exposed to a variety of risks which include market risk (including price risk and profit rate risk), liquidity risk, credit risk, capital risk and reclassification of Shariah status risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated by the SC's Guidelines on Unit Trust Funds.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk

(a) 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 Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The Fund's overall exposure to price risk was as follows:

	<u>2020</u> RM	<u>2019</u> RM
Shariah-compliant quoted investments		
Shariah-compliant quoted equities	188,782,941	184,914,784
Exchange traded fund	6,223,755	5,036,492
	<u>195,006,596</u>	<u>189,951,276</u>

The following table summarises the sensitivity of the Fund's profit after taxation and net asset value to price risk movements. The analysis is based on the assumptions that the market price increased by 10% (2019: 5%) and decreased by 10% (2019: 5%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted equities having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on profit</u> <u>after taxation</u> <u>/NAV</u> RM
<u>2020</u>		
-10%	175,505,936	(19,500,660)
0%	195,006,596	-
+10%	<u>214,507,256</u>	<u>19,500,660</u>
<u>2019</u>		
-5%	180,453,712	(9,497,564)
0%	189,951,276	-
+5%	<u>199,448,840</u>	<u>9,497,564</u>

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(b) Profit rate risk

Profit rate risk arises from the effects of fluctuations in the prevailing levels of market profit rates on the fair value of financial assets and liabilities and future cash flows.

The Fund's exposure to the profit rate risk is mainly confined to short term Shariah-based deposit placements with licensed financial institutions. The Manager overcomes this exposure by way of maintaining Shariah-based deposits on short term basis.

The Fund's exposure to profit rate risk associated with Shariah-based deposits with licensed financial institutions is not material as the deposits are held on a short-term basis.

(c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, 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 Ringgit Malaysia based on considerations of economic fundamentals such as profit 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:

	Shariah compliant quoted equities RM	Cash and cash equivalents RM	Dividends receivable RM	Total RM
<u>2020</u>				
<u>Financial assets</u>				
Australian Dollar	7,855,448	6,190,262	-	14,045,710
Chinese Yuan	-	2,179,426	-	2,179,426
Hong Kong Dollar	70,921,304	21,071,137	-	91,992,441
Indian Rupee	4,736,523	-	22,440	4,758,963
Korea Won	16,347,036	-	-	16,347,036
Singapore Dollar	7,578,795	1,975,859	-	9,554,654
Taiwan Dollar	22,654,758	-	-	22,654,758
United States Dollar	53,794,577	53,886	-	53,848,463
	<u>183,888,441</u>	<u>31,470,570</u>	<u>22,440</u>	<u>215,381,451</u>

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(c) Currency risk (continued)

The following table sets out the foreign currency risk concentrations and counterparties of the Fund: (continued)

		Amount due to <u>brokers</u> RM	<u>Total</u> RM
<u>2020</u> (continued)			
<u>Financial liabilities</u>			
Singapore Dollar		4,795,365	4,795,365
		<u> </u>	<u> </u>
	Shariah compliant quoted <u>equities</u> RM	Cash and cash <u>equivalents</u> RM	<u>Total</u> RM
<u>2019</u>			
<u>Financial assets</u>			
Australian Dollar	4,338,521	14,435	4,352,956
Hong Kong Dollar	50,058,208	8,757,632	58,815,840
Indonesia Dollar	4,979,591	-	4,979,591
Korea Won	22,098,150	-	22,098,150
Singapore Dollar	10,810,067	4,262,854	15,072,921
Taiwan Dollar	39,365,218	-	39,365,218
United States Dollar	29,038,572	2,408,051	31,446,623
	<u>160,688,327</u>	<u>15,442,972</u>	<u>176,131,299</u>
		Amount due to <u>brokers</u> RM	<u>Total</u> RM
<u>2019</u> (continued)			
<u>Financial liabilities</u>			
Taiwan Dollar		2,286,515	2,286,515
		<u> </u>	<u> </u>

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(c) Currency risk (continued)

The following table sets out the foreign currency risk concentrations and counterparties of the Fund: (continued)

The table below summarises the sensitivity of the Fund's profit after tax and NAV 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 (2019: 5%), with all other variables held 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 (decrease)/increase in the net assets attributable to unitholders by each currency's respective historical volatility (2019: 5%). Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in price %	Impact on profit after tax/NAV RM
<u>2020</u>		
Australian Dollar	+/- 15.81	+/- 2,220,570
Chinese Yuan	+/-6.18	+/- 134,624
Hong Kong Dollar	+/- 7.38	+/- 6,787,956
Indian Rupee	+/- 7.16	+/- 340,828
Korea Won	+/- 8.75	+/- 1,430,394
Singapore Dollar	+/- 5.34	+/- 254,197
Taiwan Dollar	+/- 6.43	+/- 1,456,229
United States Dollar	+/- 7.46	+/- 4,016,796
<u>2019</u>		
Australian Dollar	+/- 5	+/- 217,648
Hong Kong Dollar	+/- 5	+/- 2,940,792
Indonesia Dollar	+/- 5	+/- 248,980
Korea Won	+/- 5	+/- 1,104,908
Singapore Dollar	+/- 5	+/- 753,646
Taiwan Dollar	+/- 5	+/- 1,853,935
United States Dollar	+/- 5	+/- 1,572,331

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of profit, principals and proceeds from realisation of investment. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

Credit risk arising from placements of Shariah-based deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

The following table sets out the credit risk concentration of the Fund:

	Cash and cash equivalents RM	Dividends receivable RM	Amount due from Manager RM	Total RM
<u>2020</u>				
Financials				
- AAA	1,532,438	-	-	1,532,438
- AA1	31,506,712	-	-	31,506,712
Technology				
- NR	-	22,440	-	22,440
Others				
- NR	-	-	1,136,058	1,136,058
	<u>33,039,150</u>	<u>22,440</u>	<u>1,136,058</u>	<u>34,197,648</u>

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

The following table sets out the credit risk concentration of the Fund: (continued)

	<u>Cash and cash equivalents</u> RM	<u>Dividends receivable</u> RM	<u>Amount due from Manager</u> RM	<u>Amount due from broker</u> RM	<u>Total</u> RM
<u>2019</u>					
Financials					
- AAA	10,808,352	-	-	-	10,808,352
- AA1	15,637,398	-	-	-	15,637,398
Consumer Goods					
- NR	-	-	-	311,759	311,759
Health Care					
- NR	-	33,385	-	-	33,385
Others					
-NR	-	-	1,293	-	1,293
	<u>26,445,750</u>	<u>33,385</u>	<u>1,293</u>	<u>311,759</u>	<u>26,792,187</u>

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of Shariah-based liquid assets to meet anticipated payments and cancellation of units by unitholders. Shariah-based liquid assets comprise cash, Shariah-based deposits with licensed financial institutions and other instruments, 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 year at the statement of financial position date to the contractual maturity date.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

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

	<u>Within one month</u> RM	<u>Between one month to one year</u> RM	<u>Total</u> RM
<u>2020</u>			
Amount due to Manager			
- management fee	347,787	-	347,787
- cancellation of units	80,889	-	80,889
Amount due to Trustee	11,593	-	11,593
Amount due to brokers	4,795,365	-	4,795,365
Auditors' remuneration	-	9,000	9,000
Tax agent's fee	-	8,500	8,500
Other payables and accruals	-	1,039	1,039
	<u>5,235,634</u>	<u>18,539</u>	<u>5,254,173</u>
<u>2019</u>			
Amount due to Manager			
- management fee	323,767	-	323,767
- cancellation of units	186,240	-	186,240
Amount due to Trustee	10,792	-	10,792
Amount due to brokers	4,666,501	-	4,666,501
Auditors' remuneration	-	9,000	9,000
Tax agent's fee	-	8,500	8,500
Other payables and accruals	-	1,011	1,011
	<u>5,187,300</u>	<u>18,511</u>	<u>5,205,811</u>

Capital risk

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. 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 unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Reclassification of Shariah status risk

The risk refers to the risk that the currently held Shariah-compliant securities in the portfolio of Shariah-based funds may be reclassified to be Shariah non-compliant upon review of the securities by the Shariah Advisory Council of the Securities Commission performed twice yearly. If this occurs, the value of the Fund may be adversely affected where the Manager will take the necessary steps to dispose of such securities in accordance with the Shariah Advisory Council's advice.

3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. Fair value is 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.

The fair value of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the year end date.

An active market is a market in which transactions for the asset 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 table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- 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 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

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 judgment, considering factors specific to the asset or liability.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that 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 the Fund's financial assets (by class) measured at fair value:

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2020</u>				
Financial assets at fair value through profit or loss				
- Shariah-compliant quoted equities	188,782,841	-	-	188,782,841
- Shariah-compliant exchange-traded funds	6,223,755	-	-	6,223,755
	<u>195,006,596</u>	<u>-</u>	<u>-</u>	<u>195,006,596</u>
<u>2019</u>				
Financial assets at fair value through profit or loss				
- Shariah-compliant quoted equities	184,914,784	-	-	184,914,784
- Shariah-compliant exchange-traded funds	5,036,492	-	-	5,036,492
	<u>189,951,276</u>	<u>-</u>	<u>-</u>	<u>189,951,276</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities and exchange-traded funds. The Fund does not adjust the quoted prices for these instruments.

- (ii) The carrying values of cash and cash equivalents, amount due from brokers, dividends receivable, amount due from Manager and all current liabilities are a reasonable approximation of the fair values due to their short-term nature.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

4 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 5.00% per annum on the NAV of the Fund calculated on a daily basis.

For the financial year ended 31 October 2020, the management fee is recognised at a rate of 1.80% (2019: 1.80%) per annum on the NAV of the Fund calculated on a daily basis as stated in the Prospectus.

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

5 TRUSTEE FEE

In accordance with the Deed, the Trustee is entitled to an annual fee at a rate not exceeding 0.10% per annum on the NAV of the Fund, subject to a minimum of RM12,000 per annum (excluding foreign custodian fees and charges).

For the financial year ended 31 October 2020, the Trustee fee is recognised at a rate of 0.06% (2019: 0.06%) per annum on the NAV of the Fund, calculated on a daily basis, exclusive of foreign custodian fees as stated in the Prospectus.

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

6 TAXATION

	<u>2020</u> RM	<u>2019</u> RM
Current taxation	-	-

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

6 TAXATION (CONTINUED)

The numerical reconciliation between net profit before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

	<u>2020</u> RM	<u>2019</u> RM
Net profit before taxation	49,839,435	7,280,087
Tax at Malaysian statutory rate of 24% (2019: 24%)	11,961,464	1,747,221
Tax effects of:		
Investment income not subject to tax	(13,371,767)	(3,110,574)
Expenses not deductible for tax purposes	513,154	404,857
Restrictions on tax deductible expenses for Unit Trust Funds	897,149	958,496
Tax expense	-	-

7 DISTRIBUTIONS

	<u>2020</u> RM	<u>2019</u> RM
Distributions to unitholders are from the following sources:		
Prior year's realised income	7,847,315	-
Gross realised income	7,847,315	-
Less: Expenses	-	-
Net distribution amount	7,847,315	-

Gross/Net distribution per unit (sen) RM

2020

18.12.2019	1.50
15.07.2020	1.00
	<u>2.50</u>

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

7 DISTRIBUTIONS (CONTINUED)

Gross distribution per unit is derived from gross realised income less expenses divided by the number of units in circulation, while net distribution per unit is derived from gross realised income less expenses and taxation divided by the number of units in circulation.

Included in distribution for the financial year is an amount of RM7,847,315 (2019: RM Nil) made from previous financial year's realised income.

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2020</u> RM	<u>2019</u> RM
Financial assets at fair value through profit or loss		
- Shariah-compliant quoted equities – local	4,894,400	24,226,457
- Shariah-compliant quoted equities – foreign	183,888,441	160,688,327
- Shariah-compliant exchange-traded funds – local	6,223,755	5,036,492
	<u>195,006,596</u>	<u>189,951,276</u>
Net gain on financial assets at fair value through profit or loss		
- realised gain/(loss) on sale of investment	24,743,750	(3,248,002)
- unrealised gain on changes of fair value	26,928,571	13,720,776
- management fee rebate on collective investment schemes #	17,145	13,339
	<u>51,689,466</u>	<u>10,486,113</u>

In arriving at the fair value of exchange traded fund, the management fee initially paid to the Manager of exchange traded fund have 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 exchange traded fund have been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of exchange traded fund is reflected as an increase in the net asset value of the exchange traded fund.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Shariah-compliant quoted equities – local

(i) Shariah-compliant quoted equities – local as at 31 October 2020 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Telecommunications</u>				
TIME dotCom Bhd	380,000	3,503,980	4,894,400	2.19
	<hr/>	<hr/>	<hr/>	<hr/>
Total Shariah-compliant quoted equities – local	380,000	3,503,980	4,894,400	2.19
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Accumulated unrealised gain on Shariah-compliant quoted equities – local		1,390,420		
		<hr/>		
Total Shariah-compliant quoted equities – local		4,894,400		
		<hr/> <hr/>		

(ii) Shariah-compliant quoted equities – local as at 31 October 2019 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Consumer Products & Services</u>				
Sime Darby Bhd	2,083,100	4,869,840	4,728,637	2.24
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Financial Services</u>				
Bursa Malaysia Bhd	673,000	4,366,289	4,071,650	1.92
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Health Care</u>				
Duopharma Biotech Bhd	3,338,500	4,568,629	4,440,205	2.10
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Technology</u>				
Inari Amertron Bhd	1,450,000	2,413,525	2,842,000	1.34
My EG Services Bhd	3,180,500	4,675,003	3,593,965	1.70
	<hr/>	<hr/>	<hr/>	<hr/>
	4,630,500	7,088,528	6,435,965	3.04
	<hr/>	<hr/>	<hr/>	<hr/>

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Shariah-compliant quoted equities – local (continued)

(ii) Shariah-compliant quoted equities – local as at 31 October 2019 are as follows:
(continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Telecommunication & Media</u>				
TIME dotCom Bhd	500,000	4,610,500	4,550,000	2.15
	<hr/>	<hr/>	<hr/>	<hr/>
Total Shariah-compliant quoted equities – local	11,225,100	25,503,786	24,226,457	11.45
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Accumulated unrealised loss on Shariah-compliant quoted equities – local		(1,277,329)		
		<hr/>		
Total Shariah-compliant quoted equities – local		24,226,457		
		<hr/> <hr/>		

(b) Shariah-compliant quoted equities – foreign

(i) Shariah-compliant quoted equities – foreign as at 31 October 2020 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Australia</u>				
<u>Basic Materials</u>				
BHP Group Ltd	57,500	5,061,761	5,671,925	2.53
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Health Care</u>				
CSL Ltd	2,600	2,192,496	2,183,523	0.98
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Hong Kong</u>				
<u>Consumer Goods</u>				
China Mengniu Dairy Co Ltd	226,000	3,508,056	4,412,112	1.97
Nexteer Automotive Group Ltd	700,000	2,410,214	2,418,234	1.08
Shenzhou Intl Group Holdings	46,000	2,157,107	3,296,511	1.47
	<hr/>	<hr/>	<hr/>	<hr/>
	972,000	8,075,377	10,126,857	4.52
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(i) Shariah-compliant quoted equities – foreign as at 31 October 2020 are as follows:
(continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong (continued)</u>				
<u>Consumer Services</u>				
Alibaba Group Holding Ltd	60,000	6,425,915	9,422,275	4.21
China Yuhua Education Corp Ltd	1,286,000	3,744,885	4,201,568	1.88
Chow Tai Fook Jewellery Group	991,000	3,398,000	5,249,410	2.34
JD.com Inc	15,000	2,585,628	2,532,317	1.13
Meituan Dianping	17,000	2,228,731	2,622,298	1.17
	<u>2,369,000</u>	<u>18,383,159</u>	<u>24,027,868</u>	<u>10.73</u>
<u>Financial Services</u>				
A-Living Services Co Ltd	206,000	4,770,997	3,585,842	1.60
China Resources Land Ltd	224,000	4,215,232	3,779,194	1.69
Shimao Services Hldg Ltd	4,114	37,815	36,577	0.02
	<u>434,114</u>	<u>9,024,044</u>	<u>7,401,613</u>	<u>3.31</u>
<u>Technology</u>				
Alibaba Health Information Technology Ltd	600,000	6,502,215	6,491,472	2.90
Tencent Holdings Ltd	62,100	11,057,651	19,640,479	8.77
Xiaomi Corp	275,000	2,243,930	3,233,015	1.44
	<u>937,100</u>	<u>19,803,796</u>	<u>29,364,966</u>	<u>13.11</u>
<u>India</u>				
<u>Technology</u>				
HCL Technologies Ltd	100,000	4,693,003	4,736,523	2.11
<u>South Korea</u>				
<u>Preference Shares</u>				
Samsung Electronics Co Ltd - Preference Shares	45,557	7,297,711	8,350,638	3.73

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(i) Shariah-compliant quoted equities – foreign as at 31 October 2020 are as follows:
(continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>South Korea (continued)</u>				
<u>Technology</u>				
SK Hynix Inc	27,354	8,437,027	7,996,398	3.57
	<u>72,911</u>	<u>15,734,738</u>	<u>16,347,036</u>	<u>7.30</u>
<u>Singapore</u>				
<u>Industrials</u>				
Nanofilm Technologies Intl PL	600,000	4,793,448	5,293,602	2.36
Venture Corp Ltd	39,000	1,857,882	2,285,193	1.02
	<u>639,000</u>	<u>6,651,330</u>	<u>7,578,795</u>	<u>3.38</u>
<u>Taiwan</u>				
<u>Consumer Goods</u>				
Largan Precision Co Ltd	5,000	3,141,397	2,196,150	0.98
<u>Industrials</u>				
Delta Electronics Inc	147,000	4,012,345	4,044,764	1.81
<u>Technology</u>				
Parade Technologies Ltd	15,000	2,275,512	2,363,130	1.06
Taiwan Semiconductor Manufacturing Company Ltd	224,000	9,014,591	14,050,714	6.27
	<u>239,000</u>	<u>11,290,103</u>	<u>16,413,844</u>	<u>7.33</u>
<u>United States of America</u>				
<u>Consumer Goods</u>				
The Coca-Cola Company	11,000	2,194,283	2,195,982	0.98

AFFIN HWANG AII MAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(i) Shariah-compliant quoted equities - foreign as at 31 October 2020 are as follows:
(continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>United States of America (continued)</u>				
<u>Consumer Services</u>				
Alibaba Group Holding Ltd	11,468	7,576,549	14,503,253	6.48
TJX Cos Inc	14,477	3,221,976	3,052,444	1.36
	<u>25,945</u>	<u>10,798,525</u>	<u>17,555,697</u>	<u>7.84</u>
<u>Financial Services</u>				
Visa Inc	5,150	4,001,705	3,888,971	1.74
<u>Health Care</u>				
Anthem Inc	4,400	5,272,080	4,984,929	2.23
<u>Industrials</u>				
TransUnion	7,000	2,445,795	2,315,796	1.03
<u>Technology</u>				
Alphabet Inc - Class C	785	4,228,788	5,284,891	2.36
Facebook Inc	8,100	6,686,315	8,863,283	3.96
Microsoft Corporation	10,350	7,370,269	8,705,028	3.88
	<u>19,235</u>	<u>18,285,372</u>	<u>22,853,202</u>	<u>10.20</u>
Total Shariah-compliant quoted equities – foreign	<u>6,047,955</u>	<u>151,061,309</u>	<u>183,888,441</u>	<u>82.11</u>
Accumulated unrealised gain on Shariah-compliant quoted equities – foreign		<u>32,827,132</u>		
Total Shariah-compliant quoted equities – foreign		<u>183,888,441</u>		

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(ii) Shariah-compliant quoted equities – foreign as at 31 October 2019 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Australia</u>				
<u>Basic Materials</u>				
Rio Tinto Ltd	16,600	4,550,122	4,338,521	2.05
<u>Hong Kong</u>				
<u>Consumer Goods</u>				
China Mengniu Dairy Co Ltd	315,000	4,174,335	5,255,114	2.48
<u>Consumer Services</u>				
China Education Group Holdings	695,000	4,355,731	4,341,498	2.05
MTR Corp Ltd	140,000	3,365,318	3,357,900	1.59
	835,000	7,721,049	7,699,398	3.64
<u>Financial Services</u>				
A-Living Services Co Ltd	395,000	4,656,143	5,000,206	2.36
China Overseas Land & Invest	224,000	3,281,018	2,948,982	1.39
	619,000	7,937,161	7,949,188	3.75
<u>Industrials</u>				
China Resources Cement Holding	530,000	2,330,071	2,423,764	1.15
<u>Technology</u>				
Tencent Holdings Ltd	80,400	14,275,025	13,738,736	6.49
<u>Telecommunications</u>				
China Mobile Ltd	60,000	2,664,110	2,040,324	0.96

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(ii) Shariah-compliant quoted equities – foreign as at 31 October 2019 are as follows (continued):

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong</u> (continued)				
<u>Utilities</u>				
CK Infrastructure Holdings Ltd	105,000	3,585,542	3,159,224	1.49
Guangdong Investment Ltd	860,000	5,095,275	7,792,460	3.68
	<u>965,000</u>	<u>8,680,817</u>	<u>10,951,684</u>	<u>5.17</u>
<u>Indonesia</u>				
<u>Industrials</u>				
PT United Tractors Tbk	270,000	2,256,012	1,740,459	0.82
<u>Telecommunications</u>				
Telekomunikasi Indonesia	2,650,000	3,289,749	3,239,132	1.53
<u>South Korea</u>				
<u>Basic Materials</u>				
Korea Zinc Co Ltd	1,474	2,694,552	2,295,813	1.09
<u>Consumer Goods</u>				
Samsung Electronics Co Ltd	54,139	9,106,954	9,792,420	4.63
<u>Technology</u>				
SK Hynix Inc	8,400	2,393,284	2,468,951	1.17
<u>Preference Shares</u>				
Samsung Electronics Co Ltd	51,250	7,522,684	7,540,966	3.56

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(ii) Shariah-compliant quoted equities – foreign as at 31 October 2019 are as follows:
(continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Singapore</u>				
<u>Consumer Services</u>				
ComfortDelGro Corporation Ltd	567,300	4,282,065	3,985,301	1.88
<u>Industrials</u>				
NetLink NBN Trust	2,405,100	5,586,684	6,824,766	3.23
<u>Taiwan</u>				
<u>Consumer Goods</u>				
Largan Precision Co Ltd	5,000	2,612,330	3,066,420	1.45
<u>Industrials</u>				
Delta Electronics Inc	170,000	3,236,856	3,125,416	1.48
Sinbon Electronics Co Ltd	167,000	2,801,925	2,806,769	1.33
Taiwan Union Technology Corp	242,000	4,293,346	4,432,521	2.10
Yageo Corp	59,000	2,166,570	2,541,767	1.20
	<u>638,000</u>	<u>12,498,697</u>	<u>12,906,473</u>	<u>6.11</u>
<u>Technology</u>				
ASE Technology Holding Co Ltd	328,000	3,222,030	3,577,627	1.69
Parade Technologies Ltd	58,000	4,300,178	4,687,026	2.22
Taiwan Semiconductor Manufacturing	370,000	11,801,662	15,127,672	7.15
	<u>756,000</u>	<u>19,323,870</u>	<u>23,392,325</u>	<u>11.06</u>

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(b) Shariah-compliant quoted equities – foreign (continued)

(ii) Shariah-compliant quoted equities - foreign as at 31 October 2019 are as follows:
(continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>United States of America</u>				
<u>Consumer Services</u>				
Alibaba Group Holding Ltd	25,768	17,024,111	19,005,946	8.98
<u>Health Care</u>				
LivaNova PLC	7,500	2,379,358	2,214,493	1.05
<u>Technology</u>				
Alphabet Inc - Class C	1,030	5,325,982	5,422,420	2.56
Microsoft Corporation	4,000	2,305,732	2,395,713	1.13
	5,030	7,631,714	7,818,133	3.69
Total Shariah-compliant quoted equities – foreign	<u>10,865,961</u>	<u>150,934,754</u>	<u>160,688,327</u>	<u>75.94</u>
Accumulated unrealised gain on Shariah-compliant quoted equities – foreign		<u>9,753,573</u>		
Total Shariah-compliant quoted equities – foreign		<u>160,688,327</u>		

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(c) Shariah-compliant exchange-traded fund – local

(i) Shariah-compliant exchange-traded fund – local as at 31 October 2020 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
TradePlus Shariah Gold Tracker	2,499,500	4,344,296	6,223,755	2.78
Total Shariah-compliant exchange-traded fund – local	<u>2,499,500</u>	<u>4,344,296</u>	<u>6,223,755</u>	<u>2.78</u>
Accumulated unrealised gain on Shariah-compliant exchange-traded fund – local		<u>1,879,459</u>		
Total Shariah-compliant exchange-traded fund – local		<u>6,223,755</u>		

(ii) Shariah-compliant exchange-traded fund – local as at 31 October 2019 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
TradePlus Shariah Gold Tracker	2,499,500	4,344,296	5,036,492	2.38
Total Shariah-compliant exchange-traded fund – local	<u>2,499,500</u>	<u>4,344,296</u>	<u>5,036,492</u>	<u>2.38</u>
Accumulated unrealised gain on Shariah-compliant exchange-traded fund – local		<u>692,196</u>		
Total Shariah-compliant exchange-traded fund – local		<u>5,036,492</u>		

AFFIN HWANG AIIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

9 CASH AND CASH EQUIVALENTS

	<u>2020</u> RM	<u>2019</u> RM
Cash and bank balances	31,506,712	15,637,398
Short term Shariah-based deposits with licensed financial institutions	1,532,438	10,808,352
	<u>33,039,150</u>	<u>26,445,750</u>

Weighted average effective profit rates per annum of Shariah-based deposits with licensed financial institutions are as follows:

	<u>2020</u> %	<u>2019</u> %
Shariah-based deposits with licensed financial institutions	<u>1.65</u>	<u>2.91</u>

Shariah-based deposits with licensed financial institutions have an average maturity of 2 days (2019: 2 days).

10 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises:

- a. Equity securities listed in Bursa Malaysia which have been classified as Shariah-compliant by the Shariah Advisory Council of the SC; and
- b. Equities securities listed in foreign markets which have been approved by the local Shariah governing bodies of the respective countries or listed under the list of Shariah-compliant securities issued by the Shariah indices recognised internationally; and
- c. Exchange trade funds which has been classified as Shariah-compliant by the Shariah Advisory Council of the SC; and
- d. Cash placements and liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

AFFIN HWANG AII MAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

11 NUMBER OF UNITS IN CIRCULATION

	<u>2020</u>	<u>2019</u>
	No. of units	No. of units
At the beginning of the financial year	343,759,000	381,433,000
Creation of units arising from applications during the financial year	61,473,087	7,120,000
Creation of units arising from distributions during the financial year	11,824,316	-
Cancellation of units during the financial year	(118,306,403)	(44,794,000)
At the end of the financial year	<u>298,750,000</u>	<u>343,759,000</u>

12 TRANSACTIONS WITH BROKERS

- (i) Details of transactions with the top 10 brokers for the financial year ended 31 October 2020 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
Robert W. Baird & Co.	92,315,744	13.12	16,927	1.06
CLSA Ltd (Hong Kong)	81,946,652	11.65	156,817	9.78
Macquarie Bank Ltd (Hong Kong)	61,038,038	8.68	124,087	7.74
Cathay Securities Corporation	45,790,991	6.51	184,521	11.50
CLSA Securities Korea Ltd.	39,706,391	5.64	62,389	3.89
Masterlink Securities Co. Ltd	29,661,244	4.22	140,341	8.75
JPMorgan Securities (Asia Pacific)	24,651,965	3.50	85,414	5.32
CLSA Australia Pty Ltd	24,389,441	3.47	19,570	1.22
Macquarie Bank Ltd (Australia)	23,098,547	3.28	27,826	1.73
Macquarie Securities Ltd (KR)	21,488,898	3.06	57,803	3.60
Others #	259,365,210	36.87	728,421	45.41
	<u>703,453,121</u>	<u>100.00</u>	<u>1,604,116</u>	<u>100.00</u>

AFFIN HWANG AII MAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

12 TRANSACTIONS WITH BROKERS (CONTINUED)

(ii) Details of transactions with the top 10 brokers for the financial year ended 31 October 2019 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
CLSA Ltd (Hong Kong)	109,453,135	19.06	66,979	8.69
Macquarie Bank Ltd (Hong Kong)	94,955,861	16.54	43,436	5.64
CICC (Hong Kong) Securities Ltd	47,536,945	8.28	11,675	1.52
CLSA Singapore Pte Ltd	20,891,211	3.64	33,807	4.39
Affin Hwang Investment Bank Bhd	20,869,580	3.63	52,174	6.77
Masterlink Securities Co. Ltd	20,155,301	3.51	50,388	6.54
CCB International Securities	18,572,323	3.23	46,431	6.03
Daiwa Securities Capital Markets Korea Co. Ltd	18,268,084	3.18	45,670	5.93
Credit Lyonnais Securities Asia Ltd (Taiwan)	16,614,851	2.89	18,578	2.41
Instinet Pacific Ltd (Hong Kong)	15,688,285	2.73	35,070	4.55
Others #	191,293,089	33.31	366,161	47.53
	<u>574,298,665</u>	<u>100.00</u>	<u>770,369</u>	<u>100.00</u>

Included in transaction with brokers are trades with Affin Hwang Investment Bank Berhad, a company related to the Manager amounting to RM7,925,934 (2019: RM20,869,580). The Manager is of the opinion that all transactions with the related company have been entered into at agreed terms between the related parties.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

13 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

The units held by the Manager as at the end of the financial year are as follows:

<u>Related parties</u>	<u>Relationships</u>
Affin Hwang Asset Management Berhad	The Manager
Affin Hwang Investment Bank Berhad	Holding company of the Manager
Affin Bank Berhad (“ABB”)	Ultimate holding company of the Manager
Subsidiaries and associates of ABB as disclosed in its financial statements	Subsidiary and associated companies of the ultimate holding company of the Manager

	<u>2020</u>	<u>2019</u>
	No. of units	No. of units
	RM	RM
<u>The Manager:</u>		
Affin Hwang Asset Management Berhad (The units are held legally for booking purposes)	134,079	17,108
	<u>100,506</u>	<u>10,528</u>

14 MANAGEMENT EXPENSE RATIO (“MER”)

	<u>2020</u>	<u>2019</u>
	%	%
MER	1.94	1.92

MER is derived from the following calculation:

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

A	=	Management fee, excluding management fee rebates
B	=	Trustee fee
C	=	Auditors’ remuneration
D	=	Tax agent’s fee
E	=	Other expenses, excluding sales and service tax on transaction costs and withholding tax
F	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial year calculated on a daily basis is RM209,758,926 (2019: RM220,959,789).

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 OCTOBER 2020 (CONTINUED)

15 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2020</u>	<u>2019</u>
PTR (times)	<u>1.62</u>	<u>1.30</u>

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial year} + \text{total disposal for the financial year}) \div 2}{\text{Average NAV of the Fund for the financial year calculated on a daily basis}}$$

where: total acquisition for the financial year = RM328,418,060 (2019: RM323,662,103)
total disposal for the financial year = RM350,291,311 (2019: RM250,129,660)

16 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

The worsening macro-economic outlook as a result of Covid-19, both domestically and globally, may result in the deterioration of the Fund's Net Asset Value/unit in future periods.

The Provider is monitoring the situation closely and will be actively managing the portfolio to achieve the Fund's objective.

AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

STATEMENT BY THE MANAGER

I, Teng Chee Wai, for and on behalf of the board of directors of the Manager, **Affin Hwang Asset Management Berhad**, do hereby state that in my opinion as the Manager, the financial statements set out on pages 1 to 41 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 October 2020 and of its financial performance, changes in equity and cash flows for the financial year ended 31 October 2020 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
AFFIN HWANG ASSET MANAGEMENT BERHAD

TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
11 December 2020

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Affin Hwang Aiiman Asia (ex Japan) Growth Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 31 October 2020, and of its financial performance and its cash flows for the 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 October 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 1 to 41.

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’ 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.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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 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 determine 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 intend to liquidate the Fund or has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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 Company'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 represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
AFFIN HWANG AIIMAN ASIA (EX JAPAN) GROWTH FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

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 unitholders 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
11 December 2020

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