

Affin Hwang World Series - Global Balanced Fund

Interim Report
30 November 2021

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



AFFIN HWANG
CAPITAL

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

TRUSTEE
TMF Trustees Malaysia Berhad (610812-W)

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

Interim Report and Unaudited Financial Statements For The Financial Period Ended 30 November 2021

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FUND INFORMATION

Fund Name	Affin Hwang World Series – Global Balanced Fund
Fund Type	Growth
Fund Category	Balanced (Fund-of Funds)
Investment Objective	The Fund aims to provide investors with capital growth opportunities through a portfolio of collective investment schemes
Benchmark	50% MSCI All Country World Index + 50% Barclays Global Aggregate Index
Distribution Policy	The Fund is not expected to make any income distribution. However, incidental income distribution may be declared whenever appropriate.

BREAKDOWN OF UNITHOLDERS BY SIZE USD CLASS AS AT 30 NOVEMBER 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	0	0
5,001 to 10,000	2	18
10,001 to 50,000	7	155
50,001 to 500,000	6	846
500,001 and above	6	13,444
Total	21	14,463

* Note: Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY SIZE AUD HEDGED-CLASS AS AT 30 NOVEMBER 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	0	0
5,001 to 10,000	1	9
10,001 to 50,000	4	88
50,001 to 500,000	5	1,181
500,001 and above	6	24,795
Total	16	26,073

* Note: Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY SIZE MYR HEDGED-CLASS AS AT 30 NOVEMBER 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	67	164
5,001 to 10,000	26	187
10,001 to 50,000	81	1,939
50,001 to 500,000	64	10,515
500,001 and above	18	413,844
Total	256	426,649

** Note: Excluding Manager's stock*

BREAKDOWN OF UNITHOLDERS BY SIZE SGD HEDGED-CLASS AS AT 30 NOVEMBER 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	0	0
5,001 to 10,000	2	17
10,001 to 50,000	14	371
50,001 to 500,000	12	1,705
500,001 and above	6	14,195
Total	34	16,288

** Note: Excluding Manager's stock*

BREAKDOWN OF UNITHOLDERS BY SIZE GBP HEDGED-CLASS AS AT 30 NOVEMBER 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	1	0
5,001 to 10,000	0	0
10,001 to 50,000	2	45
50,001 to 500,000	3	395
500,001 and above	3	11,730
Total	9	12,170

** Note: Excluding Manager's stock*

BREAKDOWN OF UNITHOLDERS BY SIZE EUR HEDGED-CLASS AS AT 30 NOVEMBER 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	0	0
5,001 to 10,000	0	0
10,001 to 50,000	2	74
50,001 to 500,000	4	414
500,001 and above	0	0
Total	6	488

* Note: Excluding Manager's stock

FUND PERFORMANCE DATA

Category	As At 30 Nov 2021 (%)	As At 30 Nov 2020 (%)	As At 30 Nov 2019 (%)
Portfolio composition			
Collective Investment Scheme – local	0.14	-	-
Collective Investment Scheme – foreign	83.06	66.46	61.45
Exchange-traded-fund – local	-	1.28	1.27
Exchanged-traded-fund – foreign	14.31	28.53	35.56
Cash & cash equivalent	2.49	3.73	1.72
Total	100.00	100.00	100.00

FUND PERFORMANCE DATA (CONTINUED)

Category	As At 30 Nov 2021 (%)						As At 30 Nov 2020 (%)						As At 30 Nov 2019 (%)					
Currency class	<u>USD</u> <u>Class</u>	<u>AUD</u> <u>Hedged-</u> <u>class</u>	<u>MYR</u> <u>Hedged-</u> <u>class</u>	<u>SGD</u> <u>Hedged-</u> <u>class</u>	<u>GBP</u> <u>Hedged-</u> <u>class</u>	<u>EUR</u> <u>Hedged-</u> <u>class</u>	<u>USD</u> <u>Class</u>	<u>AUD</u> <u>Hedged-</u> <u>class</u>	<u>MYR</u> <u>Hedged-</u> <u>class</u>	<u>SGD</u> <u>Hedged-</u> <u>class</u>	<u>GBP</u> <u>Hedged-</u> <u>class</u>	<u>EUR</u> <u>Hedged-</u> <u>class</u>	<u>USD</u> <u>Class</u>	<u>AUD</u> <u>Hedged-</u> <u>class</u>	<u>MYR</u> <u>Hedged-</u> <u>class</u>	<u>SGD</u> <u>Hedged-</u> <u>class</u>	<u>GBP</u> <u>Hedged-</u> <u>class</u>	<u>EUR</u> <u>Hedged-</u> <u>class</u>
Total NAV (RM' million)	9.897	17.024	309.173	10.817	7.338	0.277	12.702	30.771	443.653	14.198	11.030	0.488	18.715	16.498	345.093	11.134	8.762	0.095
NAV per unit (RM)	0.6841	0.6528	0.7246	0.6640	0.6028	0.5646	0.5921	0.5788	0.6200	0.5824	0.5361	0.5174	0.5317	0.5467	0.5743	0.5534	0.5190	0.4768
Unit in Circulation (million)	14.466	26.076	426.651	16.292	12.174	0.491	21.452	53.165	715.590	24.379	20.575	0.943	35.201	30.181	600.848	20.121	16.882	0.199
Highest NAV	0.7049	0.6736	0.7438	0.6844	0.6218	0.5826	0.5928	0.5795	0.6210	0.5831	0.5367	0.5182	0.5587	0.5478	0.5757	0.5546	0.5204	0.5053
Lowest NAV	0.6740	0.6436	0.7121	0.6544	0.5939	0.5558	0.5485	0.5389	0.5729	0.5405	0.5005	0.4849	0.5254	0.5213	0.5450	0.5281	0.4972	0.4713
Return of the Fund (%) ⁱⁱⁱ	-0.86	-1.18	-0.28	-0.97	-1.03	-1.28	8.14	7.40	8.31	7.75	7.11	6.70	-3.59	-3.84	-3.38	-4.16	-4.59	-4.68
- Capital Return (%) ⁱ	-1.21	-1.18	-0.62	-1.34	-1.03	-1.71	7.95	7.40	8.22	7.75	7.11	6.70	-3.76	-3.84	-3.54	-4.33	-4.77	-4.68
- Income Return (%) ⁱⁱ	0.36	Nil	0.34	0.37	Nil	0.44	0.17	Nil	0.08	Nil	Nil	Nil	0.18	Nil	0.17	0.18	0.20	Nil
Gross Distribution per Unit (sen)	0.25	Nil	0.25	0.25	Nil	0.25	0.10	Nil	0.05	Nil	Nil	Nil	0.10	Nil	0.10	0.10	0.10	Nil
Net Distribution per Unit (sen)	0.25	Nil	0.25	0.25	Nil	0.25	0.10	Nil	0.05	Nil	Nil	Nil	0.10	Nil	0.10	0.10	0.10	Nil
Management Expenses Ratio (%) ¹				0.69						0.70						0.69		
Portfolio Turnover Ratio (times) ²				0.16						0.39						0.23		

¹The MER of the Fund was slightly lower than previous year due to lower expenses incurred by the Fund during the period under review.

²The PTR of the Fund was lower than previous year due to lesser trading activities during the period under review.

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:-

USD Class

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
20 Jul 2021	21 Jul 2021	0.6862	0.0025	0.6900

MYR Hedged-Class

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
20 Jul 2021	21 Jul 2021	0.7235	0.0025	0.7277

SGD Hedged-Class

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
20 Jul 2021	21 Jul 2021	0.6666	0.0025	0.6702

EUR Hedged-Class

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
20 Jul 2021	21 Jul 2021	0.5688	0.0025	0.5715

No unit split were declared for the financial period ended 30 November 2021.

Performance Review**USD Class**

For the period 1 June 2021 to 30 November 2021, the Fund registered a -0.86% return compared to the benchmark return of -0.04%. The Fund thus underperformed the Benchmark by 0.82%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2021 was USD0.6841 while the NAV as at 31 May 2021 was USD0.6925. During the same period under review, the Fund has declared a gross income distribution of USD0.0025 per unit.

Since commencement, the Fund has registered a return of 38.20% compared to the benchmark return of 41.35%, underperforming by 3.15%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/6/21 - 30/11/21)	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	5 Years (1/12/16 - 30/11/21)	Since Commencement (22/9/16 - 30/11/21)
Fund	(0.86%)	7.95%	29.72%	40.56%	38.20%
Benchmark	(0.04%)	6.75%	31.39%	44.97%	41.35%
Outperformance	(0.82%)	1.20%	(1.67%)	(4.41%)	(3.15%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	5 Years (1/12/16 - 30/11/21)	Since Commencement (22/9/16 - 30/11/21)
Fund	7.95%	9.05%	7.04%	6.43%
Benchmark	6.75%	9.52%	7.71%	6.89%
Outperformance	1.20%	(0.47%)	(0.67%)	(0.46%)

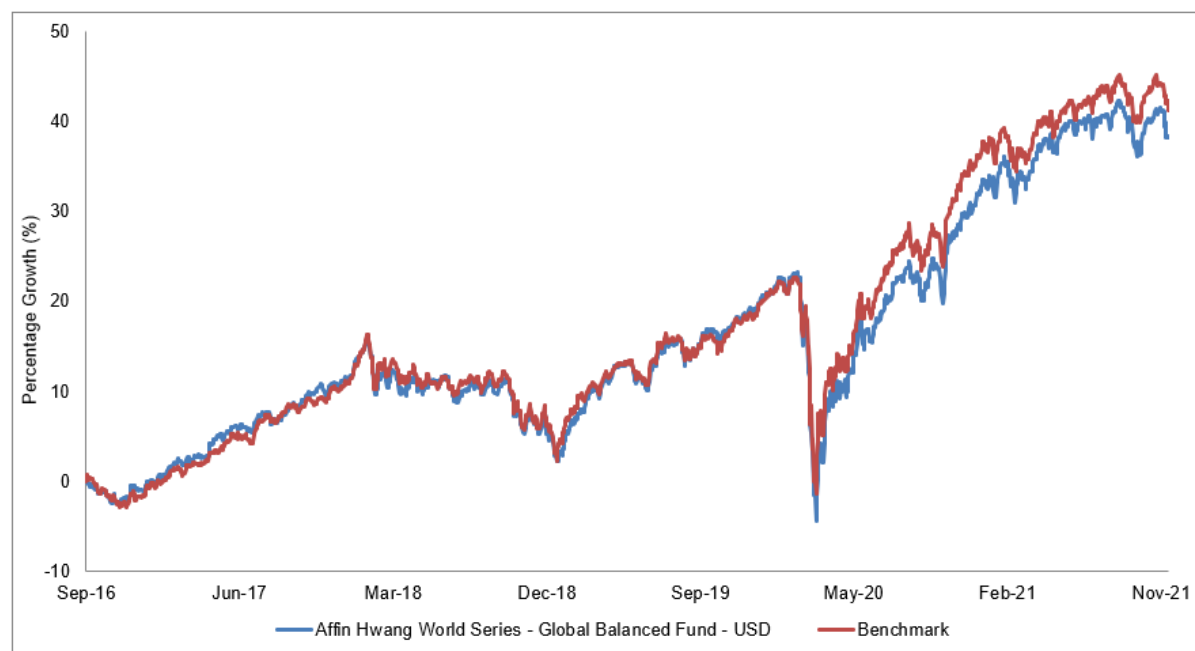
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/6/20 - 31/5/21)	FYE 2020 (1/6/19 - 31/5/20)	FYE 2019 (1/6/18 - 31/5/19)	FYE 2018 (1/6/17 - 31/5/18)	FYE 2017 (22/9/16 - 31/5/17)
Fund	22.22%	3.48%	(0.26%)	4.88%	5.36%
Benchmark	21.07%	5.51%	0.05%	5.73%	4.63%
Outperformance	1.15%	(2.03%)	(0.31%)	(0.85%)	0.73%

Source of Benchmark: Bloomberg

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



AUD Hedged-Class

For the period 1 June 2021 to 30 November 2021, the Fund registered a -1.18% return compared to the benchmark return of -0.04%. The Fund thus underperformed the Benchmark by 1.14%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2021 was AUD0.6528 while the NAV as at 31 May 2021 was AUD0.6606.

Since commencement, the Fund has registered a return of 30.56% compared to the benchmark return of 43.20%, underperforming by 12.64%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/6/21 - 30/11/21)	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	5 Years (1/12/16 - 30/11/21)	Since Commencement (22/9/16 - 30/11/21)
Fund	(1.18%)	7.30%	24.82%	33.44%	30.56%
Benchmark	(0.04%)	6.75%	31.39%	43.19%	43.20%
Outperformance	(1.14%)	0.55%	(6.57%)	(9.75%)	(12.64%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	5 Years (1/12/16 - 30/11/21)	Since Commencement (22/9/16 - 30/11/21)
Fund	7.30%	7.66%	5.94%	5.27%
Benchmark	6.75%	9.52%	7.44%	7.16%
Outperformance	0.55%	(1.86%)	(1.50%)	(1.89%)

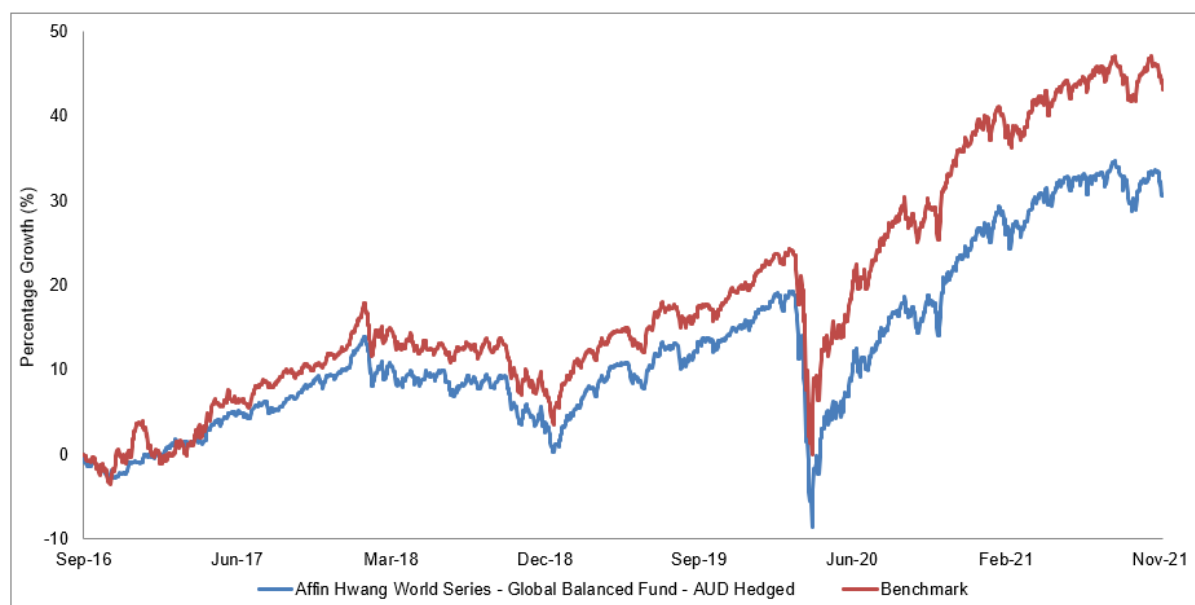
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/6/20 - 31/5/21)	FYE 2020 (1/6/19 - 31/5/20)	FYE 2019 (1/6/18 - 31/5/19)	FYE 2018 (1/6/17 - 31/5/18)	FYE 2017 (22/9/16 - 31/5/17)
Fund	21.52%	0.87%	(0.92%)	4.38%	4.22%
Benchmark	21.07%	5.51%	0.05%	5.04%	6.70%
Outperformance	0.45%	(4.64%)	(0.97%)	(0.66%)	(2.48%)

Source of Benchmark: Bloomberg

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



MYR Hedged-Class

For the period 1 June 2021 to 30 November 2021, the Fund registered a -0.28% return compared to the benchmark return of -0.04%. The Fund thus underperformed the Benchmark by 0.24%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2021 was MYR0.7246 while the NAV as at 31 May 2021 was MYR0.7291. During the same period under review, the Fund has declared a gross income distribution of MYR0.0025 per unit.

Since commencement, the Fund has registered a return of 46.19% compared to the benchmark return of 45.89%, outperforming by 0.30%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/6/21 - 30/11/21)	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	5 Years (1/12/16 - 30/11/21)	Since Commencement (22/9/16 - 30/11/21)
Fund	(0.28%)	8.99%	31.43%	44.97%	46.19%
Benchmark	(0.04%)	6.75%	31.39%	38.41%	45.89%
Outperformance	(0.24%)	2.24%	0.04%	6.56%	0.30%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	5 Years (1/12/16 - 30/11/21)	Since Commencement (22/9/16 - 30/11/21)
Fund	8.99%	9.53%	7.71%	7.58%
Benchmark	6.75%	9.52%	6.71%	7.54%
Outperformance	2.24%	0.01%	1.00%	0.04%

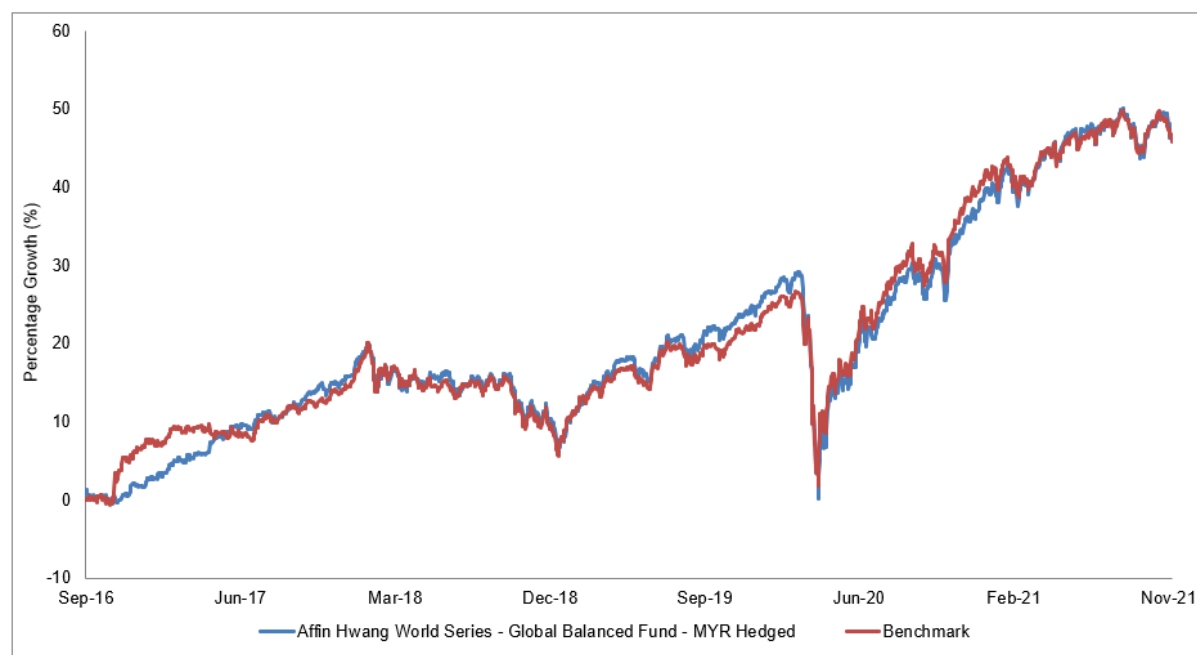
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/6/20 - 31/5/21)	FYE 2020 (1/6/19 - 31/5/20)	FYE 2019 (1/6/18 - 31/5/19)	FYE 2018 (1/6/17 - 31/5/18)	FYE 2017 (22/9/16 - 31/5/17)
Fund	23.18%	3.40%	(0.02%)	5.96%	8.64%
Benchmark	21.07%	5.51%	0.05%	5.10%	8.65%
Outperformance	2.11%	(2.11%)	(0.07%)	0.86%	(0.01%)

Source of Benchmark: Bloomberg

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



SGD Hedged-Class

For the period 1 June 2021 to 30 November 2021, the Fund registered a -0.97% return compared to the benchmark return of -0.04%. The Fund thus underperformed the Benchmark by 0.93%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2021 was SGD0.6640 while the NAV as at 31 May 2021 was SGD0.6730. During the same period under review, the Fund has declared a gross income distribution of SGD0.0025 per unit.

Since commencement, the Fund has registered a return of 33.54% compared to the benchmark return of 43.76%, underperforming by 10.22%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/6/21 - 30/11/21)	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	5 Years (1/12/16 - 30/11/21)	Since Commencement (22/9/16 - 30/11/21)
Fund	(0.97%)	7.64%	26.78%	34.75%	33.54%
Benchmark	(0.04%)	6.75%	31.39%	39.77%	43.76%
Outperformance	(0.93%)	0.89%	(4.61%)	(5.02%)	(10.22%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	5 Years (1/12/16 - 30/11/21)	Since Commencement (22/9/16 - 30/11/21)
Fund	7.64%	8.22%	6.14%	5.73%
Benchmark	6.75%	9.52%	6.92%	7.24%
Outperformance	0.89%	(1.30%)	(0.78%)	(1.51%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/6/20 - 31/5/21)	FYE 2020 (1/6/19 - 31/5/20)	FYE 2019 (1/6/18 - 31/5/19)	FYE 2018 (1/6/17 - 31/5/18)	FYE 2017 (22/9/16 - 31/5/17)
Fund	21.63%	2.37%	(1.46%)	4.09%	5.58%
Benchmark	21.07%	5.51%	0.05%	5.62%	6.54%
Outperformance	0.56%	(3.14%)	(1.51%)	(1.53%)	(0.96%)

Source of Benchmark: Bloomberg

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



GBP Hedged-Class

For the period 1 June 2021 to 30 November 2021, the Fund registered a -1.03% return compared to the benchmark return of -0.04%. The Fund thus underperformed the Benchmark by 0.99%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2021 was GBP0.6028 while the NAV as at 31 May 2021 was GBP0.6091.

Since commencement, the Fund has registered a return of 20.80% compared to the benchmark return of 34.28%, underperforming by 13.48%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/6/21 - 30/11/21)	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	Since Commencement (7/6/17 - 30/11/21)
Fund	(1.03%)	7.32%	23.30%	20.80%
Benchmark	(0.04%)	6.75%	31.39%	34.28%
Outperformance	(0.99%)	0.57%	(8.09%)	(13.48%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	Since Commencement (7/6/17 - 30/11/21)
Fund	7.32%	7.22%	4.30%
Benchmark	6.75%	9.52%	6.79%
Outperformance	0.57%	(2.30%)	(2.49%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/6/20 - 31/5/21)	FYE 2020 (1/6/19 - 31/5/20)	FYE 2019 (1/6/18 - 31/5/19)	FYE 2018 (7/6/17 - 31/5/18)
Fund	21.19%	0.42%	(2.32%)	2.68%
Benchmark	21.07%	5.51%	0.05%	5.10%
Outperformance	0.12%	(5.09%)	(2.37%)	(2.42%)

Source of Benchmark: Bloomberg

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



EUR Hedged-Class

For the period 1 June 2021 to 30 November 2021, the Fund registered a -1.28% return compared to the benchmark return of -0.04%. The Fund thus underperformed the Benchmark by 1.24%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2021 was EUR0.5646 while the NAV as at 31 May 2021 was EUR0.5744. During the same period under review, the Fund has declared a gross income distribution of EUR0.0025 per unit.

Since commencement, the Fund has registered a return of 13.41% compared to the benchmark return of 27.32%, underperforming by 13.91%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/6/21 - 30/11/21)	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	Since Commencement (17/5/18 - 30/11/21)
Fund	(1.28%)	4.70%	18.93%	13.41%
Benchmark	(0.04%)	6.75%	31.39%	27.32%
Outperformance	(1.24%)	(2.05%)	(12.46%)	(13.91%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/12/20 - 30/11/21)	3 Years (1/12/18 - 30/11/21)	Since Commencement (17/5/18 - 30/11/21)
Fund	4.70%	5.94%	3.61%
Benchmark	6.75%	9.52%	7.05%
Outperformance	(2.05%)	(3.58%)	(3.44%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/6/20 - 31/5/21)	FYE 2020 (1/6/19 - 31/5/20)	FYE 2019 (17/5/18 - 31/5/19)
Fund	18.26%	0.16%	(3.02%)
Benchmark	21.07%	5.51%	(0.29%)
Outperformance	(2.81%)	(5.35%)	(2.73%)

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: 50% MSCI All Country World Index + 50% Barclays Global Aggregate 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

As at 30 November 2021, the asset allocation of the Fund stood at 83.20% in collective investment scheme, 16.74% higher than previous year. On the other hand, allocation in exchanged-traded fund was 15.50% lower than previous year while the balance was held in cash and cash equivalent. The Manager increased exposure in collective investment schemes through the foreign exposure, while reducing exchange-rated-funds exposure by half. The Manager continues to like the beta exposure from S&P index.

Strategies Employed & Investment Outlook

Global growth remains positive but clearly momentum has slowed. While we remain directionally overweight equities over fixed income relative to the portfolio's 50/50 benchmark, we are cautious on volatility brought by potential risk events, including but not limited to ongoing virus uncertainty, monetary policy normalization and higher inflation. As a result, we are looking to allocate to a dynamic, risk-aware multi-asset fund with exposures to quality stocks and fixed income assets with less rate sensitivity. Overall equity exposures will be reduced by approximately 1% after the proposed rebalance.

We also propose to allocate to China in this rebalance. With the Chinese authority placing "stability" again as the top priority for the country's economic policy for 2022, some easing of policies could be supportive to the

asset class given where valuation is, especially against the backdrop of monetary tightening in the developed world.

Within equities, from a regional perspective, we remain constructive on US and European equities on the back of strong corporate earnings and broadening restart. We are relatively more neutral to emerging markets equities outside of China as there are more uncertainties surrounding US dollar outlook despite attractive valuation. We maintain our exposures to active funds as sources of management alpha to the portfolio. As volatility is expected to remain elevated, exposures to carefully selected and high-quality stocks with consistent performance in both accelerating and decelerating growth environment are becoming more important. We continue to value the importance of flexibility. Our unconstrained multi-asset strategies help adapting to changing market conditions in response to risk events. The portfolio will be able to dynamically adjust its exposures and take advantage of opportunities during the quarter.

Within fixed income, we are cautious the asset class as we think there is a disconnection between the current low real rates and strong economic fundamentals. The benefit of holding duration remains diminished in a world of accelerating growth and firming inflation. That being said, the Global Multi-Asset Income fund favours riskier fixed income assets such as higher yielding corporate bonds, emerging market bonds and floating rate loans with less rate sensitivity which we believe can help the portfolio to better position for the current environment. We also maintain a relatively low exposure to duration on a portfolio level. We also maintain a preference for Asian Credit, which offers diversification potential with attractive yield pick-up over DM fixed income in a yield-starving world. Valuations across rating spectrums also remain supportive. We favour cash which provides downside protection to the portfolio as volatility rises. With relatively low front-end treasury yields, holding cash does not necessarily cost the upside.

Market Review

Global equities started 2021 on a strong note buoyed by policy easing and optimism surrounding global vaccination rollouts. However, the global recovery grew at an uneven pace as developed markets posted stronger gains compared to emerging markets.

Developed markets have managed to administer the vaccine at a quicker pace which led to a corresponding increase in mobility. The S&P 500 index pierced new highs in the year underpinned by a strong earnings rebound as businesses clambered to meet renewed demand.

However, the rally was tested by surging bond yields in the 1Q'2021 as well as the spectre of inflation that would spook investors for the rest of the year. Inflation vaulted strongly from a low-base effect as supply chain disruptions associated with the pandemic led to a sharp increase in input prices.

Markets were soothed initially by dovish comments from the US Federal Reserve which pledged to keep monetary policy accommodative. Fed Chair Jerome Powell held the view that inflation was transitional and that supply-demand imbalances would begin to ease which would cool down inflation.

However with inflation proving stickier than expected, the Fed relented towards the end of year and pivoted towards a hawkish stance. At its policy meeting, the Fed signaled that it would start accelerating its tapering of bond purchases that would pave the way for 3 rate hikes in 2022.

Meanwhile in Asia, the broader MSCI Asia ex-Japan index ended the year down as the region reeled from the Delta variant that led to fresh lockdowns being imposed and a surge in hospitalization rates.

The region was also pulled down by weaker performance in China as authorities cast a wide regulatory dragnet which impacted a range of sectors including technology, education and e-commerce. This was part of a wider 'common prosperity' drive by Beijing to narrow the income gap and increase the political legitimacy of the Communist Party which celebrated its 100th anniversary in 2021.

On the domestic front, the local market mirrored regional losses with the benchmark KLCI closing lower in the year. A litany of concerns sent the stock market on a volatile path with fresh lockdowns, political instability as well as new taxes proposed under Budget 2022.

Political risks abated slightly with the appointment of Datuk Seri Ismail Sabri Yaakob as the 9th Prime Minister after securing the majority support of 114 MPs. The appointment provided some clarity by resolving the political impasse following the resignation of Tan Sri Muhyiddin Yassin who faced a turbulent tenure due to the mishandling of the pandemic as well as a rare royal rebuke.

Markets were also jolted when the government announced a one-off prosperity tax (Cukai Makmur) during the tabling of Budget 2022 for companies that earned super profits. This quelled the initial optimism from economic reopening as earnings forecasts are pared down.

However, the government made U-turns on other tax measures proposed under Budget 2022 including reinstating the exemption of all types of foreign incomes for individuals from tax as well as stamp duty cap. Markets were concerned that these initial measures would dampen sentiment and reduce market vibrancy as well as velocity of trading. However, the local market could now see support on the back of easing policy headwinds as investors also price-in better growth prospects.

Looking ahead, we are maintaining a cautious stance on the back of headwinds arising from persistent inflation and higher interest rates which could pressure risk assets. Potential inflection points for the market to turnaround include declining inflation that could herald a shift in the US Federal Reserve's tightening bias. Any additional stimulus measures from China would also be supportive of risk-assets.

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 WORLD SERIES – GLOBAL BALANCED FUND

We have acted as Trustee of Affin Hwang World Series – Global Balanced Fund (“the Fund”) for 6 months financial period ended 30 November 2021. To the best of our knowledge, **Affin Hwang Asset Management Berhad**, the Manager, has managed the Fund in accordance with the limitations imposed on the investment powers of the management company and the trustee under the Deeds, other provisions of the Deeds, the Capital Markets and Services Act 2007, the Securities Commission’s Guidelines on Unit Trust Funds and other applicable laws during the period then ended.

We have also ensured the following:

- (a) the procedures and processes employed by **Affin Hwang Asset Management Berhad** to value and/or price the units of the Fund are adequate and that such valuation/pricing is carried out in accordance with the Deed of the Fund and other regulatory requirements; and
- (b) the creation and cancellation of units have been carried out in accordance with the Deed and relevant regulatory requirements.

During this financial period, the total distributions of 25 cent per Unit for USD Class, MYR Hedged-Class, SGD Hedged-Class and EUR Hedged-Class have been distributed to the Unitholders of the Fund. We are of the view that the distributions are not inconsistent with the objective of the Fund.

For TMF Trustees Malaysia Berhad
(Company No.: 610812-W)

NORHAYATI AZIT
DIRECTOR – FUND SERVICES

Kuala Lumpur
14 January 2022

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

UNAUDITED FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 30 NOVEMBER 2021

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

UNAUDITED FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021

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AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021

	<u>Note</u>	6 months financial period ended 30.11.2021 USD	6 months financial period ended 30.11.2020 USD
INVESTMENT (LOSS)/INCOME			
Dividend income		610,706	935,300
Interest income from financial assets at amortised cost		500	2,255
Net loss on foreign currency exchange		(21,631)	(8,304)
Net (loss)/gain on forward foreign currency contracts at fair value through profit or loss		(2,822,225)	8,725,981
Net (loss)/gain on financial assets at fair value through profit or loss	8	(856,063)	14,500,374
		<u>(3,088,713)</u>	<u>24,155,606</u>
EXPENSES			
Management fee	4	(697,489)	(814,282)
Trustee fee	5	(32,209)	(37,677)
Auditors' remuneration		(1,094)	(1,045)
Tax agent's fee		(425)	(407)
Transaction cost		(10,320)	(19,372)
Other expenses		(10,966)	(15,736)
		<u>(752,503)</u>	<u>(888,519)</u>
NET (LOSS)/PROFIT BEFORE FINANCE COST AND TAXATION		(3,841,216)	23,267,087
FINANCE COST			
Distributions	6	(279,378)	-
NET (LOSS)/PROFIT AFTER FINANCE COST BEFORE TAXATION		(4,120,594)	23,267,087
Taxation	7	-	-
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>(4,120,594)</u>	<u>23,267,087</u>

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

	Note	6 months financial period ended 30.11.2021 USD	6 months financial period ended 30.11.2020 USD
(Decrease)/Increase in net asset attributable to unitholders are made up of the following:			
Realised amount		1,679,880	5,054,252
Unrealised amount		(5,800,474)	18,212,835
		<u>(4,120,594)</u>	<u>23,267,087</u>

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

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2021

	<u>Note</u>	<u>2021</u> USD	<u>2020</u> USD
ASSETS			
Cash and cash equivalents	9	2,611,856	1,842,388
Amount due from broker		455,457	-
Amount due from Manager			
- creation of units		565,743	303,452
- management fee rebate receivable		127	381
Dividend receivables		78,637	80,487
Financial assets at fair value through profit or loss	8	110,809,996	110,144,478
Forward foreign currency contracts at fair value through profit or loss	10	193,287	4,037,869
TOTAL ASSETS		<u>114,715,103</u>	<u>116,409,055</u>
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	10	907,216	-
Amount due to broker		11,232	1,000,000
Amount due to Manager			
- management fee		122,672	123,176
- cancellation of units		19,957	867,402
Amount due to Trustee		5,662	5,685
Auditors' remuneration		984	825
Tax agent's fee		2,230	2,211
Other payable and accruals		791	(1,436)
TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS)		<u>1,070,744</u>	<u>1,997,863</u>
NET ASSET VALUE OF THE FUND		<u>113,644,359</u>	<u>114,411,192</u>
NET ASSET ATTRIBUTABLE TO UNITHOLDERS		<u>113,644,359</u>	<u>114,411,192</u>

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

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 NOVEMBER 2021 (CONTINUED)

	Note	2021 USD	2020 USD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- AUD Hedged-class		12,128,930	17,250,622
- EUR Hedged-class		314,979	820,206
- GBP Hedged-class		9,814,474	11,485,384
- MYR Hedged-class		73,568,733	69,512,854
- SGD Hedged-class		7,920,503	8,157,942
- USD Class		9,896,740	7,184,184
		<u>113,644,359</u>	<u>114,411,192</u>
NUMBER OF UNITS IN CIRCULATION			
- AUD Hedged-class	11(a)	26,076,000	38,444,000
- EUR Hedged-class	11(b)	491,000	1,264,000
- GBP Hedged-class	11(c)	12,174,000	15,334,000
- MYR Hedged-class	11(d)	426,651,000	424,365,000
- SGD Hedged-class	11(e)	16,292,000	17,616,000
- USD Class	11(f)	14,466,000	11,295,000
		<u>496,150,000</u>	<u>508,318,000</u>
NET ASSET VALUE PER UNIT (USD)			
- AUD Hedged-class		0.4651	0.4487
- EUR Hedged-class		0.6415	0.6489
- GBP Hedged-class		0.8062	0.7490
- MYR Hedged-class		0.1724	0.1638
- SGD Hedged-class		0.4862	0.4631
- USD Class		<u>0.6841</u>	<u>0.6360</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- AUD Hedged-class		AUD0.6528	AUD0.6084
- EUR Hedged-class		EUR0.5646	EUR0.5416
- GBP Hedged-class		GBP0.6028	GBP0.5617
- MYR Hedged-class		RM0.7246	RM0.6671
- SGD Hedged-class		SGD0.6640	SGD0.6192
- USD Class		<u>USD0.6841</u>	<u>USD0.6360</u>

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

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021

	6 months financial period ended <u>30.11.2021</u> USD	6 months financial period ended <u>30.11.2020</u> USD
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	102,191,722	129,709,332
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications	24,871,352	5,692,287
- AUD Hedged-class	2,634,373	1,095,008
- EUR Hedged-class	194,465	547,947
- GBP Hedged-class	1,320,095	997,795
- MYR Hedged-class	15,071,403	1,226,428
- SGD Hedged-class	1,757,297	1,099,430
- USD Class	3,893,719	725,679
Creation of units arising from distributions	275,127	-
- AUD Hedged-class	-	-
- EUR Hedged-class	795	-
- GBP Hedged-class	-	-
- MYR Hedged-class	219,355	-
- SGD Hedged-class	26,452	-
- USD Class	28,525	-
Cancellation of units	(9,573,248)	(44,257,514)
- AUD Hedged-class	(1,845,228)	(6,412,578)
- EUR Hedged-class	(38,105)	(393,743)
- GBP Hedged-class	(2,959,579)	(2,917,138)
- MYR Hedged-class	(3,114,673)	(27,731,274)
- SGD Hedged-class	(616,771)	(2,266,385)
- USD Class	(998,892)	(4,536,396)

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

UNAUDITED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

	6 months financial period ended <u>30.11.2021</u> USD	6 months financial period ended <u>30.11.2020</u> USD
(Decrease)/Increase in net asset attributable to unitholders during the financial period	(4,120,594)	23,267,087
- AUD Hedged-class	(1,164,702)	4,106,477
- EUR Hedged-class	(20,413)	145,176
- GBP Hedged-class	(698,616)	2,124,417
- MYR Hedged-class	(1,745,556)	14,515,008
- SGD Hedged-class	(354,822)	1,335,074
- USD Class	(136,485)	1,040,935
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u>113,644,359</u>	<u>114,411,192</u>

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

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

UNAUDITED STATEMENT OF CASH FLOWS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021

	Note	6 months financial period ended 30.11.2021 USD	6 months financial period ended 30.11.2020 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		13,538,810	66,095,915
Purchase of investments		(24,842,074)	(34,369,191)
Dividends received		597,773	1,058,713
Interest received		500	2,255
Management fee rebate received		439,631	1,963
Management fee paid		(687,279)	(831,176)
Trustee fee paid		(31,737)	(38,457)
Payment for other fees and expenses		(10,769)	(37,547)
Realised (loss)/gain on forward foreign currency contracts		(1,026,385)	1,889,353
Net realised gain on foreign currency exchange		(94,070)	32,881
Net cash flows (used in)/generated from operating activities		(12,115,600)	33,804,709
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		24,306,133	5,389,553
Payments for cancellation of units		(11,103,678)	(43,655,072)
Payments for distribution		(4,251)	-
Net cash flows generated from/(used in) financing activities		13,198,204	(38,265,519)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,082,604	(4,460,810)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		4,341	(41,185)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		1,524,911	6,344,383
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	9	2,611,856	1,842,388

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

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021

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 revenue and expenses during the reported financial period. 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 N.

(a) Standards, amendments to published standards and interpretations that are effective:

- The Conceptual Framework for Financial Reporting (Revised 2018)
- Amendments to MFRS 101 and MFRS 108 'Definition of Material'

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 'Reference to Conceptual Framework' (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework.
- Annual Improvements to MFRSs 2018 – 2020 Cycle (effective for annual periods beginning on or after 1 January 2022).
- Amendments to MFRS 137 'onerous contracts—cost of fulfilling a contract' (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts.
- 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 WORLD SERIES – GLOBAL BALANCED FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

B INCOME RECOGNITION

Dividend income

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

Interest income

Interest income from short term deposits with licensed financial institutions are recognised based on effective interest rate method on an accrual basis.

Interest income is calculated by applying the effective interest 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 interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Realised gains and losses on sales of investments

For collective investment schemes ("CIS") and exchange-traded funds ("ETF"), realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of the 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 DISTRIBUTION

A distribution to the Fund's unitholders is accounted for as a finance cost in the statement of comprehensive income. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

E TAXATION

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

Tax on investment income from foreign investments is based on the tax regime of the respective countries that the Fund invests in.

Withholding taxes on investment income from foreign investment are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes 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.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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 United States Dollar (“USD”), which is the Fund’s functional and presentation currency.

G FOREIGN CURRENCY TRANSLATIONS

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 period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(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 (“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.

Investments in CIS have contractual cash flows that do not represent SPPI, and therefore are classified as fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from broker, amount due from Manager and dividend receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows that represents SPPI.

The Fund classifies amount due to brokers, amount due to Manager, amount due to Trustee, auditors’ remuneration, tax agent’s fee and other payable and accruals as financial liabilities measured at amortised cost.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(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. 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 de-recognised 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 de-recognised when it is extinguished, i.e., when the obligation specified in the contract is discharged or cancelled or expired.

Gains 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 foreign 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 period 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 period 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.

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.

Investment in CIS are valued at the last published net asset value ("NAV") per unit at the date of the statement of financial position.

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

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment

The Fund's financial asset measured at amortised cost are subject to expected credit losses. 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 and lifetime 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.

Qualitative criteria:

The debtor meets unlikeliness 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 period.

I CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances and 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.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

J AMOUNTS DUE FROM/ (TO) BROKER

Amounts due from and to broker 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 broker 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.

Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation and default in payments are all considered indicators that a loss allowance may be required.

K CREATION AND CANCELLATION OF UNITS

The unitholders' contribution to the Fund meets the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in six classes of units, known respectively as the AUD Hedged-class, EUR Hedged-class, GBP Hedged-class, MYR Hedged-class, SGD Hedged-class and USD Class, which are cancelled at the unitholder's option and do not have identical features. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unitholder exercises the right to put back the unit to the Fund.

Units are created and cancelled at the unitholder's option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to unitholders of respective classes with the total number of outstanding units of respective classes.

L DERIVATIVE FINANCIAL INSTRUMENTS

A derivative financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

The Fund's derivative financial instruments comprise forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Financial derivative positions will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative financial instrument are recognised in profit or loss when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative financial instrument. Derivative instruments that have a negative fair value are presented as liabilities at fair value through profit or loss.

The fair value of forward foreign currency contracts is determined using forward exchange rates at the statements of financial position, with the resulting value discounted back to present value.

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as financial assets/liabilities at fair value through profit or loss.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

M INCREASE/DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Income not distributed is included in net assets attributable to unitholders.

N 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.

Functional currency

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in USD primarily due to the following factors:

- i) Significant portion of the Fund's NAV are in investments denominated in USD.
- ii) Significant portion of the Fund's cash is denominated in USD for the purpose of making settlement of foreign trades and expenses.
- iii) Significant portion of the Fund's expenses are denominated in USD.

O REALISED AND UNREALISED PORTIONS OF INCREASE OR DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The analysis of realised and unrealised amounts in increase or decrease in net assets attributable to unitholders as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name Affin Hwang Global Balanced Fund (the “Fund”) pursuant to the execution of a Deed dated 29 March 2016, Supplemental Deed dated 1 November 2016 and Second Supplemental Deed dated 26 January 2018 (the “Deeds”) entered into between Affin Hwang Asset Management Berhad (the “Manager”) and TMF Trustees Malaysia Berhad (the “Trustee”). The Fund has changed its name from Affin Hwang Global Balanced Fund to Affin Hwang World Series – Global Balanced Fund as amended by the Supplemental Deed dated 1 November 2016.

The Fund commenced operations on 22 September 2016 and will continue its operations until terminated by the Trustee as provided under Clause 12.1 of the Deed.

The Fund may invest any of in the following assets, subject to the Deeds, the Fund’s objective, the Guidelines, the requirements of the Securities Commission (“SC”) and all relevant laws:

- (a) Units/shares in collective investment schemes;
- (b) Money market instruments;
- (c) Fixed deposits;
- (d) Derivatives;
- (e) Any other form of investments as may be permitted by the SC from time to time is in line with the objective of the Fund.

All investments will be subjected to the SC’s Guidelines on Unit Trust Funds.

The main objective of the Fund is to provide investors with capital growth opportunities through a portfolio of collective investment schemes.

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 14 January 2022.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised <u>costs</u> USD	At fair value through <u>profit or loss</u> USD	<u>Total</u> USD
<u>2021</u>				
<u>Financial asset</u>				
Cash and cash equivalents		2,611,856	-	2,611,856
Amount due from broker		455,457	-	455,457
Amount due from Manager				
- creation of units		565,743	-	565,743
- management fee rebate receivable		127	-	127
Dividend receivables		78,637	-	78,637
Collective investment schemes	8	-	94,551,821	94,551,821
Exchange-traded funds	8	-	16,258,175	16,258,175
Forward foreign currency contracts	9	-	193,287	193,287
Total		<u>3,711,820</u>	<u>111,003,283</u>	<u>114,715,103</u>
<u>Financial liabilities</u>				
Forward foreign currency contracts	9	-	907,216	907,216
Amount due to brokers		11,232	-	11,232
Amount due to Manager				
- management fee		122,672	-	122,672
- cancellation of units		19,957	-	19,957
Amount due to Trustee		5,662	-	5,662
Auditors' remuneration		984	-	984
Tax agent's fee		2,230	-	2,230
Other payables and accruals		791	-	791
Total		<u>163,528</u>	<u>907,216</u>	<u>1,070,744</u>

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised costs USD	At fair value through profit or loss USD	<u>Total USD</u>
<u>2020</u>				
<u>Financial asset</u>				
Cash and cash equivalents		1,842,388	-	1,842,388
Amount due from Manager				
- creation of units		303,452	-	303,452
- management fee rebate receivable		381	-	381
Dividend receivables		80,487	-	80,487
Collective investment schemes	8	-	76,040,745	76,040,745
Exchange-traded funds	8	-	34,103,733	34,103,733
Forward foreign currency contracts	9	-	4,037,869	4,037,869
Total		<u>2,226,708</u>	<u>114,182,347</u>	<u>116,409,055</u>
<u>Financial liabilities</u>				
Amount due to brokers		1,000,000	-	1,000,000
Amount due to Manager				
- management fee		123,176	-	123,176
- cancellation of units		867,402	-	867,402
Amount due to Trustee		5,685	-	5,685
Auditors' remuneration		825	-	825
Tax agent's fee		2,211	-	2,211
Other payables and accruals		(1,436)	-	(1,436)
Total		<u>1,997,863</u>	<u>-</u>	<u>1,997,863</u>

The Fund is exposed to a variety of risks which include market risk (including price risk, interest rate risk and currency risk), credit risk, liquidity risk and capital 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 WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (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>2021</u> USD	<u>2020</u> USD
Quoted investments		
Collective investment schemes	94,551,821	76,040,745
Exchange-traded-funds	16,258,175	34,103,733
	<u>110,809,996</u>	<u>110,144,478</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% (2020: 10%) and decreased by 10% (2020: 10%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted and unquoted investment, having regard to the historical volatility of the prices.

<u>% change in price</u>	<u>Market value</u> USD	Impact on profit after tax/NAV USD
<u>2021</u>		
-10%	99,728,996	(11,081,000)
0%	110,809,996	-
+10%	121,890,996	11,081,000
	<u> </u>	<u> </u>
<u>2020</u>		
-10%	99,130,030	(11,014,448)
0%	110,144,478	-
+10%	121,158,926	11,014,448
	<u> </u>	<u> </u>

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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

Market risk (continued)

(b) Interest rate risk

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

The Fund's exposure to the interest rate risk is mainly confined to short term placement with a financial institution. The Manager overcomes this exposure by way of maintaining deposits on short term basis.

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

(c) Currency risk

Currency risk is associated with assets/liabilities denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against United States Dollar, the assets/ liabilities will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of a foreign currency versus United States Dollar based on considerations of economic fundamentals such as interest 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:

	Collective investment scheme USD	Forward foreign currency contracts USD	Cash and cash equivalents USD	Amount due from Manager USD	Total USD
<u>2021</u>					
<u>Financial assets</u>					
Australian Dollar	-	-	25,454	36,269	61,723
Euro	-	2,271	1,358	-	3,629
British Pound Sterling	-	-	2,542	9,679	12,221
Malaysian Ringgit	-	191,016	19,848	519,795	730,659
Singapore Dollar	154,134	-	15,737	-	169,871
	<u>154,134</u>	<u>193,287</u>	<u>64,939</u>	<u>565,743</u>	<u>978,103</u>

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (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)

		Forward foreign currency contracts USD	Other liabilities* USD	Net assets attributable to unitholders USD	Total USD
<u>2021</u> (continued)					
<u>Financial liabilities</u>					
Australian Dollar		278,661	-	12,128,930	12,407,591
Euro		-	-	314,979	314,979
British Pound Sterling		130,016	-	9,814,474	9,944,490
Malaysian Ringgit		416,511	20,539	73,568,733	74,005,783
Singapore Dollar		82,028	-	7,920,503	8,002,531
		<u>907,216</u>	<u>20,539</u>	<u>103,747,619</u>	<u>104,675,374</u>
	Exchange- traded fund USD	Forward foreign currency contracts USD	Cash and cash equivalents USD	Amount due from Manager USD	Total USD
<u>2020</u>					
<u>Financial assets</u>					
Australian Dollar	-	817,033	7,405	148,593	973,031
Euro	-	17,114	6,778	-	23,892
British Pound Sterling	-	375,791	312,174	-	687,965
Malaysian Ringgit	1,460,824	2,799,740	159,221	99,649	4,519,434
Singapore Dollar	-	28,191	871	12,511	41,573
	<u>1,460,824</u>	<u>4,037,869</u>	<u>486,449</u>	<u>260,753</u>	<u>6,245,895</u>

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (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)

<u>2020</u> (continued)	Other <u>liabilities*</u> USD	Net assets attributable to <u>unitholders</u> USD	<u>Total</u> USD
<u>Financial liabilities</u>			
Australian Dollar	115,188	17,250,622	17,365,810
Euro	-	820,206	820,206
British Pound Sterling	307,993	11,485,384	11,793,377
Malaysian Ringgit	409,176	69,512,854	69,922,030
Singapore Dollar	16,281	8,157,942	8,174,223
	<u>848,638</u>	<u>107,227,008</u>	<u>108,075,646</u>

*Other liabilities consist of amount due to Manager, auditors' remuneration, tax agent's fee and other payable and accruals.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

The table below summarises the sensitivity of the Fund's (loss)/profit after tax and net asset value to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 10% (2020: 10%) with all other variables remain constants. 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 approximately 10% (2020: 10%). Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in rate %	Impact on (loss)/profit after tax/ NAV USD
<u>2021</u>		
Australian Dollar	+/- 10	+/- 1,234,587
Euro	+/- 10	+/- 31,135
British Pound Sterling	+/- 10	+/- 993,227
Malaysian Ringgit	+/- 10	+/- 7,327,512
Singapore Dollar	+/- 10	+/- 783,266
<u>2020</u>		
Australian Dollar	+/- 10	+/- 1,639,278
Euro	+/- 10	+/- 79,631
British Pound Sterling	+/- 10	+/- 1,110,541
Malaysian Ringgit	+/- 10	+/- 6,540,260
Singapore Dollar	+/- 10	+/- 813,265

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 liquid assets to meet anticipated payment and cancellations of unit by unitholders. Liquid assets comprise cash, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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

Liquidity risk

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

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

	Within one month USD	Between one month to one year USD	Total USD
<u>2021</u>			
Forward foreign currency contracts at fair value through profit or loss	99,640	807,576	907,216
Amount due to brokers	11,232	-	11,232
Amount due to Manager			
- management fees	122,672	-	122,672
- cancellation of units	19,957	-	19,957
Amount due to Trustee	5,662	-	5,662
Auditors' remuneration	-	984	984
Tax agent fee	-	2,230	2,230
Other payables and accruals	-	791	791
Net asset attributable to unitholders*	113,644,359	-	113,644,359
	<u>113,903,522</u>	<u>811,581</u>	<u>114,715,103</u>
<u>2020</u>			
Amount due to brokers	1,000,000	-	1,000,000
Amount due to Manager			
- management fees	123,176	-	123,176
- cancellation of units	867,402	-	867,402
Amount due to Trustee	5,685	-	5,685
Auditors' remuneration	-	825	825
Tax agent fee	-	2,211	2,211
Other payables and accruals	-	(1,436)	(1,436)
Net asset attributable to unitholders*	114,411,192	-	114,411,192
	<u>116,407,455</u>	<u>1,600</u>	<u>116,409,055</u>

* Outstanding units are redeemed on demand at the unitholders' option (Note K). However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as holders of these instruments typically retain them for the medium to long term.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (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 interests, principals and proceeds from realisation of investments. The Manager manages credit risk by undertaking credit evaluation to minimise such risk.

Credit risk arising from cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA or higher.

Credit risk arising from placements of 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 amount due from brokers are governed by the relevant rules and regulations as prescribed by the respective stock exchanges.

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 and counterparties of the Fund:

	Forward foreign currency contracts USD	Cash and cash equivalents USD	Other assets* USD	Total USD
<u>2021</u>				
Financial services				
- AAA	150,757	-	-	150,757
- AA1	-	2,611,856	-	2,611,856
- AA2	1,547	-	-	1,547
- AA3	40,404	-	-	40,404
- NR	579	-	-	579
Others				
- NR	-	-	1,099,964	1,099,964
	<u>193,287</u>	<u>2,611,856</u>	<u>1,099,964</u>	<u>3,905,107</u>

2020

Financial services				
- AAA	2,791,527	152,421	-	2,943,948
- AA1	-	1,689,967	-	1,689,967
- AA2	346,314	-	-	346,314
- AA3	361,915	-	-	361,915
- NR	538,113	-	-	538,113
Others				
- NR	-	-	384,320	384,320
	<u>4,037,869</u>	<u>1,842,388</u>	<u>384,320</u>	<u>6,264,577</u>

*Other assets consist of amount due from brokers, amount due from Manager and dividend receivables.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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

Capital risk

The capital of the Fund is represented by net assets attributable to unitholders. The amount of net assets attributable to unitholders 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.

3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. Fair value is defined as 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 period end date. The Fund utilises the current bid price for financial assets which falls within the bid-ask spread.

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.

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.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

The following table analyses within the fair value hierarchy the Fund's financial assets (by class) measured at fair value:

	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<u>2021</u>				
Financial assets at fair value through profit or loss				
- collective investment schemes	94,551,821	-	-	94,551,821
- exchange-traded-funds	16,258,175	-	-	16,258,175
- forward foreign currency contracts	-	193,287	-	193,287
	<u>110,809,996</u>	<u>193,287</u>	<u>-</u>	<u>111,003,283</u>
<u>2020</u>				
Financial assets at fair value through profit or loss				
- collective investment schemes	76,040,745	-	-	76,040,745
- exchange-traded-funds	34,103,733	-	-	34,103,733
- forward foreign currency contracts	-	4,037,869	-	4,037,869
	<u>110,144,478</u>	<u>4,037,869</u>	<u>-</u>	<u>114,182,347</u>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include CIS and ETF. The Fund does not adjust the quoted prices for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or not alternative pricing sources supported by observable inputs are classified within Level 2. This includes forward foreign currency contracts. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

- (ii) The carrying values of cash and cash equivalents, amount due from broker, amount due from Manager and dividend receivables and all current liabilities except for forward foreign currency contracts are a reasonable approximation of the fair values due to their short-term nature.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

4 MANAGEMENT FEE

In accordance with the Deeds, 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 6 months financial period ended 30 November 2021, the management fee is recognised at a rate of 1.30% (2020: 1.30%) per annum on the NAV of the Fund, calculated on a daily basis.

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 Deeds, the Trustee is entitled to an annual fee at a rate not exceeding 0.10% per annum on the NAV of the Fund excluding of foreign custodian fees and charges.

For the 6 months financial period ended 30 November 2021, the Trustee's fee is recognised at a rate of 0.06% (2020: 0.06%) per annum on the NAV of the Fund, inclusive of local custodian fee but exclusive of foreign sub-custodian fee, calculated on a daily basis.

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

6 DISTRIBUTIONS

	6 months financial period ended 30.11.2021 USD	6 months financial period ended 30.11.2020 USD
Distribution to unitholders is from the following sources:		
Prior year's realised income	279,378	-
Gross realised income	279,378	-
Less: Expenses	-	-
Net distribution amount	279,378	-

	Gross/Net distribution per unit (cent/sen)					
	AUD Hedged- class AUD	EUR Hedged- class EUR	GBP Hedged- class GBP	MYR Hedged- class RM	SGD Hedged- class SGD	USD class USD
<u>Ex-date</u>						
21.07.2021	-	0.2500	-	0.2500	0.2500	0.2500

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

6 DISTRIBUTIONS (CONTINUED)

There was no distribution made for 6 months financial period ended 30 November 2020.

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.

The distribution made for the financial period includes an amount of USD279,378 (2020: USD Nil) from previous year's realised income.

The Fund has incurred an unrealised loss of USD5,800,474 (2020: USD Nil) for the 6 months financial period ended 30 November 2021.

7 TAXATIONS

	6 months financial period ended 30.11.2021 USD	6 months financial period ended 30.11.2020 USD
Current taxation	-	-

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

	6 months financial period ended 30.11.2021 USD	6 months financial period ended 30.11.2020 USD
Net (loss)/profit before finance cost and taxation	(3,841,216)	23,267,087
Tax at Malaysian statutory rate of 24% (2020: 24%)	(921,892)	5,584,101
Tax effects of:		
Investment loss not brought to tax/ (Investment income not subject to tax)	741,535	(5,796,783)
Expenses not deductible for tax purposes	12,410	17,279
Restriction on tax deductible expenses for Unit Trust Funds	167,947	195,403
Tax expense	-	-

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2021</u> USD	<u>2020</u> USD
Financial assets at fair value through profit or loss:		
- collective investment schemes – local	154,134	-
- collective investment schemes – foreign	94,397,687	76,040,745
- exchange-traded funds – local	-	1,460,824
- exchange-traded funds – foreign	16,258,175	32,642,909
	<u>110,809,996</u>	<u>110,144,478</u>
Net (loss)/gain on financial assets at fair value through profit or loss:		
- realised gain on sale of investments	3,151,897	3,080,639
- unrealised (loss)/gain on changes in fair value	(4,008,975)	11,417,391
- management fee rebate on collective investment scheme#	1,015	2,344
	<u>(856,063)</u>	<u>14,500,374</u>

In arriving at the fair value of collective investment schemes, the management fee initially paid to the Manager of collective investment schemes 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's Guidelines, management fee charged on the Fund's investments in collective investment schemes have been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of collective investment schemes is reflected as an increase in the net asset value of the collective investment schemes.

(a) Collective investment scheme – local

(i) Collective investment scheme – local as at 30 November 2021 are as follows:

<u>Name of counter</u>	<u>Quantity</u>	<u>Aggregate cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
Affin Hwang SGD Bond Fund	421,348	155,865	154,134	0.14
Total collective investment scheme – local	<u>421,348</u>	<u>155,865</u>	<u>154,134</u>	<u>0.14</u>
Accumulated unrealised loss on collective investment scheme – local		(1,731)		
Total collective investment scheme – local		<u>154,134</u>		

(ii) There was no investment in collective investment scheme – local as at 30 November 2020.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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

(b) Collective investment schemes – foreign

(i) Collective investment schemes – foreign as at 30 November 2021 are as follows:

<u>Name of counter</u>	<u>Quantity</u>	<u>Aggregate cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
BlackRock Global Funds - Asian Multi-Asset Income Fund	519,882	6,830,610	7,694,257	6.77
BlackRock Global Funds - Asian Tiger Bond Fund	973,138	11,496,106	10,626,662	9.35
BlackRock Global Funds - Emerging Markets Fund	87,922	4,178,841	4,746,031	4.18
BlackRock Global Funds - Euro Special Situation Fund	83,249	5,508,495	7,288,453	6.41
BlackRock Global Funds - Fixed Income Global Opportunities Fund	1,682,810	17,680,448	18,477,252	16.26
BlackRock Global Funds - Global Allocation Fund	294,871	22,448,764	25,019,788	22.01
BlackRock Global Funds - Global Multi-Asset Income Fund	841,229	8,479,977	8,538,477	7.51
BlackRock Global Funds - Long Horizon Equity Fund	117,357	11,130,000	12,006,767	10.57
Total collective investment schemes – foreign	<u>4,600,458</u>	<u>87,753,241</u>	<u>94,397,687</u>	<u>83.06</u>
Accumulated unrealised gain on collective investment schemes – foreign		<u>6,644,446</u>		
Total collective investment schemes – foreign		<u>94,397,687</u>		

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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

(b) Collective investment schemes – foreign (continued)

(ii) Collective investment schemes – foreign as at 30 November 2020 are as follows:

<u>Name of counter</u>	<u>Quantity</u>	<u>Aggregate cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
BlackRock Global Funds - Asian Multi-Asset Income Fund	521,024	6,665,952	7,825,773	6.84
BlackRock Global Funds - Asian Tiger Bond Fund	504,400	5,977,777	6,123,412	5.35
BlackRock Global Funds - Emerging Markets Fund	82,639	3,372,581	4,224,489	3.69
BlackRock Global Funds - Euro Special Situation Fund	118,123	7,439,249	8,489,525	7.42
BlackRock Global Funds - Fixed Income Global Opportunities Fund	1,107,610	11,086,653	12,283,398	10.74
BlackRock Global Funds - Global Allocation Fund	250,436	17,951,863	19,478,881	17.03
BlackRock Global Funds - Global Corporate Bond Fund	256,027	3,737,964	4,342,225	3.79
BlackRock Global Funds - Global High Yield Bond Fund	492,476	3,981,614	4,097,403	3.58
BlackRock Global Funds - Global Multi-Asset Income Fund	917,564	9,207,171	9,175,639	8.02
Total collective investment schemes – foreign	<u>4,250,299</u>	<u>69,420,824</u>	<u>76,040,745</u>	<u>66.46</u>
Accumulated unrealised gain on collective investment schemes – foreign		<u>6,619,921</u>		
Total collective investment schemes – foreign		<u>76,040,745</u>		

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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

(c) Exchange-traded-fund – local

(i) There was no investment in exchange-traded-fund – local as at 30 November 2021.

(ii) Exchange-traded-fund – local as at 30 November 2020 are as follows:

<u>Name of counter</u>	<u>Quantity</u>	Aggregate <u>cost</u> USD	Fair <u>value</u> USD	Percentage <u>of NAV</u> %
TradePlus Shariah Gold Tracker	2,581,000	1,149,075	1,460,824	1.28
Total exchange-traded-fund – local	<u>2,581,000</u>	<u>1,149,075</u>	<u>1,460,824</u>	<u>1.28</u>
Accumulated unrealised gain on exchange-traded-fund – local		<u>311,749</u>		
Total exchange-traded-fund – local		<u>1,460,824</u>		

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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

(d) Exchange-traded-fund – foreign

(i) Exchange-traded-fund – foreign as at 30 November 2021 are as follows:

<u>Name of counter</u>	<u>Quantity</u>	Aggregate cost USD	Fair value USD	Percentage of NAV %
iShares Core S&P 500 UCITS ETF	34,759	9,480,645	16,258,175	14.31
Total exchange-traded-fund – foreign	34,759	9,480,645	16,258,175	14.31
Accumulated unrealised gain on exchange-traded-fund – foreign		6,777,530		
Total exchange-traded-fund – foreign		16,258,175		

(ii) Exchange-traded-funds – foreign as at 30 November 2020 are as follows:

<u>Name of counter</u>	<u>Quantity</u>	Aggregate cost USD	Fair value USD	Percentage of NAV %
iShares Physical Gold ETC	79,741	2,330,648	2,773,392	2.42
iShares Core S&P 500 UCITS ETF	52,284	13,672,301	18,963,407	16.57
iShares MSCI Japan USD Hedged UCITS ETF	100,120	3,523,526	4,044,848	3.54
iShares Edge MSCI USA	773,100	4,800,135	6,861,262	6.00
Total exchange-traded-funds – foreign	1,005,245	24,326,610	32,642,909	28.53
Accumulated unrealised gain on exchange-traded-funds – foreign		8,316,299		
Total exchange-traded-funds – foreign		32,642,909		

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

9 CASH AND CASH EQUIVALENTS

	<u>2021</u> USD	<u>2020</u> USD
Cash and cash equivalents	2,611,856	1,689,967
Deposits with licensed financial institutions	-	152,421
	<u>2,611,856</u>	<u>1,842,388</u>

Weighted average effective interest rates per annum of deposits with licensed financial institutions are as follows:

	<u>2021</u>	<u>2020</u>
Deposits with licensed financial institutions	-	1.75

Deposits with licensed financial institutions of the Fund have an average maturity of Nil day (2020: 1 day).

10 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of unaudited statement of financial position, there are 48 (2020: 58) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD104,526,641 (2020: USD262,946,076.78). The forward foreign currency contracts entered into during the financial period were for hedging against the currency exposure arising from denominated in Australian Dollar, Euro, British Pound Sterling, Malaysian Ringgit and Singapore Dollar. As the Fund has not designated the forward contracts as part of a hedging relationship for hedge accounting purpose, the change in the fair value of the forward foreign currency contracts is recognised immediately in the statement of comprehensive income.

11 NUMBER OF UNITS IN CIRCULATION

(a) AUD Hedged-class units in circulation

	<u>2021</u> No. of units	<u>2020</u> No. of units
At the beginning of the financial period	24,437,000	51,171,000
Creation of units arising from applications	5,376,000	2,701,000
Cancellation of units	(3,737,000)	(15,428,000)
At the end of the financial period	<u>26,076,000</u>	<u>38,444,000</u>

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

11 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(b) EUR Hedged-class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At the beginning of the financial period	254,000	964,000
Creation of units arising from applications	291,826	925,000
Creation of units arising from distribution	1,174	-
Cancellation of units	(56,000)	(625,000)
At the end of the financial period	<u>491,000</u>	<u>1,264,000</u>

(c) GBP Hedged-class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At the beginning of the financial period	14,064,000	18,151,000
Creation of units arising from applications	1,595,000	1,427,000
Cancellation of units	(3,485,000)	(4,244,000)
At the end of the financial period	<u>12,174,000</u>	<u>15,334,000</u>

(d) MYR Hedged-class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At the beginning of the financial period	357,095,000	598,320,000
Creation of units arising from applications	85,992,283	8,429,000
Creation of units arising from distribution	1,265,717	-
Cancellation of units	(17,702,000)	(182,384,000)
At the end of the financial period	<u>426,651,000</u>	<u>424,365,000</u>

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

11 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(e) SGD Hedged-class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At the beginning of the financial period	13,944,000	20,404,000
Creation of units arising from applications	3,520,001	2,553,000
Creation of units arising from distribution	53,335	-
Cancellation of units	(1,225,336)	(5,341,000)
At the end of the financial period	<u>16,292,000</u>	<u>17,616,000</u>

(f) USD Class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At the beginning of the financial period	10,267,000	17,569,000
Creation of units arising from applications	5,595,921	1,227,000
Creation of units arising from distribution	41,079	-
Cancellation of units	(1,438,000)	(7,501,000)
At the end of the financial period	<u>14,466,000</u>	<u>11,295,000</u>

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

12 TRANSACTIONS WITH BROKERS

- (a) Details of transaction with brokers for 6 months financial period ended 30 November 2021 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> USD	<u>Percentage of total trade</u> %	<u>Brokerage fee</u> USD	<u>Percentage of brokerage fee</u> %
Black Rock	22,232,555	66.31	-	-
Cantor Fitzgerald Europe	4,151,268	12.38	8,303	80.46
CLSA Securities Malaysia Sdn Bhd	2,777,937	8.29	833	8.07
Deutsche Bank (Malaysia) Bhd	1,697,949	5.06	-	-
Affin Hwang Investment Bank Bhd#	1,469,653	4.38	637	6.17
Macquarie Bank Limited (Hong Kong)	935,064	2.79	467	4.52
Sanford C. Bernstein Ltd. London	265,847	0.79	80	0.78
	<u>33,530,273</u>	<u>100.00</u>	<u>10,320</u>	<u>100.00</u>

- (b) Details of transaction with brokers for 6 months financial period ended 30 November 2020 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> USD	<u>Percentage of total trade</u> %	<u>Brokerage fee</u> USD	<u>Percentage of brokerage fee</u> %
BlackRock Investment Management Company	83,521,206	82.40	-	-
Sanford C. Bernstein Ltd. London	7,009,209	6.92	7,916	40.86
Macquarie Capital (Europe) Ltd	4,620,651	4.56	2,310	11.92
Cantor Fitzgerald Europe	4,449,558	4.39	8,899	45.94
Deutsche Bank (Malaysia) Bhd	1,350,000	1.33	-	-
Credit Lyonnais Sec. USA Inc	411,637	0.40	247	1.28
	<u>101,362,261</u>	<u>100.00</u>	<u>19,372</u>	<u>100.00</u>

Included in the transactions with brokers are trades in the stockbroking industry with Affin Hwang Investment Bank Bhd, a company related to the Manager amounting to USD1,469,653 (2020: USD Nil). The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between the related parties.

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

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

The related parties of and their relationships with the Fund are as follows:

<u>Related parties</u>	<u>Relationships</u>
Lembaga Tabung Angkatan Tentera (“LTAT”)	Ultimate holding corporate body of the Manager
Affin Bank Berhad (“ABB”)	Penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Holding company of the Manager
Affin Hwang Asset Management Berhad	The Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiary and associated companies of the penultimate holding company of the Manager as disclosed in its financial statements
Directors of Affin Hwang Asset Management Berhad	Directors of the Manager

The units held by the Manager and party related to the Manager as at the end of the financial period are as follows:

	<u>2021</u>		<u>2020</u>	
	<u>No. of units</u>	<u>USD</u>	<u>No. of units</u>	<u>USD</u>
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad (The units are held legally for booking purposes)				
- AUD Hedged-class	2,343	1,090	2,992	1,343
- EUR Hedged-class	3,255	2,088	2,958	1,919
- GBP Hedged-class	3,764	3,034	2,652	1,986
- MYR Hedged-class	2,637	455	3,508	575
- SGD Hedged-class	3,957	1,924	3,437	1,592
- USD Class	3,341	2,285	3,518	2,237
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Subsidiary and associated companies of the penultimate holding company of the Manager:</u>				
ABB Nominee (Tempatan) Sdn Bhd (The units are held beneficially)	1,079,630	186,128	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

14 MANAGEMENT EXPENSE RATIO (“MER”)

	6 months financial period ended 30.11.2021 %	6 months financial period ended 30.11.2020 %
MER	0.69	0.70

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 services tax on transaction costs
F	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is USD107,061,291 (2020: USD125,294,784).

15 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended 30.11.2021	6 months financial period ended 30.11.2020
PTR (times)	0.16	0.39

PTR is derived from the following calculation:

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

where: total acquisition for the financial period = USD24,553,306 (2020: USD35,266,712)
total disposal for the financial period = USD10,465,137 (2020: USD63,014,910)

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 NOVEMBER 2021 (CONTINUED)

16 SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

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

AFFIN HWANG WORLD SERIES – GLOBAL BALANCED FUND

STATEMENT BY THE MANAGER

I, Dato' 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 the opinion of the Manager, the financial statements set out on pages 1 to 40 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 November 2021 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial period ended 30 November 2021 in accordance with the Malaysia Financial Reporting Standards and International Financial Reporting Standards.

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

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
14 January 2022

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