AHAM CAPITAL
ASSET MANAGEMENT

ANNUAL REPORT
30 November 2022

Affin Hwang World Series – **Asian High Yield** Fund

MANAGER
AHAM Asset Management Berhad
(Formerly known as Affin Hwang Asset Management Berhad)
199701014290 (429786-T)

TRUSTEE
HSBC (Malaysia) Trustees Berhad
193701000084 (1281-T)

Built On Trust

aham.com.my

AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

Annual Reports and Audited Financial Statements
For The Financial Period Ended 30 November 2022

Contents **Page**

FUND INFORMATION III
FUND PERFORMANCE DATA V
MANAGER'S REPORT VI
TRUSTEE'S REPORT XII
FINANCIAL STATEMENT
DIRECTORY OF SALES OFFICE

FUND INFORMATION

Fund Name	Affin Hwang World Series – Asian High Yield Fund
Fund Type	Income
Fund Category	Feeder (Wholesale)
Investment Objective	The Fund is an open-ended wholesale feeder fund that seeks to provide regular income over medium to long term period.
Distribution Policy	Subject to the availability of income, the Fund endeavours to distribute income on a monthly basis, after the end of its first financial year.

FUND PERFORMANCE DATA

Category	As at 30 Nov 2022 (%)	As at 30 Nov 2021 (%)
Portfolio composition		
Collective investment scheme	96.44	95.90
Cash & cash equivalent	3.56	4.10
Total	**100.00**	**100.00**

Currency class	USD Class	MYRH Class	SGDH Class	AUDH Class	USD Class	MYRH Class	SGDH Class	AUDH Class
Total NAV (million)	0.398	15.605	0.343	0.626	0.623	25.327	0.469	0.856
NAV per Unit (in respective currencies)	0.3109	0.3140	0.3084	0.3074	0.4231	0.4278	0.4208	0.4219
Unit in Circulation (million)	1.279	49.696	1.113	2.037	1.472	59.203	1.114	2.029
Highest NAV	0.4295	0.4345	0.4272	0.4280	0.5199	0.5218	0.5187	0.5268
Lowest NAV	0.2787	0.2822	0.2766	0.2757	0.4107	0.4148	0.4088	0.4115
Return of the Fund (%)	-26.09	-26.17	-26.28	-26.71	-10.88	-9.41	-10.95	-10.57
- Capital Growth (%)	-26.52	-26.60	-26.71	-27.14	-15.38	-14.44	-15.84	-15.62
- Income Distribution (%)	0.59	0.58	0.59	0.59	5.31	5.87	5.81	5.99
Gross Distribution per Unit (sen)	0.25	0.25	0.25	0.25	2.52	2.81	2.75	2.86
Net Distribution per Unit (sen)	0.25	0.25	0.25	0.25	2.52	2.81	2.75	2.86
Total Expense Ratio (%)[1]	1.59				1.94			
Portfolio Turnover Ratio (times)[2]	1.64				0.79			

<u>Basis of calculation and assumption made in calculating the returns:-</u>

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

[1] The TER of the Fund was lower due to the decreased in expenses during the financial year under review.
[2] The PTR of the Fund increased due to increased trading activities during the financial year under review.

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 (USD)	Distribution per Unit (USD)	Ex-distribution (USD)
14-Dec-21	15-Dec-21	0.4274	0.0025	0.4238

MYR Hedged-Class

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
14-Dec-21	15-Dec-21	0.4323	0.0025	0.4289

SGD Hedged-class

Cum Date	Ex-Date	Cum-distribution (SGD)	Distribution per Unit (SGD)	Ex-distribution (SGD)
14-Dec-21	15-Dec-21	0.4251	0.0025	0.4216

AUD Hedged-class

Cum Date	Ex-Date	Cum-distribution (AUD)	Distribution per Unit (AUD)	Ex-distribution (AUD)
14-Dec-21	15-Dec-21	0.4259	0.0025	0.4224

No unit split were declared for the financial year ended 30 November 2022.

Performance Review (1 December 2021 to 30 November 2022)

USD Class

For the period 1 December 2021 to 30 November 2022, the Fund registered a return of -26.09%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2022 was USD0.3109 while the NAV as at 30 November 2021 was USD0.4231. During the 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 -34.13%.

AUD Hedged-Class

For the period 1 December 2021 to 30 November 2022, the Fund registered a return of -26.71%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2022 was AUD0.3074 while the NAV as at 30 November 2021 was AUD0.4219. During the same period under review, the Fund has declared a gross income distribution of AUD0.0025 per unit.

Since commencement, the Fund has registered a return of -34.45%.

MYR Hedged-Class

For the period 1 December 2021 to 30 November 2022, the Fund registered a return of -26.17%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2022 was MYR0.3140 while the NAV as at 30 November 2021 was MYR0.4278. 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 -33.12%.

SGD Hedged-Class

For the period 1 December 2021 to 30 November 2022, the Fund registered a return of -26.28%. The Net Asset Value per unit ("NAV") of the Fund as at 30 November 2022 was SGD0.3084 while the NAV as at 30 November 2021 was SGD0.4208. 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 -34.35%.

Fund Performance

Table 1: Performance of the Fund

	1 Year (1/12/21 - 30/11/22)	Since Commencement (28/9/20 - 30/11/22)
USD Class	**(26.09%)**	**(34.13%)**
AUD Hedged-Class	**(26.71%)**	**(34.45%)**
MYR Hedged-Class	**(26.17%)**	**(33.12%)**
SGD Hedged-Class	**(26.28%)**	**(34.35%)**

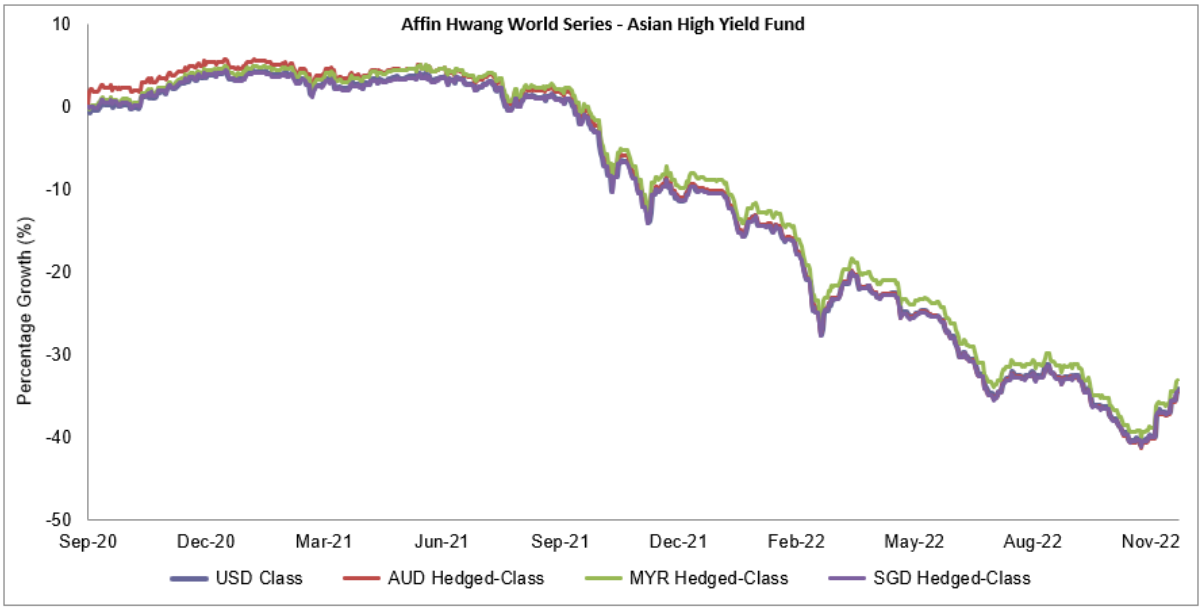
Table 2: Average Total Return

	1 Year (1/12/21 - 30/11/22)	Since Commencement (28/9/20 - 30/11/22)
USD Class	**(26.09%)**	**(17.46%)**
AUD Hedged-Class	**(26.71%)**	**(17.65%)**
MYR Hedged-Class	**(26.17%)**	**(16.89%)**
SGD Hedged-Class	**(26.28%)**	**(17.59%)**

Table 3: Annual Total Return

	FYE 2022 (1/12/21 - 30/11/22)	FYE 2021 (28/9/20 - 30/11/21)
USD Class	**(26.09%)**	**(10.88%)**
AUD Hedged-Class	**(26.71%)**	**(10.57%)**
MYR Hedged-Class	**(26.17%)**	**(9.41%)**
SGD Hedged-Class	**(26.28%)**	**(10.95%)**

Figure 1: Movement of the Fund since commencement.



"This information is prepared by AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) 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."

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

Asset Allocation

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

As at 30 November 2022, the asset allocation of the Fund stood at 96.44% in collective investment scheme while the balance was held in cash and cash equivalent.

Strategy Employed

While the Fund's strategy remains invested in owning high quality businesses; the Fund currently has a tilt towards value stocks and the financials and materials sectors are our largest overweight exposures. The portfolio is well positioned to capture alpha.

Market Review

Sustained inflationary pressures as well as central bank tightening continues to present a headwind to financial markets. Geopolitical instability also contributes to market concerns as friction between Russia and Ukraine persists, causing supply chain disruptions among investor concerns. At the start of the year, investment markets started to take seriously the potential implications of a change in monetary policy direction as inflationary pressures showed little signs of abating. As we enter the last quarter of the year, numerous interest rates hikes have taken place over the year. The US Federal Reserve (Fed) has raised the fed funds rate to 4.00% by November 2022 to address inflationary pressures. All eyes will be on the upcoming Fed's policy meeting on the 14 December where a 50-75 basis points (bps) rate hike is widely baked into market expectations. Investors will be keeping a lookout on the Fed's forward commentary to see if there are any signs of a pivot.

In November, equity and bond markets recovered from their October lows due to elevated hopes that US inflation may have already peaked, earmarking that the Fed can afford to ease back on its tightening policy. The Standard & Poor (S&P) 500 index climbed 5.4% as core Consumer Price Indez (CPI) came below

consensus forecasts fuelling hopes that the Fed would start to pause its tightening cycle. However, despite the recent gain, the one-year performance shows a negative return of 9.65%. The tech-heavy Nasdaq gauge similarly rose 4.4% in November as bond yields fell.

In the US, core inflation cooled slightly as the 7.7% year-on-year increase was below consensus expectations. Industrial activity slowed in November with a flash Purchasing Managers' Index (PMI) contracting to 47.7. Retail sales grew by 1.3%, though there is a gap between negative consumer sentiment and actual consumer behavior. The unemployment rate rose slightly to 3.7% in October. Eurozone inflation eased to 10.0% year-on-year in November, down from 10.6% in October, although Europe continues to feel the effects of the energy crisis. The eurozone composite PMI rose to 47.8.

In Asia, the broader Morgan Stanley Capital International (MSCI) Asia ex-Japan soared 18.7% as the US dollar weakened. China stocks rallied with the Shanghai Shenzhen CSI 300 index up 9.8% buoyed by reopening optimism. Beijing announced several new measures to tweak its strict zero-COVID strategy. These include an adjustment of categorisation of COVID risk areas to "high" and "low" - eliminating a "medium" category in a bid to minimise the number of people caught up in control measures. Authorities also shortened the quarantine period by two days and will also end its policy to identify "secondary" close contacts.

On the domestic front, the benchmark FTSE Bursa Malaysia KLCI rose 2.0% as a nail-biting political impasse reached a resolution with the appointment of Datuk Seri Anwar Ibrahim as Malaysia's 10th Prime Minister. Anwar will now lead a unity government comprising the main coalitions of Pakatan Harapan (PH), Barisan Nasional (BN), Gabungan Parti Sarawak (GPS), Gabungan Rakyat Sabah (GRS) as well as support of member of parliaments from Muda, Warisan and other independents. With a second shot at power, PH is unlikely to repeat the same mistakes and policy flip-flops that plagued its first tenure especially with Anwar now firmly holding the reins. With low foreign positioning and domestic funds highly cashed-up, any incremental positives will drive market performance as more clarity emerges.

November was a better month for global bond markets. Government bond yields were broadly lower. US 10-year yields fell from 4.08% to 3.70%, with the two-year dropping from 4.50% to 4.37%. Germany's 10-year yield dropped from 2.16% to 1.95%. Both US and European high yield and investment grade performed well. Emerging market debt performed positively in local currency terms as well as in USD terms. Commodities had mixed performance including price gains in industrial and precious metals and price drops in energy.

Asia credit market posted a positive return in November. Overall, two-year yields were down 17 bps while 10-year yields were down 44 bps. High yield bonds outperformed investment grade bonds over the month as the overall spreads narrowed to a larger extent in the former, amid a 25 bps reserve requirement ratio (RRR) cut to inject liquidity in China and positive news on major Chinese banks signing strategic agreements to provide new credit lines to some property developers. From a credit spread perspective, investment grade bonds tightened over the month with sovereign bonds overall tightened as rate sensitive parts of the market fared well. Meanwhile, spreads of IG corporate bonds generally tightened.

On local fixed income, the 10-year Malaysian Government Securities (MGS) yield fell 24 bps to end the month at 4.11%. As widely expected, Bank Negara Malaysia (BNM) raised the Overnight Policy Rate (OPR) by 25bps on the back of a strong recovery and robust domestic demand. Expectations are that BNM would normalize the monetary policy by another 1 or 2 times or 25-50bps next year on the back of still positive economic growth prospect as well as to manage demand driven inflationary pressures.

Investment Outlook

Markets are set to remain challenging as the global economy waddles through several turbulent changes. The effects of Russia's invasion of Ukraine, the highest level of inflation seen in several decades and lingering COVID-19 pandemic effects all contribute heavily to the outlook. As policymakers aim to lower inflation back to a sustainable range, monetary and fiscal policy that provided support during the pandemic has started to normalise. However, without careful calibration of policies, more economies could potentially see a larger degree of slowing growth or outright contraction. The possibility of another pandemic induced supply chain reduction on top of the continuing Russia-Ukraine conflict could affect the global economy's health.

Economists are expecting a weaker growth in 2023 compared to 2022 with the proliferation of slow global growth induced by the effects of rapid rate hikes and inflation to name a few. However, Asian market is expected to benefit from the from China's stabilization and the hope of re-opening. We remain positive on quality businesses with durable competitive advantages, which provide stability should uncertainty persist, and economic fundamentals deteriorate. Within China, the offshore shares are expected to offer better risk-adjusted return profile than the onshore equities at this juncture as global appetite turns more positive with signs of lower of inflation pressure.

US economic data that was released in the month posted its first positive growth for 2022. Although the November Federal Open Market Committee (FOMC) decision – a fourth consecutive 75-basis point (75-bp) rate increase – and the post-decision press conference was interpreted as hawkish, the language added to the FOMC statement opened the door for a less hawkish stance in the future. Chair Powell's speech on the last day of the month further supported that view. Together these developments may have reduced the tail risk of a much higher terminal rate in 2023, pressuring the US dollar, Treasury yields, and equity volatility. In addition, consumer spending and the labour market remained resilient, and the Q3 earnings season was better than feared.

The sharp recovery and significant credit spread tightening in Asia credit market this month was led by China. Whilst the Asia credit market has generated some decent returns and outperformed its global peers, the sustainability of the recovery has immediately come into question. The strong market sentiment came mainly from the news that more credit lines would be granted by the big Chinese banks to 17 property developers and more easing of covid rules in major cities in China. These policy measures came faster than the markets expected, reflecting the Chinese authorities' stronger commitment to restore confidence and property sales. Although the impact on the economy would depend on the effectiveness of the transmission mechanism, we could see some positive signs of the authorities recognizing the urgency of addressing these issues, which should lead to a more sustained recovery in the Chinese credit market especially in the property space. In the high yield space, credit spreads tightened with the Chinese names tightening most dramatically, driven by the sharp rebound in the property sector.

We expect markets to remain volatile as markets continue to shift between competing narratives of elevated inflation and rising risk of a recession, which will take time to play out. In addition to global rate hikes, geopolitical risk could further increase volatility. Risks to the outlook continue to remain large and for the most part, to the downside. Central banks and policymakers could misjudge the right stance to contain inflation and reign it in for a soft landing. If policy paths in the largest economies continue to diverge, further US dollar appreciation and cross-border tension could be observed.

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 year under review, no soft commission was received by the Manager on behalf of the Fund.

Cross Trade

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

Securities Financing Transactions

The Fund has not undertaken any securities lending or repurchase transactions during the financial year under review.

Changes Made To the Fund's Information Memorandum

There were no changes made to the Fund's Information Memorandum during the financial year under review.

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF
AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND ("Fund")

We have acted as the Trustee of the Fund for the financial year ended 30 November 2022 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) has operated and managed the Fund during the year covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the Management Company under the Deed, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;

2. Valuation and pricing is carried out in accordance with the Deed; and

3. Any creation and cancellation of units are carried out in accordance with the Deed and any regulatory requirement.

We are of the opinion that the distributions of income by the Fund are appropriate and reflects the investment objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
18 January 2023

AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

CONTENTS

	PAGE (S)
STATEMENT OF COMPREHENSIVE INCOME	1 - 2
STATEMENT OF FINANCIAL POSITION	3 - 4
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	5 - 6
STATEMENT OF CASH FLOWS	7
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	8 - 14
NOTES TO THE FINANCIAL STATEMENTS	15 - 38
STATEMENT BY THE MANAGER	39
INDEPENDENT AUDITORS' REPORT	40 - 43

AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

	Note	Financial year ended 30.11.2022 USD	Financial period from 7.9.2020 (date of launch) to 30.11.2021 USD
INVESTMENT LOSS			
Dividend Income		-	667,722
Interest income from financial assets at amortised cost		121	435
Net gain on foreign currency exchange		373	876
Net loss on forward foreign currency contracts at fair value through profit or loss	9	(310,572)	(107,316)
Net loss on financial assets at fair value through profit or loss	8	(1,830,800)	(1,626,228)
		(2,140,878)	(1,064,511)
EXPENSES			
Management fee	4	(88,426)	(147,763)
Trustee fee	5	(1,771)	(2,967)
Auditors' remuneration		(1,837)	(1,888)
Tax agent's fee		(803)	(826)
Other expenses		(972)	(1,278)
		(93,809)	(154,722)
NET LOSS BEFORE FINANCE COST AND TAXATION		(2,234,687)	(1,219,233)
FINANCE COST (EXCLUDING DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)			
Distributions	6	(44,401)	(504,672)
NET LOSS BEFORE TAXATION		(2,279,088)	(1,723,905)
Taxation	7	-	-
DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		(2,279,088)	(1,723,905)

AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022 (CONTINUED)

	Note	Financial year ended 30.11.2022 USD	Financial period from 7.9.2020 (date of launch) to 30.11.2021 USD
Decrease in net assets attributable to unitholders comprise the following:			
Realised amount		(2,582,960)	(48,707)
Unrealised amount		303,872	(1,675,198)
		(2,279,088)	(1,723,905)

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 – ASIAN HIGH YIELD FUND

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2022

	Note	2022 USD	2021 USD
ASSETS			
Cash and cash equivalents		12,101	309,662
Amount due from broker		38,906	43,932
Amount due from Manager			
- creation of units		-	20,443
- management fee rebate receivable		16,034	12,659
Dividends receivable		-	59,216
Financial assets at fair value through profit or loss	8	4,419,174	7,292,204
Forward foreign currency contracts at fair value through profit or loss	9	104,352	3,752
TOTAL ASSETS		4,590,567	7,741,868
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	9	-	37,305
Amount due to broker		-	44,418
Amount due to Manager			
- management fee		5,208	9,476
- cancellation of units		135	44,012
Amount due to Trustee		104	189
Auditors' remuneration		1,822	1,888
Tax agent's fee		869	826
Other payables and accruals		200	74
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		8,338	138,188
NET ASSET VALUE OF THE FUND		4,582,229	7,603,680
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		4,582,229	7,603,680

AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

STATEMENT OF FINANCIAL POSITION
AS AT 30 NOVEMBER 2022 (CONTINUED)

	Note	2022 USD	2021 USD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- AUD Hedged-class		421,141	609,982
- MYR Hedged-class		3,512,488	6,027,678
- SGD Hedged-class		251,013	343,278
- USD Class		397,587	622,742
		4,582,229	7,603,680
NUMBER OF UNITS IN CIRCULATION			
- AUD Hedged-class	10(a)	2,037,000	2,029,000
- MYR Hedged-class	10(b)	49,696,000	59,203,000
- SGD Hedged-class	10(c)	1,113,000	1,114,000
- USD Class	10(d)	1,279,000	1,472,000
		54,125,000	63,818,000
NET ASSET VALUE PER UNIT (USD)			
- AUD Hedged-class		0.2067	0.3006
- MYR Hedged-class		0.0707	0.1018
- SGD Hedged-class		0.2255	0.3081
- USD Class		0.3109	0.4231
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- AUD Hedged-class		AUD0.3074	AUD0.4219
- MYR Hedged-class		RM0.3140	RM0.4278
- SGD Hedged-class		SGD0.3084	SGD0.4208
- USD Class		USD0.3109	USD0.4231

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 – ASIAN HIGH YIELD FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

	Financial year ended 30.11.2022 USD	Financial period from 7.9.2020 (date of launch) to 30.11.2021 USD
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR/ DATE OF LAUNCH	7,603,680	-
Movement due to units created and cancelled during the financial year/period:		
Creation of units arising from applications	800,141	11,783,447
- AUD Hedged-class	13,477	1,177,165
- MYR Hedged-class	691,842	9,160,778
- SGD Hedged-class	94,682	584,839
- USD Class	140	860,665
Creation of units arising from distributions	42,300	484,641
- AUD Hedged-class	3,633	52,668
- MYR Hedged-class	32,947	372,607
- SGD Hedged-class	2,040	24,507
- USD Class	3,680	34,859
Cancellation of units	(1,584,804)	(2,940,503)
- AUD Hedged-class	(14,753)	(448,697)
- MYR Hedged-class	(1,424,793)	(2,174,132)
- SGD Hedged-class	(83,305)	(174,454)
- USD Class	(61,953)	(143,220)

AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022 (CONTINUED)

	Financial year ended 30.11.2022 USD	Financial period from 7.9.2020 (date of launch) to 30.11.2021 USD
Decrease in net assets attributable to unitholders during the financial year/period	(2,279,088)	(1,723,905)
- AUD Hedged-class	(191,199)	(171,154)
- MYR Hedged-class	(1,815,186)	(1,331,574)
- SGD Hedged-class	(105,682)	(91,615)
- USD Class	(167,021)	(129,562)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR/PERIOD	4,582,229	7,603,680

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 – ASIAN HIGH YIELD FUND

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

	Note	Financial year ended 30.11.2022 USD	Financial period from 7.9.2020 (date of launch) to 30.11.2021 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		9,136,058	1,755,536
Purchase of investments		(8,205,540)	(10,791,582)
Dividend received		59,216	608,506
Interest received		121	435
Management fee rebate received		68,945	105,441
Management fee paid		(92,694)	(138,287)
Trustee fee paid		(1,856)	(2,778)
Payment for other fees and expenses		(3,509)	(1,204)
Net realised gain/(loss) on foreign exchange		666	(1,842)
Net realised loss on forward foreign currency contracts		(448,477)	(73,763)
Net cash flows generated from/(used in) operating activities		512,930	(8,539,538)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		820,584	11,763,004
Payments for cancellation of units		(1,628,681)	(2,896,491)
Payment for distribution		(2,101)	(20,031)
Net cash flows (used in)/generated from financing activities		(810,198)	8,846,482
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(297,268)	306,944
EFFECTS OF FOREIGN CURRENCY EXCHANGE		(293)	2,718
CASH AND CASH EQUIVALENTS AT THE OF THE FINANCIAL YEAR/DATE OF LAUNCH		309,662	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR/PERIOD		12,101	309,662

Cash and cash equivalents as at 30 November 2022 and 30 November 2021 comprise of bank balances.

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 – ASIAN HIGH YIELD FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

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 ("MFRS") and International Financial Reporting Standards ("IFRS").

The preparation of financial statements in conformity with MFRS and IFRS 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 year/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 M.

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

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16 'Interest Rate Benchmark (IBOR) Reform – Phase 2' (effective 1 January 2021) provide practical expedient allowing Fund to update the effective interest rate to account for any required changes in contractual cash flows that is a direct consequence of IBOR reform. This results in no immediate gain or loss recognised in profit or loss.

  The amendments require entities to update the hedge documentation to reflect the changes required by the IBOR replacement. The amendments also provide reliefs that enable and require entities to continue hedge accounting in circumstances when changes in hedged items and hedging instruments are solely due to IBOR reform.

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

(a) 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.

AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022 (CONTINUED)

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

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

- 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.

B INCOME RECOGNITION

Interest income

Interest income from short-term deposits with licensed financial institutions is 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 sale of investments

For collective investment scheme ("CIS"), realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

C 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 year/period.

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

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 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.

F FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

G 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 payments of 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 Manager, amount due from broker and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows that represent SPPI.

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

G 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.

Financial liabilities, within the scope of MFRS 9, are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired.

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 on financial assets at fair value through profit and loss' in the period which they arise.

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 except for forward foreign currency contracts are subsequently carried at amortised cost using the effective interest method.

(iii) Impairment

The Fund's financial assets 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 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.

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

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 year/period.

H 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 with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

I CREATION AND CANCELLATION OF UNITS

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022 (CONTINUED)

I CREATION AND CANCELLATION OF UNITS (CONTINUED)

The Fund issues cancellable units, in four classes of units, known respectively as the AUD Hedged-class, MYR Hedged-class, SGD Hedged-class and USD Class, which are cancelled at the unitholders' 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 unitholders' 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 unit holders of respective classes with the total number of outstanding units of respective classes.

J AMOUNT 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 G 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 DERIVATIVE FINANCIAL INSTRUMENTS

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

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 positive fair value and negative fair value are presented as financial assets at fair value through profit or loss and financial liabilities at fair value through profit or loss, respectively.

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

K DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

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.

L INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

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

M 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 Unlisted Capital Market Products under the Lodge and Launch Framework.

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) The Fund's sole investment is in a collective investment scheme 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.

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

The analysis of realised and unrealised amount 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 Unlisted Capital Market Products under the Lodge and Launch Framework.

AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2022

1 INFORMATION ON THE FUND

The Wholesale Fund was constituted under the name Affin Hwang World Series – Asian High Yield Fund (the "Fund") pursuant to the execution of a Deed dated 26 August 2020 (the "Deed") entered into between AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (the "Manager") and HSBC (Malaysia) Trustee Berhad (the "Trustee").

The Fund commenced operations on 28 September 2020 and will continue its operations until terminated by the Trustee as provided under Clause 11.3 of the Deed.

The Fund may invest in any of the following assets, subject to the Deed, the Fund's objective, the Guidelines, the requirements of the SC and all relevant laws:

(a) Collective investment scheme;
(b) Money market instruments;
(c) Deposits;
(d) Derivatives; and
(e) Any other form of investments as may be determined by the Manager from time to time that is in line with the Fund's investment objective.

All investments will be subjected to the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework, the Deed and the objective of the Fund.

The main objective of the Fund is to provide regular income over medium to long term period.

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. On 10 November 2022, the Manager has changed its name from Affin Hwang Asset Management Berhad to AHAM Asset Management Berhad.

The financial statements were authorised for issue by the Manager on 18 January 2023.

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	Note	At amortised cost USD	At fair value through profit or loss USD	Total USD
2022				
Financial assets				
Cash and cash equivalents		12,101	-	12,101
Amount due from broker		38,906	-	38,906
Amount due from Manager				
- management fee rebate receivable		16,034	-	16,034
Collective investment scheme	8	-	4,419,174	4,419,174
Forward foreign currency contracts	9	-	104,352	104,352
Total		67,041	4,523,526	4,590,567
Financial liabilities				
Amount due to Manager				
- management fee		5,208	-	5,208
- cancellation of units		135	-	135
Amount due to Trustee		104	-	104
Auditors' remuneration		1,822	-	1,822
Tax agent's fee		869	-	869
Other payables and accruals		200	-	200
Total		8,338	-	8,338

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

Financial instruments are as follows: (continued)

	Note	At amortised cost USD	At fair value through profit or loss USD	Total USD
2021				
Financial assets				
Cash and cash equivalents		309,662	-	309,662
Dividends receivable		59,216	-	59,216
Amount due from broker		43,932	-	43,932
Amount due from Manager				
- creation of units		20,443	-	20,443
- management fee rebate receivable		12,659	-	12,659
Collective investment scheme	8	-	7,292,204	7,292,204
Forward foreign currency contracts	9	-	3,752	3,752
Total		445,912	7,295,956	7,741,868
Financial liabilities				
Forward foreign currency contracts	9	-	37,305	37,305
Amount due to broker		44,418	-	44,418
Amount due to Manager				
- management fee		9,476	-	9,476
- cancellation of units		44,012	-	44,012
Amount due to Trustee		189	-	189
Auditors' remuneration		1,888	-	1,888
Tax agent's fee		826	-	826
Other payables and accruals		74	-	74
Total		100,883	37,305	138,188

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 Unlisted Capital Market Products under the Lodge and Launch Framework.

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:

	2022 USD	2021 USD
Quoted investment		
Collective investment scheme	4,419,174	7,292,204

The following table summarises the sensitivity of the Fund's loss after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 1% (2021: 10%) and decreased by 1% (2021: 10%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the CIS, having regard to the historical volatility of the prices.

% Change in price	Market value USD	Impact on loss after tax/NAV USD
2022		
-1%	4,374,982	(44,192)
0%	4,419,174	-
+1%	4,463,366	44,192
2021		
-10%	6,562,984	(729,220)
0%	7,292,204	-
+10%	8,021,424	729,220

(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.

As at the end of the financial year ended 30 November 2022 and 30 November 2021, the Fund is not exposed to any interest rate risk.

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

Market risk (continued)

(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:

	Forward foreign currency contracts USD	Cash and cash equivalents USD	Total USD
2022			
Financial assets			
Australian Dollar	1,900	576	2,476
Malaysian Ringgit	96,842	279	97,121
Singapore Dollar	5,610	3,795	9,405
	104,352	4,650	109,002

	Other liabilities** USD	Net assets attributable to unitholders USD	Total USD
Financial liabilities			
Australian Dollar	-	421,141	421,141
Malaysian Ringgit	2,891	3,512,488	3,515,379
Singapore Dollar	-	251,013	251,013
	2,891	4,184,642	4,187,533

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

Market risk (continued)

(c) Currency risk (continued)

2021	Forward foreign currency contracts USD	Cash and cash equivalents USD	Other assets* USD	Total USD
Financial assets				
Australian Dollar	-	957	-	957
Malaysian Ringgit	3,752	16,309	20,443	40,504
Singapore Dollar	-	44,644	43,932	88,576
	3,752	61,910	64,375	130,037

	Forward foreign currency contracts USD	Other liabilities** USD	Net assets attributable to unitholders USD	Total USD
Financial liabilities				
Australian Dollar	10,609	-	609,982	620,591
Malaysian Ringgit	23,400	2,788	6,027,678	6,053,866
Singapore Dollar	3,296	44,012	343,278	390,586
	37,305	46,800	6,980,938	7,065,043

*Other assets consist of amount due from broker and amount due from Manager.

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

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 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 based on each currency's respective historical volatility, with all other variables remain constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding (decrease)/increase in the net assets attributable to unitholders by each currency's respective historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in rate %	Impact on loss after tax/ NAV USD
2022		
Australian Dollar	+/-13.39	-/+ (56,046)
Malaysian Ringgit	+/-4.71	-/+ (160,989)
Singapore Dollar	+/-5.30	-/+ (12,817)
2021		
Australian Dollar	+/-9.64	-/+ 59,741
Malaysian Ringgit	+/-3.91	-/+ 235,093
Singapore Dollar	+/-4.18	-/+ 12,625

Credit risk

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

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

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

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

Credit risk (continued)

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

	Cash and cash equivalents USD	Forward foreign currency USD	Amount due from Manager USD	Amount due from broker USD	Total USD
2022					
Financial Services					
- AAA	12,101	20,915	-	38,906	71,922
- AA2	-	45,505	-	-	45,505
- AA3	-	32,682	-	-	32,682
- NR	-	5,250	-	-	5,250
Others					
- NR	-	-	16,034	-	16,034
	12,101	104,352	16,034	38,906	171,393

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

Credit risk (continued)

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

	Cash and cash equivalents USD	Dividends receivable USD	Forward foreign currency contracts USD	Amount due from Manager USD	Amount due from broker USD	Total USD
2021						
Financial Services						
- AAA	309,662	-	363	-	43,932	353,957
- AA2	-	-	3,389	-	-	3,389
- NR	-	59,216	-	-	-	59,216
Others						
- NR	-	-	-	33,102	-	33,102
	309,662	59,216	3,752	33,102	43,932	449,664

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 payments and cancellation of units by unitholders. Liquid assets comprise cash and other instruments, which are capable of being converted into cash within 7 days.

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

Liquidity risk (continued)

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.

2022	Within one month USD	Between one month to one year USD	Total USD
Amount due to Manager			
- management fee	5,208	-	5,208
- cancellation of units	135	-	135
Amount due to Trustee	104	-	104
Auditors' remuneration	-	1,822	1,822
Tax agent's fee	-	869	869
Other payables and accruals	-	200	200
Net assets attributable to unitholders*	4,582,229	-	4,582,229
	4,587,676	2,891	4,590,567

2021	Within one month USD	Between one month to one year USD	Total USD
Forward foreign currency contracts	3,576	33,729	37,305
Amount due to broker	44,418	-	44,418
Amount due to Manager			
- management fee	9,476	-	9,476
- cancellation of units	44,012	-	44,012
Amount due to Trustee	189	-	189
Auditors' remuneration	-	1,888	1,888
Tax agent's fee	-	826	826
Other payables and accruals	-	74	74
Net assets attributable to unitholders*	7,603,680	-	7,603,680
	7,705,351	36,517	7,741,868

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

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 financial year end date. The Fund utilises the last traded price for financial assets.

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 and financial liabilities 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.

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

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

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
2022				
Financial assets at fair value through profit or loss				
- collective investment scheme	4,419,174	-	-	4,419,174
- forward foreign currency contracts	-	104,352	-	104,352
	4,419,174	104,352	-	4,523,526
2021				
Financial assets at fair value through profit or loss				
- collective investment scheme	7,292,204	-	-	7,292,204
- forward foreign currency contracts	-	3,752	-	3,752
	7,292,204	3,752	-	7,295,956
Financial liabilities at fair value through profit or loss:				
- forward foreign currency contracts	-	37,305	-	37,305

Investments whose values are based on published prices in active markets, and are therefore classified within Level 1, include collective investment scheme. The Fund does not adjust the published prices for these instruments.

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include 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 Manager, amount due from broker and dividends receivable and all current liabilities, except for forward foreign currency contracts are a reasonable approximation of the fair values due to their short-term nature.

4 MANAGEMENT FEE

In accordance with the Deed, the Manager is entitled to a management fee at a rate not exceeding 3.00% per annum on the NAV of the Fund, calculated on a daily basis.

For the financial year ended 30 November 2022, the management fee is recognised at a rate of 1.50% (7 September 2020 (date of launch) to 30 November 2021: 1.50%) per annum on the NAV of the Fund, calculated on a daily basis as stated in the Fund's Information Memorandum.

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

5 TRUSTEE FEE

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

For the financial year ended 30 November 2022, the Trustee fee is recognised at a rate of 0.03% (7 September 2020 (date of launch) to 30 November 2021: 0.03%) per annum on the NAV of the Fund, exclusive of foreign custodian fees and charges, calculated on a daily basis as stated in the Fund's Information Memorandum.

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

6 DISTRIBUTIONS

	Financial year ended 30.11.2022 USD	Financial period from 7.9.2020 (date of launch) to 30.11.2021 USD
Distributions to unitholders are from the following sources:		
Dividend income	-	504,652
Interest income	-	20
Previous year's realised income	44,401	-
Gross realised income	44,401	504,672
Less: Expenses	-	-
Net distribution amount	44,401	504,672

	Gross/Net distribution per unit (sen/cent)			
	AUD hedged-class AUD	MYR hedged-class RM	SGD hedged-class SGD	USD Class USD
Ex-date				
15.12.2021	0.25	0.25	0.25	0.25
Ex-date				
18.11.2020	0.10	0.10	0.09	0.05
16.12.2020	0.09	0.18	0.24	0.14
20.1.2021	0.25	0.25	0.14	0.12
17.2.2021	0.20	0.17	0.20	0.18
17.3.2021	0.25	0.17	0.22	0.14
21.4.2021	0.25	0.22	0.25	0.22
19.5.2021	0.22	0.25	0.25	0.20
16.6.2021	0.25	0.22	0.21	0.22
21.7.2021	0.25	0.25	0.18	0.25
18.8.2021	0.25	0.25	0.22	0.25
20.9.2021	0.25	0.25	0.25	0.25
20.10.2021	0.25	0.25	0.25	0.25
17.11.2021	0.25	0.25	0.25	0.25
	2.86	2.81	2.75	2.52

6 DISTRIBUTIONS (CONTINUED)

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

Included in distribution for the financial year is an amount of USD44,401(2021: USDNil) made from previous years' realised income.

The Fund has incurred an unrealised loss of USDNil (2021: USD1,675,198) for the financial year ended 30 November 2022.

7 TAXATION

	Financial year ended 30.11.2022 USD	Financial period from 7.9.2020 (date of launch) to 30.11.2021 USD
Current taxation	-	-

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

	Financial year ended 30.11.2022 USD	Financial period from 7.9.2020 (date of launch) to 30.11.2021 USD
Net loss before taxation	(2,234,687)	(1,219,233)
Tax at Malaysian statutory rate of 24% (2021: 24%)	(536,325)	(292,616)
Tax effects of:		
Investment loss not brought to tax	513,810	255,483
Expenses not deductible for tax purposes	797	1,123
Restriction on tax deductible expenses for Wholesale Funds	21,718	36,010
Tax expense	-	-

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2022 USD	2021 USD
Financial assets at fair value through profit or loss:		
- collective investment scheme	4,419,174	7,292,204

	Financial year ended 30.11.2022 USD	Financial period from 7.9.2020 (date of launch) to 30.11.2021 USD
Net loss on financial assets at fair value through profit or loss:		
- realised loss on sale of investments	(2,069,379)	(99,965)
- unrealised gain/(loss) on changes in fair value	166,259	(1,644,363)
- management fee rebate on collective investment scheme #	72,320	118,100
	(1,830,800)	(1,626,228)

In arriving at the fair value of collective investment scheme, the management fee initially paid to the Manager of collective investment scheme has been considered as part of its net asset value. In order to prevent the double charging of management fee, management fee charged on the Fund's investment in a collective investment scheme has been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of collective investment scheme is reflected as an increase in the net asset value of the collective investment scheme.

(a) Collective investment scheme

(i) Collective investment scheme as at 30 November 2022 are as follows:

	Quantity	Aggregate cost USD	Fair value USD	Percentage of NAV %
HSBC Investment Fund Trust				
- Asian High Yield Bond Fund – Class AC	391,320	5,897,278	4,419,174	96.44
Total collective investment scheme	391,320	5,897,278	4,419,174	96.44
Accumulated unrealised loss on collective investment scheme		(1,478,104)		
Total collective investment scheme		4,419,174		

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

(a) Collective investment scheme (continued)

(ii) Collective investment scheme as at 30 November 2021 are as follows:

	Quantity	Aggregate cost USD	Fair value USD	Percentage of NAV %
HSBC Investment Fund Trust - Asian High Yield Bond Fund – Class AM2	895,848	8,936,567	7,292,204	95.90
Total collective investment scheme	895,848	8,936,567	7,292,204	95.90
Accumulated unrealised loss on collective investment scheme		(1,644,363)		
Total collective investment scheme		7,292,204		

(b) Target Fund's top 10 holdings

(i) The Target Fund's top 10 holdings as at 30 November 2022 is as follows:

	Percentage of Target Fund's NAV %
Indonesia (REP) 5.450 20/09/52	1.86
PT Pertamina 6.000 03/05/42	1.69
PT Pertamina 6.450 30/05/44	1.62
PT Pertamina 5.625 20/05/43	1.50
Indonesia (REP) 4.625 15/04/43	1.49
WYNN Macau Ltd 5.500 15/01/26	1.36
Indika Energy CAP 5.875 09/11/24	1.35
Sands China Ltd 4.300 08/01/26	1.29
Melco Resorts 4.875 06/06/25	1.29
Longfor Holdings 3.950 16/09/29	1.26
Total	14.71

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

(b) Target Fund's top 10 holdings (continued)

(ii) The Target Fund's top 10 holdings as at 30 November 2021 is as follows:

	Percentage of Target Fund's NAV %
US Treasury N/B 2.000 15/08/51	2.89
US Treasury N/B 1.875 15/11/51	1.75
Perusahaan Listr 5.250 15/05/47	1.41
Theta Capital 6.750 31/10/26	1.27
Rep Of Pakistan 7.375 08/04/31	1.13
ISW Hydro Energy 4.125 18/05/31	1.11
Indika Energy IV 8.250 22/10/25	1.03
Pakuwon Jati 4.875 29/04/28	0.99
Azure Power 3.575 19/08/26	0.92
Indika Energy Cap 5.875 09/11/24	0.92
Total	13.42

9 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of the statement of financial position, there are 9 (2021:14) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD4,005,284 (2021: USD37,306). The forward foreign currency contracts entered into during the financial year/period were for hedging against the currency exposure arising from the Hedged-class denominated in Australian Dollar, Malaysian Ringgit and Singapore Dollar. As the Fund has not adopted hedge accounting during the financial year/period, the change in the fair value of the forward foreign currency contracts are recognised immediately in the statement of comprehensive income.

	2022 USD	2021 USD
Financial assets at fair value through profit or loss:		
- forward foreign currency contracts	104,352	3,752
Financial liabilities at fair value through profit or loss:		
- forward foreign currency contracts	-	37,305

9 FORWARD FOREIGN CURRENCY CONTRACTS (CONTINUED)

	Financial year ended 30.11.2022 USD	Financial period from 7.9.2020 (date of launch) to 30.11.2021 USD
Net loss on forward foreign currency contracts at fair value through profit or loss:		
- realised loss on forward foreign currency contracts	(448,478)	(73,763)
- unrealised gain/(loss) on forward foreign currency contracts	137,906	(33,553)
	(310,572)	(107,316)

a) Forward foreign currency contracts

(i) Forward foreign currency contracts as at 30 November 2022 are as follows:

Name of issuer	Receivables USD	Payables USD	Fair value USD	Percentage of NAV %
CIMB Bank Bhd	1,205,841	1,184,926	20,915	0.46
BNP Paribas Malaysia Bhd	1,151,527	1,106,022	45,505	0.99
Affin Hwang Investment Bank Bhd #	853,789	821,107	32,682	0.71
J.P. Morgan Chase Bank Bhd	794,127	788,877	5,250	0.11
Total forward foreign currency contracts	4,005,284	3,900,932	104,352	2.27

(ii) Forward foreign currency contracts for the financial period from 7 September 2020 (date of launch) to 30 November 2021 are as follows:

Name of issuer	Receivables USD	Payables USD	Fair value USD	Percentage of NAV %
BNP Paribas Malaysia Bhd	1,577,190	1,577,377	(187)	(0.002)
CIMB Bank Bhd	1,528,513	1,535,756	(7,243)	(0.095)
J.P. Morgan Chase Bank Bhd	1,111,361	1,115,144	(3,783)	(0.050)
Affin Hwang Investment Bank Bhd #	2,735,350	2,757,690	(22,340)	(0.294)
Total forward foreign currency contracts	6,952,414	6,985,967	(33,553)	(0.441)

The Manager is of the opinion that all transactions with the former holding company of the Manager have been entered in the normal course of business at agreed terms between the related parties.

10 NUMBER OF UNITS IN CIRCULATION

(a) AUD Hedged-class units in circulation

	2022 No. of units	2021 No. of units
At the beginning of financial year/date of launch	2,029,000	-
Creation of units arising from applications	64,005	3,132,961
Creation of units arising from distributions	11,995	142,108
Cancellation of units	(68,000)	(1,246,069)
At the end of the financial year/period	2,037,000	2,029,000

(b) MYR Hedged-class units in circulation

	2022 No. of units	2021 No. of units
At the beginning of financial year/date of launch	59,203,000	-
Creation of units arising from applications	8,391,360	74,195,575
Creation of units arising from distributions	323,640	3,139,719
Cancellation of units	(18,222,000)	(18,132,294)
At the end of the financial year/period	49,696,000	59,203,000

(c) SGD Hedged-class units in circulation

	2022 No. of units	2021 No. of units
At the beginning of financial year/date of launch	1,114,000	-
Creation of units arising from applications	315,402	1,572,583
Creation of units arising from distributions	6,598	68,124
Cancellation of units	(323,000)	(526,707)
At the end of the financial year/period	1,113,000	1,114,000

10 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(d) USD class units in circulation

	2022 No. of units	2021 No. of units
At the beginning of financial year/date of launch	1,472,000	-
Creation of units arising from applications	329	1,686,008
Creation of units arising from distributions	8,671	71,881
Cancellation of units	(202,000)	(285,889)
At the end of the financial year/period	1,279,000	1,472,000

11 TRANSACTIONS WITH BROKERS

(i) Details of transactions with the brokers for the financial year ended 30 November 2022 are as follows:

Name of brokers	Value of trade USD	Percentage of total trade %
HSBC Investment Funds Hong Kong Ltd	17,292,154	100.00

(ii) Details of transactions with the brokers for the financial period from 7 September 2020 (date of launch) to 30 November 2021 are as follows:

Name of brokers	Value of trade USD	Percentage of total trade %
HSBC Investment Funds Hong Kong Ltd	12,543,468	99.27
HSBC Nom (Tempatan) Sdn Bhd	92,000	0.73
	12,635,468	100.00

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

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

Related parties	Relationships
CVC Capital Partners Asia V L.P., CVC Capital Partners Investment Asia L.P. and CVC Capital Partners Asia V Associates L.P. (collectively known as "CVC Asia V")	Ultimate holding companies of the Manager
CVC Capital Partners Asia V Limited	General Partner of the ultimate holding companies
Lembaga Tabung Angkatan Tentera ("LTAT")	Former ultimate holding corporate body of the Manager
Affin Bank Berhad ("ABB")	Former penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Former holding company of the Manager
Starlight TopCo Limited	Penultimate holding company of the Manager
Starlight Universe Limited	Intermediate holding company of the Manager
Starlight Asset Sdn Bhd	Immediate holding company of the Manager
Nikko Asset Management International Limited ("NAM")	Substantial shareholder of the Manager
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	The Manager
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding companies of the Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated companies of the former penultimate holding company of the Manager
Directors of AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	Directors of the Manager

12 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER (CONTINUED)

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

	2022		2021	
	No. of units	USD	No. of units	USD
The Manager:				
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (The units are held legally for booking purposes)				
- AUD Hedged-class	10,297	2,128	10,837	3,258
- MYR Hedged-class	3,495	247	3,313	337
- SGD Hedged-class	10,559	2,381	10,160	3,130
- USD Class	10,450	3,249	10,515	4,449

Other than the above, there were no units held by the Directors or parties related to the Manager.

13 TOTAL EXPENSE RATIO ("TER")

	Financial year ended 30.11.2022 %	Financial period from 7.9.2020 (date of launch) to 30.11.2021 %
TER	1.59	1.94

TER is derived from the following calculation:

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

A = Management fee, excluding management fee rebates
B = Trustee fee
C = Auditors' remuneration
D = Tax agent's fee
E = Other expenses
F = Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for the financial year ended 30 November 2022 calculated on a daily basis is USD5,905,133 (2021: USD8,021,003).

14 PORTFOLIO TURNOVER RATIO ("PTR")

	Financial year ended 30.11.2022	Financial period from 7.9.2020 (date of launch) to 30.11.2021
PTR (times)	1.64	0.79

PTR is derived from the following calculation:

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

where: total acquisition for the financial year/period = USD8,161,122 (2021: USD10,836,000)
total disposal for the financial year/period = USD11,200,411 (2021: USD1,899,433)

15 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Change in corporate shareholding of AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)

On 28 January 2022, Affin Bank Berhad announced that funds advised by CVC Capital Partners, a leading global private equity and investment advisory firm with approximately US$125 billion of assets under management, has agreed to acquire approximately 68% of the equity interest in AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad).

The Acquisition has been approved by Securities Commissions Malaysia on 1 July 2022, and upon completion of the Acquisition on 29 July 2022, AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) has ceased to be a subsidiary of Affin Hwang Investment Bank Berhad.

AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad),** do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 38 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the financial position of the Fund as at 30 November 2022 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year ended 30 November 2022 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

For and on behalf of the Manager,
AHAM ASSET MANAGEMENT BERHAD
(FORMERLY KNOWN AS AFFIN HWANG ASSET MANAGEMENT BERHAD)

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
18 January 2023

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AFFIN HWANG WORLD SERIES – ASIAN HIGH YIELD FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Affin Hwang World Series – Asian High Yield Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 30 November 2022, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 November 2022, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 1 to 38.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises Manager's Report, but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the Fund or to terminate the Fund, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

(d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

OTHER MATTERS

This report is made solely to the unitholders of the Fund, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
18 January 2023

DIRECTORY OF SALES OFFICE

HEAD OFFICE
AHAM Asset Management Berhad
(FKA Affin Hwang Asset Management Berhad)
Ground Floor
Menara Boustead
69, Jalan Raja Chulan
50200 Kuala Lumpur

Tel : 03 – 2116 6000
Fax : 03 – 2116 6100
Toll free no : 1-800-88-7080
Email:customercare@aham.com.my

PERAK
AHAM Asset Management Berhad
(FKA Affin Hwang Asset Management Berhad)
1, Persiaran Greentown 6
Greentown Business Centre
30450 Ipoh Perak

Tel : 05 – 241 0668
Fax : 05 – 255 9696

PETALING JAYA
AHAM Asset Management Berhad
(FKA Affin Hwang Asset Management Berhad)
C-31-1, Jaya One
72A Jalan Prof Diraja Ungku Aziz Section 13
46200 Petaling Jaya
Selangor

Tel : 03 – 7760 3062

MELAKA
AHAM Asset Management Berhad
(FKA Affin Hwang Asset Management Berhad)
Ground Floor, No. 584, Jalan Merdeka
Taman Melaka Raya
75000 Melaka

Tel : 06 – 281 2890
Fax : 06 – 281 2937

JOHOR
AHAM Asset Management Berhad
(FKA Affin Hwang Asset Management Berhad)
Unit 22-05, Level 22
Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bahru
Johor Darul Takzim

Tel : 07 – 227 8999
Fax : 07 – 223 8998

SABAH
AHAM Asset Management Berhad
(FKA Affin Hwang Asset Management Berhad)
Unit 1.09(a), Level 1
Plaza Shell
29, Jalan Tunku Abdul Rahman
88000 Kota Kinabalu
Sabah

Tel : 088 – 252 881
Fax : 088 – 288 803

SARAWAK
AHAM Asset Management Berhad
(FKA Affin Hwang Asset Management Berhad)
Ground Floor, No. 69
Block 10, Jalan Laksamana Cheng Ho
93200 Kuching
Sarawak

Tel : 082 – 233 320
Fax : 082 – 233 663

AHAM Asset Management Berhad
(FKA Affin Hwang Asset Management Berhad)
1st Floor, Lot 1291
Jalan Melayu, MCLD
98000 Miri
Sarawak

Tel : 085 – 418 403
Fax : 085 – 418 372

AHAM Asset Management Berhad
(Formerly known as Affin Hwang Asset Management Berhad)
Registration No: 199701014290 (429786-T)

Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur, Malaysia.
Toll Free Number: 1800 88 7080 T: +603 2116 6000 F: +603 2116 6100
www.aham.com.my