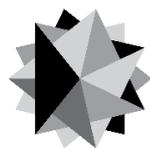


Affin Hwang World Series - Global Healthscience Fund

Annual Report
30 April 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 HEALTHSCIENCE FUND

Annual Report and Audited Financial Statements For The Financial Year Ended 30 April 2021

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FUND INFORMATION

Fund Name	Affin Hwang World Series – Global Healthscience Fund
Fund Type	Growth
Fund Category	Feeder Wholesale
Benchmark	MSCI World Health Care Index
Investment Objective	The Fund seeks to achieve capital appreciation over the long term period.
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.

BREAKDOWN OF UNITHOLDERS BY USD CLASS SIZE AS AT 30 APRIL 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	6	208
50,001 to 500,000	5	1,306
500,001 and above	4	23,913
Total	16	25,436

* Note : Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY MYR CLASS SIZE AS AT 30 APRIL 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	1	3
5,001 to 10,000	40	341
10,001 to 50,000	82	1,907
50,001 to 500,000	50	6,481
500,001 and above	11	118,556
Total	184	127,288

* Note : Excluding Manager's stock

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

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	0	0
5,001 to 10,000	37	315
10,001 to 50,000	59	1,471
50,001 to 500,000	57	9,303
500,001 and above	14	564,699
Total	167	575,788

* Note : Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY SGD HEDGED-CLASS SIZE AS AT 30 APRIL 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	4	113
50,001 to 500,000	8	1,796
500,001 and above	5	20,465
Total	17	22,374

* Note : Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY AUD HEDGED-CLASS SIZE AS AT 30 APRIL 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	41
50,001 to 500,000	4	394
500,001 and above	7	51,272
Total	13	51,707

** Note : Excluding Manager's stock*

FUND PERFORMANCE DATA

Category	As at 30 Apr 2021 (%)					As at 30 Apr 2020 (%)				
Portfolio composition										
Collective investment scheme	98.08					95.81				
Cash and cash equivalent	1.92					4.19				
Total	100.00					100.00				
Currency class	USD Class	MYR Class	MYR Hedged-class	AUD Hedged-class	SGD Hedged-class	USD Class	MYR Class	MYR Hedged-class	AUD Hedged-class	SGD Hedged-class
Total NAV (million)	17.293	86.401	393.657	33.404	14.877	10.046	54.684	289.443	29.030	9.483
NAV per Unit (in respective currencies)	0.6798	0.6788	0.6837	0.6460	0.6649	0.5664	0.5950	0.5667	0.5460	0.5579
Unit in Circulation (million)	25.438	127.291	575.792	51.710	22.377	17.736	91.898	510.794	53.165	16.997
Highest NAV	0.6848	0.6871	0.6888	0.6507	0.6697	0.5935	0.6120	0.5971	0.5851	0.5923
Lowest NAV	0.5577	0.5861	0.5580	0.5372	0.5497	0.4431	0.4762	0.4459	0.4344	0.4425
Return of the Fund (%)	20.02	14.08	20.65	18.32	19.18	13.28	19.00	13.34	9.20	11.58
- Capital Growth (%)	20.02	14.08	20.65	18.32	19.18	13.28	19.00	13.34	9.20	11.58
- Income Distribution (%)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Management Expense Ratio (%) ¹			1.86					2.20		
Portfolio Turnover Ratio (times) ²			0.27					1.12		

¹The MER of the Fund was lower due to higher average net asset value for the financial year.

²The PTR of the Fund was higher due to higher average net asset value for the financial year.

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

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

An illustration of the above would be as follow:-

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

MANAGER'S REPORT

Income Distribution / Unit Split

No income distribution or unit splits were declared for the financial year ended 30 April 2021.

Performance Review

USD Class

For the period 1 May 2020 to 30 April 2021, the Fund registered a 20.02% return compared to the benchmark return of 20.15%. The Fund thus underperformed the Benchmark by 0.13%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2021 was USD0.6798 while the NAV as at 30 April 2020 was USD0.5664.

Since commencement, the Fund has registered a return of 35.96% compared to the benchmark return of 35.51%, outperforming by 0.45%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	Since Commencement (15/3/19 - 30/4/21)
Fund	20.02%	35.96%
Benchmark	20.15%	35.51%
Outperformance	(0.13%)	0.45%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	Since Commencement (15/3/19 - 30/4/21)
Fund	20.02%	15.50%
Benchmark	20.15%	15.32%
Outperformance	(0.13%)	0.18%

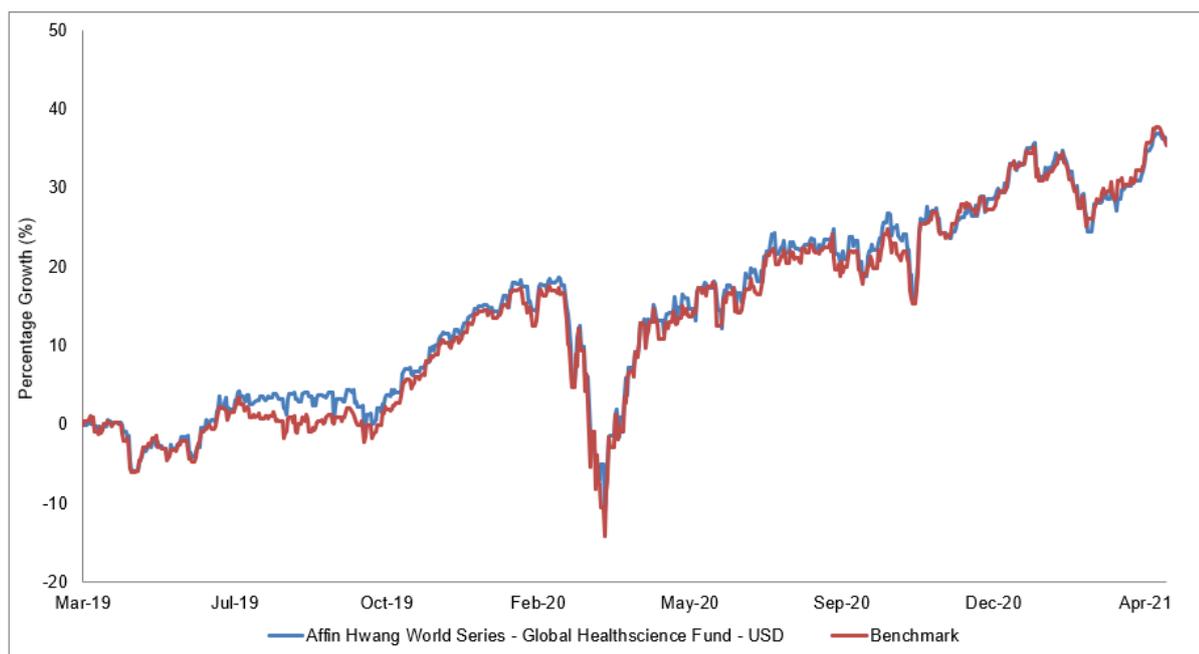
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (15/3/19 - 30/4/20)
Fund	20.02%	13.28%
Benchmark	20.15%	10.51%
Outperformance	(0.13%)	2.77%

Source of Benchmark: Bloomberg

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



MYR Class

For the period 1 May 2020 to 30 April 2021, the Fund registered a 14.08% return compared to the benchmark return of 14.31%. The Fund thus underperformed the Benchmark by 0.23%. The Net Asset Value per unit (“NAV”) of the Fund as at 30 April 2021 was MYR0.6788 while the NAV as at 30 April 2020 was MYR0.5950.

Since commencement, the Fund has registered a return of 35.76% compared to the benchmark return of 35.43%, outperforming by 0.33%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	Since Commencement (15/3/19 - 30/4/21)
Fund	14.08%	35.76%
Benchmark	14.31%	35.43%
Outperformance	(0.23%)	0.33%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	Since Commencement (15/3/19 - 30/4/21)
Fund	14.08%	15.42%
Benchmark	14.31%	15.29%
Outperformance	(0.23%)	0.13%

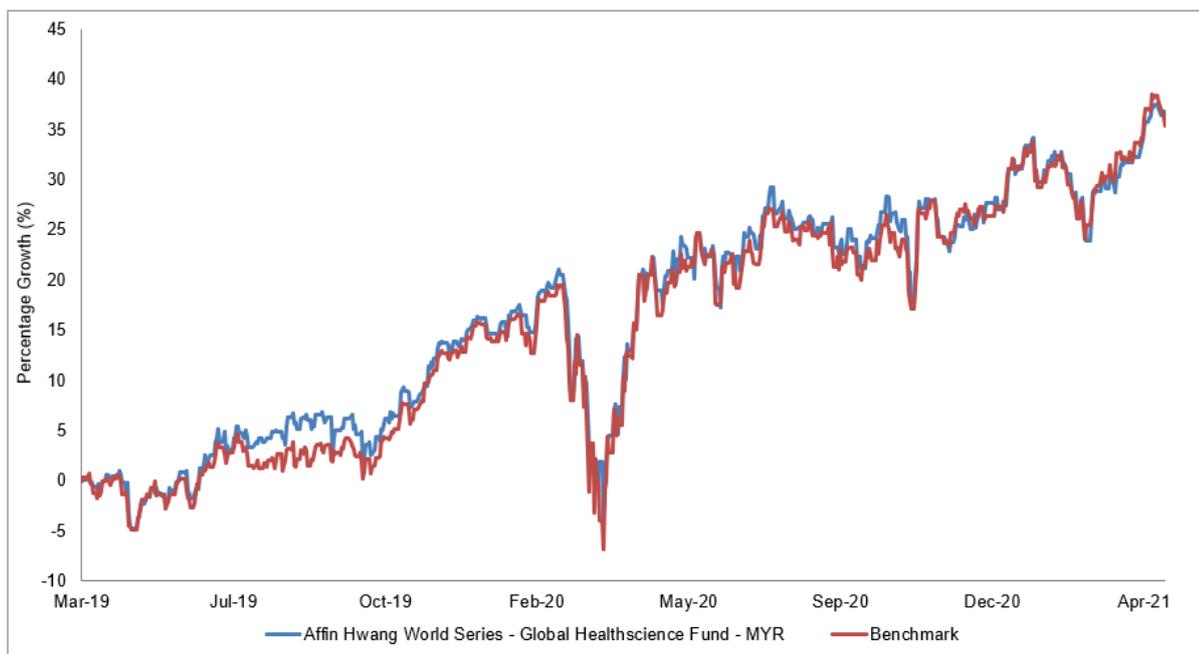
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (15/3/19 - 30/4/20)
Fund	14.08%	19.00%
Benchmark	14.31%	16.09%
Outperformance	(0.23%)	2.91%

Source of Benchmark: Bloomberg

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



AUD Hedged-Class

For the period 1 May 2020 to 30 April 2021, the Fund registered a 18.32% return compared to the benchmark return of 1.65%. The Fund thus outperformed the Benchmark by 16.67%. The Net Asset Value per unit (“NAV”) of the Fund as at 30 April 2021 was AUD0.6460 while the NAV as at 30 April 2020 was AUD0.5460.

Since commencement, the Fund has registered a return of 29.20% compared to the benchmark return of 24.07%, outperforming by 5.13%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	Since Commencement (15/3/19 - 30/4/21)
Fund	18.32%	29.20%
Benchmark	1.65%	24.07%
Outperformance	16.67%	5.13%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	Since Commencement (15/3/19 - 30/4/21)
Fund	18.32%	12.77%
Benchmark	1.65%	10.65%
Outperformance	16.67%	2.12%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (15/3/19 - 30/4/20)
Fund	18.32%	9.20%
Benchmark	1.65%	19.59%
Outperformance	16.67%	(10.39%)

Source of Benchmark: Bloomberg

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



MYR Hedged-Class

For the period 1 May 2020 to 30 April 2021, the Fund registered a 20.65% return compared to the benchmark return of 14.31%. The Fund thus outperformed the Benchmark by 6.34%. The Net Asset Value per unit (“NAV”) of the Fund as at 30 April 2021 was MYR0.6837 while the NAV as at 30 April 2020 was MYR0.5667.

Since commencement, the Fund has registered a return of 36.74% compared to the benchmark return of 35.43%, outperforming by 1.31%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	Since Commencement (15/3/19 - 30/4/21)
Fund	20.65%	36.74%
Benchmark	14.31%	35.43%
Outperformance	6.34%	1.31%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	Since Commencement (15/3/19 - 30/4/21)
Fund	20.65%	15.81%
Benchmark	14.31%	15.29%
Outperformance	6.34%	0.52%

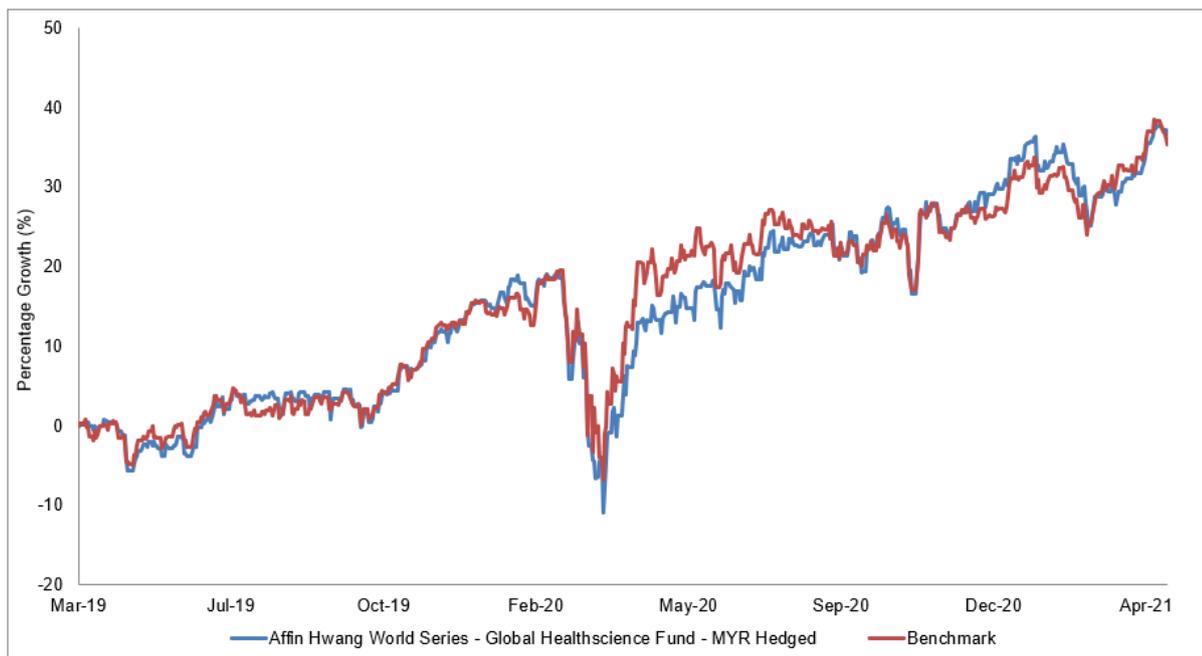
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (15/3/19 - 30/4/20)
Fund	20.65%	13.34%
Benchmark	14.31%	16.09%
Outperformance	6.34%	(2.75%)

Source of Benchmark: Bloomberg

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



SGD Hedged-Class

For the period 1 May 2020 to 30 April 2021, the Fund registered a 19.18% return compared to the benchmark return of 13.37%. The Fund thus outperformed the Benchmark by 5.81%. The Net Asset Value per unit (“NAV”) of the Fund as at 30 April 2021 was SGD0.6649 while the NAV as at 30 April 2020 was SGD0.5579.

Since commencement, the Fund has registered a return of 32.98% compared to the benchmark return of 32.95%, outperforming by 0.03%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	Since Commencement (15/3/19 - 30/4/21)
Fund	19.18%	32.98%
Benchmark	13.37%	32.95%
Outperformance	5.81%	0.03%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	Since Commencement (15/3/19 - 30/4/21)
Fund	19.18%	14.31%
Benchmark	13.37%	14.30%
Outperformance	5.81%	0.01%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (15/3/19 - 30/4/20)
Fund	19.18%	11.58%
Benchmark	13.37%	14.91%
Outperformance	5.81%	(3.33%)

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: MSCI World Healthcare Index

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

Asset Allocation

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

As at 30 April 2021, the asset allocation of the Fund's exposure to the collective investment scheme stood at 98.08% of the Fund's NAV, while the balance was held in cash.

Strategies Employed

While we are hopeful that potential treatments and vaccines will ultimately be successful in combatting COVID 19 we don't currently see a clear winner within this space. With this in mind, we have reduced our underweight to select pharmaceutical names in order to better position for clinical trial results that will come later this year. Elsewhere, we have established positions in a number of diagnostics, patient monitoring equipment, and virtual medicine companies, which are currently experiencing a boost in near term demand. Beyond COVID 19 we continue to focus on stock specific opportunities, particularly within minimally invasive implant technologies, antibody drug conjugate treatments, and select opportunities within pharmaceuticals.

Market Review

Global equities started 2021 on a strong note as policy easing, and global vaccine rollouts went underway. At the start of January, US markets saw strong optimism. The storming of the US Capitol in early January had little effect over the broader market. The market showed strong attention to the Biden administration's US\$ 1.9 trillion COVID-19 relief proposal in mid-January. However, a black swan event at the end of the month saw retail investors selectively targeting underperforming stocks (e.g. GME and AMC) that resulted in a short squeeze and pushing their share prices to new highs.

US equity markets ended the month of February with modest gains though sentiment was tested as surging bond yields and inflation fears took precedence. Whilst equities and bonds tend to move in opposite directions, the reality is that equity outperformance in the past year has largely come from growth-centric stocks and “stay at home” trades, which are now facing short-term squeezes on their profit margins from rising rates. Another factor is the shift from growth to value, with value stocks performing better over the month.

Global equities endured a mixed session in March as US-China tensions boiled over dampening sentiment. The S&P 500 index rose 4.4% higher as the latest US labour data showed signs of a rebound. In Asia, the MSCI Asia ex-Japan index fell 2.5% as increased regulatory scrutiny prompted a selloff in Chinese technology stocks. The Hong Kong Hang Seng index dropped 1.8% in March. With recovery still in a fragile state, global central banks including the Fed are expected to keep monetary policy accommodative to nurse the economy through the pandemic. Meanwhile, rising bond yields continue to unsettle markets. Meanwhile, earnings season continues with technology and banking stocks leading way in terms of results. Banks are enjoying higher trading fees and lower provision costs as the economy gradually regains its footing.

Commodities saw strong returns in January, buoyed by vaccination programs and normalization of the economy. The commodity market saw multiple consecutive weeks of increased market inflow, particularly across crude oil, grain & oilseed, and livestock markets. This rally continued in February, as copper saw its largest monthly gain in over four years and oil prices hitting new one-year highs. The S&P GSCI posted a return on 14.15% in the quarter.

Following from 2020’s political overhang, Malaysia’s Yang di-Pertuan Agong issued a Proclamation of Emergency, resulting in the implementation of MCO 2.0 as daily Covid-19 cases rose to four digits. Restrictions on movement were less stringent than the initial MCO from 2020, though inconsistent communication surrounding the restrictions resulted in some public confusion.

In February and March, the local equity market’s performance was muted relative to regional peers, gaining by 0.8% and 1.0% in the respective months. February was also results season in the local market, with the tech sector largely reporting earnings beat on the back of robust demand. Meanwhile, Finance Minister Tengku Zafrul clarified in an interview that the government is not looking to impose capital gains tax on stocks. The government is mulling new taxes to widen its revenue base once the economy is on a more stable footing.

The Malaysian bond market saw an unwinding of “rate cut” bets at the end of January following BNM’s announcement to keep interest rates unchanged at 1.75% highlighting that recovery of the local economy was underway. The shorter-end of the MGS curve saw yields rise whilst longer-tenured papers remained resilient that month.

Yields trended higher in tandem with US treasury movement in the quarter. Undoubtedly, the performance of the local bond market has been subpar since the start of the year; especially given the volatility in US Treasury yields, as well as the lack of support from EPF due to its ongoing commitment to the i-Sinar and i-Lestari programme. However, we were seeing some demand returning in March, as more investors – including insurance players and asset managers – are seen nibbling into the market given the more attractive yield levels.

Investment Outlook

In our view, the health care sector is underpinned by strong secular trends in particular demographic change in both developed and developing countries. In the developed world, populations are aging and as those populations age they will demand more and more from the health care sector. After the age of 65 we spend 3 times as much on health care. In the US alone, the population of those 65 years and older has increased from 1 in 12 in 1985 to an anticipated 1 in 5 by 2025. This societal shift is also not unique to the US. Europe, Japan, and China are all facing an aging population in coming decades. In emerging markets, we believe that the modernization of health care infrastructure and increased spending on health care in these countries, means that health care consumption will increase over the coming decades. Right now, developed countries, on average, spend about 10-12% of GDP on health care, while India and China spend approximately 4% and 5% respectively.

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 HEALTHSCIENCE FUND

We have acted as Trustee of Affin Hwang World Series – Global Healthscience Fund (“the Fund”) for the financial year ended 30 April 2021. To the best of our knowledge, **Affin Hwang Asset Management Berhad**, the Manager, has operated and managed the Fund in accordance with the following:-

- (a) 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 Unlisted Capital Market Product under the Lodge and Launch Framework and other applicable laws;
- (b) valuation/pricing is carried out in accordance with the Deeds and any regulatory requirements; and
- (c) creation and cancellation of units have been carried out in accordance with the Deeds and relevant regulatory requirements.

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

NORHAYATI BINTI AZIT
DIRECTOR – FUND SERVICES

Kuala Lumpur
18 June 2021

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

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AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Note	Financial year ended 30.4.2021 USD	Financial period from 18.2.2019 (date of launch) to 30.4.2020 USD
INVESTMENT INCOME			
Interest income from financial assets at amortised cost		4,684	6,261
Net gain/(loss) on forward foreign currency contract at fair value through profit or loss		9,640,893	(3,641,045)
Net gain/(loss) on foreign currency exchange		105,479	(214,786)
Net gain on financial assets at fair value through profit or loss	8	31,414,387	7,841,713
		<u>41,165,443</u>	<u>3,992,143</u>
EXPENSES			
Management fee	4	(2,901,560)	(1,218,237)
Trustee fee	5	(97,161)	(41,556)
Fund accounting fee	6	(3,379)	(533)
Auditors' remuneration		(1,927)	(1,914)
Tax agent's fee		(843)	(837)
Other expenses		(12,007)	(8,536)
		<u>(3,016,877)</u>	<u>(1,271,613)</u>
NET PROFIT BEFORE TAXATION		38,148,566	2,720,530
Taxation	7	-	-
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>38,148,566</u>	<u>2,720,530</u>
Increase in net assets attributable to unitholders comprise the following:			
Realised amount		10,355,711	(2,582,203)
Unrealised amount		27,792,855	5,302,733
		<u>38,148,566</u>	<u>2,720,530</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 HEALTHSCIENCE FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2021

	<u>Note</u>	<u>2021</u> USD	<u>2020</u> USD
ASSETS			
Cash and cash equivalents	9	6,512,546	7,093,764
Amount due from Manager			
- creation of units		82,651	379,496
- management fee rebate receivable		211,778	128,899
Financial assets at fair value through profit or loss	8	168,721,337	110,967,227
Forward foreign currency contracts at fair value through profit or loss	10	1,908,268	396,948
Prepayment of expenses		6	-
TOTAL ASSETS		<u>177,436,586</u>	<u>118,966,334</u>
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	10	357,439	2,729,257
Amount due to Manager			
- management fee		259,187	160,616
- cancellation of units		4,790,369	242,968
Amount due to Trustee		8,639	5,354
Auditors' remuneration		1,941	1,861
Tax agent's fee		807	814
Other payable and accruals		-	465
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		<u>5,418,382</u>	<u>3,141,335</u>
NET ASSET VALUE OF THE FUND		<u>172,018,204</u>	<u>115,824,999</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>172,018,204</u>	<u>115,824,999</u>

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2021 (CONTINUED)

REPRESENTED BY:	<u>Note</u>	<u>2021</u> USD	<u>2020</u> USD
FAIR VALUE OF OUTSTANDING UNITS			
- AUD Hedged - class		26,007,134	19,001,096
- MYR class		21,145,515	12,720,069
- MYR Hedged - class		96,342,778	67,327,945
- SGD Hedged - class		11,229,849	6,729,558
- USD class		17,292,928	10,046,331
		<u>172,018,204</u>	<u>115,824,999</u>
NUMBER OF UNITS IN CIRCULATION			
- AUD Hedged - class	11(a)	51,710,000	53,165,000
- MYR class	11(b)	127,291,000	91,898,000
- MYR Hedged - class	11(c)	575,792,000	510,794,000
- SGD Hedged - class	11(d)	22,377,000	16,997,000
- USD class	11(e)	25,438,000	17,736,000
		<u>802,608,000</u>	<u>690,590,000</u>
NET ASSET VALUE PER UNIT (USD)			
- AUD Hedged - class		0.5029	0.3574
- MYR class		0.1661	0.1384
- MYR Hedged - class		0.1673	0.1318
- SGD Hedged - class		0.5018	0.3959
- USD class		0.6798	0.5664
		<u>0.5029</u>	<u>0.3574</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- AUD Hedged - class		AUD0.6460	AUD0.5460
- MYR class		RM0.6788	RM0.5950
- MYR Hedged - class		RM0.6837	RM0.5667
- SGD Hedged - class		SGD0.6649	SGD0.5579
- USD class		USD0.6798	USD0.5664
		<u>AUD0.6460</u>	<u>AUD0.5460</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 HEALTHSCIENCE FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	Financial year ended 30.4.2021 USD	Financial period from 18.2.2019 (date of launch) to 30.4.2020 USD
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF FINANCIAL YEAR/ DATE OF LAUNCH	115,824,999	-
Movement due to units created and cancelled during the financial year/period		
Creation of units arising from applications	79,469,727	131,739,568
- AUD Hedged - class	8,405,280	20,959,617
- MYR class	14,332,582	16,064,460
- MYR Hedged - class	39,209,281	75,179,615
- SGD Hedged - class	5,972,641	7,779,425
- USD class	11,549,943	11,756,451
Cancellation of units	(61,425,088)	(18,635,099)
- AUD Hedged - class	(9,692,749)	(2,033,555)
- MYR class	(9,220,433)	(4,285,448)
- MYR Hedged - class	(31,569,429)	(9,173,894)
- SGD Hedged - class	(3,820,030)	(1,068,685)
- USD class	(7,122,447)	(2,073,517)
Increase in net assets attributable to unitholders during the financial year/period	38,148,566	2,720,530
- AUD Hedged - class	8,293,507	75,034
- MYR class	3,313,297	941,057
- MYR Hedged - class	21,374,981	1,322,224
- SGD Hedged - class	2,347,680	18,818
- USD class	2,819,101	363,397
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR/PERIOD	<u>172,018,204</u>	<u>115,824,999</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 HEALTHSCIENCE FUND

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

	<u>Note</u>	Financial year ended 30.4.2021 USD	Financial period from 18.2.2019 (date of launch) to 30.4.2020 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		31,921,084	12,113,970
Purchase of investments		(60,615,000)	(116,230,000)
Interest received		4,684	6,261
Management fee rebate received		2,271,308	861,617
Management fee paid		(2,802,989)	(1,057,621)
Trustee fee paid		(93,876)	(36,202)
Payment for other fees and expenses		(18,548)	(8,680)
Net realised foreign currency exchange gain/(loss)		166,246	(269,542)
Realised gain/(loss) on forward foreign currency contract		5,757,755	(1,308,736)
		<u>(23,409,336)</u>	<u>(105,928,933)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		79,766,572	131,360,072
Payments for cancellation of units		(56,877,687)	(18,392,131)
		<u>22,888,885</u>	<u>112,967,941</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(520,451)	7,039,008
EFFECTS OF FOREIGN CURRENCY EXCHANGE		(60,767)	54,756
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR/ DATE OF LAUNCH		<u>7,093,764</u>	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR/PERIOD	9	<u><u>6,512,546</u></u>	<u><u>7,093,764</u></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 HEALTHSCIENCE FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 year. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note K.

(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 HEALTHSCIENCE FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

B INCOME RECOGNITION

Dividend income

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

Interest income

Interest income from short term deposit 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 schemes ("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 the 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.

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.

D 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.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

E 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.

F 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 Fund classifies cash and cash equivalents and amount due from Manager as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

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

(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.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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.

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 collective investment schemes are valued at the last published 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.

(iii) Impairment

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. Management considers both historical analysis and forward-looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these instruments have a low risk of default and the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12 month 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.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

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

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.

G 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.

H 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".

The Fund issues cancellable units, in five classes of units, known respectively as the AUD Hedged-class, MYR 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 net asset value ("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.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

H CREATION AND CANCELLATION OF UNITS (CONTINUED)

Units are created and cancelled at the unit holder'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 unit holders of respective classes with the total number of outstanding units of respective classes.

I INCREASE/DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

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

J 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 as 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.

K 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.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

K CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

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 SC's 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 judgement 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 cash is denominated in USD for the purpose of making settlement of the foreign trades.
- ii) Significant portion of the Fund's expenses are denominated in USD.
- iii) The Fund's sole investment is in a collective investment scheme denominated in USD.

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

The analysis of realised and unrealised 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 - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

1 INFORMATION ON THE FUND

The Wholesale Fund was constituted under the name Affin Hwang World Series – Global Healthscience Fund (the “Fund”) pursuant to the execution of a Deed dated 15 January 2019 (the “Deed”) entered into between Affin Hwang Asset Management Berhad (the “Manager”) and TMF Trustees Malaysia Berhad (the “Trustee”).

The Fund commenced operations on 15 March 2019 and will continue its operations until terminated by the Trustee as provided under Division 12.3 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 Securities Commission (“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 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 achieve capital appreciation over 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.

The financial statements were authorised for issue by the Manager on 18 June 2021.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised <u>cost</u> USD	At fair value through <u>profit or loss</u> USD	<u>Total</u> USD
<u>2021</u>				
<u>Financial assets</u>				
Cash and cash equivalents	9	6,512,546	-	6,512,546
Amount due from Manager				
- creation of units		82,651	-	82,651
- management fee rebate receivable		211,778	-	211,778
Collective investment scheme	8	-	168,721,337	168,721,337
Forward foreign currency contract at fair value through profit or loss	10	-	1,908,268	1,908,268
Total		<u>6,806,975</u>	<u>170,629,605</u>	<u>177,436,580</u>
<u>Financial liabilities</u>				
Forward foreign currency contract at fair value through profit or loss	10	-	357,439	357,439
Amount due to Manager				
- management fee		259,187	-	259,187
- cancellation of units		4,790,369	-	4,790,369
Amount due to Trustee		8,639	-	8,639
Auditors' remuneration		1,941	-	1,941
Tax agent's fee		807	-	807
Total		<u>5,060,943</u>	<u>357,439</u>	<u>5,418,382</u>

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

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
<u>2020</u>				
<u>Financial assets</u>				
Cash and cash equivalents	9	7,093,764	-	7,093,764
Amount due from Manager				
- creation of units		379,496	-	379,496
- management fee rebate receivable		128,899	-	128,899
Collective investment scheme	8	-	110,967,227	110,967,227
Forward foreign currency contract at fair value through profit or loss	10	-	396,948	396,948
Total		<u>7,602,159</u>	<u>111,364,175</u>	<u>118,966,334</u>
<u>Financial liabilities</u>				
Forward foreign currency contract at fair value through profit or loss	10	-	2,729,257	2,729,257
Amount due to Manager				
- management fee		160,616	-	160,616
- cancellation of units		242,968	-	242,968
Amount due to Trustee		5,354	-	5,354
Auditors' remuneration		1,861	-	1,861
Tax agent's fee		814	-	814
Other payables and accruals		465	-	465
Total		<u>412,078</u>	<u>2,729,257</u>	<u>3,141,335</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 Unlisted Capital Market Products under the Lodge and Launch Framework.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 investment		
Collective investment scheme	168,721,337	110,967,227

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 securities, having regard to the historical volatility of the prices.

<u>% change in price</u>	<u>Market value</u> USD	<u>Impact on</u> <u>profit after</u> <u>tax/NAV</u> USD
<u>2021</u>		
-10%	151,849,203	(16,872,134)
0%	168,721,337	-
+10%	185,593,471	16,872,134
<u>2020</u>		
-10%	99,870,504	(11,096,723)
0%	110,967,227	-
+10%	122,063,950	11,096,723

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 the carrying value of the deposit is a reasonable estimate of fair value as the deposits are held on a short term basis.

(c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against United States Dollar, the investments will face currency losses in addition to the capital gain/loss. The Manager will evaluate the likely directions of a foreign currency versus 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:

	<u>Forward foreign currency contracts</u> USD	<u>Cash and cash equivalents</u> USD	<u>Amount due from Manager</u> USD	<u>Total</u> USD
<u>2021</u>				
<u>Financial assets</u>				
Australian Dollar	942,122	69,152	-	1,011,274
Malaysia Ringgit	815,011	2,507,859	77,866	3,400,736
Singapore Dollar	151,135	109,063	-	260,198
	<u>1,908,268</u>	<u>2,686,074</u>	<u>77,866</u>	<u>4,672,208</u>

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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>Forward foreign currency contracts</u> USD	<u>Amount due to Manager</u> USD	<u>Other payables*</u> USD	<u>Net assets attributable to unitholders</u> USD	<u>Total</u> USD
<u>2021</u> (continued)					
<u>Financial liabilities</u>					
Australian Dollar	178	355,893	-	26,007,134	26,363,205
Malaysia Ringgit	344,235	3,842,209	2,748	117,488,293	121,677,485
Singapore Dollar	13,026	197,304	-	11,229,849	11,440,179
	<u>357,439</u>	<u>4,395,406</u>	<u>2,748</u>	<u>154,725,276</u>	<u>159,480,869</u>
		<u>Forward foreign currency contracts</u> USD	<u>Cash and cash equivalents</u> USD	<u>Amount due from Manager</u> USD	<u>Total</u> USD
<u>2020</u>					
<u>Financial assets</u>					
Australian Dollar		217,760	72,368	-	290,128
Malaysian Ringgit		160,938	2,732	297,690	461,360
Singapore Dollar		18,250	4,396	-	22,646
		<u>396,948</u>	<u>79,496</u>	<u>297,690</u>	<u>774,134</u>

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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	Amount due to Manager USD	Other payables* USD	Net assets attributable to unitholders USD	Total USD
<u>2020</u> (continued)					
<u>Financial liabilities</u>					
Australian Dollar	591,563	109,806	-	19,001,096	19,702,465
Malaysian Ringgit	1,986,241	87,832	3,140	80,048,014	82,125,227
Singapore Dollar	151,453	-	-	6,729,558	6,881,011
	2,729,257	197,638	3,140	105,778,668	108,708,703

*Other liabilities consist of auditor's remuneration, tax agent's fee and other payables and accruals.

The table below summarises the sensitivity of the Fund's 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 based on each currency's respective historical volatility, with all other variables held constant.. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/ (decrease) in foreign exchange rate will result in a corresponding increase(decrease) 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 price %	Impact on profit after tax/ NAV USD
<u>2021</u>		
Australian Dollar	+/- 10.94	-/+ 2,772,559
Malaysian Ringgit	+/- 7.66	-/+ 9,063,171
Singapore Dollar	+/- 6.54	-/+ 731,165

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.(continued)

	Change in price %	Impact on profit after tax/ NAV USD
<u>2020</u>		
Australian Dollar	+/-15.51	-/+ 3,011,731
Malaysian Ringgit	+/-7.66	-/+ 6,257,642
Singapore Dollar	+/-6.54	-/+ 448,534

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 HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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.

	<u>Within one month USD</u>	<u>Between one month to one year USD</u>	<u>Total USD</u>
<u>2021</u>			
Amount due to Manager			
- management fee	259,187	-	259,187
- cancellation of units	4,790,369	-	4,790,369
Amount due to Trustee	8,639	-	8,639
Auditors' remuneration	-	1,941	1,941
Tax agent's fee	-	807	807
Forward foreign currency contracts at fair value through profit or loss	20,226	337,213	357,439
Net assets attributable to unitholders*	172,018,204	-	172,018,204
	<u>177,096,625</u>	<u>339,961</u>	<u>177,436,586</u>
<u>2020</u>			
Amount due to Manager			
- management fees	160,616	-	160,616
- cancellation of units	242,968	-	242,968
Amount due to Trustee	5,354	-	5,354
Auditors' remuneration	-	1,861	1,861
Tax agent fee	-	814	814
Other payables and accruals	-	465	465
Forward foreign currency contracts	21,806	2,707,451	2,729,257
Net assets attributable to unitholders*	115,824,999	-	115,824,999
	<u>116,255,743</u>	<u>2,710,591</u>	<u>118,966,334</u>

*Units are cancelled on demand at the unitholder's option (Note H). 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.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 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 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 .

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

	<u>Forward foreign currency contracts</u> USD	<u>Cash and cash equivalents</u> USD	<u>Amount due from Manager</u> USD	<u>Total</u> USD
<u>2021</u>				
Financial Services				
- AAA	766,376	6,512,546	-	7,278,922
- AA2	121,969	-	-	121,969
- AA3	323,330	-	-	323,330
- NR	696,593	-	-	696,593
Others				
- NR	-	-	294,429	294,429
	<u>1,908,268</u>	<u>6,512,546</u>	<u>294,429</u>	<u>8,715,243</u>
<u>2020</u>				
Financial Services				
- AAA	154,821	7,093,764	-	7,248,585
- AA2	63,501	-	-	63,501
- AA3	51,300	-	-	51,300
- NR	127,326	-	-	127,326
Others				
- NR	-	-	508,395	508,395
	<u>396,948</u>	<u>7,093,764</u>	<u>508,395</u>	<u>7,999,107</u>

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 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 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.

An active market is a market in which transactions for the asset take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques.

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

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

	<u>Level 1</u> 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 scheme	168,721,337	-	-	168,721,337
- forward foreign currency contracts	-	1,908,268	-	1,908,268
	<u>168,721,337</u>	<u>1,908,268</u>	<u>-</u>	<u>170,629,605</u>
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	357,439	-	357,439
	<u>-</u>	<u>357,439</u>	<u>-</u>	<u>357,439</u>
<u>2020</u>				
Financial assets at fair value through profit or loss				
- collective investment scheme	110,967,227	-	-	110,967,227
- forward foreign currency contracts	-	396,948	-	396,948
	<u>110,967,227</u>	<u>396,948</u>	<u>-</u>	<u>111,364,175</u>
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	2,729,257	-	2,729,257
	<u>-</u>	<u>2,729,257</u>	<u>-</u>	<u>2,729,257</u>

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include collective investment scheme. 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 alternative pricing sources supported by observable inputs are classified within Level 2. These 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 Manager and all current liabilities 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 net asset value ("NAV") of the Fund calculated on a daily basis.

For the financial year ended 30 April 2021, management fee is recognised at a rate of 1.80% (2020: 1.80%) 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 net asset value (NAV) of the Fund, excluding of foreign custodian fees and charges.

For the financial year ended 30 April 2021, the Trustee's fee is recognised at a rate of 0.06% (2020: 0.06%) 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 Trustee in respect of Trustee fee other than the amounts recognised above.

6 FUND ACCOUNTING FEE

The fund valuation and accounting fee for the Fund is RM14,000 (USD 3,379) per annum.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

7 TAXATION

	Financial year ended <u>30.4.2021</u> USD	Financial period from 18.2.2019 (date of launch) to <u>30.4.2020</u> USD
Current taxation	-	-

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

	Financial year ended <u>30.4.2021</u> USD	Financial period from 18.2.2019 (date of launch) to <u>30.4.2020</u> USD
Net profit before taxation	38,148,566	2,720,530
Tax at Malaysian statutory rate of 24% (2020: 24%)	9,155,656	652,927
Tax effects of:		
Investment income not subject to tax	(9,314,702)	(958,115)
Expenses not deductible for tax purposes	27,214	12,351
Restriction on tax deduction expenses for Wholesale Funds	131,832	292,837
Tax expense	-	-

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>30.4.2021</u> USD	<u>30.4.2020</u> USD
Financial assets at fair value through profit or loss:		
- collective investment scheme - local	168,721,337	110,967,227
	<u>168,721,337</u>	<u>110,967,227</u>
	Financial year ended <u>30.4.2021</u> USD	Financial period from 18.2.2019 (date of launch) to <u>30.4.2020</u> USD
Net gain on financial assets at fair value through profit or loss		
- realised gain/(loss) on sale of investments	5,089,716	(729,089)
- unrealised gain on changes in fair value	23,970,484	7,580,286
- management fee rebate on collective investment scheme #	2,354,187	990,516
	<u>31,414,387</u>	<u>7,841,713</u>

In arriving at the fair value of collective investment schemes, 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 investments in collective investment scheme has 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 scheme.

(a) Collective investment scheme

(i) Collective investment scheme as at 30 April 2021 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> USD	Fair <u>value</u> USD	Percentage <u>of NAV</u> %
BlackRock Global Funds				
-World Healthscience Fund	2,725,268	137,170,567	168,721,337	98.08
Total collective investment scheme	<u>2,725,268</u>	<u>137,170,567</u>	<u>168,721,337</u>	<u>98.08</u>
Accumulated unrealised gain on collective investment scheme		<u>31,550,770</u>		
Total collective investment scheme		<u>168,721,337</u>		

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

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

(a) Collective investment scheme (continued)

(ii) Collective investment scheme as at 30 April 2020 are as follows:

	<u>Quantity</u>	Aggregate <u>cost</u> USD	Fair <u>value</u> USD	Percentage <u>of NAV</u> %
BlackRock Global Funds				
-World Healthscience Fund	2,169,447	103,386,941	110,967,227	95.81
Total collective investment scheme	<u>2,169,447</u>	<u>103,386,941</u>	<u>110,967,227</u>	<u>95.81</u>
Accumulated unrealised gain on collective investment scheme		7,580,286		
Total collective investment scheme		<u>110,967,227</u>		

9 CASH AND CASH EQUIVALENTS

	<u>2021</u> USD	<u>2020</u> USD
Cash and bank balances	4,015,506	7,070,363
Deposit with a licensed financial institution	2,497,040	23,401
	<u>6,512,546</u>	<u>7,093,764</u>

Weighted average effective interest rates per annum of deposit with a licensed financial institution are as follows:

	<u>2021</u> %	<u>2020</u> %
Deposit with a licensed financial institution	<u>1.75</u>	<u>2.55</u>

Deposit with a licensed financial institution of the Fund has an average maturity of 3 days (2020: 4 days).

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

10 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of the statement of financial position, there are 93 (2020: 157) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD450,510,000 (2020: USD328,335,691). The forward foreign currency contracts entered into during the financial year 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, the change in the fair value of the forward foreign currency contract 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>	<u>2020</u>
		No. of units	No. of units
	At the beginning of the financial year/date of launch	53,165,000	-
	Creation of units arising from applications	19,914,000	58,713,000
	Cancellation of units	(21,369,000)	(5,548,000)
	At the end of the financial year/period	<u>51,710,000</u>	<u>53,165,000</u>
(b)	MYR class units in circulation	<u>2021</u>	<u>2020</u>
		No. of units	No. of units
	At the beginning of the financial year/date of launch	91,898,000	-
	Creation of units arising from applications	94,978,000	123,936,000
	Cancellation of units	(59,585,000)	(32,038,000)
	At the end of the financial year/period	<u>127,291,000</u>	<u>91,898,000</u>

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

11 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(c)	MYR Hedged - class units in circulation		
		<u>2021</u>	<u>2020</u>
		No. of units	No. of units
	At the beginning of the financial year/date of launch	510,794,000	-
	Creation of units arising from applications	265,534,000	582,850,000
	Cancellation of units	(200,536,000)	(72,056,000)
	At the end of the financial year/period	<u>575,792,000</u>	<u>510,794,000</u>
(d)	SGD Hedged - class units in circulation		
		<u>2021</u>	<u>2020</u>
		No. of units	No. of units
	At the beginning of the financial year/date of launch	16,997,000	-
	Creation of units arising from applications	13,659,000	19,812,000
	Cancellation of units	(8,279,000)	(2,815,000)
	At the end of the financial year/period	<u>22,377,000</u>	<u>16,997,000</u>
(e)	USD class units in circulation		
		<u>2021</u>	<u>2020</u>
		No. of units	No. of units
	At the beginning of the financial year/date of launch	17,736,000	-
	Creation of units arising from applications	18,740,000	21,595,000
	Cancellation of units	(11,038,000)	(3,859,000)
	At the end of the financial year/period	<u>25,438,000</u>	<u>17,736,000</u>

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

12 TRANSACTIONS WITH BROKERS

- (i) Details of transaction with the brokers for the financial year ended 30 April 2021 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> USD	Percentage of <u>total trade</u> %
Blackrock	92,536,090	100.00

- (ii) Details of transaction with the brokers for the financial period ended 30 April 2020 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> USD	Percentage of <u>total trade</u> %
Blackrock	128,343,970	100.00

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

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

<u>Related parties</u>	<u>Relationship</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

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

13 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 are as follows: (continued)

	2021		2020	
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad (the units are held legally for booking purposes)				
- AUD Hedged - class	3,390	1,705	2,945	1,053
- MYR class	3,638	604	2,996	415
- MYR Hedged - class	3,210	537	3,483	459
- SGD Hedged - class	2,403	1,206	3,031	1,200
- USD class	2,536	1,724	3,322	1,882
	3,390	1,705	2,945	1,053

14 MANAGEMENT EXPENSE RATIO (“MER”)

	Financial year ended <u>30.4.2021</u> %	Financial period from 18.2.2019 (date of launch) to <u>30.4.2020</u> %
MER	1.86	2.20

MER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial year/period calculated on a daily basis is USD161,932,403 (2020: USD57,871,638).

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021 (CONTINUED)

15 PORTFOLIO TURNOVER RATIO (“PTR”)

	Financial year ended 30.4.2021	Financial period from 18.2.2019 (date of launch) to 30.4.2020
PTR (times)	0.27	1.12

PTR is derived from the following calculation:

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

where: total acquisition for the financial year/period = USD60,615,000 (2020: USD116,230,000)
total disposal for the financial year/period = USD26,831,374 (2020: USD12,843,059)

16 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR/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 actively managing the portfolio to achieve the Fund's objective.

AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE 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 33 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 April 2021 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year ended 30 April 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
18 June 2021

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the financial statements of Affin Hwang World Series – Global Healthscience Fund give a true and fair view of the financial position of the Fund as at 30 April 2021 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 April 2021, 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 33.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND
(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager 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 has no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND
(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund'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.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF
AFFIN HWANG WORLD SERIES - GLOBAL HEALTHSCIENCE FUND
(CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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 June 2021

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