

Affin Hwang World Series - Global Quantum Fund

Annual Report
30 April 2021

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



AFFIN HWANG
CAPITAL

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

TRUSTEE
CIMB Commerce Trustees Berhad (313031-A)

AFFIN HWANG WORLD SERIES – GLOBAL QUANTUM 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 Quantum Fund
Fund Type	Growth
Fund Category	Feeder (Wholesale)
Investment Objective	The Fund seeks to achieve capital appreciation over medium to long term period
Benchmark	MSCI AC World Small Cap Index
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	10
10,001 to 50,000	4	74
50,001 to 500,000	6	677
500,001 and above	6	11,017
Total	17	11,778

* Note : Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY AUD 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	54
50,001 to 500,000	4	483
500,001 and above	1	873
Total	7	1,410

* Note : Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY GBP 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	50
50,001 to 500,000	1	65
500,001 and above	0	0
Total	3	115

** 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	0
5,001 to 10,000	1	9
10,001 to 50,000	44	1,072
50,001 to 500,000	28	5,201
500,001 and above	8	18,152
Total	82	24,434

** 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	0	0
10,001 to 50,000	24	649
50,001 to 500,000	24	3,344
500,001 and above	5	65,495
Total	53	69,488

** Note : Excluding Manager's stock*

BREAKDOWN OF UNITHOLDERS BY SGD 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	6	153
50,001 to 500,000	5	598
500,001 and above	2	1,683
Total	13	2,434

** Note : Excluding Manager's stock*

FUND PERFORMANCE DATA

Category	As at 30 Apr 2021 (%)						As at 30 Apr 2020 (%)					
Portfolio composition												
Collective investment scheme	97.72						94.84					
Cash and cash equivalent	2.28						5.16					
Total	100.00						100.00					
Currency class	USD Class	AUD Class	GBP Class	MYR Class	MYR Hedged - Class	SGD Class	USD Class	AUD Class	GBP Class	MYR Class	MYR Hedged - Class	SGD Class
Total NAV (million)	8.486	1.054	0.086	18.440	48.456	1.773	5.547	0.176	0.226	17.240	18.460	1.158
NAV per Unit (in respective currencies)	0.7205	0.7451	0.7217	0.7546	0.6973	0.7278	0.4483	0.5515	0.5016	0.4940	0.4323	0.4817
Unit in Circulation (million)	11.779	1.414	0.119	24.437	69.491	2.436	12.374	0.320	0.451	34.902	42.704	2.404
Highest NAV	0.7285	0.7559	0.7337	0.7674	0.7049	0.7370	0.5299	0.6336	0.5804	0.5596	0.5150	0.5585
Lowest NAV	0.4340	0.5454	0.4879	0.4800	0.4186	0.4690	0.3445	0.4673	0.4025	0.3896	0.3337	0.3811
Return of the Fund (%) ⁱⁱⁱ	60.72	35.10	43.88	52.75	61.30	51.09	-14.05	-7.31	-10.59	-10.60	-14.57	-10.93
- Capital Growth (%) ⁱ	60.72	35.10	43.88	52.75	61.30	51.09	-14.05	-7.31	-10.59	-10.60	-14.57	-10.93
- Income Distribution (%) ⁱⁱ	Nil	Nil	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	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Management Expense Ratio (%) ¹				1.95						1.89		
Portfolio Turnover Ratio (times) ²				0.69						0.45		

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

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

Category	As at 30 Apr 2019 (%)					
Portfolio composition						
Collective investment scheme	97.84					
Cash and cash equivalent	2.16					
Total	100.00					
Currency class	USD Class	AUD Class	GBP Class	MYR Class	MYR Hedged - Class	SGD Class
Total NAV (million)	6.224	1.561	0.238	42.474	47.477	4.259
NAV per Unit (in respective currencies)	0.5216	0.5950	0.5610	0.5526	0.5060	0.5408
Unit in Circulation (million)	11.932	2.624	0.425	76.867	93.836	7.876
Highest NAV	0.5590	0.6269	0.6077	0.5932	0.5419	0.5867
Lowest NAV	0.4188	0.4747	0.4608	0.4480	0.4060	0.4371
Return of the Fund (%) ⁱⁱⁱ	4.32	19.00	12.20	10.52	1.20	8.16
- Capital Growth (%) ⁱ	4.32	19.00	12.20	10.52	1.20	8.16
- Income Distribution (%) ⁱⁱ	Nil	Nil	Nil	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil
Management Expense Ratio (%)			2.44			
Portfolio Turnover Ratio (times)			1.09			

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 distributions or unit splits were declared for the financial period ended 30 April 2021.

Performance Review**USD Class**

For the period 1 May 2020 to 30 April 2021, the Fund registered a 60.72% return compared to the benchmark return of 64.11%. The Fund thus underperformed the Benchmark by 3.39%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2021 was USD0.7205 while the NAV as at 30 April 2020 was USD0.4483.

Since commencement, the Fund has registered a return of 44.10% compared to the benchmark return of 38.37%, outperforming by 5.73%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (8/2/18 - 30/4/21)
Fund	60.72%	40.48%	44.10%
Benchmark	64.11%	36.58%	38.37%
Outperformance	(3.39%)	3.90%	5.73%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (8/2/18 - 30/4/21)
Fund	60.72%	11.98%	11.99%
Benchmark	64.11%	10.94%	10.59%
Outperformance	(3.39%)	1.04%	1.40%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (1/5/19 - 30/4/20)	FYE 2019 (8/2/18 - 30/4/19)
Fund	60.72%	(14.05%)	4.32%
Benchmark	64.11%	(16.00%)	0.38%
Outperformance	(3.39%)	1.95%	3.94%

Source of Benchmark: Bloomberg

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



AUD Class

For the period 1 May 2020 to 30 April 2021, the Fund registered a 35.10% return compared to the benchmark return of 38.84%. The Fund thus underperformed the Benchmark by 3.74%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2021 was AUD0.7451 while the NAV as at 30 April 2020 was AUD0.5515.

Since commencement, the Fund has registered a return of 49.02% compared to the benchmark return of 40.47%, outperforming by 8.55%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (8/2/18 - 30/4/21)
Fund	35.10%	36.07%	49.02%
Benchmark	38.84%	33.67%	40.47%
Outperformance	(3.74%)	2.40%	8.55%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (8/2/18 - 30/4/21)
Fund	35.10%	10.80%	13.16%
Benchmark	38.84%	10.15%	11.10%
Outperformance	(3.74%)	0.65%	2.06%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (1/5/19 - 30/4/20)	FYE 2019 (8/2/18 - 30/4/19)
Fund	35.10%	(7.31%)	19.00%
Benchmark	38.84%	(9.22%)	11.44%
Outperformance	(3.74%)	1.91%	7.56%

Source of Benchmark: Bloomberg

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



GBP Class

For the period 1 May 2020 to 30 April 2021, the Fund registered a 43.88% return compared to the benchmark return of 49.30%. The Fund thus underperformed the Benchmark by 5.42%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2021 was GBP0.7217 while the NAV as at 30 April 2020 was GBP0.5016.

Since commencement, the Fund has registered a return of 44.34% compared to the benchmark return of 38.81%, outperforming by 5.53%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (8/2/18 - 30/4/21)
Fund	43.88%	38.36%	44.34%
Benchmark	49.30%	35.94%	38.81%
Outperformance	(5.42%)	2.42%	5.53%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (8/2/18 - 30/4/21)
Fund	43.88%	11.42%	12.04%
Benchmark	49.30%	10.77%	10.70%
Outperformance	(5.42%)	0.65%	1.34%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (1/5/19 - 30/4/20)	FYE 2019 (8/2/18 - 30/4/19)
Fund	43.88%	(10.59%)	12.20%
Benchmark	49.30%	(12.93%)	6.79%
Outperformance	(5.42%)	2.34%	5.41%

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 52.75% return compared to the benchmark return of 56.12%. The Fund thus underperformed the Benchmark by 3.37%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2021 was MYR0.7546 while the NAV as at 30 April 2020 was MYR0.4940.

Since commencement, the Fund has registered a return of 50.92% compared to the benchmark return of 44.85%, outperforming by 6.07%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (8/2/18 - 30/4/21)
Fund	52.75%	46.35%	50.92%
Benchmark	56.12%	42.41%	44.85%
Outperformance	(3.37%)	3.94%	6.07%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (8/2/18 - 30/4/21)
Fund	52.75%	13.52%	13.60%
Benchmark	56.12%	12.50%	12.17%
Outperformance	(3.37%)	1.02%	1.43%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (1/5/19 - 30/4/20)	FYE 2019 (8/2/18 - 30/4/19)
Fund	52.75%	(10.60%)	10.52%
Benchmark	56.12%	(12.72%)	6.31%
Outperformance	(3.37%)	2.12%	4.21%

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 61.30% return compared to the benchmark return of 56.12%. The Fund thus outperformed the Benchmark by 5.18%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2021 was MYR0.6973 while the NAV as at 30 April 2020 was MYR0.4323.

Since commencement, the Fund has registered a return of 39.46% compared to the benchmark return of 40.52%, underperforming by 1.06%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (19/4/18 - 30/4/21)
Fund	61.30%	41.21%	39.46%
Benchmark	56.12%	42.41%	40.52%
Outperformance	5.18%	(1.20%)	(1.06%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (19/4/18 - 30/4/21)
Fund	61.30%	12.18%	11.58%
Benchmark	56.12%	12.50%	11.86%
Outperformance	5.18%	(0.32%)	(0.28%)

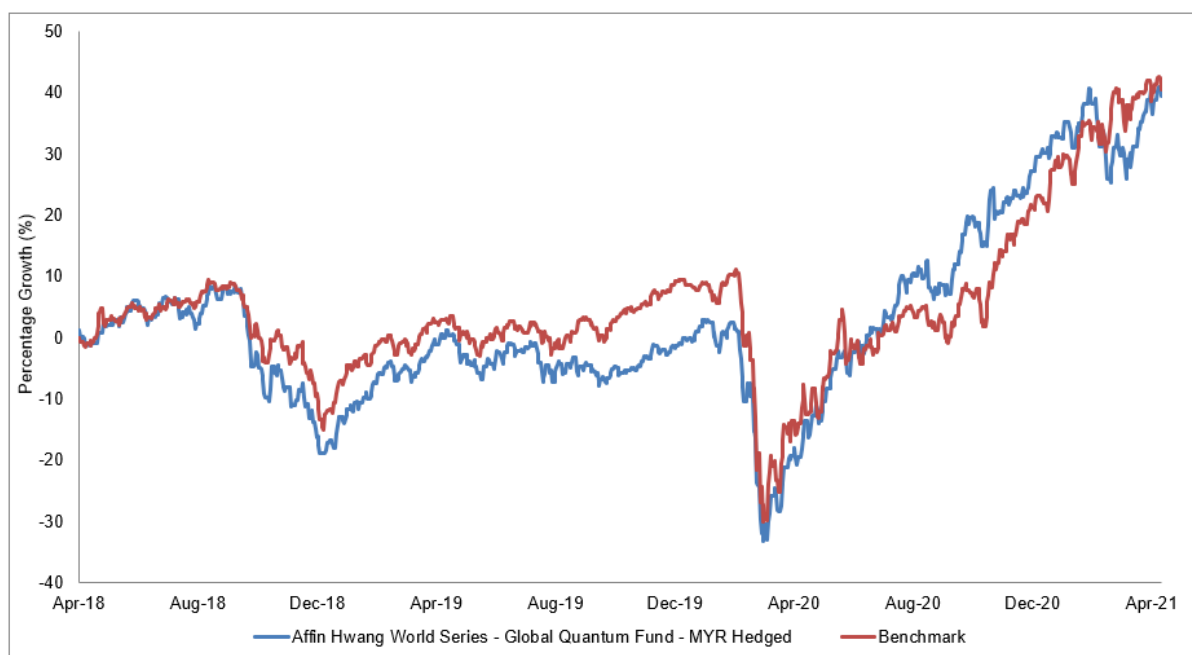
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (1/5/19 - 30/4/20)	FYE 2019 (19/4/18 - 30/4/19)
Fund	61.30%	(14.57%)	1.20%
Benchmark	56.12%	(12.72%)	3.13%
Outperformance	5.18%	(1.85%)	(1.93%)

Source of Benchmark: Bloomberg

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



SGD Class

For the period 1 May 2020 to 30 April 2021, the Fund registered a 51.09% return compared to the benchmark return of 54.84%. The Fund thus underperformed the Benchmark by 3.75%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2021 was SGD0.7278 while the NAV as at 30 April 2020 was SGD0.4817.

Since commencement, the Fund has registered a return of 45.56% compared to the benchmark return of 38.98%, outperforming by 6.58%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (8/2/18 - 30/4/21)
Fund	51.09%	40.42%	45.56%
Benchmark	54.84%	37.25%	38.98%
Outperformance	(3.75%)	3.17%	6.58%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/20 - 30/4/21)	3 Years (1/5/18 - 30/4/21)	Since Commencement (8/2/18 - 30/4/21)
Fund	51.09%	11.97%	12.34%
Benchmark	54.84%	11.12%	10.74%
Outperformance	(3.75%)	0.85%	1.60%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/5/20 - 30/4/21)	FYE 2020 (1/5/19 - 30/4/20)	FYE 2019 (8/2/18 - 30/4/19)
Fund	51.09%	(10.93%)	8.16%
Benchmark	54.84%	(12.94%)	3.10%
Outperformance	(3.75%)	2.01%	5.06%

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 AC World Small Cap 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 97.72% of the Fund's NAV, while the balance was held in cash and cash equivalent.

Strategies Employed

We employed strategy that focus on quality and resilient earnings streams, Our strategy give us confidence that our holdings are well positioned to deliver good earnings growth ahead, which should continue to lead to the Fund outperforming. The strategy outperformed its benchmark index year-to-date, largely delivering the downside protection that our investment process is designed to provide. While stock correlation rose to record highs, making it difficult to avoid the equity sell-off, the Manager's bias towards higher-quality companies provided a degree of resilience.

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

Looking ahead, investors need to be cognisant of two key factors: a company's ability to sustain growth and to pass on higher costs.

Year-to-date, (almost) all boats have been lifted by the tide of stimulus-induced recovery. Reopening plus pent-up demand and government support packages have unleashed a wave of corporate and consumer spending. The first question for investors is how long this initial growth phase will last. Some forward-looking indicators, such as the OECD leading indicators, suggest that broad market activity is already peaking. In China, the first country to emerge from the pandemic, policy normalisation has started, tempering exuberant growth. We would also note that as we approach the second half of the year, year-on-year comparisons start to become more difficult to beat. Hence, we believe the correct course of action is staying focused on companies with a clear growth strategy that delivers over the next one-to-three years.

The second point we would raise relates to a company's ability to pass on higher costs. As evidenced by rising inflation, input costs have been ticking up since the end of last year. In our view, companies with a

strong competitive advantage, such as a market-leading product, a trusted brand or a unique technology and entrenched relationship with their customers are best placed to ride out higher input costs and maintain margins.

Our investment process continues to focus on quality companies with a discernible growth outlook and upwards earnings momentum.

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 QUANTUM FUND

We, **CIMB Commerce Trustee Berhad** being the trustee of **Affin Hwang World Series – Global Quantum Fund** ("the Fund"), are of the opinion that **Affin Hwang Asset Management Berhad** ("the Manager"), acting in the capacity as Manager of the Fund, has fulfilled its duties in the following manner for the financial year ended 30 April 2021.

In our opinion:

- a) The Fund has been managed in accordance with the limitations imposed on the investment powers of the Manager and the Trustee under the Deeds, the Securities Commission Malaysia's Guidelines on Unlisted Capital Market Product under the Lodge and Launch Framework, the Capital Markets and Services Act, 2007 (as amended from time to time) and other applicable laws;
- b) Valuation and pricing of units of the Fund has been carried out in accordance with the Deed and relevant regulatory requirements;
- c) The creation and cancellation of units have been carried out in accordance with the Deed and the relevant regulatory requirements

For and on behalf of
CIMB Commerce Trustee Berhad

Lee Kooi Yoke
Chief Executive Officer

Kuala Lumpur, Malaysia
18 June 2021

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2021

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AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

	<u>Note</u>	<u>2021</u> USD	<u>2020</u> USD
INVESTMENT INCOME/(LOSS)			
Interest income from financial assets at amortised cost		1,025	1,446
Net gain on foreign currency exchange		16,399	44,482
Net gain/(loss) on forward foreign currency contract at fair value through profit or loss		182,027	(217,916)
Net gain/(loss) on financial assets at fair value through profit or loss	8	8,371,726	(2,932,798)
		<u>8,571,177</u>	<u>(3,104,786)</u>
EXPENSES			
Management fee	4	(329,226)	(414,903)
Trustee fee	5	(7,353)	(9,300)
Fund accounting fee	6	(10,619)	(1,674)
Auditors' remuneration		(1,854)	(1,861)
Tax agent's fee		(569)	(814)
Other expenses		(7,983)	(6,879)
		<u>(357,604)</u>	<u>(435,431)</u>
NET PROFIT/(LOSS) BEFORE TAXATION		8,213,573	(3,540,217)
Taxation	7	-	-
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>8,213,573</u>	<u>(3,540,217)</u>
Increase/(decrease) in net assets attributable to unitholders comprise the following:			
Realised amount		1,544,899	(1,597,198)
Unrealised amount		6,668,674	(1,943,019)
		<u>8,213,573</u>	<u>(3,540,217)</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 QUANTUM 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		993,314	871,403
Financial assets at fair value through profit or loss	8	26,518,348	14,292,379
Amount due from Manager			
- creation of units		217,917	16,366
- management fee rebate receivable		19,495	9,760
Forward foreign currency contracts at fair value through profit or loss	9	43,226	6,738
TOTAL ASSETS		<u>27,792,300</u>	<u>15,196,646</u>
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	9	22,893	100,872
Amount due to broker		300,000	-
Amount due to Manager			
- management fee		40,030	20,395
- cancellation of units		288,052	-
Amount due to Trustee		890	453
Auditors' remuneration		1,854	1,861
Tax agent's fee		811	1,056
Other payable and accruals		1,066	1,258
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		<u>655,596</u>	<u>125,895</u>
NET ASSET VALUE OF THE FUND		<u>27,136,704</u>	<u>15,070,751</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>27,136,704</u>	<u>15,070,751</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

	<u>Note</u>	<u>2021</u> USD	<u>2020</u> USD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- AUD class		820,267	115,509
- GBP class		119,703	282,260
- MYR class		4,512,964	4,010,292
- MYR-Hedged class		11,859,099	4,294,005
- SGD class		1,338,215	821,697
- USD class		8,486,456	5,546,988
		<u>27,136,704</u>	<u>15,070,751</u>
NUMBER OF UNITS IN CIRCULATION			
- AUD class	10 (a)	1,414,000	320,000
- GBP class	10 (b)	119,000	451,000
- MYR class	10 (c)	24,437,000	34,902,000
- MYR-Hedged class	10 (d)	69,491,000	42,704,000
- SGD class	10 (e)	2,436,000	2,404,000
- USD class	10 (f)	11,779,000	12,374,000
		<u>109,676,000</u>	<u>93,155,000</u>
NET ASSET VALUE PER UNIT (USD)			
- AUD class		0.5801	0.3610
- GBP class		1.0059	0.6259
- MYR class		0.1847	0.1149
- MYR-Hedged class		0.1707	0.1006
- SGD class		0.5493	0.3418
- USD class		<u>0.7205</u>	<u>0.4483</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- AUD class		AUD0.7451	AUD0.5515
- GBP class		GBP0.7217	GBP0.5016
- MYR class		RM0.7546	RM0.4940
- MYR-Hedged class		RM0.6973	RM0.4323
- SGD class		SGD0.7278	SGD0.4817
- USD class		<u>USD0.7205</u>	<u>USD0.4483</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 QUANTUM FUND

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

	<u>2021</u> USD	<u>2020</u> USD
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	15,070,751	32,532,126
Movement due to units created and cancelled during the financial year		
Creation of units arising from applications	19,145,642	4,553,406
- AUD class	708,073	54,452
- GBP class	127,320	64,057
- MYR class	2,744,058	926,843
- MYR-Hedged class	12,437,150	1,557,735
- SGD class	572,650	95,829
- USD class	2,556,391	1,854,490
Cancellation of units	(15,293,262)	(18,474,564)
- AUD class	(90,005)	(962,487)
- GBP class	(390,346)	(46,967)
- MYR class	(4,172,368)	(6,209,935)
- MYR-Hedged class	(7,662,796)	(7,459,840)
- SGD class	(505,165)	(2,146,838)
- USD class	(2,472,582)	(1,648,497)
Increase/(decrease) in net assets attributable to unitholders during the financial year	8,213,573	(3,540,217)
- AUD class	86,690	(78,503)
- GBP class	100,469	(44,331)
- MYR Class	1,930,982	(983,477)
- MYR-Hedged class	2,790,740	(1,291,229)
- SGD class	449,033	(259,776)
- USD class	2,855,659	(882,901)
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR	<u>27,136,704</u>	<u>15,070,751</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 QUANTUM FUND

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

	<u>2021</u> USD	<u>2020</u> USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	11,515,825	17,353,125
Purchase of investments	(15,230,000)	(2,700,000)
Interest received	1,025	1,446
Management fee paid	(311,248)	(441,353)
Management fee rebate received	151,854	216,931
Trustee fee paid	(6,916)	(9,888)
Payment for other fees and expenses	(21,469)	(10,871)
Net gain on realised foreign currency exchange	17,156	42,710
Realised gain/(loss) on forward foreign currency contracts	67,560	(167,242)
Net cash flows (used in)/generated from operating activities	<u>(3,816,213)</u>	<u>14,284,858</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	18,944,091	4,731,792
Payments for cancellation of units	(15,005,210)	(18,807,227)
Net cash flows generated from/(used in) financing activities	<u>3,938,881</u>	<u>(14,075,435)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	122,668	209,423
EFFECTS OF FOREIGN CURRENCY EXCHANGE	(757)	1,772
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR	<u>871,403</u>	<u>660,208</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	<u><u>993,314</u></u>	<u><u>871,403</u></u>

Cash and cash equivalents as at 30 April 2021 and 30 April 2020 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 - GLOBAL QUANTUM 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 L.

(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.

(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.
- 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 QUANTUM FUND

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

B INCOME RECOGNITION

Interest income

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

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

Realised gains and losses on 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 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, 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.

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 statement of comprehensive income.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

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

Investment 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 and amount due from Manager 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 broker, 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.

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

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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)

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 currency transactions are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit or loss” in the 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’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.

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

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

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

Write-off

The Fund write 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 change 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 six classes of units, known respectively as the AUD class, GBP class, MYR class, MYR-Hedged class, SGD 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 statement of financial position if the unitholder exercises the right to put back the unit to the Fund.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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 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 F for accounting policy on recognition and measurement.

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

K 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.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

L CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information contents on the estimates, certain key variables that are anticipated to have material impacts to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgments are continually evaluated by the Manager and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission's ("SC") Guidelines on 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 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.

M REALISED AND UNREALISED IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The analysis of realised and unrealised in net assets attributable to unitholders as presented on the statement of comprehensive income is prepared in accordance with SC's Unlisted Capital Market Products under the Lodge and Launch Framework.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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 Quantum Fund (the "Fund") pursuant to the execution of a Deed dated 4 January 2018 and First Supplemental Deed dated 20 March 2018 (the "Deeds") entered into between Affin Hwang Asset Management Berhad (the "Manager") and CIMB Commerce Trustee Berhad (the "Trustee"). The Fund issued one new class of units in MYR-Hedged ("MYR") as amended by First Supplemental Deed dated 20 March 2018.

The Fund commenced operations on 9 February 2018 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 Deeds, 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 objective.

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

The main objective of the Fund is to achieve capital appreciation 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.

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

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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		993,314	-	993,314
Amount due from Manager				
- creation of units		217,917	-	217,917
- management fee rebate receivable		19,495	-	19,495
Collective investment scheme	8	-	26,518,348	26,518,348
Forward foreign currency contract at fair value through profit or loss	9	-	43,226	43,226
Total		<u>1,230,726</u>	<u>26,561,574</u>	<u>27,792,300</u>
<u>Financial liabilities</u>				
Forward foreign currency contract at fair value through profit or loss	9	-	22,893	22,893
Amount due to broker		300,000	-	300,000
Amount due to Manager				
- management fee		40,030	-	40,030
- cancellation of units		288,052	-	288,052
Amount due to Trustee		890	-	890
Auditors' remuneration		1,854	-	1,854
Tax agent's fee		811	-	811
Other payables and accruals		1,066	-	1,066
Total		<u>632,703</u>	<u>22,893</u>	<u>655,596</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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)

	<u>Note</u>	At amortised <u>cost</u> USD	At fair value through <u>profit or loss</u> USD	<u>Total</u> USD
<u>2020</u>				
<u>Financial assets</u>				
Cash and cash equivalents		871,403	-	871,403
Amount due from Manager				
- creation of units		16,366	-	16,366
- management fee rebate receivable		9,760	-	9,760
Collective investment scheme	8	-	14,292,379	14,292,379
Forward foreign currency contract at fair value through profit or loss	9	-	6,738	6,738
Total		897,529	14,299,117	15,196,646
<u>Financial liabilities</u>				
Forward foreign currency contract at fair value through profit or loss	9	-	100,872	100,872
Amount due to Manager				
- management fee		20,395	-	20,395
Amount due to Trustee		453	-	453
Auditors' remuneration		1,861	-	1,861
Tax agent's fee		1,056	-	1,056
Other payables and accruals		1,258	-	1,258
Total		25,023	100,872	125,895

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 QUANTUM 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	26,518,348	14,292,379

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% and decreased by 10% with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities.

<u>% Change in price</u>	<u>Market value</u> USD	Impact on profit/(loss) <u>after tax/NAV</u> USD
<u>2021</u>		
-10%	23,866,513	(2,651,835)
0%	26,518,348	-
+10%	29,170,183	2,651,835
<u>2020</u>		
-10%	12,863,141	(1,429,238)
0%	14,292,379	-
+10%	15,721,617	1,429,238

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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 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:

	Forward foreign currency <u>contract</u> USD	Cash and cash <u>equivalents</u> USD	Amount due from <u>Manager</u> USD	<u>Total</u> USD
<u>2021</u>				
<u>Financial assets</u>				
Australian Dollar	-	1,373	-	1,373
British Pound Sterling	-	13,620	-	13,620
Malaysian Ringgit	43,226	1,286	237,412	281,924
Singapore Dollar	-	27,346	-	27,346
	<u>43,226</u>	<u>43,625</u>	<u>237,412</u>	<u>324,263</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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 contract USD	Amount due to Manager USD	Net assets attributable to unitholders USD	Other liabilities* USD	Total USD
<u>2021</u> (continued)					
<u>Financial liabilities</u>					
Australian Dollar	-	-	820,267	-	820,267
British Pound Sterling	-	-	119,703	-	119,703
Malaysian Ringgit	22,893	328,082	16,372,063	4,621	16,727,659
Singapore Dollar	-	-	1,338,215	-	1,338,215
	<u>22,893</u>	<u>328,082</u>	<u>18,650,248</u>	<u>4,621</u>	<u>19,005,844</u>

	Forward foreign currency contract USD	Cash and cash equivalents USD	Amount due from Manager USD	Total USD
<u>2020</u>				
<u>Financial assets</u>				
Australian Dollar	-	1,580	-	1,580
British Pound Sterling	-	9,088	-	9,088
Malaysian Ringgit	6,738	22,942	26,126	55,806
Singapore Dollar	-	2,889	-	2,889
	<u>6,738</u>	<u>36,499</u>	<u>26,126</u>	<u>69,363</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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 contract USD	Amount due to Manager USD	Net assets attributable to unitholders USD	Other liabilities* USD	Total USD
<u>2020</u> (continued)					
<u>Financial liabilities</u>					
Australian Dollar	-	-	115,509	-	115,509
British Pound Sterling	-	-	282,260	-	282,260
Malaysian Ringgit	100,872	20,395	8,304,297	4,628	8,430,192
Singapore Dollar	-	-	821,697	-	821,697
	<u>100,872</u>	<u>20,395</u>	<u>9,523,763</u>	<u>4,628</u>	<u>9,649,658</u>

* Other liabilities consist of auditor's remuneration, amount due to Trustee, 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 remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding (decrease)/increase in the net assets attributable to unitholders by 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/(loss) after tax/NAV USD
<u>2021</u>		
Australian Dollar	+/-10.94	-/+ 89,557
British Pound Sterling	+/-4.33	-/+ 4,593
Malaysian Ringgit	+/-4.22	-/+ 693,257
Singapore Dollar	+/-8.39	-/+ 109,959

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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)

	Change in price %	Impact on profit/(loss) after tax/NAV USD
<u>2020</u>		
Australian Dollar	+/-10.29	-/+ 11,393
British Pound Sterling	+/-10.67	-/+ 27,317
Malaysian Ringgit	+/-5.18	-/+ 837,549
Singapore Dollar	+/-4.34	-/+ 81,881

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.

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

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

	Within one month USD	Between one month to one year USD	Total USD
<u>2021</u>			
Forward foreign currency contracts	421	22,472	22,893
Amount due to broker	300,000	-	300,000
Amount due to Manager			
- management fee	40,030	-	40,030
- cancellation of units	288,052	-	288,052
Amount due to Trustee	890	-	890
Auditors' remuneration	-	1,854	1,854
Tax agent's fee	-	811	811
Other payables and accruals	-	1,066	1,066
Net assets attributable to unitholders*	27,136,704	-	27,136,704
	<u>27,766,097</u>	<u>26,203</u>	<u>27,792,300</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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 (continued)

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

	Between Within <u>one month</u> USD	one month <u>to one year</u> USD	<u>Total</u> USD
<u>2020</u>			
Forward foreign currency contracts	-	100,872	100,872
Amount due to Manager			
- management fee	20,395	-	20,395
Amount due to Trustee	453	-	453
Auditors' remuneration	-	1,861	1,861
Tax agent fee	-	1,056	1,056
Other payables and accruals	-	1,258	1,258
Net assets attributable to unitholders*	15,070,751	-	15,070,751
	<u>15,091,599</u>	<u>105,047</u>	<u>15,196,646</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.

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.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

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

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

	Forward foreign currency contracts USD	Cash and cash equivalents USD	Amount due from Manager USD	Total USD
<u>2021</u>				
Financial services				
- AAA	7,916	993,314	-	1,001,230
- AA2	7,568	-	-	7,568
- AA	27,742	-	-	27,742
Others				
- NR	-	-	237,412	237,412
	<u>43,226</u>	<u>993,314</u>	<u>237,412</u>	<u>1,273,952</u>
<u>2020</u>				
Financial services				
- AAA	2,359	871,403	-	873,762
- AA2	2,474	-	-	2,474
- AA3	1,905	-	-	1,905
Others				
- NR	-	-	26,126	26,126
	<u>6,738</u>	<u>871,403</u>	<u>26,126</u>	<u>904,267</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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 year end date. The Fund utilises the current bid price for financial assets which falls within the bid-ask spread.

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

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

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 QUANTUM FUND

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

3 FAIR VALUE ESTIMATION (CONTINUED)

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	26,518,348	-	-	26,518,348
- forward foreign currency contracts	-	43,226	-	43,226
	<u>26,518,348</u>	<u>43,226</u>	<u>-</u>	<u>26,561,574</u>
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	22,893	-	22,893
	<u>-</u>	<u>22,893</u>	<u>-</u>	<u>22,893</u>
<u>2020</u>				
Financial assets at fair value through profit or loss				
- collective investment scheme	14,292,379	-	-	14,292,379
- forward foreign currency contracts	-	6,738	-	6,738
	<u>14,292,379</u>	<u>6,738</u>	<u>-</u>	<u>14,299,117</u>
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	100,872	-	100,872
	<u>-</u>	<u>100,872</u>	<u>-</u>	<u>100,872</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

3 FAIR VALUE ESTIMATION (CONTINUED)

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.

The carrying values of cash and cash equivalents, amount due from Manager 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 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 0.04% (2020: 0.04%) 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.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

6 FUND ACCOUNTING FEE

The annual fund valuation and accounting fee for the Fund is RM44,000 (USD10,619) per annum.

7 TAXATION

	<u>2021</u> USD	<u>2020</u> USD
Current taxation	-	-

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

	<u>2021</u> USD	<u>2020</u> USD
Net profit/(loss) before taxation	8,213,573	(3,540,217)
Tax at Malaysian statutory rate of 24% (2020:24%)	1,971,258	(849,652)
Tax effects of:		
(Investment income not subject to tax)/		
Investment loss not brought to tax	(2,018,699)	745,062
Expenses not deductible for tax purposes	5,912	4,313
Restriction on tax deduction expenses for Wholesale Funds	41,529	100,277
Tax expense	-	-

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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>2021</u> USD	<u>2020</u> USD
Financial assets at fair value through profit or loss:		
- collective investment scheme	26,518,348	14,292,379
Net gain/(loss) on financial assets at fair value through profit or loss		
- realised gain/(loss) on sale of investments	1,656,830	(1,242,444)
- unrealised gain/(loss) on changes in fair value	6,554,964	(1,894,117)
- management fee rebate on collective investment scheme #	159,932	203,763
	<u>8,371,726</u>	<u>(2,932,798)</u>

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

(a) Collective investment scheme

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

	<u>Quantity</u>	<u>Aggregate cost</u> USD	<u>Fair value</u> USD	<u>Percentage of NAV</u> %
Standard Life Investments				
Global SICAV II GL Small Co	1,719,514	21,364,629	26,518,348	97.72
Total collective investment scheme	<u>1,719,514</u>	<u>21,364,629</u>	<u>26,518,348</u>	<u>97.72</u>
Accumulated unrealised gain on collective investment scheme		5,153,719		
Total collective investment scheme		<u>26,518,348</u>		

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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:

	Quantity	Aggregate cost USD	Fair value USD	Percentage of NAV %
Standard Life Investments				
Global SICAV II GL Small Co	1,523,448	15,693,624	14,292,379	94.84
Total collective investment scheme	<u>1,523,448</u>	<u>15,693,624</u>	<u>14,292,379</u>	<u>94.84</u>
Accumulated unrealised loss on collective investment scheme		(1,401,245)		
Total collective investment scheme		<u>14,292,379</u>		

9 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of the statement of financial position, there are 8 (2020: 8) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD11,923,551 (2020: USD4,128,244). 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 Malaysian Ringgit. 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.

10 NUMBER OF UNITS IN CIRCULATION

(a) AUD class units in circulation

	2021 No. of units	2020 No. of units
At beginning of the financial year	320,000	2,624,000
Creation of units arising from applications	1,289,000	133,000
Cancellation of units	(195,000)	(2,437,000)
At the end of the financial year	<u>1,414,000</u>	<u>320,000</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

10 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(b) GBP class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At beginning of the financial year	451,000	425,000
Creation of units arising from applications	141,000	91,000
Cancellation of units	(473,000)	(65,000)
At the end of the financial year	<u>119,000</u>	<u>451,000</u>

(c) MYR class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At beginning of the financial year	34,902,000	76,867,000
Creation of units arising from applications	15,998,000	7,337,000
Cancellation of units	(26,463,000)	(49,302,000)
At the end of the financial year	<u>24,437,000</u>	<u>34,902,000</u>

(d) MYR–Hedged class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At beginning of the financial year	42,704,000	93,836,000
Creation of units arising from applications	80,515,000	13,451,000
Cancellation of units	(53,728,000)	(64,583,000)
At the end of the financial year	<u>69,491,000</u>	<u>42,704,000</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

10 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(e) SGD class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At beginning of the financial year	2,404,000	7,876,000
Creation of units arising from applications	1,131,000	258,000
Cancellation of units	(1,099,000)	(5,730,000)
At the end of the financial year	<u>2,436,000</u>	<u>2,404,000</u>

(f) USD class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At beginning of the financial year	12,374,000	11,932,000
Creation of units arising from applications	3,859,000	3,761,000
Cancellation of units	(4,454,000)	(3,319,000)
At the end of the financial year	<u>11,779,000</u>	<u>12,374,000</u>

11 TRANSACTIONS WITH BROKER

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

<u>Name of broker</u>	<u>Value of trade</u> USD	Percentage of <u>total trade</u> %
Standard Life Investments	<u>27,045,824</u>	<u>100.00</u>

(ii) Details of transaction with broker for the financial year ended 30 April 2020 are as follows:

<u>Name of broker</u>	<u>Value of trade</u> USD	Percentage of <u>total trade</u> %
Standard Life Investments	<u>19,801,619</u>	<u>100.00</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

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:

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

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

	<u>2021</u>		<u>2020</u>	
	<u>No. of units</u>	<u>USD</u>	<u>No. of units</u>	<u>USD</u>
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad (the units are held legally for booking purposes)				
- AUD class	3,572	2,072	2,080	751
- GBP class	3,630	3,651	3,092	1,935
- MYR class	2,854	527	3,028	348
- MYR-Hedged class	3,183	543	2,910	293
- SGD class	2,547	1,399	2,950	1,008
- USD class	2,117	1,525	3,142	1,409
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

13 MANAGEMENT EXPENSE RATIO ("MER")

	<u>2021</u> %	<u>2020</u> %
MER	<u>1.95</u>	<u>1.87</u>

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 year or the financial year calculated on a daily basis is USD 18,375,365 (2020: USD23,241,704).

14 PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2021</u>	<u>2020</u>
PTR (times)	<u>0.69</u>	<u>0.45</u>

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = USD15,530,000 (2020: USD2,700,000)
total disposal for the financial year = USD9,858,995 (2020: USD 18,344,063)

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

15 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

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

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

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM 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 QUANTUM FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our Opinion

In our opinion, the financial statements of Affin Hwang World Series - Global Quantum 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 QUANTUM 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 QUANTUM 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.

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

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

- (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.

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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