

Affin Hwang World Series - Global Quantum Fund

Annual Report
30 April 2022

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 2022

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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.

FUND PERFORMANCE DATA

Category	As at 30 Apr 2022 (%)						As at 30 Apr 2021 (%)						As at 30 Apr 2020 (%)					
Portfolio composition	98.38						97.72						94.84					
Collective investment scheme	1.62						2.28						5.16					
Cash and cash equivalent	100.00						100.00						100.00					
Total	100.00						100.00						100.00					
Currency class	USD Class	AUD Class	GBP Class	MYR Class	MYR Hedge d-Class	SGD Class	USD Class	AUD Class	GBP Class	MYR Class	MYR Hedge d-Class	SGD Class	USD Class	AUD Class	GBP Class	MYR Class	MYR Hedge d-Class	SGD Class
Total NAV (million)	3.119	0.370	0.192	22.412	24.021	1.178	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)	0.5443	0.6121	0.6060	0.6071	0.5325	0.5734	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)	5.731	0.604	0.317	36.914	45.110	2.054	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	0.8191	0.9066	0.8512	0.8775	0.7974	0.8490	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	0.5357	0.6034	0.5961	0.5984	0.5242	0.5634	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	-24.46	-17.85	-16.03	-19.55	-23.63	-21.21	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	-24.46	-17.85	-16.03	-19.55	-23.63	-21.21	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	Nil	Nil	Nil	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil	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	Nil	Nil	Nil	Nil	Nil	Nil
Total Expense Ratio (%) ¹	1.93						1.95						1.89					
Portfolio Turnover Ratio (times) ²	0.38						0.69						0.45					

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

²The PTR of the Fund was lower 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 distributions or unit splits were declared for the financial year ended 30 April 2022.

Performance Review

USD Class

For the period 1 May 2021 to 30 April 2022, the Fund registered a -24.46% return compared to the benchmark return of -13.37%. The Fund thus underperformed the Benchmark by 11.09%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was USD0.5443 while the NAV as at 30 April 2021 was USD0.7205.

Since commencement, the Fund has registered a return of 8.86% compared to the benchmark return of 19.87%, underperforming by 11.01%.

Table 1: Performance of the Fund

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (8/2/18 - 30/4/22)
Fund	(24.46%)	4.35%	8.86%
Benchmark	(13.37%)	19.41%	19.87%
Outperformance	(11.09%)	(15.06%)	(11.01%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (8/2/18 - 30/4/22)
Fund	(24.46%)	1.43%	2.03%
Benchmark	(13.37%)	6.09%	4.38%
Outperformance	(11.09%)	(4.66%)	(2.35%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2022 (1/5/21 - 30/4/22)	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	(24.46%)	60.72%	(14.05%)	4.32%
Benchmark	(13.37%)	64.11%	(16.00%)	0.38%
Outperformance	(11.09%)	(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 2021 to 30 April 2022, the Fund registered a -17.85% return compared to the benchmark return of -5.71%. The Fund thus underperformed the Benchmark by 12.14%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was AUD0.6121 while the NAV as at 30 April 2021 was AUD0.7451.

Since commencement, the Fund has registered a return of 22.42% compared to the benchmark return of 32.46%, underperforming by 10.04%.

Table 1: Performance of the Fund

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (8/2/18 - 30/4/22)
Fund	(17.85%)	2.87%	22.42%
Benchmark	(5.71%)	18.85%	32.46%
Outperformance	(12.14%)	(15.98%)	(10.04%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (8/2/18 - 30/4/22)
Fund	(17.85%)	0.95%	4.90%
Benchmark	(5.71%)	5.92%	6.88%
Outperformance	(12.14%)	(4.97%)	(1.98%)

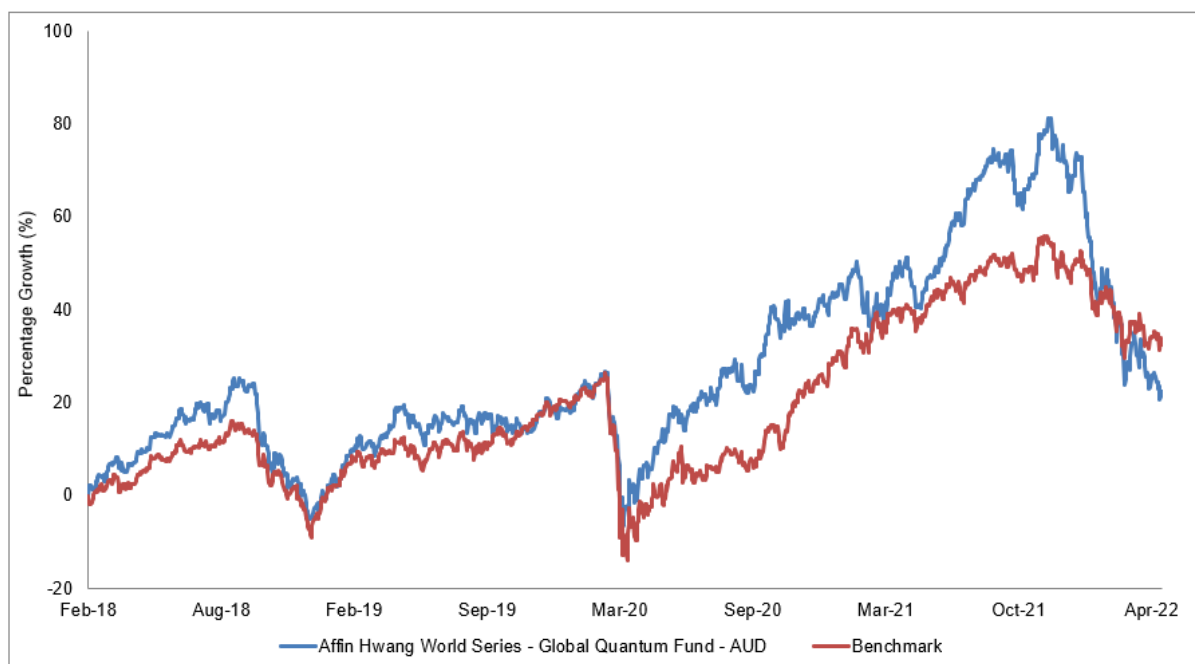
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2022 (1/5/21 - 30/4/22)	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	(17.85%)	35.10%	(7.31%)	19.00%
Benchmark	(5.71%)	38.84%	(9.22%)	11.44%
Outperformance	(12.14%)	(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 2021 to 30 April 2022, the Fund registered a -16.03% return compared to the benchmark return of -4.75%. The Fund thus underperformed the Benchmark by 11.28%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was GBP0.6060 while the NAV as at 30 April 2021 was GBP0.7217.

Since commencement, the Fund has registered a return of 21.20% compared to the benchmark return of 32.22%, underperforming by 11.02%.

Table 1: Performance of the Fund

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (8/2/18 - 30/4/22)
Fund	(16.03%)	8.02%	21.20%
Benchmark	(4.75%)	23.81%	32.22%
Outperformance	(11.28%)	(15.79%)	(11.02%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (8/2/18 - 30/4/22)
Fund	(16.03%)	2.60%	4.65%
Benchmark	(4.75%)	7.37%	6.83%
Outperformance	(11.28%)	(4.77%)	(2.18%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2022 (1/5/21 - 30/4/22)	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	(16.03%)	43.88%	(10.59%)	12.20%
Benchmark	(4.75%)	49.30%	(12.93%)	6.79%
Outperformance	(11.28%)	(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 2021 to 30 April 2022, the Fund registered a -19.55% return compared to the benchmark return of -8.21%. The Fund thus underperformed the Benchmark by 11.34%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was MYR0.6071 while the NAV as at 30 April 2021 was MYR0.7546.

Since commencement, the Fund has registered a return of 21.42% compared to the benchmark return of 32.96%, underperforming by 11.54%.

Table 1: Performance of the Fund

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (8/2/18 - 30/4/22)
Fund	(19.55%)	9.86%	21.42%
Benchmark	(8.21%)	25.08%	32.96%
Outperformance	(11.34%)	(15.22%)	(11.54%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (8/2/18 - 30/4/22)
Fund	(19.55%)	3.18%	4.70%
Benchmark	(8.21%)	7.74%	6.97%
Outperformance	(11.34%)	(4.56%)	(2.27%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2022 (1/5/21 - 30/4/22)	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	(19.55%)	52.75%	(10.60%)	10.52%
Benchmark	(8.21%)	56.12%	(12.72%)	6.31%
Outperformance	(11.34%)	(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 2021 to 30 April 2022, the Fund registered a -23.63% return compared to the benchmark return of -8.21%. The Fund thus underperformed the Benchmark by 15.42%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was MYR0.5325 while the NAV as at 30 April 2021 was MYR0.6973.

Since commencement, the Fund has registered a return of 6.50% compared to the benchmark return of 28.99%, underperforming by 22.49%.

Table 1: Performance of the Fund

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (19/4/18 - 30/4/22)
Fund	(23.63%)	5.24%	6.50%
Benchmark	(8.21%)	25.08%	28.99%
Outperformance	(15.42%)	(19.84%)	(22.49%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (19/4/18 - 30/4/22)
Fund	(23.63%)	1.71%	1.57%
Benchmark	(8.21%)	7.74%	6.51%
Outperformance	(15.42%)	(6.03%)	(4.94%)

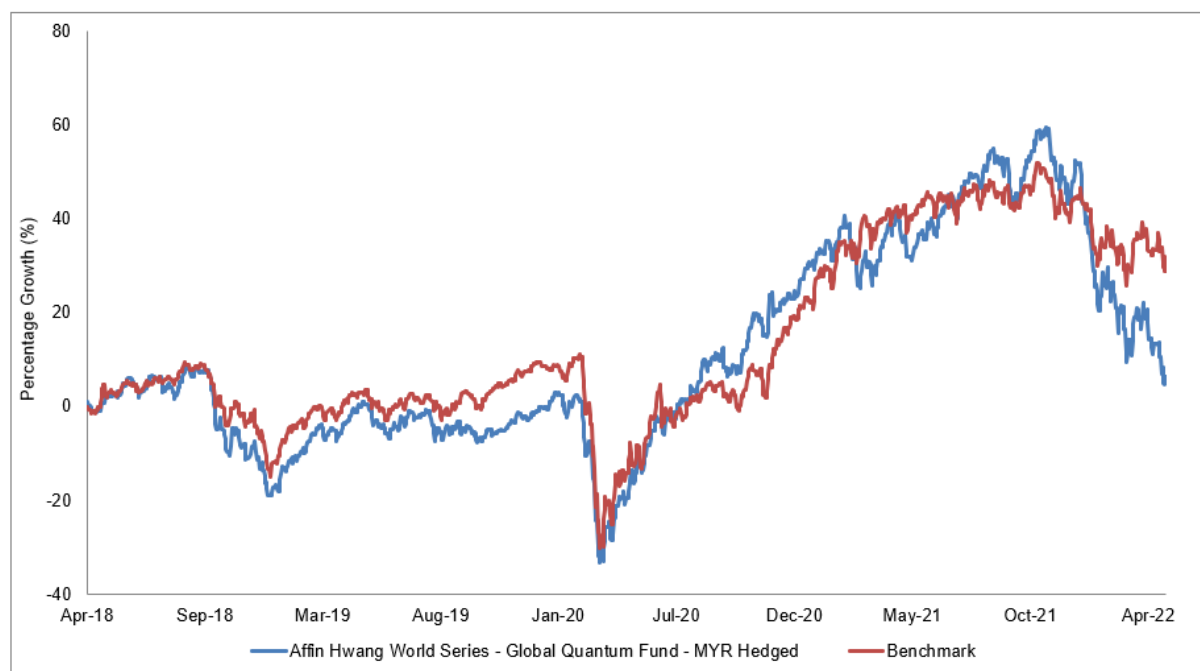
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2022 (1/5/21 - 30/4/22)	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	(23.63%)	61.30%	(14.57%)	1.20%
Benchmark	(8.21%)	56.12%	(12.72%)	3.13%
Outperformance	(15.42%)	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 2021 to 30 April 2022, the Fund registered a -21.21% return compared to the benchmark return of -9.99%. The Fund thus underperformed the Benchmark by 11.22%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was SGD0.5734 while the NAV as at 30 April 2021 was SGD0.7278.

Since commencement, the Fund has registered a return of 14.68% compared to the benchmark return of 25.09%, underperforming by 10.41%.

Table 1: Performance of the Fund

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (8/2/18 - 30/4/22)
Fund	(21.21%)	6.03%	14.68%
Benchmark	(9.99%)	21.33%	25.09%
Outperformance	(11.22%)	(15.30%)	(10.41%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (8/2/18 - 30/4/22)
Fund	(21.21%)	1.97%	3.29%
Benchmark	(9.99%)	6.65%	5.44%
Outperformance	(11.22%)	(4.68%)	(2.15%)

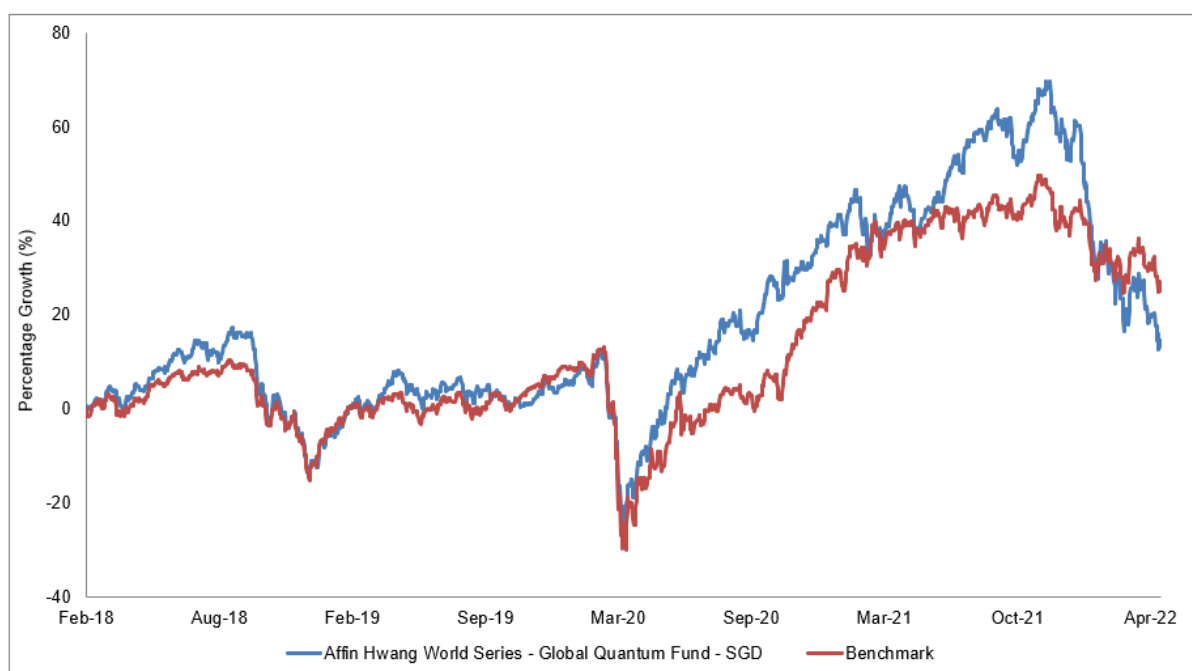
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2022 (1/5/21 - 30/4/22)	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	(21.21%)	51.09%	(10.93%)	8.16%
Benchmark	(9.99%)	54.84%	(12.94%)	3.10%
Outperformance	(11.22%)	(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 2022, the asset allocation of the Fund's exposure to the collective investment scheme stood at 98.38% 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 gives 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 suffered sharp falls in April. US equities led global markets lower as investors grew concerned over the pace of monetary tightening. Economists warned that hiking interest rates too much, too quickly could push the country into recession. Technology stocks were particularly hard hit, with the biggest monthly fall for the tech-heavy Nasdaq index since 2008 as earnings disappointed.

Renewed lockdowns in China and geopolitical uncertainty caused by the continuing Ukraine-Russia conflict did little to improve sentiment. In order to combat the economic fallout, China's central bank reduced the amount of reserves that banks must maintain (the reserve requirement ratio) by 25 basis points, slightly less than expected. President Xi also pledged to support infrastructure spending to offset the negative economic impact of lockdowns.

There were declines elsewhere in the Asia Pacific region, including Japan, although the region outperformed the world index. The yen broke through the key level of 130 per dollar, a level not seen since 2002, as the Bank of Japan indicated it would maintain a ceiling on government debt. Elsewhere, India's central bank kept rates unchanged.

European equities posted modest declines with Germany, Italy and Norway suffering sharp falls. France fared slightly better as Emmanuel Macron's victory over Marine Le Pen gave investors some respite. The election was closely fought with Macron's 58% to 42% victory much narrower than their previous contest in 2017.

Overall, emerging market companies also fell, though by less than their developed peers. Brazil and Latin American markets were particularly weak, while the Ukrainian conflict continued to weigh on Eastern Europe.

Aggregate commodity prices continued to rise over the period, with natural gas prices jumping by more than a quarter. Late in the month, Russia suspended gas exports to Poland and Bulgaria for refusing to pay in roubles. Both countries have been supportive of Ukraine. Oil remained volatile while precious metals fell slightly.

Investment Outlook

Continued supply side disruption is leading to higher levels of sustained inflation. The dilemma facing central bankers now is how to combat inflation without choking off demand. Various scenarios are being discussed ranging from a slowdown to stagflation to recession.

Some areas of strength remain, most noticeably spending on digitisation, cloud computing, alternative energy and health care. This is reflected in the portfolio positioning. As mentioned above, the Manager has tilted the portfolio in favour of stocks with a greater certainty of earnings and reduced exposure to discretionary names or those facing margin pressure, all the while maintaining their quality, growth, momentum framework. The Manager believes such stocks are best placed to manage elevated costs and deliver growth independently of the external environment.

It is encouraged to note that forecast P/E ratios for small cap growth stocks are below long run averages. In addition, recent quant data suggests that growth as a factor is now being rewarded by investors. This is supportive of their investment style.

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 year under review.

Soft Commissions received from Brokers

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

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

During the financial year under review, no soft commission was received by the management company on behalf of the Fund.

Cross Trade

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

Securities Financing Transactions

Affin Hwang World Series - Global Quantum Fund has not undertaken any securities lending or repurchase transactions during the financial year under review.

Changes Made to The Fund's Prospectus

There were no changes made to Affin Hwang World Series - Global Quantum Fund's information memorandum during the financial year under review.

**TRUSTEE'S REPORT
TO THE UNITHOLDERS OF AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND
("Fund")**

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

- a) Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;
- b) Valuation and pricing are carried out in accordance with the deed; and
- c) Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For and on behalf of
CIMB Commerce Trustee Berhad

Ezreen Eliza Zulkiplee
Chief Executive Officer

Kuala Lumpur, Malaysia
17 June 2022

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022

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AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

	<u>Note</u>	<u>2022</u> USD	<u>2021</u> USD
INVESTMENT (LOSS)/INCOME			
Interest income from financial assets at amortised cost		1,234	1,025
Net gain on foreign currency exchange		21,920	16,399
Net (loss)/gain on forward foreign currency contracts at fair value through profit or loss	9	(419,132)	182,027
Net (loss)/gain on financial assets at fair value through profit or loss	8	(3,877,492)	8,371,726
		<u>(4,273,470)</u>	<u>8,571,177</u>
EXPENSES			
Management fee	4	(394,963)	(329,226)
Trustee fee	5	(8,787)	(7,353)
Fund accounting fee	6	(9,642)	(10,619)
Auditors' remuneration		(1,949)	(1,854)
Tax agent's fee		(854)	(569)
Other expenses		(8,280)	(7,983)
		<u>(424,475)</u>	<u>(357,604)</u>
NET (LOSS)/PROFIT BEFORE TAXATION		(4,697,945)	8,213,573
Taxation	7	-	-
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>(4,697,945)</u>	<u>8,213,573</u>
(Decrease)/increase in net assets attributable to unitholders comprise the following:			
Realised amount		2,658,578	1,544,899
Unrealised amount		(7,356,523)	6,668,674
		<u>(4,697,945)</u>	<u>8,213,573</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 2022

	<u>Note</u>	<u>2022</u> USD	<u>2021</u> USD
ASSETS			
Cash and cash equivalents		459,678	993,314
Financial assets at fair value through profit or loss	8	14,901,404	26,518,348
Amount due from Manager			
- creation of units		1,703	217,917
- management fee rebate receivable		11,667	19,495
Forward foreign currency contracts at fair value through profit or loss	9	-	43,226
TOTAL ASSETS		<u>15,374,452</u>	<u>27,792,300</u>
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	9	173,562	22,893
Amount due to broker		4,977	300,000
Amount due to Manager			
- management fee		23,845	40,030
- cancellation of units		20,679	288,052
Amount due to Trustee		530	890
Auditors' remuneration		1,949	1,854
Tax agent's fee		854	811
Other payable and accruals		1,249	1,066
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		<u>227,645</u>	<u>655,596</u>
NET ASSET VALUE OF THE FUND		<u>15,146,807</u>	<u>27,136,704</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>15,146,807</u>	<u>27,136,704</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

	<u>Note</u>	<u>2022</u> USD	<u>2021</u> USD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- AUD class		264,721	820,267
- GBP class		240,885	119,703
- MYR class		5,149,840	4,512,964
- MYR-Hedged class		5,519,559	11,859,099
- SGD class		852,421	1,338,215
- USD class		3,119,381	8,486,456
		<u>15,146,807</u>	<u>27,136,704</u>
NUMBER OF UNITS IN CIRCULATION			
- AUD class	10 (a)	604,000	1,414,000
- GBP class	10 (b)	317,000	119,000
- MYR class	10 (c)	36,914,000	24,437,000
- MYR-Hedged class	10 (d)	45,110,000	69,491,000
- SGD class	10 (e)	2,054,000	2,436,000
- USD class	10 (f)	5,731,000	11,779,000
		<u>90,730,000</u>	<u>109,676,000</u>
NET ASSET VALUE PER UNIT (USD)			
- AUD class		0.4383	0.5801
- GBP class		0.7599	1.0059
- MYR class		0.1395	0.1847
- MYR-Hedged class		0.1224	0.1707
- SGD class		0.4150	0.5493
- USD class		<u>0.5443</u>	<u>0.7205</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- AUD class		AUD0.6121	AUD0.7451
- GBP class		GBP0.6060	GBP0.7217
- MYR class		RM0.6071	RM0.7546
- MYR-Hedged class		RM0.5325	RM0.6973
- SGD class		SGD0.5734	SGD0.7278
- USD class		<u>USD0.5443</u>	<u>USD0.7205</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 2022

	<u>2022</u> USD	<u>2021</u> USD
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	27,136,704	15,070,751
Movement due to units created and cancelled during the financial year:		
Creation of units arising from applications	13,309,918	19,145,642
- AUD class	513,319	708,073
- GBP class	207,737	127,320
- MYR class	5,067,712	2,744,058
- MYR-Hedged class	5,831,976	12,437,150
- SGD class	415,320	572,650
- USD class	1,273,854	2,556,391
Cancellation of units	(20,601,870)	(15,293,262)
- AUD class	(1,019,344)	(90,005)
- GBP class	-	(390,346)
- MYR class	(2,705,735)	(4,172,368)
- MYR-Hedged class	(10,236,105)	(7,662,796)
- SGD class	(655,310)	(505,165)
- USD class	(5,985,376)	(2,472,582)
(Decrease)/increase in net assets attributable to unitholders during the financial year	(4,697,945)	8,213,573
- AUD class	(49,521)	86,690
- GBP class	(86,555)	100,469
- MYR Class	(1,725,101)	1,930,982
- MYR-Hedged class	(1,935,411)	2,790,740
- SGD class	(245,804)	449,033
- USD class	(655,553)	2,855,659
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR	<u>15,146,807</u>	<u>27,136,704</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 2022

	<u>2022</u> USD	<u>2021</u> USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of investments	13,577,293	11,515,825
Purchase of investments	(6,330,000)	(15,230,000)
Interest received	1,234	1,025
Management fee paid	(411,148)	(309,591)
Management fee rebate received	199,987	150,197
Trustee fee paid	(9,147)	(6,916)
Payment for other fees and expenses	(20,404)	(21,469)
Net realised gain on foreign currency exchange	22,492	17,156
Net realised (loss)/gain on forward foreign currency contracts	(220,260)	67,560
Net cash flows generated from/(used in) operating activities	6,810,047	(3,816,213)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	13,526,132	18,944,091
Payments for cancellation of units	(20,869,243)	(15,005,210)
Net cash flows (used in)/generated from financing activities	(7,343,111)	3,938,881
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(533,064)	122,668
EFFECTS OF FOREIGN CURRENCY EXCHANGE	(572)	(757)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR	993,314	871,403
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	459,678	993,314

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

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

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

The following accounting policies have been used in dealing with items which are considered material in relation to the financial statements.

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, except as disclosed in the summary of significant accounting policies and comply with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported financial year. 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:

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

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

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

(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.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

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

- Amendments to MFRS 101 'Classification of liabilities as current or non-current (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date.

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

B INCOME RECOGNITION

Interest income

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

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

Realised gain and loss on sale of investments

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

C TAXATION

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

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 QUANTUM FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (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 year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

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.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value.

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

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

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

Gains or losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category including the effects of foreign currency transactions are presented in the statement of comprehensive income within “net gain/(loss) on financial assets at fair value through profit or loss” in the financial year which they arise.

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

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

(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.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

F FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Significant increase in credit risk

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

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

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

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

Write-off

The Fund 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 short-term deposits held in highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

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 unitholders' option and do not have identical features. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's NAV of respective classes. The outstanding units are carried at the redemption amount that is payable at the date of the statement of financial position if the unitholder exercises the right to put back the unit to the Fund.

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

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

K DERIVATIVE FINANCIAL INSTRUMENTS

A derivative financial instrument is any contract that gives rise to both a financial asset of one 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.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

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

K DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The fair value of forward foreign currency contracts is determined using forward exchange rates at the date of 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.

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 PORTIONS OF INCREASE OR DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The analysis of realised and unrealised amounts in increase or decrease in net assets attributable to unitholders as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on 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 2022

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 18 January 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 17 June 2022.

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (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>2022</u>				
<u>Financial assets</u>				
Cash and cash equivalents		459,678	-	459,678
Amount due from Manager				
- creation of units		1,703	-	1,703
- management fee rebate receivable		11,667	-	11,667
Collective investment scheme	8	-	14,901,404	14,901,404
Total		<u>473,048</u>	<u>14,901,404</u>	<u>15,374,452</u>
<u>Financial liabilities</u>				
Forward foreign currency contracts				
at fair value through profit or loss	9	-	173,562	173,562
Amount due to broker		4,977	-	4,977
Amount due to Manager				
- management fee		23,845	-	23,845
- cancellation of units		20,679	-	20,679
Amount due to Trustee		530	-	530
Auditors' remuneration		1,949	-	1,949
Tax agent's fee		854	-	854
Other payables and accruals		1,249	-	1,249
Total		<u>54,083</u>	<u>173,562</u>	<u>227,645</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONTINUED)

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised cost USD	At fair value through profit or loss 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 contracts 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>

The Fund is exposed to a variety of risks which include market risk (including price risk, interest rate risk and currency risk), liquidity risk, credit 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 2022 (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>2022</u> USD	<u>2022</u> USD
Quoted investment		
Collective investment scheme	14,901,404	26,518,348

The following table summarises the sensitivity of the Fund's (loss)/profit after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 4% (2021: 10%) and decreased by 4% (2021: 10%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> USD	Impact on (loss)/profit after tax/NAV USD
<u>2022</u>		
-4%	14,305,348	(596,056)
0%	14,901,404	-
+4%	15,497,460	596,056
<u>2021</u>		
-10%	23,866,513	(2,651,835)
0%	26,518,348	-
+10%	29,170,183	2,651,835

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (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:

	Cash and cash <u>equivalents</u> USD	Amount due <u>from Manager</u> USD	<u>Total</u> USD
<u>2022</u>			
<u>Financial assets</u>			
Australian Dollar	1,829	-	1,829
British Pound Sterling	4,140	-	4,140
Malaysian Ringgit	8,106	1,703	9,809
Singapore Dollar	15,192	-	15,192
	<u>29,267</u>	<u>1,703</u>	<u>30,970</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (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	Net assets attributable to unitholders USD	Other liabilities* USD	Total USD
<u>2022</u> (continued)					
<u>Financial liabilities</u>					
Australian Dollar	-	-	264,721	-	264,721
British Pound Sterling	-	-	240,885	-	240,885
Malaysian Ringgit	173,562	44,524	10,669,399	4,582	10,897,044
Singapore Dollar	-	-	852,421	-	852,421
	<u>173,562</u>	<u>44,524</u>	<u>12,027,426</u>	<u>4,582</u>	<u>12,250,094</u>

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

	Forward foreign currency contract USD	Cash and cash equivalents USD	Amount due from Manager USD	Total 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 2022 (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>

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

The table below summarises the sensitivity of the Fund's (loss)/profit after tax and NAV 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 rate %	Impact on (loss)/profit after tax/NAV USD
<u>2022</u>		
Australian Dollar	+/-9.43	-/+ 24,791
British Pound Sterling	+/-6.91	-/+ 16,359
Malaysian Ringgit	+/-3.35	-/+ 364,556
Singapore Dollar	+/-3.96	-/+ 33,154

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (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>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

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 bank balances 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>2022</u>			
Forward foreign currency contracts	44,575	128,987	173,562
Amount due to broker	4,977	-	4,977
Amount due to Manager			
- management fee	23,845	-	23,845
- cancellation of units	20,679	-	20,679
Amount due to Trustee	530	-	530
Auditors' remuneration	-	1,949	1,949
Tax agent's fee	-	854	854
Other payables and accruals	-	1,249	1,249
Net assets attributable to unitholders*	15,146,807	-	15,146,807
	<u>15,241,413</u>	<u>133,039</u>	<u>15,374,452</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (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>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>

* Outstanding units are redeemable by 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 cash and bank balances is managed by ensuring that they are held by parties with credit rating of AA or higher.

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

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONTINUED)

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

Credit risk (continued)

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

	Forward foreign currency contracts USD	Cash and cash equivalents USD	Amount due from Manager USD	Total USD
<u>2022</u>				
Financial services				
- AAA	-	459,678	-	459,678
Others				
- NR	-	-	13,370	13,370
	<u>-</u>	<u>459,678</u>	<u>13,370</u>	<u>473,048</u>
<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>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONTINUED)

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

Capital risk

The capital of the Fund is represented by net assets attributable to unitholders. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

3 FAIR VALUE ESTIMATION

Financial instruments comprise financial assets and financial liabilities. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the period end date. The Fund utilises the current bid price for financial assets which falls within the bid-ask spread.

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

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

(i) Fair value hierarchy

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

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

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

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (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>2022</u>				
Financial assets at fair value through profit or loss				
- collective investment scheme	14,901,404	-	-	14,901,404
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	173,562	-	173,562
<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
	26,518,348	43,226	-	26,561,574
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	22,893	-	22,893

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (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 except for forward foreign currency contracts are a reasonable approximation of the fair values due to their short-term nature.

4 MANAGEMENT FEE

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

For the financial year ended 30 April 2022, management fee is recognised at a rate of 1.80% (2021: 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 NAV of the Fund, excluding of foreign custodian fees and charges.

For the financial year ended 30 April 2022, the Trustee's fee is recognised at a rate of 0.04% (2021: 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 2022 (CONTINUED)

6 FUND ACCOUNTING FEE

The fund valuation and accounting fee for the Fund is USD9,642 (2021: USD10,619) for the financial year.

7 TAXATION

	<u>2022</u> USD	<u>2021</u> USD
Current taxation	-	-

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

	<u>2022</u> USD	<u>2021</u> USD
Net (loss)/profit before taxation	(4,697,945)	8,213,573
Tax at Malaysian statutory rate of 24% (2021:24%)	(1,127,507)	1,971,258
Tax effects of:		
Investment loss not brought to tax/ (Investment income not subject to tax)	1,071,751	(2,018,699)
Expenses not deductible for tax purposes	6,557	5,912
Restriction on tax deduction expenses for Wholesale Funds	49,199	41,529
Tax expense	-	-

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONTINUED)

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2022</u> USD	<u>2021</u> USD
Financial assets at fair value through profit or loss:		
- collective investment scheme	14,901,404	26,518,348
Net (loss)/gain on financial assets at fair value through profit or loss		
- realised gain on sale of investments	3,092,405	1,656,830
- unrealised (loss)/gain on changes in fair value	(7,162,056)	6,554,964
- management fee rebate on collective investment scheme#	192,159	159,932
	<u>(3,877,492)</u>	<u>8,371,726</u>

In arriving at the fair value of collective investment scheme, the management fee initially paid to the Manager of collective investment scheme have been considered as part of its net asset value. In order to prevent the double charging of management fee which is not permissible under SC's Guidelines, management fee charged on the Fund's investments in collective investment scheme have been refunded to the Fund. Accordingly, any rebate of management fee received from the Manager of collective investment scheme is reflected as an increase in the net asset value of the collective investment scheme.

(a) Collective investment scheme

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

	<u>Quantity</u>	<u>Aggregate cost</u> USD	<u>Fair value</u> USD	<u>Percentage of NAV</u> %
Aberdeen Standard SICAV III – Global Smaller Companies Fund	1,278,970	16,909,741	14,901,404	98.38
Total collective investment scheme	<u>1,278,970</u>	<u>16,909,741</u>	<u>14,901,404</u>	<u>98.38</u>
Accumulated unrealised loss on collective investment scheme		<u>(2,008,337)</u>		
Total collective investment scheme		<u>14,901,404</u>		

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (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 2021 are as follows:

	Quantity	Aggregate cost USD	Fair value USD	Percentage of NAV %
Aberdeen Standard SICAV III – Global Smaller Companies Fund	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>		

(b) Target fund top 10 holdings

(i) The Target fund's top 10 holdings as at 30 April 2022 are as follows:

	Percentage of target fund NAV %
ALS Ltd	4.30
Paylocity Holding Corp	3.50
TechTarget Inc	3.40
Pool Corp	3.40
SiteOne Landscape Supply Inc	3.10
Axon Enterprise Inc	3.10
Perficient inc	3.10
JMDC Inc	3.10
Lattice Semiconductor Corp	2.80
Intermediate Capital Group PLC	2.80
Total	<u>32.60</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONTINUED)

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

(b) Target fund top 10 holdings (continued)

(ii) The Target fund's top 10 holdings as at 30 April 2021 are as follows:

	Percentage of target fund NAV %
Generac Holdings	4.10
Insulet	3.50
Yeti Holdings	3.40
Floor & Décor Holdings Inc A	3.30
Genus	3.20
Keywords Studios	3.10
Kornit Digital	3.00
Siteone Landscape Supply	3.00
Sinbon Electronics	2.90
Axon Enterprise	2.90
Total	<u>32.40</u>

9 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of the statement of financial position, there are 6 (2021: 8) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to USD5,693,389 (2021: USD11,923,551). 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.

	<u>2022</u> USD	<u>2021</u> USD
Financial assets at fair value through profit or loss:		
- forward foreign currency contracts	<u>-</u>	<u>43,226</u>
Financial liabilities at fair value through profit or loss:		
- forward foreign currency contracts	<u>173,562</u>	<u>22,893</u>
Net (loss)/gain on forward foreign currency contracts at fair value through profit or loss		
- realised (loss)/gain on forward foreign currency contracts	(225,237)	67,560
- unrealised (loss)/gain on changes in fair value	(193,895)	114,467
	<u>(419,132)</u>	<u>182,027</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONTINUED)

9 FORWARD FOREIGN CURRENCY CONTRACTS (CONTINUED)

(a) Forward foreign currency contracts

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

<u>Name of issuer</u>	<u>Receivables</u> USD	<u>Payables</u> USD	<u>Fair value</u> USD	<u>Percentage of NAV</u> %
CIMB Bank Bhd	1,132,485	1,177,060	(44,575)	(0.29)
Affin Hwang Investment Bank Bhd#	722,398	741,759	(19,361)	(0.13)
Hong Leong Bank Bhd	1,446,699	1,495,499	(48,800)	(0.33)
JP Morgan Chase Bank Bhd	2,218,245	2,279,071	(60,826)	(0.40)
Total forward foreign currency contracts	<u>5,519,827</u>	<u>5,693,389</u>	<u>(173,562)</u>	<u>(1.15)</u>

(ii) Forward foreign currency contracts as at 30 April 2021 are as follows:

<u>Name of issuer</u>	<u>Receivables</u> USD	<u>Payables</u> USD	<u>Fair value</u> USD	<u>Percentage of NAV</u> %
CIMB Bank Bhd	1,315,562	1,319,629	(4,067)	(0.01)
Affin Hwang Investment Bank Bhd#	3,193,381	3,212,207	(18,826)	(0.07)
BNP Paribas Malaysia Bhd	1,105,190	1,097,622	7,568	0.03
JP Morgan Chase Bank Bhd	4,808,701	4,780,959	27,742	0.10
Hong Leong Bank Bhd	1,521,050	1,513,134	7,916	0.03
Total forward foreign currency contracts	<u>11,943,884</u>	<u>11,923,551</u>	<u>20,333</u>	<u>0.07</u>

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

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONTINUED)

10 NUMBER OF UNITS IN CIRCULATION

(a) AUD class units in circulation

	<u>2022</u> No. of units	<u>2021</u> No. of units
At beginning of the financial year	1,414,000	320,000
Creation of units arising from applications	825,000	1,289,000
Cancellation of units	(1,635,000)	(195,000)
At the end of the financial year	<u>604,000</u>	<u>1,414,000</u>

(b) GBP class units in circulation

	<u>2022</u> No. of units	<u>2021</u> No. of units
At beginning of the financial year	119,000	451,000
Creation of units arising from applications	198,000	141,000
Cancellation of units	-	(473,000)
At the end of the financial year	<u>317,000</u>	<u>119,000</u>

(c) MYR class units in circulation

	<u>2022</u> No. of units	<u>2021</u> No. of units
At beginning of the financial year	24,437,000	34,902,000
Creation of units arising from applications	26,517,000	15,998,000
Cancellation of units	(14,040,000)	(26,463,000)
At the end of the financial year	<u>36,914,000</u>	<u>24,437,000</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONTINUED)

10 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(d) MYR–Hedged class units in circulation

	<u>2022</u>	<u>2021</u>
	No. of units	No. of units
At beginning of the financial year	69,491,000	42,704,000
Creation of units arising from applications	34,220,000	80,515,000
Cancellation of units	(58,601,000)	(53,728,000)
At the end of the financial year	<u>45,110,000</u>	<u>69,491,000</u>

(e) SGD class units in circulation

	<u>2022</u>	<u>2021</u>
	No. of units	No. of units
At beginning of the financial year	2,436,000	2,404,000
Creation of units arising from applications	723,000	1,131,000
Cancellation of units	(1,105,000)	(1,099,000)
At the end of the financial year	<u>2,054,000</u>	<u>2,436,000</u>

(f) USD class units in circulation

	<u>2022</u>	<u>2021</u>
	No. of units	No. of units
At beginning of the financial year	11,779,000	12,374,000
Creation of units arising from applications	1,718,000	3,859,000
Cancellation of units	(7,766,000)	(4,454,000)
At the end of the financial year	<u>5,731,000</u>	<u>11,779,000</u>

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONTINUED)

11 TRANSACTIONS WITH BROKER

(i) Details of transaction with broker for the financial year ended 30 April 2022 are as follows:

<u>Name of broker</u>	<u>Value of trade</u> USD	Percentage of <u>total trade</u> %
Standard Life Investments	19,607,294	100.00

(ii) 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	27,045,824	100.00

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

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

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

AFFIN HWANG WORLD SERIES - GLOBAL QUANTUM FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022 (CONTINUED)

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

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

	<u>2022</u>		<u>2021</u>	
	No. of units	USD	No. of units	USD
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad (the units are held legally for booking purposes)				
- AUD class	2,292	1,005	3,572	2,072
- GBP class	3,085	2,344	3,630	3,651
- MYR class	2,140	299	2,854	527
- MYR-Hedged class	2,619	320	3,183	543
- SGD class	3,123	1,296	2,547	1,399
- USD class	2,562	1,394	2,117	1,525
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Subsidiary and associated companies of the penultimate holding company of the Manager:</u>				
ABB Nominee (Tempatan) Sdn Bhd (The units are held beneficially)				
- MYR class	807,199	112,612	-	-
	<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 2022 (CONTINUED)

13 TOTAL EXPENSE RATIO ("TER")

	<u>2022</u> %	<u>2021</u> %
TER	<u>1.93</u>	<u>1.95</u>

TER is derived from the following calculation:

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

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 NAV of the Fund calculated on a daily basis

The average NAV of the Fund year or the financial year calculated on a daily basis was USD21,966,177 (2021: USD18,375,365).

14 PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2022</u>	<u>2021</u>
PTR (times)	<u>0.38</u>	<u>0.69</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 = USD6,030,000 (2021: USD15,530,000)
total disposal for the financial year = USD10,484,887 (2021: USD9,858,995)

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 35 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 2022 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year ended 30 April 2022 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
17 June 2022

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 ("the Fund") give a true and fair view of the financial position of the Fund as at 30 April 2022 and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 April 2022, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 1 to 35.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

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 to terminate 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.
- (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 of the Fund 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 QUANTUM FUND
(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
17 June 2022

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