Affin Hwang

Select Asia Pacific (ex Japan) Balanced Fund

Annual Report 30 April 2022

Out think. Out perform.



Annual Report and Audited Financial Statements For Financial Year Ended 30 April 2022

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FUND INFORMATION

Fund Name	Affin Hwang Select Asia Pacific (ex Japan) Balanced Fund
Fund Type	Growth & Income
Fund Category	Balanced
Investment Objective	The Fund endeavours to provide investors an affordable access into a diversified investment portfolio containing a balanced mixture of equities and fixed income instruments to achieve a balance of growth and income over the medium to long-term period
Benchmark	50% MSCI AC Asia Pacific ex Japan Index + 50% RAM Quantshop MGS All Index
Distribution Policy	The Fund will distribute income on a semi-annual basis (subject to income availability), after the end of its first financial year

FUND PERFORMANCE DATA

Category	As At 30 April 2022 (%)	As At 30 April 2021 (%)	As At 30 April 2020 (%)
Portfolio Composition			
Quoted equities - foreign			
- Basic materials	-	2.77	-
- Consumer goods	-	-	13.35
- Consumer discretionary	12.08	14.57	-
- Consumer staples	6.92	1.78	-
- Energy	0.48	-	-
- Financial services	12.2	10.06	4.73
- Healthcare	1.55	2.40	-
- Industrials	2.84	5.62	3.21
- Properties	-	-	10.06
- Real estate	5.08	6.70	-
- Technology	5.36	11.39	6.69
- Telecommunications	1.49	1.29	7.63
Total quoted equities – foreign	48.00	56.58	45.67
Hanneted fixed in some somiting local	44.04	40.00	44.00
Unquoted fixed income securities – local	11.91	10.96	14.62
Unquoted fixed income securities – foreign	30.17	29.59	30.52
Total unquoted fixed income securities	42.08	40.55	45.14
Cash	9.92	2.87	9.19
Total	100.00	100.00	100.00

Category		As At 30 April 2022 (%)			As At 30 April 2021 (%)					
Currency class	MYR Class	EUR Hedged - Class	USD Hedged - Class	AUD Hedged - Class	RMB Hedged - Class	MYR Class	EUR Hedged - Class	USD Hedged- Class	AUD Hedged - Class	RMB Hedged- Class
Total NAV (million)	145.573	0.001	0.002	0.015	1.040	142.380	0.001	0.018	0.002	0.545
NAV per Unit (in respective currencies)	0.6371	0.5982	0.5463	0.5015	0.5521	0.7030	0.6142	0.6378	0.6014	0.6087
Unit in Circulation (million)	228.497	0.001	0.003	0.029	1.884	202.540	0.001	0.028	0.003	0.896
Highest NAV	0.7135	0.6270	0.6467	0.6169	0.6172	0.7146	0.6343	0.6513	0.6202	0.6178
Lowest NAV	0.5979	0.5582	0.5306	0.4963	0.5184	0.5815	0.5262	0.4880	0.5372	0.5075
Return of the Fund (%) ⁱⁱⁱ	-8.04	-0.98	-12.93	-16.61	-7.75	21.28	15.19	28.54	9.44	19.12
- Capital Return (%) ⁱ	-9.37	-2.61	-14.35	-16.61	-9.30	19.46	15.19	28.54	9.44	19.12
- Income Return (%) ⁱⁱ	1.47	1.66	1.65	Nil	1.71	1.53	Nil	Nil	Nil	Nil
Gross Distribution per Unit (sen)	1.00	1.00	1.00	Nil	1.00	1.00	Nil	Nil	Nil	Nil
Net Distribution per Unit (sen)	1.00	1.00	1.00	Nil	1.00	1.00	Nil	Nil	Nil	Nil
Total Expense Ratio (%) ¹			1.81					1.81		
Portfolio Turnover Ratio (times) ²			1.18					1.18		

 $^{^{\}rm 1}$ The Fund's TER was unchanged during the financial year. $^{\rm 2}$ The Fund's PTR was unchanged during the financial year.

Category	As At 30 April 2020 (%)				
Currency class	MYR Class	EUR Hedged - Class	USD Hedged- Class	AUD Hedged - Class	RMB Hedged- Class
Total NAV (million)	107.572	0.001	0.000	0.001	0.001
NAV per Unit (in respective currencies)	0.5885	0.5332	0.4962	0.5495	0.5110
Unit in Circulation (million)	182.783	0.001	0.001	0.001	0.001
Highest NAV	0.6321	0.6000	0.5643	0.5976	0.5656
Lowest NAV	0.5460	0.4894	0.4448	0.5213	0.4629
Return of the Fund (%)iii	-0.55	-1.95	-4.30	3.29	0.45
- Capital Return (%)	-1.03	-1.95	-4.30	3.29	0.45
- Income Return (%)ii	0.48	Nil	Nil	Nil	Nil
Gross Distribution per Unit (sen)	0.30	Nil	Nil	Nil	Nil
Net Distribution per Unit (sen)	0.30	Nil	Nil	Nil	Nil
Management Expenses Ratio (%)			1.82		
Portfolio Turnover Ratio (times)			1.33		

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

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

An illustration of the above would be as follow:-

Capital return = NAV per Unit end / NAV per Unit begin – 1

Income return = Income distribution per Unit / NAV per Unit ex-date

= (1+Capital return) x (1+Income return) - 1 Total return

MANAGER'S REPORT

Income Distribution / Unit Split

MYR Class

The NAV per Unit prior and subsequent to the distributions are as follow:

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
15-Jun-21	16-Jun-21	0.7084	0.0050	0.7015
14-Dec-21	15-Dec-21	0.6694	0.0050	0.6611

EUR Hedged-Class

The NAV per Unit prior and subsequent to the distributions are as follow:

Cum Date	Ex-Date	Cum-distribution (EUR)	Distribution per Unit (EUR)	Ex-distribution (EUR)
15-Jun-21	16-Jun-21	0.6138	0.0050	0.6076
14-Dec-21	15-Dec-21	0.6052	0.0050	0.5992

USD Hedged- Class

The NAV per Unit prior and subsequent to the distributions are as follow:

Cum Date	Ex-Date	Cum-distribution (USD)	Distribution per Unit (USD)	Ex-distribution (USD)
15-Jun-21	16-Jun-21	0.6418	0.0050	0.6350
14-Dec-21	15-Dec-21	0.5912	0.0050	0.5838

RMB Hedged- Class

The NAV per Unit prior and subsequent to the distributions are as follow:

Cum Date	Ex-Date	Cum-distribution (RMB)	Distribution per Unit (RMB)	Ex-distribution (RMB)
15-Jun-21	16-Jun-21	0.6130	0.0050	0.6063
14-Dec-21	15-Dec-21	0.5805	0.0050	0.5726

No unit splits were declared for the financial year ended 30 April 2022.

Fund Performance

MYR Class

For the period 1 May 2021 to 30 April 2022, the Fund registered a -8.04% return compared to the benchmark return of -9.06%. The Fund thus outperformed the Benchmark by 1.02%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was MYR0.6371 while the NAV as at 30 April 2021 was MYR0.7030. During the same period under review, the Fund has declared a total gross income distribution of MYR0.0100 per unit.

Since commencement, the Fund has registered a return of 41.30% compared to the benchmark return of 57.17%, underperforming by 15.87%.

Table 1: Performance of the Fund

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	5 Years (1/5/17 - 30/4/22)	Since Commencement (29/12/14 - 30/4/22)
Fund	(8.04%)	10.92%	16.82%	41.30%
Benchmark	(9.06%)	9.28%	18.24%	57.17%
Outperformance	1.02%	1.64%	(1.42%)	(15.87%)

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)	5 Years (1/5/17 - 30/4/22)	Since Commencement (29/12/14 - 30/4/22)
Fund	(8.04%)	3.51%	3.16%	4.82%
Benchmark	(9.06%)	3.00%	3.41%	6.35%
Outperformance	1.02%	0.51%	(0.25%)	(1.53%)

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 (1/5/18 - 30/4/19)	FYE 2018 (1/5/17 - 30/4/18)
Fund	(8.04%)	21.28%	(0.55%)	(0.51%)	5.86%
Benchmark	(9.06%)	18.22%	1.63%	3.37%	4.68%
Outperformance	1.02%	3.06%	(2.18%)	(3.88%)	1.18%





AUD Hedged-Class

For the period 1 May 2021 to 30 April 2022, the Fund registered a -16.61% return compared to the benchmark return of -6.75%. The Fund thus underperformed the Benchmark by 9.86%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was AUD0.5015 while the NAV as at 30 April 2021 was AUD0.6014.

Since commencement, the Fund has registered a return of 0.30% compared to the benchmark return of 10.54%, underperforming by 10.24%.

Table 1: Performance of the Fund

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (27/9/18 - 30/4/22)
Fund	(16.61%)	(5.73%)	0.30%
Benchmark	(6.75%)	3.67%	10.54%
Outperformance	(9.86%)	(9.40%)	(10.24%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

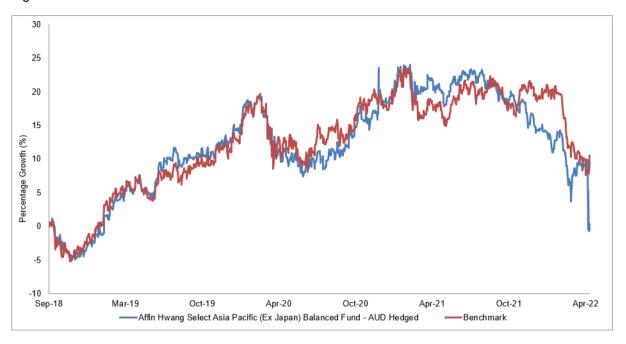
	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (27/9/18 - 30/4/22)
Fund	(16.61%)	(1.95%)	0.08%
Benchmark	(6.75%)	1.21%	2.83%
Outperformance	(9.86%)	(3.16%)	(2.75%)

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 (27/9/18 - 30/4/19)
Fund	(16.61%)	9.44%	3.29%	6.40%
Benchmark	(6.75%)	5.09%	5.79%	6.63%
Outperformance	(9.86%)	4.36%	(2.50%)	(0.23%)

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



EUR Hedged-Class

For the period 1 May 2021 to 30 April 2022, the Fund registered a -0.98% return compared to the benchmark return of -2.39%. The Fund thus outperformed the Benchmark by 1.40%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was EUR0.5982 while the NAV as at 30 April 2021 was EUR0.6142. During the same period under review, the Fund has declared a total gross income distribution of EUR0.0100 per unit.

Since commencement, the Fund has registered a return of 21.63% compared to the benchmark return of 20.03%, outperforming by 1.60%.

Table 1: Performance of the Fund

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (27/9/18 - 30/4/22)
Fund	(0.98%)	11.83%	21.63%
Benchmark	(2.39%)	10.68%	20.03%
Outperformance	1.40%	1.15%	1.60%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

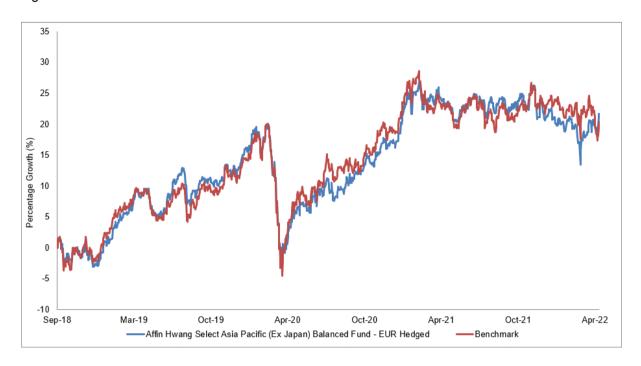
Table 2.7 (Volage Tetal Federit					
	1 Year	1 Year 3 Years			
	(1/5/21 - 30/4/22)	(1/5/19 - 30/4/22)	(27/9/18 - 30/4/22)		
Fund	(0.98%)	3.80%	5.60%		
Benchmark	(2.39%)	3.44%	5.21%		
Outperformance	1.40%	0.36%	0.39%		

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 (27/9/18 - 30/4/19)
Fund	(0.98%)	15.19%	(1.95%)	8.76%
Benchmark	(2.39%)	13.12%	0.24%	8.44%
Outperformance	1.40%	2.07%	(2.19%)	0.32%

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



RMB Hedged-Class

For the period 1 May 2021 to 30 April 2022, the Fund registered a -7.75% return compared to the benchmark return of -12.13%. The Fund thus outperformed the Benchmark by 4.38%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was RMB0.5521 while the NAV as at 30 April 2021 was RMB0.6087. During the same period under review, the Fund has declared a total gross income distribution of RMB0.0100 per unit.

Since commencement, the Fund has registered a return of 12.30% compared to the benchmark return of 4.05%, outperforming by 8.25%.

Table 1: Performance of the Fund

	1 Year	3 Years	Since Commencement
	(1/5/21 - 30/4/22)	(1/5/19 - 30/4/22)	(27/9/18 - 30/4/22)
Fund	(7.75%)	10.38%	12.30%
Benchmark	(12.13%)	2.59%	4.05%
Outperformance	4.38%	7.79%	8.25%

Source of Benchmark: Bloomberg

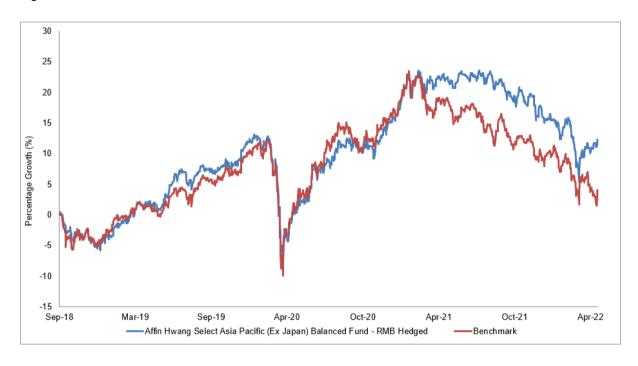
Table 2: Average Total Return

	1 Year	1 Year 3 Years	
	(1/5/21 - 30/4/22)	(1/5/19 - 30/4/22)	(27/9/18 - 30/4/22)
Fund	(7.75%)	3.34%	3.28%
Benchmark	(12.13%)	0.86%	1.11%
Outperformance	4.38%	2.48%	2.17%

Table 3: Annual Total Return

	FYE 2022 (1/5/21 -	FYE 2021 (1/5/20 -	FYE 2020 (1/5/19 -	FYE 2019 (27/9/18 -
	30/4/22)	30/4/21)	30/4/20)	30/4/19)
Fund	(7.75%)	19.12%	0.45%	1.74%
Benchmark	(12.13%)	13.58%	2.80%	1.42%
Outperformance	4.38%	5.54%	(2.35%)	0.32%

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



USD Hedged-Class

For the period 1 May 2021 to 30 April 2022, the Fund registered a -12.93% return compared to the benchmark return of -14.27%. The Fund thus outperformed the Benchmark by 1.34%. The Net Asset Value per unit ("NAV") of the Fund as at 30 April 2022 was USD0.5463 while the NAV as at 30 April 2021 was USD0.6378. During the same period under review, the Fund has declared a total gross income distribution of USD0.0100 per unit.

Since commencement, the Fund has registered a return of 11.06% compared to the benchmark return of 7.87%, outperforming by 3.19%.

Table 1: Performance of the Fund

	1 Year (1/5/21 - 30/4/22)	3 Years (1/5/19 - 30/4/22)	Since Commencement (27/9/18 - 30/4/22)
Fund	(12.93%)	7.10%	11.06%
Benchmark	(14.27%)	4.18%	7.87%
Outperformance	1.34%	2.92%	3.19%

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 (27/9/18 - 30/4/22)
Fund	(12.93%)	2.31%	2.96%
Benchmark	(14.27%)	1.37%	2.13%
Outperformance	1.34%	0.94%	0.83%

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 (27/9/18 - 30/4/19)
Fund	(12.93%)	28.54%	(4.30%)	3.70%
Benchmark	(14.27%)	24.25%	(2.19%)	3.55%
Outperformance	1.34%	4.29%	(2.11%)	0.15%

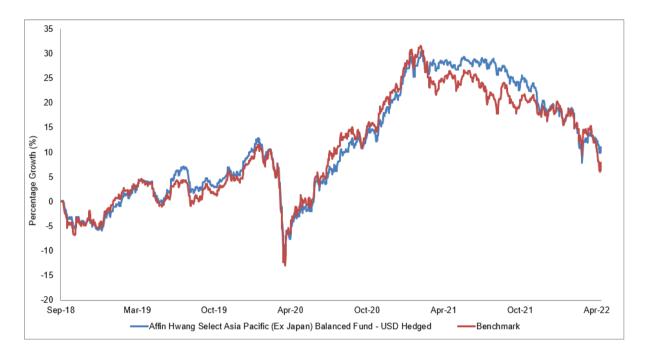


Figure 1: Movement of the Fund versus the Benchmark since commencement.

"This information is prepared by Affin Hwang Asset Management Berhad (AFFINHWANGAM) for information purposes only. Past earnings or the fund's distribution record is not a guarantee or reflection of the fund's future earnings/future distributions. Investors are advised that unit prices, distributions payable and investment returns may go down as well as up. Source of Benchmark is from Bloomberg."

Benchmark: 50% MSCI AC Asia Pacific ex Japan Index + 50% RAM Quantshop MGS All 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 stood at 48.00% in equities, 42.08% in fixed income securities and the remaining was held in cash and cash equivalent. Within the fixed income space, the domestic and foreign fixed income securities exposure of the Fund has increased whereas the foreign equities exposure had reduced by than almost 9 percentage points to 48.00%. Cash level was higher at 9.92 as the manager retained cash during this period of increased volatility.

Strategies Employed

With the return of volatility in markets, we raised our cash holdings and went into a defensive stance in our allocation. As the sell-down accelerated, we then deployed back into the market with a focus on quality. We continue to keep close monitor on market development amidst the rare event of global pandemic and geopolitical uncertainty.

Market Review

Uncertainty has been an ongoing theme in economies and markets. While global equities started on a strong note at the start of 2021 due to policy easing and optimism surrounding vaccination rollout, global recovery was uneven as developed markets reported stronger gains compared to emerging markets. Developed countries managed to administer the vaccine at a quicker pace which led to a corresponding increase in mobility and hence a more optimistic market outlook. For the most of second half of 2021 ("2H 2021"),

expensive valuations in both fixed income and equities loomed over investors. However, the challenging market conditions in the first quarter of 2022 ("1Q 2022") addressed some of these concerns as Chinese equities both onshore and offshore traded below their 15-year average and the Standard & Poor's ("S&P") plummeted 8.7% in April 2022.

In general, government policies to encourage demand throughout one of the largest economic contractions produced one of the fastest recoveries. Developed market output reached its pre-pandemic peak in the third quarter of 2021.

Real Gross Domestic Product ("GDP") growth for US in 1Q 2022 was weaker than expected, falling 1.4% on an annualised basis. The weakness can be largely attributed to a decline in the real trade deficit, lower government spending and a decrease in fiscal stimulus that was initiated to improve spending during the pandemic. Economic data showed sign of weakening while inflationary pressures continued to prompt the Federal Reserve into a more aggressive stance on interest rate hikes. However, domestic demand continues to be resilient, with personal consumption expenditures up 2.7% on an annualised basis.

In the Eurozone, equities continue to decline as the conflict between Ukraine and Russia persist, further placing upward pressure on inflation – annual eurozone inflation reached 7.5% in April, an increase from 7.4% in March. The sectors that performed best included energy due to continued strong demand and communication services given their defensive profile. Information technology, consumer discretionary and industrials fared weaker as these sectors tend to be affected by supply chain disruptions and concerns over consumer confidence the most.

In China, although 1Q 2022 GDP has shown that the Chinese economy began to rebound in January and February, the impact the pandemic had on consumption, investment and production overshadowed the growth as Covid-19 continued to put downward pressure on the Chinese economy. The tightened credit conditions that persisted until early 2022 and regulatory policies in place as a result of the government's common prosperity initiative have slowed growth. A decline in new Covid infection numbers could be the first step in restoring market confidence, however, with parts of China in lockdown since April 2022 resulting in a decrease in both the manufacturing and services sector, investor confidence remained cautious. The Chinese Yuan also experienced some sharp depreciation during the quarter as the 2-year US Treasury yield rose above its Chinese equivalent.

Asia equities were lower in April as China fought hard to contain its worst outbreak of Covid-19, implementing measures that affected the market adversely. Expectations of higher interest rates and the still ongoing conflict between Russia and Ukraine also weakened investor sentiment. Taiwan performed worst in terms of index market as major electronics manufacturers and chip slumped due to supply chain disruptions brought upon by lockdowns in Shanghai and neighbouring cities.

Bond yields continued to rise in April 2022, resulting in further negative returns in an environment of continued high inflation and expectations of significant interest rate hikes. US consumer price inflation accelerated to 8.5% year on year in March though the core personal consumption expenditure index fell slightly to an annualised 5.2% from 5.3%. Corporate bonds garnered negative total returns and underperformed government bonds in general.

The S&P Goldman Sachs Commodity Index ("GSCI Index") reported a positive return in April 2022. Higher prices in agricultural and energy components supported weaker prices for livestock, industrial and precious metals. Energy was the top performing component of the index as the global economy normalises after the Covid-19 pandemic and supplies are disrupted due to geopolitical unrest.

On the domestic front, March exports jumped 25.4% year on year, exceeding consensus estimates. The growth was largely attributed to electrical & electronic and commodities-based products such as palm oil. In the local bond market, Malaysia's sovereign bonds' trading volume declined to RM55.3billion in April 2022, a 25% reduction since March 2022. A decline in trading volume of corporate bonds from RM9.1billion in March to RM5.7billion in April was also recorded.

Investment Outlook

2022 is set to be a year of transition for markets as investors continue to contend with normalisation of growth rates and monetary policy tightening. Both equities and bonds are down year-to-date as uncertain policy outlooks, an energy shock and weak growth outlook in China continue to stir markets. With the most impactful effects of the pandemic likely behind us, peak policy support and with its peak GDP growth during

the pandemic era also likely realised in 2021. We expect to see a lot of crosswinds and periods of transition especially with regards to policy.

The Russia-Ukraine tension is also weighing on sentiments. With continued disruptions to supply chains, the conflict is contributing to inflationary pressures and it is no surprise that commodities are on track to outperform equities for the second consecutive year. However, history suggest that market impact from geopolitical events tend to be short. We expect markets to shift the focus back to tighter monetary conditions and slowing growth moving forward.

The inversion of the US yield curve and whether it is an accurate predictor of a recession has been widely discussed as of late. Whilst a recession is not inevitable in our view, we are increasingly of the opinion that economic growth will likely slow materially in the coming months as consumers adjust to rapidly rising costs. Although the default response to decelerating growth in recent years by central banks is to increase liquidity, this is much less likely this time as battling inflation is seen as a more pressing matter.

Back home, we believe that it will be a stock picker's market for local investors as Bursa languishes behind other regional peers. With foreign shareholding at an all-time low, much of the exuberance have faded especially on the back of a strong US dollar environment which makes emerging markets like Malaysia unattractive. Though, we view that domestic market will not be susceptible to sudden foreign outflows and that the direction of the market will be influenced more by local players that have grown massively in size and are looking for opportunities to deploy.

Against a volatile backdrop, we are cautiously positioned for 2022. On inflection points, we see retreating inflation and an easing of Russia-Ukraine tension as potential turnarounds for the market to improve.

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, Affin Hwang Select Asia Pacific (ex Japan) Balanced Fund has received soft commissions from brokers/dealers who have also executed trades for other funds managed by Affin Hwang Asset Management. The soft commissions were utilised for goods and services in the form of research materials, data and quotation services, investment-related publications, market data feed, industry benchmarking agencies and investment-related publications to assist the Manager in the investment decision making process. The soft commissions received were for the benefit of the funds and there were no churning of trades.

Cross Trade

Cross trade transactions have been carried out during the reported period and the Investment Committee of the Fund has reviewed that such transaction are in the best interest of the Fund, transacted in the normal course of business at agreed terms and on a fair value basis.

Securities Financing Transactions

Affin Hwang Select Asia Pacific (ex Japan) Balanced 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 Select Asia Pacific (ex Japan) Balanced Fund's prospectus during the financial year under review.

TRUSTEE'S REPORT

TO THE UNIT HOLDERS OF AFFIN HWANG SELECT ASIA PACIFIC (EX JAPAN) BALANCED 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, the securities laws and the Guidelines on Unit Trust Funds;
- (b) valuation and pricing is 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.

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

For Deutsche Trustees Malaysia Berhad

Soon Lai Ching Senior Manager, Trustee Operations **Gerard Ang** Chief Executive Officer

Kuala Lumpur 17 June 2022

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 APRIL 2022

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

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
INVESTMENT (LOSS)/INCOME			
Dividend income Interest income from financial assets at		1,904,021	1,563,717
amortised cost Interest income from financial assets at		16,569	14,246
fair value through profit or loss		2,255,171 202,041	2,533,342
Net gain/(loss) on foreign currency exchange Net (loss)/gain on forward foreign currency	10	,	(189,326)
contracts at fair value through profit or loss Net gain on futures contracts	12	(1,069,762)	1,029,825
at fair value through profit or loss Net (loss)/gain on financial assets at fair value	11	557,056	-
through profit or loss	8	(13,084,305)	19,568,529
		(9,219,209)	24,520,333
EXPENSES			
Management fee Trustee fee Auditors' remuneration Tax agent's fee Transaction costs Other expenses	4 5	(2,472,378) (89,918) (9,500) (35,650) (652,213) (215,183)	(1,930,968) (70,298) (2,000) (29,864) (546,457) (167,508)
		(3,474,842)	(2,747,095)
NET (LOSS)/PROFIT BEFORE FINANCE COST AND TAXATION		(12,694,051)	21,773,238
FINANCE COST (EXCLUDING (DECREASE)/ INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)			
Distributions	6	(2,189,037)	(1,750,798)
NET (LOSS)/PROFIT BEFORE TAXATION		(14,883,088)	20,022,440
Taxation	7	(84,644)	
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		(14,967,732)	20,022,440

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

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
(Decrease)/increase in net assets attributable to unitholders is made up of the following:			
Realised amount Unrealised amount		(2,747,562) (12,220,170)	7,933,473 12,088,967
		(14,967,732)	20,022,440

STATEMENT OF FINANCIAL POSITION AS AT 30 APRIL 2022

	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
ASSETS			
Cash and cash equivalents Margin accounts Amount due from brokers Amount due from Manager - creation of units Dividend receivables Financial assets at fair value	9 10	14,476,131 348,075 - 1,357,281 128,466	4,608,445 - 2,498,540 - 48,015 77,802
through profit or loss Quoted futures contracts at fair value	8	131,796,657	138,688,978
through profit or loss	11	557,056	-
Forward foreign currency contracts at fair value through profit or loss	12	-	178,983
TOTAL ASSETS		148,663,666	146,100,763
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss Amount due to brokers Amount due to Manager - management fee - cancellation of units Amount due to Trustee Auditors' remuneration Tax agent's fee Other payables and accruals Tax payable	12	583,130 1,420,554 194,675 82,818 7,079 9,500 3,802 23,018 29,741	82,605 2,899,335 193,466 74,904 7,035 9,500 4,200 23,491
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		2,354,317	3,294,536
NET ASSET VALUE OF THE FUND		146,309,349	142,806,227
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		146,309,349	142,806,227

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

REPRESENTED BY:	<u>Note</u>	<u>2022</u> RM	<u>2021</u> RM
FAIR VALUE OF OUTSTANDING UNITS			
RM classAUD Hedged-classEUR Hedged-classRMB Hedged-classUSD Hedged-class		145,572,572 45,320 2,753 681,571 7,133 146,309,349	142,379,785 5,739 3,042 344,694 72,967 142,806,227
NUMBER OF UNITS IN CIRCULATION			
RM classAUD Hedged-classEUR Hedged-classRMB Hedged-classUSD Hedged-class	13(a) 13(b) 13(c) 13(d) 13(e)	228,497,000 29,000 1,000 1,884,000 3,000 230,414,000	202,540,000 3,000 1,000 896,000 28,000 203,468,000
NET ASSET VALUE PER UNIT (RM)			
RM classAUD Hedged-classEUR Hedged-classRMB Hedged-classUSD Hedged-class		0.6371 1.5628 2.7531 0.3618 2.3776	0.7030 1.9131 3.0423 0.3847 2.6060
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
RM classAUD Hedged-classEUR Hedged-classRMB Hedged-classUSD Hedged-class		RM0.6371 AUD0.5015 EUR0.5982 RMB0.5521 USD0.5463	RM 0.7030 AUD 0.6014 EUR 0.6142 RMB 0.6087 USD 0.6378

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

	2022 RM	<u>2021</u> RM
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	142,806,227	107,578,653
Movement due to units created and cancelled during the financial year		
Creation of units arising from applications	26,404,617	39,141,643
RM classAUD Hedged-classRMB Hedged-classUSD Hedged-class	25,581,641 435,944 384,983 2,049	38,707,504 48,755 315,240 70,144
Creation of units arising from distributions	2,171,476	1,747,196
- RM class - RMB Hedged-class - USD Hedged-class	2,159,961 10,936 579	1,747,196 - -
Cancellation of units	(10,105,239)	(25,683,705)
RM classAUD Hedged-classRMB Hedged-classUSD Hedged-class	(9,676,310) (347,039) (14,949) (66,941)	(25,638,527) (45,178) - -
Net (decrease)/increase in net assets attributable to unitholders during the financial year	(14,967,732)	20,022,440
RM classAUD Hedged-classEUR Hedged-classRMB Hedged-classUSD Hedged-class	(14,872,505) (49,324) (289) (44,093) (1,521)	19,991,453 618 534 29,143 692
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR	146,309,349	142,806,227

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

		2022 RM	<u>2021</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments Proceeds from redemption of investments Purchase of investments Payments to margin accounts Dividends received Interest received Management fee paid Trustee fee paid Payment for other fees and expenses Realised (loss)/gain on forward foreign currency contracts Net realised gain/(loss) on foreign currency exchange Tax paid		170,709,429 3,102,000 (180,974,168) (348,075) 1,853,357 3,006,863 (2,471,169) (89,874) (913,417) (390,254) 1,458,448 (54,903)	122,044,167 7,408,068 (154,490,790) - 1,485,915 2,655,207 (1,880,508) (68,463) (203,176) 448,934 (383,316)
Net cash flows used in operating activities		(5,111,763)	(22,983,962)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units Payments for cancellation of units Payment for distributions		25,095,351 (10,097,325) (17,561)	39,194,609 (25,657,686) (3,602)
Net cash flows generated from financing activities		14,980,465	13,533,321
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		9,868,702	(9,450,641)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		(1,016)	193,990
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		4,608,445	13,865,096
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	9	14,476,131	4,608,445

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 N.

- (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.

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

Dividend income

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

Interest income

Interest income from short-term deposits with licensed financial institutions and unquoted fixed income securities 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 loss on sale of investments

For quoted equities, 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.

For unquoted fixed income securities, 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 cost adjusted for accretion of discount or amortisation of premium on investments.

C FINANCE COST

A distribution to the Fund's unitholders is accounted for as a deduction from realised reserve. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

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

D TRANSACTION COSTS

Transaction costs are costs incurred to acquire financial assets or liabilities at fair value through profit or loss. They include the bid-ask spread, fees and commissions paid to agents, advisors, brokers and dealers. Transaction costs, when incurred, are immediately recognised in the statement of comprehensive income as expenses.

E TAXATION

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

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

Withholding taxes on investment income from foreign investment are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not "income tax" in nature and are recognised and measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income.

F FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Fund's functional and presentation currency.

G FOREIGN CURRENCY TRANSLATION

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

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

The Fund classifies its financial assets in the following measurement categories:

- those to be measured at fair value through profit or loss, and
- those to be measured at amortised cost.

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

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTNUED)

(i) Classification (continued)

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.

The Fund classifies cash and cash equivalents, margin accounts, amount due from brokers, amount due from Manager and dividend receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to brokers, 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. Transaction costs are expensed in the statement of comprehensive income.

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

Financial assets are 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 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.

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

H FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

The fair value of financial assets traded in active markets (such as trading securities) are based on quoted market prices at the close of trading on the financial year end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

If a valuation based on the market price does not represent the fair value of the securities, for example during abnormal market conditions or when no market price is available, including in the event of a suspension in the quotation of the securities for a period exceeding 14 days, or such shorter period as agreed by the Trustee, then the securities are valued as determined in good faith by the Manager, based on the methods or basis approved by the Trustee after appropriate technical consultation.

Unquoted fixed income securities including money market instruments denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission's ("SC") as per the SC's Guidelines on Unit Trust Funds. Where such quotation are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (i) records its basis for using non-BPA price;
- (ii) obtains necessary internal approvals to use the non-BPA price; and
- (iii) keeps an audit trail of all decisions and basis for adopting the market yield.

Unquoted fixed income securities denominated in foreign currencies are revalued at least twice a week by reference to the mid-price quoted in Bloomberg. We use the Composite Bloomberg Bond Trader ("CBBT") which is a weighted average bid and ask of price contributions submitted by Bloomberg Dealers. However if such quotations are not available, the fair value shall be determined by reference to the bid and offer prices quoted by independent and reputable financial institutions.

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.

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

H 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.

I 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 changes in value.

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

J AMOUNTS DUE FROM/(TO) BROKERS

Amounts due from and to brokers 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 brokers balance is held for collection. Refer to Note H for accounting policy on recognition and measurement.

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

Significant financial difficulties of the 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 CREATION AND CANCELLATION OF UNITS

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

The Fund issues cancellable units, in five classes of units, known respectively as the RM Class, AUD Hedged-class, EUR Hedged-class, RMB Hedged-class and USD Hedged-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.

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

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

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

M 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 and futures. 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.

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

M DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

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

The fair value of the Fund's futures is obtained from the relevant stock exchanges where the futures are listed.

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.

N CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

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

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

However, the Manager is of the opinion that there are no accounting policies which require significant judgment to be exercised.

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

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

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

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

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name Hwang Select Asia Pacific (ex Japan) Balanced Fund (the "Fund") pursuant to the execution of a Deed dated 1 July 2013 as modified by Supplemental Deed dated 5 November 2014 and Second Supplemental Deed dated 17 April 2018 ("the Deeds") entered into between Affin Hwang Asset Management Berhad (the "Manager"), and Deutsche Trustees Malaysia Berhad (the "Trustee") and the registered unitholders of the Fund. The Fund has changed its name from Hwang Select Asia Pacific (ex Japan) Balanced Fund to Affin Hwang Select Asia Pacific (ex Japan) Balanced Fund as amended by the Supplemental Deed dated 5 November 2014.

The Fund commenced operations on 29 December 2014 and will continue its operations until terminated by the Trustee as provided under Clause 12.3 of the Deeds.

The Fund may invest in any of the following investments:

- (a) Listed securities
- (b) Unlisted securities including, without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation for such securities;
- (c) Government bonds, treasury bills and other government approved or guaranteed bonds;
- (d) Debentures;
- (e) Money market instruments;
- (f) Deposits with financial institutions;
- (g) Structured products such as credit linked-notes;
- (h) Derivatives instruments, including but not limited to options, futures contracts, forward contracts and swaps;
- (i) Warrants:
- (j) Units/shares in local and foreign collective investment schemes which are in line with the objective of the Fund; and
- (k) Any other form of investments permitted by the SC from time to time which are in line with the objective of the Fund.

All investments will be subjected to the SC's Guidelines on Unit Trust Funds, the Deeds and the objective of the Fund.

The main objective of the Fund is to provide investor an affordable access into a diversified investment portfolio containing a balanced mixture of equities and fixed income instruments to achieve a balance of growth and income over the 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.

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>2022</u>	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through profit or loss RM	<u>Total</u> RM
Financial assets				
Cash and cash equivalents Margin accounts Dividends receivable Amount due from Manager	9 10	14,476,131 348,075 128,466	- - -	14,476,131 348,075 128,466
- creation of units Quoted equities Unquoted fixed income securities Futures contracts	8 8 11	1,357,281 - - -	70,227,941 61,568,716 557,056	1,357,281 70,227,941 61,568,716 557,056
Total		16,309,953	132,353,713	148,663,666
Financial liabilities				
Forward foreign currency contracts Amount due to brokers Amount due to Manager	12	- 1,420,554	583,130 -	583,130 1,420,554
- management fee - cancellation of units Amount due to Trustee Auditors' remuneration Tax agent's fee Other payables and accruals		194,675 82,818 7,079 9,500 3,802 23,018	- - - -	194,675 82,818 7,079 9,500 3,802 23,018
Total		1,741,446	583,130	2,324,576

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)

2021	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through profit or loss RM	<u>Total</u> RM
Financial assets				
Cash and cash equivalents Dividends receivable Amount due from brokers Amount due from Manager	9	4,608,445 77,802 2,498,540	- - -	4,608,445 77,802 2,498,540
- creation of units Quoted equities Unquoted fixed income securities Forward foreign currency	8 8	48,015 - -	80,758,713 57,930,265	48,015 80,758,713 57,930,265
contracts	12	-	178,983	178,983
Total		7,232,802	138,867,961	146,100,763
Financial liabilities				
Forward foreign currency contracts Amount due to brokers Amount due to Manager - management fee - cancellation of units Amount due to Trustee Auditors' remuneration	12	2,899,335 193,466 74,904 7,035 9,500	82,605 - - - - -	82,605 2,899,335 193,466 74,904 7,035 9,500
Tax agent's fee Other payables and accruals		4,200 23,491	-	4,200 23,491
Total		3,211,931	82,605	3,294,536

The Fund is exposed to a variety of risks which include market risk (including price risk, interest rate risk, currency risk), credit risk, liquidity risk and capital risk.

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated by the SC's Guidelines on Unit Trust Funds.

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 are as follows:

	<u>2022</u> RM	<u>2021</u> RM
Quoted investments Quoted equities	70,227,941	80,758,713
Unquoted investments * Unquoted fixed income securities	61,568,716	57,930,265

^{*} Includes interest receivable RM746,691 (2021: RM585,595)

The following table summarises the sensitivity of the Fund's (loss)/profit after taxation and net asset value to price risk movement. The analysis is based on the assumptions that the market price increased by 2% (2021: 7.5%) and decreased by 2% (2021: 7.5%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted and unquoted securities, having regard to the historical volatility of the prices.

% Change in price	<u>Market value</u> RM	Impact on (loss)/profit after tax/NAV
2022		
-2% 0%	128,428,967 131,049,966	(2,620,999)
+2%	133,670,965	2,620,999
<u>2021</u>		
-7.5% 00/	127,745,629	(10,357,754)
0% +7.5%	138,103,383 148,461,137	10,357,754

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

In general, when interest rates rise, unquoted fixed income securities prices will tend to fall and vice versa. Therefore, the NAV of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund hold an unquoted fixed income security until maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the NAV shall not be affected at maturity. In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

This risk is crucial in an unquoted fixed income securities fund since unquoted fixed income securities portfolio management depends on forecasting interest rate movements. Prices of unquoted fixed income securities move inversely to interest rate movements, therefore as interest rates rise, the prices of unquoted fixed income securities decrease and vice versa. Furthermore, unquoted fixed income securities with longer maturity and lower yield coupon rates are more susceptible to interest rate movements.

Investors should note that unquoted fixed income securities, and money market instruments are subject to interest rate fluctuations. Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to make payments of interest income and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The table below summarises the sensitivity of the Fund's (loss)/profit after taxation and NAV to movements in prices of unquoted fixed income securities held by the Fund as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate increased and decreased by 2% (2021:2%) with all other variables held constant.

% Change in interest rate	<u>Impact on (loss)/prof</u>	Impact on (loss)/profit after tax/ NAV		
	2022	2021		
	RM	RM		
+ 2%	(226,656)	(173,735)		
- 2%	210,120	175,610		

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

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) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of the foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels and technical chart considerations.

<u>2022</u>	Quoted <u>equities</u> RM	Unquoted fixed income <u>securities</u> RM	Quoted <u>futures</u> RM	Cash and cash equivalents RM	Other <u>assets*</u> RM	<u>Total</u> RM
Financial assets						
Australian Dollar British Pound Sterling	8,435,639 -	-	-	972,515 2,473	-	9,408,154 2,473
Chinese Yuan Euro	- 1,425,624	4,544,518 -	-	1,641,374 23,740	-	6,185,892 1,449,364
Hong Kong Dollar Indonesian Rupiah	25,969,029 3,673,631	-	-	932,361	55,470 -	26,956,860 3,673,631
Korean Won	1,976,853	-	-	-	-	1,976,853

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)

<u>2022</u> (continued)	Quoted <u>equities</u> RM	Unquoted fixed income <u>securities</u> RM	Quoted <u>futures</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
Financial assets (continued)						
Singapore Dollar Taiwan Dollar Thai Baht United States Dollar	22,163,400 2,703,558 3,151,294 728,913 70,227,941	8,607,526 - 30,988,120 44,140,164	557,056 557,056	828,744 - - 8,104,021 12,505,228	34,016 32,892 6,088 128,466	31,633,686 2,703,558 3,184,186 40,384,198 127,558,855

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)

2022 (continued) Financial liabilities	Forward foreign currency <u>contracts</u> RM	Amount due to <u>brokers</u> RM	Net assets attributable to <u>unitholders</u> RM	<u>Total</u> RM
Australian Dollar Chinese Yuan Euro Indonesian Rupiah Singapore Dollar	49 7,413 - - -	- - - 721,419 699,135	45,320 681,571 2,753 -	45,369 688,984 2,753 721,419 699,135
United States Dollar	575,668 ———————————————————————————————————	1,420,554	7,133	582,801 2,740,461

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)

<u>2021</u>	Quoted <u>equities</u> RM	Unquoted fixed income securities RM	Forward foreign currency <u>contracts</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
Financial assets						
Australian Dollar Chinese Yuan Euro Hong Kong Dollar Indian Rupee Korean Won Singapore Dollar Taiwan Dollar	2,655,072 1,402,154 - 29,792,821 3,539,936 6,340,560 16,067,323 4,479,840	- - - - - 8,998,856	- - - - -	99,726 37,400 2,179 1,155,133 - 580,859	- 1,211,055 - - 1,334,381	2,754,798 1,439,554 2,179 32,159,009 3,539,936 6,340,560 26,981,419 4,479,840

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)

2021 (continued)	Quoted <u>equities</u> RM	Unquoted fixed income <u>securities</u> RM	Forward foreign currency contracts RM	Cash and cash equivalents RM	Other <u>assets*</u> RM	<u>Total</u> RM
Financial assets (continued)						
United States Dollar	16,481,007	33,282,217	178,983	1,809,799	30,905	51,782,911
	80,758,713	42,281,073	178,983	3,685,096	2,576,341	129,480,206

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)

	Forward foreign currency contracts RM	Amount due to <u>brokers</u> RM	Net assets attributable to <u>unitholders</u> RM	<u>Total</u> RM
<u>2021</u> (continued)				
Financial liabilities				
Australian Dollar Chinese Yuan Euro United States Dollar	1,957 - 80,648	- - - 2,899,335	5,739 344,693 3,042 72,967	5,739 346,650 3,042 3,052,950
	82,605	2,899,335	426,441	3,408,381

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

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 table below summarises the sensitivity of the Fund's (loss)/profit after tax and net asset value to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes 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.

<u>2022</u>	Change in price %	Impact on (loss)/profit after <u>tax/NAV</u> RM
Australian Dollar British Pound Sterling Chinese Yuan Euro Hong Kong Dollar Indonesian Rupiah Korean Won Singapore Dollar Taiwan Dollar Thai Baht United States Dollar	+/- 8.03 +/- 6.09 +/- 3.00 +/- 5.70 +/- 3.24 +/- 4.25 +/- 5.95 +/- 2.95 +/- 3.69 +/- 5.70 +/- 3.35	+/- 751,832 +/- 151 +/- 164,907 -/+ 82,457 +/- 873,402 +/- 125,469 +/- 117,623 +/- 912,569 +/- 99,761 +/- 181,499 +/- 1,333,347
2021		
Australian Dollar Chinese Yuan Euro Hong Kong Dollar Indian Rupee Korean Won Singapore Dollar Taiwan Dollar United States Dollar	+/- 8.79 +/- 4.60 +/- 6.04 +/- 4.26 +/- 5.53 +/- 5.43 +/- 3.27 +/- 4.35 +/- 4.35	+/- 242,651 +/- 82,165 -/+ 315 +/- 1,369,974 +/- 195,758 +/- 344,292 +/- 882,292 +/- 194,873 +/- 2,374,393

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

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

For unquoted fixed income securities, the Manager regularly reviews the rating assigned to the issuer so that necessary steps can be taken if the rating falls below those described by the Deeds and SC's Guidelines on Unit Trust Funds.

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

Credit risk arising from placements of deposits in licensed financial institutions is managed by ensuring that the Fund will only place deposits in reputable licensed financial institutions.

The settlement terms of amount due from brokers are governed by the relevant rules and regulations as prescribed by the respective stock exchanges.

The settlement terms of the proceeds from the creation of units' receivable from the Manager are governed by the SC's Guidelines on Unit Trust Funds.

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

	Unquoted				
	fixed		Cash		
	income	Quoted	and cash	Other	
	<u>securities</u>	<u>futures</u>	<u>equivalents</u>	assets*	<u>Total</u>
	RM	RM	RM	RM	RM
2022					
Consumer Discretion	ary				
- BBB-	715,983	-	-	-	715,983
- WR	1,726,649	-	-	-	1,726,649
- NR	742,806	-	-	18,365	761,171
Consumer Staples					
- NR	-	-	-	6,088	6,088
Energy					
- Baa3	1,578,855	-	-	-	1,578,855
Financial services					
- AAA	-	557,056	1,951,761	348,075	2,856,892
- AA1	-	-	12,524,370	-	12,524,370
- Ba1	4,169,225	-	-	-	4,169,225
- Ba3	2,005,962	-	-	-	2,005,962
- Baa2	1,086,471	-	-	-	1,086,471
- Baa3	7,220,109	-	-	-	7,220,109
- BBB-	2,852,488	-	-	-	2,852,488
- NR	4,180,445	-	-	34,016	4,214,461
Health Care				,	
- NR	2,605,448	-	-	-	2,605,448

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)

	Unquoted		Caab		
	fixed income	Quoted	Cash and cash	Other	
	securities	<u>futures</u>	equivalents	assets*	<u>Total</u>
	RM	RM	RM	RM	RM
2022 (continued)					
Industrials	0.400.000				0.400.000
- AA3	6,129,280	-	-	-	6,129,280
- A+	3,037,538	-	-	-	3,037,538
- A	2,036,556	-	-	-	2,036,556
- Baa1	885,525	-	-	-	885,525
- Baa2	865,193	-	-	-	865,193
- Baa3	775,318	-	-	- 	775,318
- NR Real Estate	4,561,766	-	-	55,470	4,617,236
- A2	2,044,733	-	_	-	2,044,733
- B3	953,059	_	_	_	953,059
- Baa3	733,024	-	_	-	733,024
- BBB	1,922,496	-	_	-	1,922,496
- Caa3	233,267	-	_	-	233,267
- NR	8,506,520	-	-	14,527	8,521,047
Others					
- NR	-	-	-	1,357,281	1,357,281
	61,568,716	557,056	14,476,131	1,833,822	78,435,725
		=======================================		=======================================	
	Unquoted	Forward			
	fixed	foreign	Cash		
	income	currency	and cash	Other	
	securities	contracts	equivalents	assets*	<u>Total</u>
	RM	RM	RM	RM	RM
<u>2021</u>	TUVI	Tuvi	TUVI	TUVI	1 (17)
Basic Materials					
- Baa2	834,313	-	-	-	834,313
Consumer Discretionar					1 001 000
- Ba3	1,631,968	-	-	-	1,631,968
- Baa2	844,929	-	-	1 011 055	844,929
- NR	770,253	-	-	1,211,055	1,981,308
Energy - A3	1 5/6 011				1 546 011
- A3 - Baa1	1,546,011 1,280,878	-	-	-	1,546,011 1,280,878
- Daa I	1,200,070	-	-	-	1,200,070

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)

	Unquoted fixed income <u>securities</u> RM	Forward foreign currency contracts RM	Cash and cash equivalents RM	Other <u>assets</u> * RM	<u>Total</u> RM
2021 (continued)					
Financial Services					
- AA1	-	-	3,706,626	-	3,706,626
- AA2	-	7,638	-	13,453	21,091
- AA3	-	84,759	-	-	84,759
- AAA	<u>-</u>	86,586	901,819	-	988,405
- Ba1	2,536,056	-	-	-	2,536,056
- Ba2	2,518,217	-	-	-	2,518,217
- Ba3	827,579	-	-	-	827,579
- Baa2	541,661	-	-	-	541,661
- Baa3	4,780,543	-	-	-	4,780,543
- BB	1,521,463	-	-	-	1,521,463
- NR	4,275,565	-	-	-	4,275,565
Government					
- NR	5,025,805	-	-	-	5,025,805
Industrials					
- A	2,039,848	-	-	-	2,039,848
- AA3	6,208,482	-	-	-	6,208,482
- BBB-	2,505,280	-	-	-	2,505,280
- NR	4,547,718	-	-	1,320,929	5,868,647
Real Estate					
- A2	2,100,092	-	-	-	2,100,092
- B1	1,259,419	-	-	-	1,259,419
- B2	2,663,989	-	-	-	2,663,989
- Ba3	867,449	-	-	-	867,449
- Baa2	1,651,059	-	-	-	1,651,059
- Baa3	1,639,941	-	-	-	1,639,941
- BB-	842,166	-	-	-	842,166
- BBB-	816,019	-	-	-	816,019
- NR	1,853,562	-	-	30,905	1,884,467
Others					
- NR	-	-	-	48,015	48,015
	57,930,265	178,983	4,608,445	2,624,357	65,342,050

^{*} Other assets consist of dividend receivables, margin accounts, amount due from Manager and amount due from brokers.

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

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellation of units by unitholders. Liquid assets comprise bank balances, 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.

<u>2022</u>	Within one month RM	Between one month to one year RM	<u>Total</u> RM
Amount due to brokers	1,420,554	-	1,420,554
Amount due to Manager	104.075		104.075
- management fee	194,675		194,675
- cancellation of units	82,818	-	82,818
Amount due to Trustee	7,079	-	7,079
Auditors' remuneration	-	9,500	9,500
Tax agent's fee	-	3,802	3,802
Other payables and accruals	-	23,018	23,018
Forward foreign currency contracts		-,-	-,
at fair value through profit or loss	-	583,130	583,130
Net assets attributable to unitholders*	146,309,349	, <u>-</u>	146,309,349
	148,014,475	619,450	148,633,925

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)

	Within one month RM	Between one month to one year RM	<u>Total</u> RM
<u>2021</u>			
Amount due to brokers Amount due to Manager	2,899,335	-	2,899,335
- management fee	193,466	-	193,466
 cancellation of units 	74,904	-	74,904
Amount due to Trustee	7,035	-	7,035
Auditors' remuneration	-	9,500	9,500
Tax agent's fee	-	4,200	4,200
Other payables and accruals Forward foreign currency contracts	-	23,491	23,491
at fair value through profit or loss	-	82,605	82,605
Net assets attributable to unitholders*	142,806,227		142,806,227
	145,980,967	119,796	146,100,763

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

Capital risk

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

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

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 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.

(i) Fair value hierarchy

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

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

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

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

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
2022	1 1141	Tuvi	Ttivi	TilVi
Financial assets at fair value through profit or loss: - quoted equities	70,227,941	-	-	70,227,941
- unquoted fixed income securities- futures contracts	557,056	61,568,716 -	-	61,568,716 557,056
	70,784,997	61,568,716	-	132,353,713
Financial liabilities at fair value through profit or loss: - forward foreign currency contracts		583,130		583,130
<u>2021</u>				
Financial assets at fair value through profit or loss: - quoted equities - unquoted fixed income securities - forward foreign currency contracts	80,758,713 - -	57,930,265 178,983	- - -	80,758,713 57,930,265 178,983
	80,758,713	58,109,248	-	138,867,961
Financial liabilities at fair value through profit or loss: - forward foreign currency				
contracts	<u>-</u>	82,605	-	82,605

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

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

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include unquoted fixed income securities and 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, dividend receivables, margin accounts, amount due from brokers and 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 Deeds, the Manager is entitled to a management fee at a rate not exceeding 5.00% per annum on the NAV of the Fund, calculated on a daily basis.

For the financial year ended 30 April 2022, the management fee is recognised at a rate of 1.65% (2021: 1.65%) per annum on the NAV of the Fund, calculated on a daily basis.

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

5 TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to an annual fee, inclusive of local custodian fees, at a rate not exceeding 0.10% per annum on the NAV of the Fund for local investments subject to a minimum of RM12,000 per annum, excluding foreign sub-custodian fees.

For the financial year ended 30 April 2022, the Trustee fee is recognised at a rate of 0.06% (2021: 0.06%) per annum on the NAV of the Fund, inclusive of local custodian fee, calculated on a daily basis.

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

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

6 DISTRIBUTIONS

D:			<u>2022</u> RN	
Distributions to uni	tholders are fro	m the following source	es:	
Gross dividend inc Interest income Previous years' rea			140 2,322 2,186,572	2 -
Net distribution am	ount		2,189,037	7 1,750,798 = ===================================
	RM Class RM	EUR Hedged-class EUR	Gross/Net distr RMB Hedged-class CNY	ibution per unit(sen) USD Hedged-class USD
2022				
16.06.2021 16.12.2021	0.50 0.50	0.50 0.50	0.50 0.50	0.50 0.50
	1.00	1.00	1.00	1.00
<u>2021</u>				
17.06.2020 16.12.2020				0.20 0.80
				1.00

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

Included in distribution for the financial year is an amount of RM2,186,572 (2021: RM1,750,798) made from previous financial year's realised income.

During the financial year ended 30 April 2022, the Fund incurred unrealised loss of RM 12,220,170 (2021: RMNil).

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

7 TAXATION

8

	<u>2022</u> RM	<u>2021</u> RM
Current taxation	84,644	
The numerical reconciliation between net (loss)/profit before final the Malaysian statutory tax rate and tax expense of the Fund is a		tion multiplied by
	<u>2022</u> RM	<u>2021</u> RM
Net (loss)/profit before finance cost and taxation	(12,694,051)	21,773,238
Tax at Malaysian statutory tax rate of 24% (2021: 24%)	(3,046,572)	5,225,577
Tax effects of: Investment loss not brought to tax/ (Investment income not subject to tax) Expenses not deductible for tax purposes Restrictions on tax deductible expenses for Unit Trust Funds Foreign income subject to different tax rate Tax expense	2,212,610 238,311 595,651 84,644 ——————————————————————————————————	(5,884,880) 194,191 465,112
FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR		
Financial assets at fair value through profit or loss: - quoted equities - foreign - unquoted fixed income securities - local - unquoted fixed income securities - foreign	2022 RM 70,227,941 17,428,552 44,140,164	2021 RM 80,758,713 15,649,192 42,281,073
	131,796,657	138,688,978
Net (loss)/gain on financial assets at fair value through profit or lo - realised (loss)/gain on sale of investments - unrealised (loss)/gain on changes in fair value	(1,883,822) (11,200,483) (13,084,305)	8,213,648 11,354,881 19,568,529

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

- (a) Quoted equities foreign
 - (i) Quoted equities foreign as at 30 April 2022 are as follows:

	Quantity	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
<u>Australia</u>				
<u>Consumer Staples</u> Bega Cheese Ltd	94,295	1,571,365	1,472,101	1.01
<u>Financial Services</u> Commonwealth Bank of Australia	5,192	1,545,865	1,674,505	1.14
Health Care Sonic Healthcare Ltd	19,902	2,081,111	2,263,607	1.55
Industrials Amcor PLC Depositary Receipt	30,059	1,503,210	1,578,286	1.08
Real Estate Goodman Group	19,554	1,393,101	1,447,140	0.99
France_ Consumer Discreationary LVMH Moet HennessyLouisVuitton	500	1,421,903	1,425,624	0.97
Hong Kong				
Consumer Discretionary JD.com Inc Li Ning Company Ltd Shenzhou Intl Group Holdings Topsports International Holdings Yum China Holdings Inc	14,255 60,000 24,700 407,000 13,078	2,335,503 2,500,913 1,945,986 1,833,874 3,148,668	2,098,584 2,080,125 1,490,679 1,365,866 2,415,704	1.43 1.42 1.02 0.93 1.65
	519,033	11,764,944	9,450,958	6.45

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

- (a) Quoted equities foreign (continued)
 - (i) Quoted equities foreign as at 30 April 2022 are as follows: (continued)

	Quantity	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
Hong Kong (continued)				
Consumer Staples Budweiser Brewing Company APAC China Mengniu Dairy Co Ltd	122,000 154,000	1,493,715 3,003,043	1,338,580 3,639,054	0.91 2.49
_	276,000	4,496,758	4,977,634	3.40
Financial Services AIA Group Ltd Ping An Insurance Grp Co China	80,400 45,000 125,400	3,492,273 1,503,912 4,996,185	3,467,485 1,281,773 4,749,258	2.37 0.88 ——————————————————————————————————
Industrials Swire Pacific Limited - CL A	62,500	1,950,735	1,556,627	1.06
Real Estate Link REIT	54,934	1,947,284	2,075,136	1.42
Technology Tencent Holdings Ltd	15,100	3,638,070	3,159,416	2.16
Indonesia Consumer Staples Cisarua Mountain Dairy PT TBK	2,411,100	2,179,146	2,956,105	2.02
PT United Tractors TBK	79,000	719,670	717,526	0.49
-	2,490,100	2,898,816	3,673,631	2.51

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

- (a) Quoted equities foreign (continued)
 - (i) Quoted equities foreign as at 30 April 2022 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
South Korea				
Technology Samsung Electronics Co Ltd - Pref Shares	9,639	2,100,024	1,976,853	1.35
Singapore				
Consumer Discretionary The Hour Glass Ltd SATS Ltd	252,600 181,200	1,628,343 2,260,098	1,957,149 2,596,719	1.34
	433,800	3,888,441	4,553,868	3.11
Energy Keppel Corporation Ltd	32,400	696,826	701,063	0.48
Financial Services Capitaland Investment Ltd DBS Group Holdings Ltd Novo Tellus Alpha Acquisition Novo Tellus Alpha Acquisition - Warrant Singapore Exchange Ltd United Overseas Bank Ltd Vertex Technology Acq Corp Ltd - Warrant Vertex Technology Acq Corp Ltd	187,100 13,900 73,000 36,500 115,700 18,000 20,700 69,000 533,900	1,520,087 1,393,827 1,032,948 102,020 3,472,750 1,576,215 18,390 1,052,317	2,492,697 1,484,999 1,096,722 23,567 3,567,561 1,700,217 16,625 1,043,148 11,425,536	1.71 1.01 0.75 0.02 2.44 1.16 0.01 0.71
Industrials Credit Bureau Asia Ltd	311,700	882,861	1,020,999	0.70
Real Estate CapitaLand Integrated Comm Trust	311,039	1,944,416	2,282,581	1.56

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

- (a) Quoted equities foreign (continued)
 - (i) Quoted equities foreign as at 30 April 2022 are as follows: (continued)

	Quantity	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
Singapore (continued)				,,
Telecommunications Singapore Telecom Ltd	249,800	2,098,963	2,179,353	1.49
<u>Taiwan</u>				
Technology Taiwan Semiconductor Manufacturing Company Ltd	34,000	1,357,734	2,703,558	1.85
Thailand				
Consumer Discretionary Home Product Center PCL	802,500	1,485,265	1,530,424	1.05
Real Estate Central Pattana PCL	211,600	1,527,670	1,620,870	1.11
<u>United States</u>				
Consumer Discretionary McDonald's Corporation	672	673,587	728,913	0.50
Total quoted equities – foreign	6,643,619	68,033,688	70,227,941	48.00
Accumulated unrealised gain on quoted equities – foreign		2,194,253		
Total quoted equities – foreign		70,227,941		

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

- (a) Quoted equities foreign (continued)
 - (ii) Quoted equities foreign as at 30 April 2021 are as follows:

	Quantity	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
<u>Australia</u>				
Basic Materials BHP Group Ltd	8,839	1,272,920	1,340,696	0.94
Consumer Discretionary Super Retail Group Ltd	34,691	1,315,628	1,314,376	0.92
<u>China</u>				
Consumer Discretionary China Intl Travel Serv Corp Ld	7,100	1,319,135	1,402,154	0.98
Hong Kong				
Consumer Discretionary Alibaba Group Holding Ltd Chow Tai Fook Jewellery Group Haier Smart Home Co Ltd Yum China Holdings Inc	39,200 191,800 148,400 5,528 ————————————————————————————————————	4,663,443 764,796 2,430,974 1,233,865 ————————————————————————————————————	4,640,202 1,263,343 2,619,357 1,421,568 	3.25 0.88 1.83 1.00 ——————————————————————————————————
<u>Consumer Staples</u> China Mengniu Dairy Co Ltd	116,000	2,112,735	2,535,697	1.78
Financial Services AIA Group Ltd BOC Hong Kong Holdings Ltd	80,400 143,500 ———————————————————————————————————	3,492,273 2,099,665 ———————————————————————————————————	4,181,201 2,068,573 	2.93 1.45 ————————————————————————————————————
Industrials Swire Pacific Ltd - CL A	45,000	1,446,883	1,486,759	1.04

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

- (a) Quoted equities foreign (continued)
 - (ii) Quoted equities foreign as at 30 April 2021 are as follows: (continued)

	Quantity	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
Hong Kong (continued)				
Real Estate Link REIT Sun Hung Kai Properties Ltd	54,434 35,000	1,936,623 1,903,126	2,099,145 2,159,904	1.47 1.51
•	89,434	3,839,749	4,259,049	2.98
Technology Tencent Holdings Ltd	10,600	2,571,486	3,471,471	2.43
Telecommunications HKT Trust & HKT Ltd	311,000	1,671,396	1,845,601	1.29
<u>India</u>				
Financial Services ICICI Bank Ltd State Bank India	13,301 88,228	435,874 1,009,768	440,015 1,714,792	0.31
	101,529	1,445,642	2,154,807	1.51
Health Care Max Healthcare Institute Ltd	109,912	1,193,956	1,385,129	0.97
South Korea				
Basic Materials POSCO	1,175	1,405,568	1,570,856	1.10
Technology Samsung Electronics Co Ltd – Pref Shares	17,717	3,226,852	4,769,704	3.34

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

- (a) Quoted equities foreign (continued)
 - (ii) Quoted equities foreign as at 30 April 2021 are as follows: (continued)

	Quantity	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
<u>Singapore</u>				
Basic Materials Nanofilm Technologies Intl PL	67,200	536,866	1,036,291	0.73
Consumer Discretionary ComfortDelGro Corporation Ltd Singapore Press Holdings Ltd	266,800 356,200	1,292,322 1,934,505	1,407,098 2,021,409	0.99 1.42
	623,000	3,226,827	3,428,507	2.41
Financial Services DBS Group Holdings Ltd Singapore Exchange Ltd	24,237 44,200 68,437	1,618,062 1,445,799 3,063,861	2,235,825 1,423,198 3,659,023	1.56 1.00 2.56
Health Care Q & M Dental Group Singapore	1,057,000	1,858,337	2,037,500	1.43
Industrials Credit Bureau Asia Ltd	311,700	882,862	1,249,749	0.87
Real Estate CapitaLand China Trust CapitaLand Integrated Comm Trust Capitaland Ltd	306,840 188,900 124,800 620,540	1,357,239 1,163,720 1,456,555 —————————————————————————————————	1,296,508 1,246,775 1,428,009 3,971,292	0.91 0.87 1.00 ——————————————————————————————————
Technology AEM Holdings Ltd	54,300	684,453	684,961	0.48

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

- (a) Quoted equities foreign (continued)
 - (ii) Quoted equities foreign as at 30 April 2021 are as follows: (continued)

<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
51,000	2,036,601	4,479,840	3.14
253 6,116	3,376,493 1,269,918	3,585,559 1,134,545	2.51 0.79
6,369	4,646,411	4,720,104	3.30
3,642	1,838,758	2,288,879	1.60
13,039 3,061 ————————————————————————————————————	1,972,438 2,471,326 4,443,764	2,354,859 2,922,443 5,277,302	1.65 2.04 3.69
66,600	1,406,849	1,338,868	0.94
2,403 633	1,429,731 1,433,950	1,303,034 1,552,820	0.91
3,036	2,863,681	2,855,854	2.00
4,410,749	68,973,750	80,758,713	56.55
	11,784,963		
	80,758,713		
	253 6,116 6,369 3,642 13,039 3,061 16,100 66,600 2,403 633 3,036	Quantity Cost RM 51,000 2,036,601 253 3,376,493 6,116 1,269,918 6,369 4,646,411 3,642 1,838,758 13,039 1,972,438 3,061 2,471,326 16,100 4,443,764 66,600 1,406,849 2,403 1,429,731 633 1,433,950 3,036 2,863,681 4,410,749 68,973,750 11,784,963	Quantity Cost RM value RM 51,000 2,036,601 4,479,840 253 3,376,493 3,585,559 6,116 1,269,918 1,134,545 6,369 4,646,411 4,720,104 3,642 1,838,758 2,288,879 13,039 1,972,438 2,354,859 3,061 2,471,326 2,922,443 16,100 4,443,764 5,277,302 66,600 1,406,849 1,338,868 2,403 1,429,731 1,303,034 633 1,433,950 1,552,820 3,036 2,863,681 2,855,854 4,410,749 68,973,750 80,758,713 11,784,963 11,784,963

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

- (b) Unquoted fixed income securities local
 - (i) Unquoted fixed income securities local as at 30 April 2022 are as follows:

Name of issuer	Nominal value RM	Adjusted <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
<u>Bonds</u>				
6.65% Aeon Credit Service M Bhd Call: 08.12.2023 (NR) 5.65% IJM Land Bhd	4,000,000	4,106,572	4,180,445	2.86
Call: 19.03.2026 (A2) 4.6% Lafarge Cement Sdn Bhd	2,000,000	2,012,693	2,044,733	1.40
13.01.2023 (AA3)	4,000,000	4,055,057	4,091,324	2.80
5.06% Lafarge Cement Sdn Bhd 08.07.2022 (AA3)	2,000,000	2,030,727	2,037,956	1.39
5.8% WCT Holdings Bhd Call: 27.09.2024 (A)	3,000,000	3,051,440	3,037,538	2.07
5.55% Yinson Holdings Bhd 07.12.2026 (A+)	2,000,000	2,044,096	2,036,556	1.39
Total unquoted fixed income securities – local	17,000,000	17,300,585	17,428,552	11.91
Accumulated unrealised gain on unquoted fixed income securities – local		127,967		
Total unquoted fixed income securities – local		17,428,552		

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

- (b) Unquoted fixed income securities local (continued)
 - (ii) Unquoted fixed income securities local as at 30 April 2021 are as follows:

Name of issuer	Nominal value RM	Adjusted <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
Bonds				
6.65% Aeon Credit Service M Bhd Call: 08.12.2023 (NR) 5.65% IJM Land Bhd	4,000,000	4,108,540	4,275,565	2.99
Call: 19.03.2026 (A2) 4.60% Lafarge Cement Sdn	2,000,000	2,013,312	2,100,092	1.47
Bhd 13.01.2023 (AA3)	4,000,000	4,056,234	4,134,764	2.90
5.06% Lafarge Cement Sdn Bhd 508.07.2022 (AA3)	2,000,000	2,031,800	2,073,718	1.45
6.90% Mah Sing Group Bhd Call: 04.04.2022 (NR)	1,000,000	1,004,915	1,025,205	0.72
5.80% WCT Holdings Bhd Call: 27.09.2024 (A)	2,000,000	2,041,896	2,039,848	1.43
Total unquoted fixed income securities – local	15,000,000	15,256,697	15,649,192	10.96
Accumulated unrealised gain on unquoted fixed income securities – local		392,495		
Total unquoted fixed income securities – local		15,649,192		

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

- (c) Unquoted fixed income securities foreign
 - (i) Unquoted fixed income securities foreign as at 30 April 2022 are as follows:

Name of issuer	Nominal <u>value</u> RM	Adjusted <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
Bonds				
5.00% Adani Ports&Spec Eco Zone Ltd Call: 02.02.2041 (Baa3) 4.7% Far East Horizon Ltd	870,400	856,759	775,318	0.53
09.02.2024 (BBB-)	1,317,040	1,319,808	1,271,510	0.87
3.3% Henderson Land MTN Ltd 13.05.2023 (NR) 3.45% Vanke Real Estate HK Co Ltd	1,317,040	1,312,165	1,350,512	0.92
25.05.2024 (BBB) 3.95% Frasers Property Treasury Pte	1,975,560	1,978,427	1,922,496	1.31
Call: 05.10.2022 (NR) 4.7% HSBC Holdings PLC	787,400	748,897	782,686	0.53
Call: 08.06.2022 (Baa3)	1,574,800	1,559,501	1,603,844	1.10
5% HSBC Holdings PLC Call: 24.09.2023 (Baa3) Lendlease Global Commer REIT 4.2%	787,400	789,370	806,066	0.55
Call: 04.06.2026 (NR)	1,574,800	1,582,981	1,552,958	1.06
3.5% Mapletree North Asia Com Trust Call: 08.06.2026 (NR) 5.375% Standard Chartered PLC	2,362,200	2,329,037	2,315,921	1.58
Call: 03.10.2024 (Ba1)	787,400	768,422	803,245	0.55
4.35% Wing Tai Properties Fin Ltd Call: 24.08.2022 (NR) 5.00% Bangkok Bank PCL/Hong Kong	787,400	69,078	742,806	0.51
Call: 23.09.2025 (Ba1)	870,400	863,076	854,975	0.58
4.3% Bank Negara Indonesia Call: 24.03.2027 (Ba3) 6.25% BNP Paribas SA 4	870,400	823,931	807,052	0.55
Call: 12.01.2027 (Ba1)	870,400	850,789	801,555	0.55
5.75% Celestial Miles Ltd Call: 31.01.2024 (NR) 4% CK Hutchison Capital Sec17 Ltd	870,400	846,828	886,271	0.61
Call: 12.05.2022 (Baa1)	870,400	860,534	885,525	0.61
4.25% Far East Horizon Ltd 26.10.2026 (BBB-) 4.25% Franshion Brilliant Ltd	1,740,800	1,587,944	1,580,978	1.08
23.07.2029 (Baa3)	870,400	825,705	733,024	0.50
2.15% Haidilao International Holding 14.01.2026 (BBB-) 3.7% HDFC Bank Ltd	870,400	716,900	715,983	0.49
Call: 25.08.2026 (Ba3)	1,305,600	1,279,356	1,198,910	0.82

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

- (c) Unquoted fixed income securities foreign (continued)
 - (i) Unquoted fixed income securities foreign as at 30 April 2022 are as follows: (continued)

Name of issuer	Nominal <u>value</u> RM	Adjusted <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
Bonds (continued)				
6.25% HSBC Holdings PLC Call: 23.03.2023 (Baa3) 5.275% Kasikornbank Public Co Ltd	1,305,600	1,250,439	1,312,646	0.90
Call: 14.10.2025 (Ba1) 4.25% LS Finance 2022 Ltd	1,740,800	1,654,948	1,709,450	1.17
16.10.2022 (WR) 4.625% Minejesa Capital BV	1,740,800	1,640,807	1,726,649	1.18
10.08.2030 (Baa3) 5.625% Minejesa Capital BV	2,176,000	2,226,019	2,001,934	1.37
10.08.2037 (Baa3) 3.625% Misc Capital Two Labuan	1,740,800	1,636,504	1,495,619	1.02
06.04.2025 (Baa2) 3.8% Nanyang Commercial Bank Ltd	870,400	842,174	865,193	0.59
Call: 20.11.2024 (Baa2) 4.125% NWD Finance BVI Ltd	1,088,000	1,096,821	1,086,471	0.74
Call: 10.03.2028 (NR) 4.25% Parkway Pantai Ltd	1,740,800	1,670,937	1,618,172	1.11
Call: 27.07.2022 (NR) 5.95% Powerlong Real Estate	2,611,200	2,532,159	2,605,448	1.78
Call: 30.04.2023 (B3) 6.95% Powerlong Real Estate	1,305,600	1,250,447	514,100	0.35
Call: 30.05.2022 (B3) 4.875% Thaioil Treasury Center	870,400	858,564	438,959	0.30
Co Ltd 23.01.2043 (Baa3) 8.1% Yinson Juniper Ltd	1,740,800	1,682,797	1,578,855	1.08
Call: 29.03.2024 (NR)	4,352,000	4,094,834	4,561,766	3.12

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)

- (c) Unquoted fixed income securities foreign (continued)
 - (i) Unquoted fixed income securities foreign as at 30 April 2022 are as follows: (continued)

Name of issuer	Nominal <u>value</u> RM	Adjusted <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
6.35% Yuzhou Group Holdings Co Ltd Call: 13.01.2025 (Caa3)	1,740,800	1,154,955	233,267	0.16
Total unquoted fixed income securities – foreign	48,304,640	45,561,913	44,140,164	30.17
Accumulated unrealised loss on unquoted fixed income securities – foreign		(1,421,749)		
Total unquoted fixed income securities – foreign		44,140,164		

(ii) Unquoted fixed income securities – foreign as at 30 April 2021 are as follows:

Name of issuer	Nominal <u>value</u> RM	Adjusted <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
Bonds				
3.75% Bank Negara Indonesia 30.03.2026 (Ba2) 2.45% CH OVS Grand OCE Finance	817,200	827,039	829,237	0.58
Call: 09.11.2025 (Baa2)	817,200	813,062	816,530	0.57
5.88% China Aoyuan Group Ltd Call: 01.03.2025 (BB) 3.90% CNRC Capital Ltd	1,634,400	1,623,364	1,521,463	1.07
Call: 02.06.2022 (Baa2)	817,200	828,876	834,313	0.58
2.50% COSL Singapore Capital Ltd Call: 24.03.2030 (A3) 4.10% Elect Global Investments Ltd	1,634,400	1,581,582	1,546,011	1.08
Call: 03.06.2025 (Baa2)	817,200	843,123	834,529	0.58
3.20% Franshion Brilliant Ltd 09.04.2026 (BBB-) 4.00% Franshion Brilliant Ltd	817,200	831,384	816,019	0.57
Call: 03.01.2023 (Baa3)	817,200	831,859	829,058	0.58
4.25% Franshion Brilliant Ltd 23.07.2029 (Baa3)	817,200	824,384	810,883	0.57

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

- (c) Unquoted fixed income securities foreign (continued)
 - (ii) Unquoted fixed income securities foreign as at 30 April 2021 are as follows: (continued)

Name of issuer	Nominal <u>value</u> RM	Adjusted <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
Bonds (continued)				
4.70% HSBC Holdings PLC Call: 08.06.2022 (Baa3) 5.00% HSBC Holdings PLC	1,542,100	1,558,586	1,595,059	1.12
Call: 24.09.2023 (Baa3)	771,050	789,431	800,046	0.56
6.25% HSBC Holdings PLC Call: 23.03.2023 (Baa3) 4.50% Huarong Finance 2017	1,225,800	1,259,352	1,308,170	0.92
Co Call: 24.01.2022 (Baa2) 5.275% Kasikornbank Public Co Ltd	817,200	807,465	541,661	0.38
Call: 14.10.2025 (Ba1)	1,634,400	1,655,480	1,728,363	1.21
4.40% Krung Thai Bank PLC Call: 25.03.2026 (Ba3)	817,200	825,396	827,579	0.58
6.30% KWG Group Holding Ltd Call: 13.02.2024 (BB-)	817,200	840,513	842,166	0.59
4.25% LS Finance Ltd 16.10.2022 (Ba3)	1,634,400	1,639,646	1,631,968	1.14
4.661% MINOR Intl PCL Call: 04.12.2021 (Baa2)	817,200	840,051	844,929	0.59
3.80% Nanyang Commercial Bank Ltd Call: 20.11.2024 (Baa3) 5.00% Nanyang Commercial Bank Ltd	1,021,500	1,092,365	1,077,268	0.75
Call: 02.06.2022 (Ba2) 5.75% NWD Finance BVI Ltd	1,634,400	1,683,868	1,688,980	1.18
Call: 05.10.2021 (NR)	817,200	810,398	828,357	0.58
5.95% Powerlong Real Estate Call: 30.04.2023 (B2)	1,225,800	1,241,774	1,272,706	0.89
2.587% PTTEP Treasury Center Co Ltd Call: 10.04.2027 (Baa1)	1,225,800	1,297,602	1,280,878	0.90
5.375% Standard Chartered PLC Call: 03.10.2024 (Ba1)	771,050	768,354	807,693	0.57
7.625% Times China Holdings Ltd Call: 21.05.2021 (B1)	1,225,800	1,245,696	1,259,419	0.88
3.75% Weichai Int HK Energy Grp Co Call: 14.09.2022 (BBB-)	2,451,600	2,437,800	2,505,280	1.75

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

- (c) Unquoted fixed income securities foreign (continued)
 - (ii) Unquoted fixed income securities foreign as at 30 April 2021 are as follows: (continued)

Name of issuer	Nominal <u>value</u> RM	Adjusted <u>cost</u> RM	Fair <u>value</u> RM	Percentage of NAV %
Bonds (continued)				
4.35% Wing Tai Properties Fin Ltd Call: 24.08.2021 (NR) 6.80% Yanlord Land HK Co Ltd	771,050	672,152	770,253	0.54
Call: 27.02.2022 (Ba3)	817,200	845,079	867,449	0.61
8.10% Yinson Juniper Ltd Call: 29.03.2024 (NR) 6.35% Yuzhou Group	4,086,000	4,092,919	4,547,718	3.19
Call: 13.01.2025 (B2)	1,634,400	1,567,700	1,391,283	0.98
2.25% Singapore Government Bond 01.08.2036 (NR)	1,542,100	1,761,138	1,614,782	1.13
2.375% Singapore Government Bond 01.07.2039 (NR) 2.875% Singapore Government	616,840	730,489	659,755	0.46
Bond 01.09.2030 (NR)	2,467,360	2,889,650	2,751,268	1.93
Total unquoted fixed income securities – foreign	41,373,850	42,357,577	42,281,073	29.61
Accumulated unrealised loss on unquoted fixed income securities – foreign		(76,504)		
Total unquoted fixed income securities – foreign		42,281,073		

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

9 CASH AND CASH EQUIVALENTS

	<u>2022</u> RM	<u>2021</u> RM
Cash and bank balances Deposit with a licensed financial institution	12,524,370 1,951,761	3,706,626 901,819
	14,476,131	4,608,445

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

	<u>2022</u> %	<u>2021</u> %
Deposit with a licensed financial institution	1.75	1.75

Deposit with a licensed financial institution has an average maturity of 5 days (2021: 4 days).

10 MARGIN ACCOUNTS

Margin accounts represent margin deposits held in respect of open exchange-traded futures contracts.

11 QUOTED FUTURES AT FAIR VALUE THROUGH PROFIT OR LOSS

The Fund invests in quoted futures. Futures are contractual obligations to buy or sell financial instruments on a future date at specified price established in an organised market. The futures contracts are collateralised by cash. Initial margin requirements for futures are met in cash and changes in future contract values are marked to market daily.

The Fund's investment in quoted futures contracts is set out below:

	<u>2022</u> RM	<u>2021</u> RM
Financial assets at fair value through profit or loss: - quoted futures	557,056	_
Net gain on futures at fair value through profit or loss: - unrealised gain on changes in fair value	557,056	_

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

11 QUOTED FUTURES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

As at the date of statement of financial position, there are 2 (2021: Nil) futures contracts outstanding. The notional principal amount of the outstanding futures contracts amounted to RM10,201,360 (2021: RMNil). As the Fund has not adopted hedge accounting during the financial year, changes in fair value of futures are recognised immediately in the statement of comprehensive income.

12 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of the statement of financial position, there are 6 (2021: 9) forward foreign currency contracts outstanding. The notional principal amount of the outstanding forward foreign currency contracts amounted to RM 18,996,163 (2021: RM26,883,984). The forward foreign currency contracts entered into during the financial year were for hedging against the currency exposure arising from the investment in the foreign unquoted fixed income securities denominated in Australian Dollar, Chinese Yuan and United States Dollar. As the Fund has not adopted hedge accounting during the financial year, the change in the fair value of the forward foreign currency contracts are recognised immediately in the statement of comprehensive income.

	<u>2022</u> RM	<u>2021</u> RM
Financial assets at fair value through profit or loss: - forward foreign currency contracts		178.983
Financial liabilities at fair value through profit or loss: - forward foreign currency contracts	583,130	82,605

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

12 FORWARD FOREIGN CURRENCY CONTRACTS (CONTINUED)

	<u>2022</u> RM	<u>2021</u> RM
Net (loss)/gain on forward foreign currency contracts at fair value through profit or loss		
 realised (loss)/gain on forward foreign currency contracts unrealised (loss)/gain on changes in fair value 	(390,254) (679,508)	448,934 580,891
	(1,069,762)	1,029,825

(a) Forward foreign currency contracts

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

	Receivables RM	<u>Payables</u> RM	Fair <u>value</u> RM	Percentage of NAV %
Affin Hwang Investment Bank Bhd # BNP Paribas Malaysia Bhd CIMB Bank Bhd Deutsche Bank (Malaysia) Bhd	6,092,328 12,503,336 342,853 52,254	6,285,720 12,889,111 346,030 53,040	(193,392) (385,775) (3,177) (786)	(0.13) (0.27) (0.00) (0.00)
Total forward foreign currency contracts	18,990,771	19,573,901	(583,130)	(0.40)

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

	Receivables RM	Payables RM	Fair <u>value</u> RM	Percentage of NAV %
Affin Hwang Investment Bank Bhd # BNP Paribas Malaysia Bhd CIMB Bank Bhd	6,516,612 13,680,720 6,686,652	6,434,358 13,753,182 6,600,066	82,254 (72,462) 86,586	0.06 (0.05) 0.06
Total forward foreign currency contracts	26,883,984	26,787,606	96,378	0.07

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

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

13 NUMBER OF UNITS IN CIRCULATION

(a)	RM class units in circulation		
		<u>2022</u> No. of units	No. of units
At beg	inning of the financial year	202,540,000	182,783,000
Creation	on of units arising from applications	37,539,430	56,720,694
Creation	on of units arising from distributions	3,184,453	2,664,693
Cance	llation of units	(14,766,883)	(39,628,387)
At the	end of the financial year	228,497,000	202,540,000
(b)	AUD Hedged-class units in circulation	2022	2001
		<u>2022</u> No. of units	No. of units
At beg	inning of the financial year	3,000	1,000
Creation	on of units arising from applications	226,000	27,000
Cance	llation of units	(200,000)	(25,000)
At the	end of the financial year	29,000	3,000
(c)	EUR Hedged-class units in circulation	2022	2021
		<u>2022</u> No. of units	No. of units
At the	beginning/end of the financial year	1,000	1,000

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

13 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(d) RMB Hedged-class units in circulation	2022 No. of units	2021 No. of units
At beginning of the financial year	896,000	1,000
Creation of units arising from applications	997,000	895,000
Creation of units arising from distributions	28,615	-
Cancellation of units	(37,615)	-
At the end of the financial year	1,884,000	896,000
(e) USD Hedged-class units in circulation	2022 No. of units	2021 No. of units
At beginning of the financial year	28,000	1,000
Creation of units arising from applications	779	27,000
Creation of units arising from distributions	221	-
Cancellation of units	(26,000)	-
At the end of the financial year	3,000	28,000

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

14 TRANSACTIONS WITH BROKERS AND DEALERS

(i) Detail of transactions with the top 10 brokers and dealers for the financial year ended 30 April 2022 is as follows:

		Percentage		Percentage
		of	Brokerage	of total
Name of broker and dealers	Value of trade	total trade	<u>fees</u>	<u>brokerage</u>
	RM	%	RM	%
Euroclear Bank S.A / N.V	47,917,728	13.92	-	-
Robert W. Baird & Co.	32,307,079	9.39	6,750	1.04
Morgan Financial Ltd	24,333,212	7.07	60,833	9.33
Macquarie Securities (Australia)				
Ltd	18,302,046	5.32	46,787	7.17
CIMB Securities (Singapore) Pte Ltd	. 15,435,009	4.49	38,069	5.84
PT Mandiri Sekuritas	11,167,265	3.25	40,384	6.19
Sanford C. Bernstein And Co., Llc	10,355,006	3.01	23,360	3.58
Citigroup Global Markets Ltd	10,235,900	2.97	41,533	6.37
DBS Vickers Securities (Singapore)				
Pte Ltd	8,001,947	2.33	26,009	3.99
Macquarie Bank Limited (Australia)	7,900,249	2.30	15,800	2.42
Others #	158,169,931	45.95	352,611	54.07
	344,125,372	100.00	652,136	100.00
•				

(ii) Detail of transactions with the top 10 brokers and dealers for the financial year ended 30 April 2021 is as follows:

Name of broker and dealers	Value of trade RM	Percentage of total trade %	Brokerage <u>fees</u> RM	Percentage of total <u>brokerage</u> %
Euroclear Bank S.A / N.V	60,884,179	21.90	-	-
Sanford C. Bernstein And Co., Llc	16,224,225	5.84	41,128	7.53
Citigroup Global Markets Ltd	15,613,489	5.62	44,079	8.07
Robert W. Baird & Co.	14,677,866	5.28	2,804	0.51
CIMB Securities (Singapore) Pte Ltd.	14,455,871	5.20	36,420	6.66
DBS Vickers Securities (Singapore)				
Pte Ltd	13,097,956	4.71	45,515	8.33
Morgan Stanley And Co.				
International Plc, London Branch	10,954,950	3.94	42,893	7.85
CLSA Ltd (Hong Kong)	10,807,640	3.89	39,403	7.21
UOB Kay Hian Pte Ltd	10,142,110	3.65	28,749	5.26
China International Capital				
Corporation Hong Kong Securities				
Ltd	8,456,689	3.04	28,487	5.21
Others #	102,655,772	36.93	236,979	43.37
_	277,970,747	100.00	546,457	100.00

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

14 TRANSACTIONS WITH BROKERS AND DEALERS (CONTINUED)

Included in the transactions with brokers and dealers are cross trades conducted between the Fund and other funds managed by the Manager amounting to:

	<u>2022</u> RM	<u>2021</u> RM
Name of brokers and dealers	Tuvi	TUV
RHB Investment Bank Bhd MarketAxess Holdings Inc Nomura Singapore Ltd	1,015,600	2,032,800 1,224,664 1,293,689
	1,015,600	4,551,153

The cross trades are conducted between the Fund and other funds managed by the Manager as follows:

	<u>2022</u> RM	<u>2021</u> RM
Affin Hwang Flexible Maturity Income Fund 8 Affin Hwang Flexible Maturity Income Fund 9 Affin Hwang Flexible Maturity Income Fund 13 Affin Hwang Flexible Maturity Income Fund 14	- - - 1,015,600	1,224,664 1,293,689 2,032,800
	1,015,600	4,551,153

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

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

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

Related parties	Relationship
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 associates of ABB as disclosed in its financial statements	Subsidiary and associated companies of the penultimate holding company of the Manager
Directors of Affin Hwang Asset Management Berhad	Directors of the Manager

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

		2022		2021
The Manager:	No. of units	RM	No. of units	RM
Affin Hwang Asset Management Berhad (The units are held legally for booking purposes)				
- RM class	2,143	1,365	247,305	173,855
- AUD Hedged-class- EUR Hedged-class	2,805 1,000	4,384 2,753	3,000 1,000	5,739 3,042
- RMB Hedged-class	2,815	1,018	2,759	1,061
- USD Hedged-class	3,000	7,133	2,652	6,911
Subsidiary and associated companies of the penultimate holding company of the Manager:				
ABB Nominee (Tempatan) Sdn Bhd (The units are held beneficially) - RM Class	3,609,950	2,299,899		

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

16 TOTAL EXPENSE RATIO ("MER")

	<u>2022</u>	<u>2021</u>
	%	%
TER	1.81	1.81

TER is derived from the following calculation:

The average NAV of the Fund for the financial year calculated on a daily basis is RM149,849,402 (2021: RM117,100,730).

17 PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2022</u>	<u>2021</u>
PTR (times)	1.18	1.18

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = RM179,495,387 (2021: RM153,486,616) total disposal for the financial year = RM174,452,102 (2021: RM123,737,127)

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 60 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 that ended in accordance with the Malaysian Financial Reporting Standards, 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 SELECT ASIA PACIFIC (EX JAPAN) BALANCED FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Affin Hwang Select Asia Pacific (ex Japan) Balanced 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 60.

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 SELECT ASIA PACIFIC (EX JAPAN) BALANCED 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 SELECT ASIA PACIFIC (EX JAPAN) BALANCED 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 judgment and maintain professional scepticism throughout the audit. We also:

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

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AFFIN HWANG SELECT ASIA PACIFIC (EX JAPAN) BALANCED FUND (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

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

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 17 June 2022

DIRECTORY OF SALES OFFICE

HEAD OFFICE

Affin Hwang Asset Management Berhad

Ground Floor Tel: 03 - 2116 6000 Fax: 03 - 2116 6100 Menara Boustead

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DIRECTORY OF SALES OFFICE (CONTINUED)

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