



**ANNUAL REPORT**

31 March 2023

# Affin Hwang World Series – **Dividend Value** Fund

**MANAGER**

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

**TRUSTEE**

Deutsche Trustees Malaysia Berhad  
(763590-H)

**Built On Trust**

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# AFFIN HWANG WORLD SERIES – DIVIDEND VALUE FUND

## Annual Report and Audited Financial Statements For The Financial Year Ended 31 March 2023

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## FUND INFORMATION

Fund Name	Affin Hwang World Series – Dividend Value Fund
Fund Type	Growth
Fund Category	Feeder (Wholesale)
Investment Objective	The Fund seeks to achieve capital appreciation over medium to long-term period
Benchmark	Dow Jones Asia Select Dividend 30 Index
Distribution Policy	Subject to the availability of income, the Fund endeavours to distribute income on a quarterly basis, after the end of its first financial year.

## FUND PERFORMANCE DATA

Category	As at 31 Mar 2023 (%)				As at 31 Mar 2022 (%)				As at 31 Mar 2021 (%)			
Portfolio composition												
<b>Collective investment scheme</b>	93.91				94.98				94.22			
<b>Cash and cash equivalent</b>	6.09				5.02				5.78			
<b>Total</b>	<b>100.00</b>				<b>100.00</b>				<b>100.00</b>			
Currency class	RM Class	USD Class	AUD Class	SGD Class	RM Class	USD Class	AUD Class	SGD Class	RM Class	USD Class	AUD Class	SGD Class
Total NAV (million)	26.368	3.068	7.384	3.427	32.378	3.486	8.250	4.025	34.668	4.472	10.447	4.831
NAV per Unit (in respective currencies)	0.5508	0.4745	0.5427	0.4600	0.5853	0.5321	0.5422	0.5251	0.6515	0.6012	0.6017	0.5891
Unit in Circulation (million)	47.873	6.466	13.606	7.449	55.318	6.550	15.216	7.665	53.215	7.438	17.363	8.201
Highest NAV	0.5983	0.5432	0.5522	0.5366	0.6678	0.6220	0.6262	0.6024	0.6590	0.6213	0.6059	0.6004
Lowest NAV	0.4606	0.3715	0.4433	0.3832	0.5359	0.4871	0.5167	0.4848	0.4584	0.4037	0.4841	0.4209
Return of the Fund (%)	-2.25	-6.92	4.07	-8.54	-7.23	-8.54	-6.87	-7.89	45.06	51.19	21.69	42.26
- Capital Growth (%)	-5.89	-10.83	0.09	-12.40	-10.16	-11.49	-9.89	-10.86	41.20	46.81	18.33	38.12
- Income Distribution (%)	3.87	4.38	3.98	4.40	3.27	3.33	3.35	3.33	2.73	2.98	2.84	2.99
Gross Distribution per Unit (sen)	2.04	1.97	2.00	1.98	2.04	1.90	1.98	1.87	1.51	1.51	1.51	1.51
Net Distribution per Unit (sen)	2.04	1.97	2.00	1.98	2.04	1.90	1.98	1.87	1.51	1.51	1.51	1.51
Total Expense Ratio (%) <sup>1</sup>			1.76				1.75				1.76	
Portfolio Turnover Ratio (times) <sup>2</sup>			0.16				0.14				0.35	

<sup>1</sup>The TER of the Fund was lower than previous period due to lower average NAV of the Fund for the financial year.

<sup>2</sup>The Fund recorded a lower PTR due to lower average sum of total acquisition and disposal of the Fund for the financial year.

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

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

An illustration of the above would be as follow:-

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

## MANAGER'S REPORT

### Income Distribution / Unit Split

The NAV per Unit prior and subsequent to the distribution was as follows:-

#### RM Class

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
19-Apr-22	20-Apr-22	0.5909	0.0017	0.5765
17-May-22	18-May-22	0.5638	0.0017	0.5683
14-Jun-22	15-Jun-22	0.5554	0.0017	0.5554
19-Jul-22	20-Jul-22	0.5488	0.0017	0.5479
16-Aug-22	17-Aug-22	0.5382	0.0017	0.5376
20-Sep-22	21-Sep-22	0.5181	0.0017	0.5106
18-Oct-22	19-Oct-22	0.4970	0.0017	0.4916
15-Nov-22	16-Nov-22	0.5160	0.0017	0.5117
20-Dec-22	21-Dec-22	0.5134	0.0017	0.5140
17-Jan-23	18-Jan-23	0.5418	0.0017	0.5392
14-Feb-23	15-Feb-23	0.5469	0.0017	0.5443
14-Mar-23	15-Mar-23	0.5492	0.0017	0.5545

#### USD Class

Cum Date	Ex-Date	Cum-distribution (USD)	Distribution per Unit (USD)	Ex-distribution (USD)
19-Apr-22	20-Apr-22	0.5312	0.0017	0.5144
17-May-22	18-May-22	0.4907	0.0017	0.4936
14-Jun-22	15-Jun-22	0.4798	0.0017	0.4804
19-Jul-22	20-Jul-22	0.4708	0.001	0.4703
16-Aug-22	17-Aug-22	0.4603	0.0017	0.4596
20-Sep-22	21-Sep-22	0.4339	0.0017	0.4280
18-Oct-22	19-Oct-22	0.4022	0.0017	0.3972
15-Nov-22	16-Nov-22	0.4334	0.0017	0.4293
20-Dec-22	21-Dec-22	0.4413	0.0017	0.4410
17-Jan-23	18-Jan-23	0.4770	0.0017	0.4758
14-Feb-23	15-Feb-23	0.4790	0.0017	0.4717
14-Mar-23	15-Mar-23	0.4661	0.0017	0.4705

**AUD Class**

<b>Cum Date</b>	<b>Ex-Date</b>	<b>Cum-distribution (AUD)</b>	<b>Distribution per Unit (AUD)</b>	<b>Ex-distribution (AUD)</b>
19-Apr-22	20-Apr-22	0.5499	0.0017	0.5277
17-May-22	18-May-22	0.5321	0.0017	0.5361
14-Jun-22	15-Jun-22	0.5286	0.0017	0.5284
19-Jul-22	20-Jul-22	0.5209	0.0013	0.5181
16-Aug-22	17-Aug-22	0.5019	0.0017	0.5032
20-Sep-22	21-Sep-22	0.4945	0.0017	0.4893
18-Oct-22	19-Oct-22	0.4881	0.0017	0.4805
15-Nov-22	16-Nov-22	0.4896	0.0017	0.4840
20-Dec-22	21-Dec-22	0.5043	0.0017	0.5053
17-Jan-23	18-Jan-23	0.5250	0.0017	0.5180
14-Feb-23	15-Feb-23	0.5257	0.0017	0.5223
14-Mar-23	15-Mar-23	0.5367	0.0017	0.5415

**SGD Class**

<b>Cum Date</b>	<b>Ex-Date</b>	<b>Cum-distribution (SGD)</b>	<b>Distribution per Unit (SGD)</b>	<b>Ex-distribution (SGD)</b>
19-Apr-22	20-Apr-22	0.5269	0.0017	0.5117
17-May-22	18-May-22	0.4961	0.0017	0.4992
14-Jun-22	15-Jun-22	0.4859	0.0017	0.4865
19-Jul-22	20-Jul-22	0.4773	0.0011	0.4773
16-Aug-22	17-Aug-22	0.4632	0.0017	0.4627
20-Sep-22	21-Sep-22	0.4460	0.0017	0.4411
18-Oct-22	19-Oct-22	0.4168	0.0017	0.4119
15-Nov-22	16-Nov-22	0.4322	0.0017	0.4284
20-Dec-22	21-Dec-22	0.4346	0.0017	0.4348
17-Jan-23	18-Jan-23	0.4604	0.0017	0.4562
14-Feb-23	15-Feb-23	0.4632	0.0017	0.4585
14-Mar-23	15-Mar-23	0.4580	0.0017	0.4616

No unit splits were declared for the financial year ended 31 March 2023.

## **Fund Performance**

### **USD Class**

#### **Performance Review (1 April 2022 to 31 March 2023)**

For the period 1 April 2022 to 31 March 2023, the Fund registered a -6.92% return compared to the benchmark return of -28.54%. The Fund thus outperformed the Benchmark by 21.62%. The Net Asset Value per unit ("NAV") of the Fund as at 31 March 2023 was USD0.4745 while the NAV as at 31 March 2022 was USD0.5321. During the period under review, the Fund has declared a total gross income distribution of USD0.0197 per unit.

Since commencement, the Fund has registered a return of 15.19% compared to the benchmark return of -22.81%, outperforming by 38.00%.

Table 1: Performance of the Fund

	<b>1 Year (1/4/22 - 31/3/23)</b>	<b>3 Years (1/4/20 - 31/3/23)</b>	<b>5 Years (1/4/18 - 31/3/23)</b>	<b>Since Commencement (23/7/15 - 31/3/23)</b>
<b>Fund</b>	<b>(6.92%)</b>	<b>28.70%</b>	<b>(1.48%)</b>	<b>15.19%</b>
<b>Benchmark</b>	<b>(28.54%)</b>	<b>(14.33%)</b>	<b>(32.20%)</b>	<b>(22.81%)</b>
<b>Outperformance</b>	<b>21.62%</b>	<b>43.03%</b>	<b>30.72%</b>	<b>38.00%</b>

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	<b>1 Year (1/4/22 - 31/3/23)</b>	<b>3 Years (1/4/20 - 31/3/23)</b>	<b>5 Years (1/4/18 - 31/3/23)</b>	<b>Since Commencement (23/7/15 - 31/3/23)</b>
<b>Fund</b>	<b>(6.92%)</b>	<b>8.78%</b>	<b>(0.30%)</b>	<b>1.85%</b>
<b>Benchmark</b>	<b>(28.54%)</b>	<b>(5.03%)</b>	<b>(7.48%)</b>	<b>(3.31%)</b>
<b>Outperformance</b>	<b>21.62%</b>	<b>13.81%</b>	<b>7.18%</b>	<b>5.16%</b>

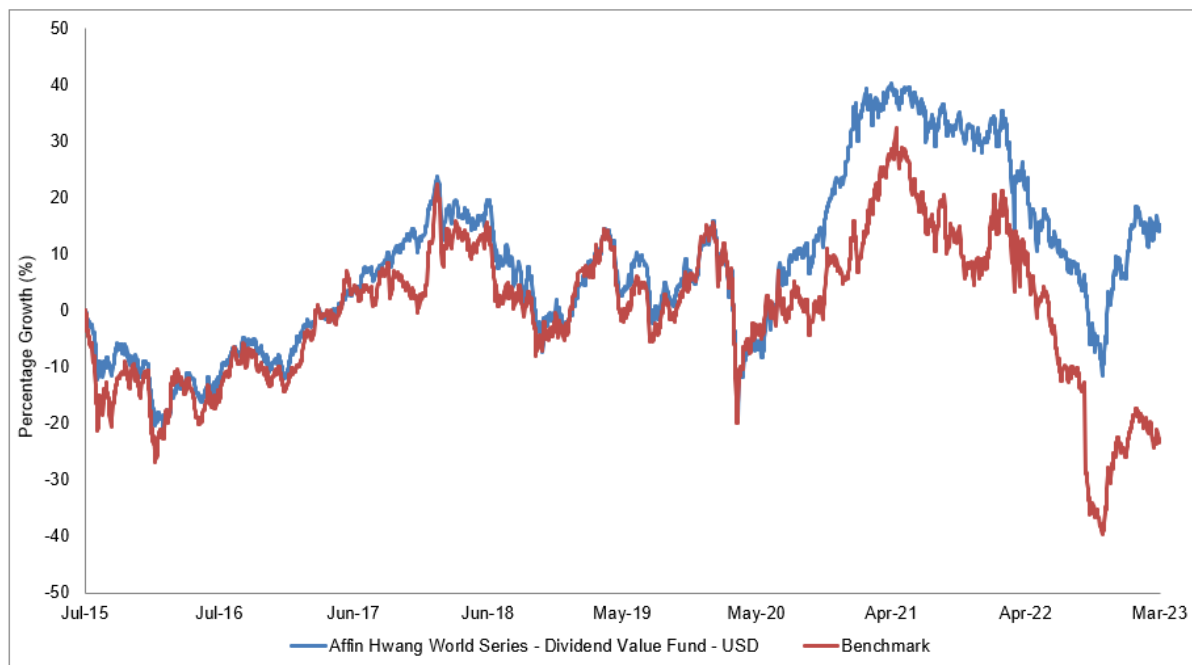
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	<b>FYE 2023 (1/4/22 - 31/3/23)</b>	<b>FYE 2022 (1/4/21 - 31/3/22)</b>	<b>FYE 2021 (1/4/20 - 31/3/21)</b>	<b>FYE 2020 (1/4/19 - 31/3/20)</b>	<b>FYE 2019 (1/4/18 - 31/3/19)</b>
<b>Fund</b>	<b>(6.92%)</b>	<b>(8.54%)</b>	<b>51.19%</b>	<b>(18.79%)</b>	<b>(5.74%)</b>
<b>Benchmark</b>	<b>(28.54%)</b>	<b>(13.39%)</b>	<b>38.41%</b>	<b>(18.51%)</b>	<b>(2.88%)</b>
<b>Outperformance</b>	<b>21.62%</b>	<b>4.85%</b>	<b>12.78%</b>	<b>(0.27%)</b>	<b>(2.86%)</b>

Source of Benchmark: Bloomberg

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



## AUD Class

### Performance Review (1 April 2022 to 31 March 2023)

For the period 1 April 2022 to 31 March 2023, the Fund registered a 4.07% return compared to the benchmark return of -20.04%. The Fund thus outperformed the Benchmark by 24.11%. The Net Asset Value per unit (“NAV”) of the Fund as at 31 March 2023 was AUD0.5427 while the NAV as at 31 March 2022 was AUD0.5422. During the period under review, the Fund has declared a total gross income distribution of AUD0.0200 per unit.

Since commencement, the Fund has registered a return of 30.22% compared to the benchmark return of -15.05%, outperforming by 45.27%.

Table 1: Performance of the Fund

	<b>1 Year (1/4/22 - 31/3/23)</b>	<b>3 Years (1/4/20 - 31/3/23)</b>	<b>5 Years (1/4/18 - 31/3/23)</b>	<b>Since Commencement (23/7/15 - 31/3/23)</b>
<b>Fund</b>	<b>4.07%</b>	<b>17.95%</b>	<b>13.31%</b>	<b>30.22%</b>
<b>Benchmark</b>	<b>(20.04%)</b>	<b>(21.97%)</b>	<b>(22.22%)</b>	<b>(15.05%)</b>
<b>Outperformance</b>	<b>24.11%</b>	<b>39.92%</b>	<b>35.53%</b>	<b>45.27%</b>

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	<b>1 Year (1/4/22 - 31/3/23)</b>	<b>3 Years (1/4/20 - 31/3/23)</b>	<b>5 Years (1/4/18 - 31/3/23)</b>	<b>Since Commencement (23/7/15 - 31/3/23)</b>
<b>Fund</b>	<b>4.07%</b>	<b>5.66%</b>	<b>2.53%</b>	<b>3.49%</b>
<b>Benchmark</b>	<b>(20.04%)</b>	<b>(7.94%)</b>	<b>(4.90%)</b>	<b>(2.10%)</b>
<b>Outperformance</b>	<b>24.11%</b>	<b>13.60%</b>	<b>7.43%</b>	<b>5.59%</b>

Source of Benchmark: Bloomberg

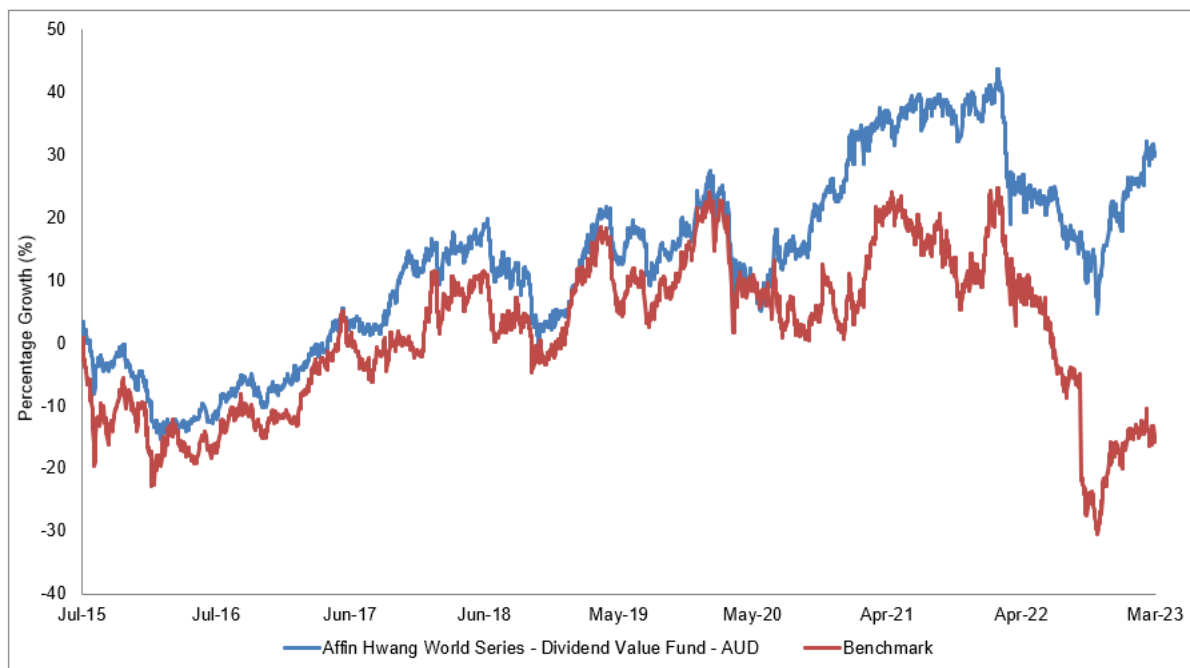


Table 3: Annual Total Return

	<b>FYE 2023</b> (1/4/22 - 31/3/23)	<b>FYE 2022</b> (1/4/21 - 31/3/22)	<b>FYE 2021</b> (1/4/20 - 31/3/21)	<b>FYE 2020</b> (1/4/19 - 31/3/20)	<b>FYE 2019</b> (1/4/18 - 31/3/19)
<b>Fund</b>	<b>4.07%</b>	<b>(6.87%)</b>	<b>21.69%</b>	<b>(6.14%)</b>	<b>2.35%</b>
<b>Benchmark</b>	<b>(20.04%)</b>	<b>(11.99%)</b>	<b>10.88%</b>	<b>(5.23%)</b>	<b>5.18%</b>
<b>Outperformance</b>	<b>24.11%</b>	<b>5.12%</b>	<b>10.81%</b>	<b>(0.91%)</b>	<b>(2.83%)</b>

Source of Benchmark: Bloomberg

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



## MYR Class

### Performance Review (1 April 2022 to 31 March 2023)

For the period 1 April 2022 to 31 March 2023, the Fund registered a -2.25% return compared to the benchmark return of -25.13%. The Fund thus outperformed the Benchmark by 22.88%. The Net Asset Value per unit (“NAV”) of the Fund as at 31 March 2023 was MYR0.5508 while the NAV as at 31 March 2022 was MYR0.5853. During the period under review, the Fund has declared a total gross income distribution of MYR0.0204 per unit.

Since commencement, the Fund has registered a return of 31.76% compared to the benchmark return of -10.57%, outperforming by 42.33%.

Table 1: Performance of the Fund

	<b>1 Year</b> (1/4/22 - 31/3/23)	<b>3 Years</b> (1/4/20 - 31/3/23)	<b>5 Years</b> (1/4/18 - 31/3/23)	<b>Since Commencement</b> (23/7/15 - 31/3/23)
<b>Fund</b>	<b>(2.25%)</b>	<b>31.54%</b>	<b>12.59%</b>	<b>31.76%</b>
<b>Benchmark</b>	<b>(25.13%)</b>	<b>(12.41%)</b>	<b>(22.52%)</b>	<b>(10.57%)</b>
<b>Outperformance</b>	<b>22.88%</b>	<b>43.95%</b>	<b>35.11%</b>	<b>42.33%</b>

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/4/22 - 31/3/23)	3 Years (1/4/20 - 31/3/23)	5 Years (1/4/18 - 31/3/23)	Since Commencement (23/7/15 - 31/3/23)
<b>Fund</b>	(2.25%)	9.57%	2.40%	3.65%
<b>Benchmark</b>	(25.13%)	(4.32%)	(4.97%)	(1.44%)
<b>Outperformance</b>	22.88%	13.89%	7.37%	5.09%

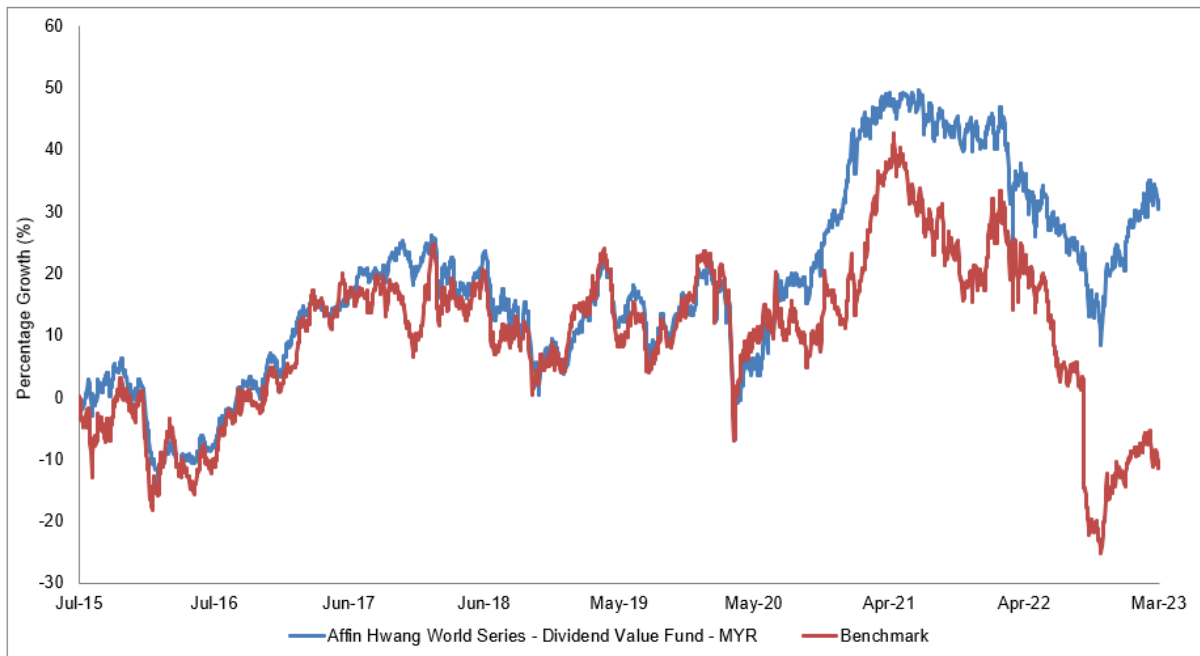
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2023 (1/4/22 - 31/3/23)	FYE 2022 (1/4/21 - 31/3/22)	FYE 2021 (1/4/20 - 31/3/21)	FYE 2020 (1/4/19 - 31/3/20)	FYE 2019 (1/4/18 - 31/3/19)
<b>Fund</b>	(2.25%)	(7.23%)	45.06%	(14.05%)	(0.41%)
<b>Benchmark</b>	(25.13%)	(12.02%)	32.98%	(13.84%)	2.66%
<b>Outperformance</b>	22.88%	4.79%	12.08%	(0.21%)	(3.07%)

Source of Benchmark: Bloomberg

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



## SGD Class

### Performance Review (1 April 2022 to 31 March 2023)

For the period 1 April 2022 to 31 March 2023, the Fund registered a -8.54% return compared to the benchmark return of -29.85%. The Fund thus outperformed the Benchmark by 21.31%. The Net Asset Value per unit ("NAV") of the Fund as at 31 March 2023 was SGD0.4600 while the NAV as at 31 March 2022 was SGD0.5251. During the period under review, the Fund has declared a total gross income distribution of SGD0.0198 per unit.

Since commencement, the Fund has registered a return of 11.73% compared to the benchmark return of -24.88%, outperforming by 36.61%.

Table 1: Performance of the Fund

	<b>1 Year</b> <b>(1/4/22 -</b> <b>31/3/23)</b>	<b>3 Years</b> <b>(1/4/20 -</b> <b>31/3/23)</b>	<b>5 Years</b> <b>(1/4/18 -</b> <b>31/3/23)</b>	<b>Since</b> <b>Commencement</b> <b>(23/7/15 -</b> <b>31/3/23)</b>
<b>Fund</b>	<b>(8.54%)</b>	<b>19.84%</b>	<b>0.05%</b>	<b>11.73%</b>
<b>Benchmark</b>	<b>(29.85%)</b>	<b>(20.01%)</b>	<b>(31.22%)</b>	<b>(24.88%)</b>
<b>Outperformance</b>	<b>21.31%</b>	<b>39.85%</b>	<b>31.27%</b>	<b>36.61%</b>

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	<b>1 Year</b> <b>(1/4/22 -</b> <b>31/3/23)</b>	<b>3 Years</b> <b>(1/4/20 -</b> <b>31/3/23)</b>	<b>5 Years</b> <b>(1/4/18 -</b> <b>31/3/23)</b>	<b>Since</b> <b>Commencement</b> <b>(23/7/15 -</b> <b>31/3/23)</b>
<b>Fund</b>	<b>(8.54%)</b>	<b>6.22%</b>	<b>0.01%</b>	<b>1.45%</b>
<b>Benchmark</b>	<b>(29.85%)</b>	<b>(7.17%)</b>	<b>(7.21%)</b>	<b>(3.65%)</b>
<b>Outperformance</b>	<b>21.31%</b>	<b>13.39%</b>	<b>7.22%</b>	<b>5.10%</b>

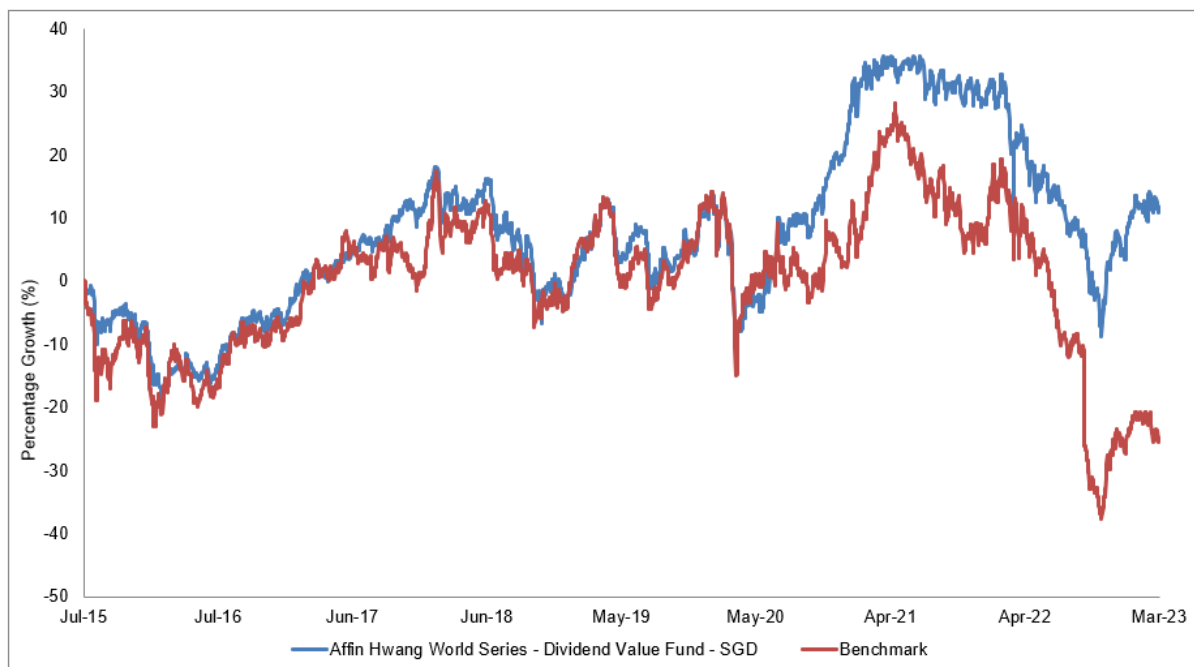
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	<b>FYE 2023</b> <b>(1/4/22 -</b> <b>31/3/23)</b>	<b>FYE 2022</b> <b>(1/4/21 -</b> <b>31/3/22)</b>	<b>FYE 2021</b> <b>(1/4/20 -</b> <b>31/3/21)</b>	<b>FYE 2020</b> <b>(1/4/19 -</b> <b>31/3/20)</b>	<b>FYE 2019</b> <b>(1/4/18 -</b> <b>31/3/19)</b>
<b>Fund</b>	<b>(8.54%)</b>	<b>(7.89%)</b>	<b>42.26%</b>	<b>(14.38%)</b>	<b>(2.50%)</b>
<b>Benchmark</b>	<b>(29.85%)</b>	<b>(12.72%)</b>	<b>30.64%</b>	<b>(14.38%)</b>	<b>0.43%</b>
<b>Outperformance</b>	<b>21.31%</b>	<b>4.83%</b>	<b>11.62%</b>	<b>0.00%</b>	<b>(2.93%)</b>

Source of Benchmark: Bloomberg

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



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

Benchmark: Dow Jones Asia Select Dividend 30 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 31 March 2023, the asset allocation of the Fund's exposure to the collective investment scheme stood at 93.91% of the Fund's NAV, while the balance was held in cash and cash equivalent.

### **Strategies Employed**

The Target Fund strategically seeks investment opportunities and captures growth potentials. The Target Fund allocated to Asian high-dividend stocks between stable and cyclical companies by using a bottom-up stock selection approach. The Target Fund Manager view that Asian markets are in the contraction recovery phase and the Target Fund's value and high dividend strategy is expected to take advantage of the current market environment.

### **Market Review**

Greater China equities were under pressure at the beginning of March, towards the end of the financial period of the Fund. However, market conditions eventually improved on the back of supportive measures by the government. During March, the Morgan Stanley Capital International ("MSCI") China Index was up 4.5%. Market participants were first disappointed by China's lower-than-expected Gross Domestic Product ("GDP") growth target of around 5%, although the figure would still make the country a clear stand-out among major global economies in 2023. Macro data were also mixed, indicating an uneven recovery. For example, while Purchasing Managers Index ("PMI") data remains robust, industrial profits from January-February were

down. On a more positive note, policymakers announced more easing measures, particularly the 25 basis points (“bps”) required rate of return (“RRR”) cut in late March this year.

Taiwan’s equities market was up on expectations of moderated rate hikes globally. However, the global economic slowdown continued to pressure Taiwan’s economy, particularly its exports, which contracted 19.1% Year-over- Year (YoY”). Taiwan’s administration expects exports to see downward pressure in the first half of this year, although it remains optimistic about the long-term drivers offered by emerging applications, including high-performance computing, data centers, and automotive electronics.

Korea’s equities market rebounded in March 2023, with the MSCI Korea Index up 4.8% amid a weaker US dollar. Inflation in Korea also continued to ease, reaching a one-year low during the month, easing concerns of further rate hikes. That said, the global economic slowdown remains to be an uncertainty for the market, as it also continued to affect the country’s economy, especially exports. Exports were down 13.6% YoY as at March 2023, with huge declines in information technology items, including semiconductors and displays.

In Southeast Asia, the MSCI ASEAN Index was up 3.9% in March 2023. Inflation has started to ease in some parts of the region, including Indonesia and the Philippines. While the Target Fund Manager continues to be constructive toward the ASEAN, they are also monitoring how the global economic slowdown may affect the economies and businesses in the region.

### **Investment Outlook**

In China, the Target Fund Manager continues to hold the view that the market focus will increasingly turn from the pace of reopening to the quality of earnings growth and that a broad-based stock market rally in the near term is unlikely, while in Asia, they continue to see a bumpy recovery. Hence, stock selection will become more crucial. Overall, while the Target Fund holdings remain well diversified, the Target Fund Manager continue to believe Chinese equities still offer good long-term risk-reward opportunities at current valuation levels.

Going forward, they will continue to pay close attention to macro developments, such as export trends and geopolitical events, and stick with bottom-up stock selection approach and remain nimble in their dynamic allocation between stable and cyclical high yield equities.

### **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**

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.

No soft commission was received by the Fund Manager on behalf of the Fund over the financial period under review.

### **Cross Trade**

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

### **Securities Financing Transactions**

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

**Changes Made To the Fund's Information Memorandum**

There were no changes to the Fund's Information Memorandum during the period under review.

## **TRUSTEE'S REPORT**

### **TO THE UNIT HOLDERS OF AFFIN HWANG WORLD SERIES – DIVIDEND VALUE FUND (“Fund”)**

We have acted as the Trustee of the Fund for the financial year ended 31 March 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) has operated and managed the Fund during the year covered by these financial statements in accordance with the following:-

1. Limitations imposed on the investment powers of the Management Company under the Deed, securities laws and the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework;
2. Valuation and pricing is carried out in accordance with the Deeds; and
3. Any creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirement.

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

For Deutsche Trustees Malaysia Berhad

**Ng Hon Leong**  
Head, Fund Operations

**Jiva Munusamy**  
Head, Client Management

Kuala Lumpur  
23 May 2023

**AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND**

**FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**



# **AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND**

## **FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

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## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	<u>Note</u>	<u>2023</u> USD	<u>2022</u> USD
<b>INVESTMENT LOSS</b>			
Dividend income		949,099	822,680
Interest income from financial assets at amortised cost		88	340
Net loss on foreign currency exchange		(435)	(5,236)
Net loss on financial assets at fair value through profit or loss	9	(2,182,764)	(2,332,127)
		<u>(1,234,012)</u>	<u>(1,514,343)</u>
<b>EXPENSES</b>			
Management fee	4	(285,935)	(367,288)
Trustee fee	5	(6,935)	(8,910)
Fund accounting fee	6	(6,812)	(6,706)
Auditors' remuneration		(1,899)	(1,930)
Tax agent's fee		(310)	-
Other expenses		(3,880)	(5,462)
		<u>(305,771)</u>	<u>(390,296)</u>
<b>NET LOSS BEFORE FINANCE COST AND TAXATION</b>		(1,539,783)	(1,904,639)
<b>FINANCE COST</b>			
Distributions	7	(687,748)	(722,478)
<b>NET LOSS BEFORE TAXATION</b>		<u>(2,227,531)</u>	<u>(2,627,117)</u>
Taxation	8	(5,373)	(1,679)
<b>DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>(2,232,904)</u>	<u>(2,628,796)</u>
Decrease in net asset attributable to unitholders is made up of the following:			
Realised amount		(439,767)	326,001
Unrealised amount		(1,793,137)	(2,954,797)
		<u>(2,232,904)</u>	<u>(2,628,796)</u>

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

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	<u>Note</u>	<u>2023</u> USD	<u>2022</u> USD
<b>ASSETS</b>			
Cash and cash equivalents		917,055	1,109,667
Amount due from broker		631,127	152,258
Amount due from Manager			
- creation of units		-	6,936
- management fee rebate receivable		17,282	20,502
Financial assets at fair value through profit or loss	9	15,554,658	19,318,351
Tax recoverable		3,470	3,085
<b>TOTAL ASSETS</b>		<u>17,123,592</u>	<u>20,610,799</u>
<b>LIABILITIES</b>			
Amount due to Manager			
- management fee		23,899	28,741
- cancellation of units		527,985	235,755
Amount due to Trustee		579	697
Fund accounting fee		529	-
Auditors' remuneration		2,329	2,101
Tax agent's fee		862	1,316
Other payables and accruals		3,391	3,594
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		<u>559,574</u>	<u>272,204</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>16,564,018</u>	<u>20,338,595</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>16,564,018</u>	<u>20,338,595</u>

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023 (CONTINUED)

	<u>Note</u>	<u>2023</u> USD	<u>2022</u> USD
<b>REPRESENTED BY:</b>			
<b>FAIR VALUE OF OUTSTANDING UNITS</b>			
- AUD Class		4,943,762	6,174,855
- RM Class		5,975,114	7,704,448
- SGD Class		2,576,760	2,973,718
- USD Class		3,068,382	3,485,574
		<u>16,564,018</u>	<u>20,338,595</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>			
- AUD Class	10 (a)	13,606,000	15,216,000
- RM Class	10 (b)	47,873,000	55,318,000
- SGD Class	10 (c)	7,449,000	7,665,000
- USD Class	10 (d)	6,466,000	6,550,000
		<u>75,394,000</u>	<u>84,749,000</u>
<b>NET ASSET VALUE PER UNIT (USD)</b>			
- AUD Class		0.3634	0.4058
- RM Class		0.1248	0.1393
- SGD Class		0.3459	0.3880
- USD Class		0.4745	0.5321
		<u>0.3634</u>	<u>0.4058</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>			
- AUD Class		AUD0.5427	AUD0.5422
- RM Class		RM0.5508	RM0.5853
- SGD Class		SGD0.4600	SGD0.5251
- USD Class		USD0.4745	USD0.5321
		<u>AUD0.5427</u>	<u>AUD0.5422</u>

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

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	<u>2023</u> USD	<u>2022</u> USD
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	20,338,595	24,395,323
Movement due to units created and cancelled during the financial year:		
Creation of units arising from applications	1,287,520	4,958,363
- AUD Class	455,398	1,267,093
- RM Class	710,658	2,388,174
- SGD Class	21,393	789,213
- USD Class	100,071	513,882
Creation of units arising from distributions	677,361	717,581
- AUD Class	206,025	221,893
- RM Class	238,197	251,659
- SGD Class	105,638	105,772
- USD Class	127,501	138,257
Cancellation of units	(3,506,554)	(7,103,875)
- AUD Class	(1,181,432)	(2,477,561)
- RM Class	(1,875,097)	(2,362,161)
- SGD Class	(202,002)	(1,130,816)
- USD Class	(248,023)	(1,133,337)
Net decrease in net assets attributable to unitholders during the financial year	(2,232,904)	(2,628,796)
- AUD Class	(711,084)	(798,049)
- RM Class	(803,092)	(941,051)
- SGD Class	(321,987)	(384,850)
- USD Class	(396,741)	(504,846)
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR</b>	<u>16,564,018</u>	<u>20,338,595</u>

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

## AFFIN HWANG WORLD SERIES – DIVIDEND VALUE FUND

### STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023

	<u>2023</u> USD	<u>2022</u> USD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from sale of investments	2,715,587	3,720,000
Purchase of investments	(1,819,960)	(2,800,000)
Dividends received	949,099	822,680
Interest received	88	340
Management fee rebate received	209,653	266,454
Management fee paid	(290,777)	(373,062)
Trustee fee paid	(7,053)	(9,050)
Payment for other fees and expenses	(12,801)	(14,501)
Net realised loss on foreign currency exchange	(661)	(5,040)
Tax paid	(5,758)	(4,764)
	<hr/>	<hr/>
Net cash flows generated from operating activities	1,737,417	1,603,057
	<hr/>	<hr/>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	1,294,456	5,069,196
Payments for cancellation of units	(3,214,324)	(6,960,474)
Payments for distributions	(10,387)	(4,897)
	<hr/>	<hr/>
Net cash flows used in financing activities	(1,930,255)	(1,896,175)
	<hr/>	<hr/>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(192,838)	(293,118)
<b>EFFECTS OF FOREIGN CURRENCY EXCHANGE</b>	226	(196)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL YEAR</b>	<hr/>	<hr/>
	1,109,667	1,402,981
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<hr/> <hr/>	<hr/> <hr/>
	917,055	1,109,667

Cash and cash equivalents as at 31 March 2023 and 31 March 2022 comprise of bank balances.

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

## **AFFIN HWANG WORLD SERIES – DIVIDEND VALUE FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

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 in accordance with the Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

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 K.

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

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 101 ‘Classification of liabilities as current or non-current’ (effective 1 January 2024) clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity’s expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). In addition, the amendments clarify that when a liability could be settled by the transfer of an entity’s own equity instruments (e.g. a conversion option in a convertible bond), conversion option meeting the definition of an equity instrument in MFRS 132 ‘Financial Instruments: Presentation’ does not impact the current or non-current classification of the convertible instrument.

## **AFFIN HWANG WORLD SERIES – DIVIDEND VALUE FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)**

#### **A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)**

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

The amendments also specify that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before the reporting date would affect classification of a liability as current or non-current, even if the covenant is only assessed 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 deposit with licensed financial institutions is recognised based on effective interest rate method on an accrual basis.

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

##### Realised gains and losses on sale of investments

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

#### **C DISTRIBUTION**

A distribution to the Fund's unitholders is accounted for as finance cost in the statement of comprehensive income. A proposed distribution is recognised as a liability in the period in which it is approved by the Trustee of the Fund.

#### **D 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.



## **AFFIN HWANG WORLD SERIES – DIVIDEND VALUE FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)**

#### **D TAXATION (CONTINUED)**

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

#### **E FUNCTIONAL AND PRESENTATION CURRENCY**

Items included in the financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The financial statements are presented in United States Dollar (“USD”), which is the Fund’s functional and presentation currency.

#### **F FOREIGN CURRENCY TRANSLATIONS**

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

#### **G FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

##### **(i) Classification**

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

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

The Fund classifies its investments based on both the Fund’s business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets’ performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income.

The contractual cash flows of the Fund’s debt securities are solely 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.

## **AFFIN HWANG WORLD SERIES – DIVIDEND VALUE FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)**

#### **G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)**

(i) Classification (continued)

Investment in CIS have contractual cash flows that do not represent SPPI, and therefore are classified as financial assets measured at fair value through profit or loss.

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

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

(ii) Recognition and measurement

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

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

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

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

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category including the effects of 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.

Investment in CIS are valued at the last published NAV per unit at the date of the statement of financial position.

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

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

##### (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 and lifetime expected credit losses as any such impairment would be wholly insignificant to the Fund.

##### Significant increase in credit risk

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

##### Definition of default and credit-impaired financial assets

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

##### Quantitative criteria:

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

##### Qualitative criteria:

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

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

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

##### Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Fund may write off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in bad debt recoveries. There are no write-offs/recoveries during the financial year.

## **AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)**

#### **H CASH AND CASH EQUIVALENTS**

For the purpose of statement of cash flows, cash and cash equivalents comprise cash and bank balances that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **I CREATION AND CANCELLATION OF UNITS**

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

The Fund issues cancellable units, in four classes of units, known respectively as the AUD class, RM class, SGD class and USD class, which are cancelled at the unitholder's option and do not have identical features subject to restrictions as stipulated in the Information Memorandum and Securities Commission's ("SC") Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework. 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 unitholders exercise the right to put back the unit to the Fund.

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

#### **J INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS**

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

#### **K CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES**

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

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

## **AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)**

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

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.

##### Functional currency

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in USD primarily due to the following factors:

- i) The Fund's sole investment is in a collective investment scheme denominated in USD.
- ii) Significant portion of the Fund's expenses are denominated in USD

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

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

## **AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023**

#### **1 INFORMATION ON THE FUND**

The Wholesale Fund was constituted under the name Affin Hwang World Series - Dividend Value Fund (the "Fund") (formerly known as Affin Hwang Dividend Value Fund) pursuant to the execution of a Deed dated 8 May 2015, and Second Supplemental Deed dated 3 August 2016 (the "Deeds") entered into between AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (the "Manager") and Deutsche Trustees Malaysia Berhad (the "Trustee"). The Fund has changed its name from Affin Hwang Dividend Value Fund to Affin Hwang World Series – Dividend Value Fund as amended by the Second Supplemental Deed dated 3 August 2016.

The Fund commenced operations on 23 July 2015 and will continue its operations until terminated by the Trustee as provided under Clause 12.1 of the Deed.

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

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

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

The main objective of the Fund is to achieve capital appreciation over medium to long term period.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, exchange-traded funds and private retirement schemes as well as providing fund management services to private clients. On 10 November 2022, the Manager has changed its name from Affin Hwang Asset Management Berhad to AHAM Asset Management Berhad.

The financial statements were authorised for issue by the Manager on XX May 2023.

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised cost USD	At fair value through profit or loss USD	Total USD
<u>2023</u>				
<u>Financial assets</u>				
Cash and cash equivalents		917,055	-	917,055
Amount due from broker		631,127	-	631,127
Amount due from Manager				
- management fee rebate receivable		17,282	-	17,282
Collective investment scheme	9	-	15,554,658	15,554,658
		<u>1,565,464</u>	<u>15,554,658</u>	<u>17,120,122</u>
Total		<u>1,565,464</u>	<u>15,554,658</u>	<u>17,120,122</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		23,899	-	23,899
- cancellation of units		527,985	-	527,985
Amount due to Trustee		579	-	579
Fund accounting fee		529	-	529
Auditors' remuneration		2,329	-	2,329
Tax agent's fee		862	-	862
Other payables and accruals		3,391	-	3,391
		<u>559,574</u>	<u>-</u>	<u>559,574</u>
Total		<u>559,574</u>	<u>-</u>	<u>559,574</u>
<u>2022</u>				
<u>Financial assets</u>				
Cash and cash equivalents		1,109,667	-	1,109,667
Amount due from broker		152,258	-	152,258
Amount due from Manager				
- creation of units		6,936	-	6,936
- management fee rebate receivable		20,502	-	20,502
Collective investment scheme	9	-	19,318,351	19,318,351
		<u>1,289,363</u>	<u>19,318,351</u>	<u>20,607,714</u>
Total		<u>1,289,363</u>	<u>19,318,351</u>	<u>20,607,714</u>

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised cost RM	At fair value through profit or loss RM	<u>Total</u> RM
<u>2022</u> (continued)				
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		28,741	-	28,741
- cancellation of units		235,755	-	235,755
Amount due to Trustee		697	-	697
Auditors' remuneration		2,101	-	2,101
Tax agent's fee		1,316	-	1,316
Other payables and accruals		3,594	-	3,594
		<hr/>	<hr/>	<hr/>
Total		272,204	-	272,204
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

Financial risk management is carried out through internal control processes adopted by the Manager and adherence to the investment restrictions as stipulated by the SC's Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework.



## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

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

##### Market risk

##### (a) Price risk

Price risk arises mainly from the uncertainty about future prices of investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The Fund's overall exposure to price risk was as follows:

	<u>2023</u> USD	<u>2022</u> USD
Collective investment scheme	15,554,658	19,318,351

The following table summarises the sensitivity of the Fund's loss after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 15% (2022: 4%) and decreased by 15% (2022: 4%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted and unquoted securities, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> USD	Impact on (loss)/profit after <u>tax/NAV</u> USD
<u>2023</u>		
-15%	13,221,459	(2,333,199)
0%	15,554,658	-
+15%	17,887,857	2,333,199
<u>2022</u>		
-4%	18,545,617	(772,734)
0%	19,318,351	-
+4%	20,091,085	772,734

##### (b) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flows.

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

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

##### Market risk (continued)

##### (c) Currency risk

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

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

	<u>Cash and cash equivalents</u> USD	<u>Total</u> USD	
<u>2023</u>			
<u>Financial assets</u>			
Australian Dollar	58,732	58,732	
Malaysian Ringgit	474,515	474,515	
Singapore Dollar	3,179	3,179	
	<u>536,426</u>	<u>536,426</u>	
	<u>Other payables*</u> USD	<u>Net assets attributable to unitholders</u> USD	<u>Total</u> USD
<u>Financial liabilities</u>			
Australian Dollar	55,654	4,943,762	4,999,416
Malaysian Ringgit	475,523	5,975,114	6,450,637
Singapore Dollar	-	2,576,760	2,576,760
	<u>531,177</u>	<u>13,495,636</u>	<u>14,026,813</u>

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

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

##### Market risk (continued)

##### (c) Currency risk (continued)

The following table sets out the foreign currency risk concentrations and counterparties of the Fund: (continued)

	<u>Cash and cash equivalents</u> USD	Amount due from <u>Manager</u> USD	<u>Total</u> USD
<u>2022</u>			
<u>Financial assets</u>			
Australian Dollar	3,827	-	3,827
Malaysian Ringgit	16,514	6,936	23,450
Singapore Dollar	2,858	-	2,858
	<u>23,199</u>	<u>6,936</u>	<u>30,135</u>
		Net assets attributable to <u>unitholders</u> USD	<u>Total</u> USD
<u>Financial liabilities</u>	<u>Other payables*</u> USD		
Australian Dollar	-	6,174,855	6,174,855
Malaysian Ringgit	17,883	7,704,448	7,722,331
Singapore Dollar	-	2,973,718	2,973,718
	<u>17,883</u>	<u>16,853,021</u>	<u>16,870,904</u>

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

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (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 after tax and NAV to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes based on each currency's respective historical volatility, with all other variables remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding (decrease)/increase in the net assets attributable to unitholders by each currency's respective historical volatility. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in rate %	Impact on (loss)/profit after tax/ NAV USD
<u>2023</u>		
Australian Dollar	+/- 14.40	-/+ 711,459
Malaysian Ringgit	+/- 5.78	-/+ 345,420
Singapore Dollar	+/- 5.97	-/+ 153,643
<u>2022</u>		
Australian Dollar	+/- 8.82	-/+ 543,673
Malaysian Ringgit	+/- 3.04	-/+ 234,257
Singapore Dollar	+/- 3.78	-/+ 112,299

##### Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payment and cancellations of unit by unitholders, liquid assets comprise cash and other instruments, which are capable of being converted into cash within 7 days.

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

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

##### Liquidity risk (continued)

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

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

	<u>Within one month USD</u>	<u>Between one month to one year USD</u>	<u>Total USD</u>
<u>2023</u>			
Amount due to Manager			
- management fees	23,899	-	23,899
- cancellation of units	527,985	-	527,985
Amount due to Trustee	579	-	579
Fund accounting fee	-	529	529
Auditors' remuneration	-	2,329	2,329
Tax agent fee	-	862	862
Other payables and accruals	-	3,391	3,391
Net assets attributable to unitholders*	16,564,018	-	16,564,018
	<u>17,116,481</u>	<u>7,111</u>	<u>17,123,592</u>
<u>2022</u>			
Amount due to Manager			
- management fees	28,741	-	28,741
- cancellation of units	235,755	-	235,755
Amount due to Trustee	697	-	697
Auditors' remuneration	-	2,101	2,101
Tax agent fee	-	1,316	1,316
Other payables and accruals	-	3,594	3,594
Net assets attributable to unitholders*	20,338,595	-	20,338,595
	<u>20,603,788</u>	<u>7,011</u>	<u>20,610,799</u>

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

##### Credit risk

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

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

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

##### Credit risk (continued)

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

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

	Cash and cash equivalents USD	Other assets* USD	Total USD
<u>2023</u>			
Financial services			
- AA1	917,055	-	917,055
Others			
- NR	-	648,409	648,409
	917,055	648,409	1,565,464
	917,055	648,409	1,565,464
<u>2022</u>			
Financial services			
- AA1	1,109,667	-	1,109,667
Others			
- NR	-	179,696	179,696
	1,109,667	179,696	1,289,363
	1,109,667	179,696	1,289,363

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

##### Capital risk

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

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (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 period end date. The Fund utilises the current bid price for financial assets which falls within the bid-ask spread.

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

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

#### 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.

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

	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<u>2023</u>				
Financial assets at fair value through profit or loss - collective investment scheme	15,554,658	-	-	15,554,658

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 3 FAIR VALUE ESTIMATION (CONTINUED)

Fair value hierarchy (continued)

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

	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<u>2022</u>				
Financial assets at fair value through profit or loss - collective investment scheme	19,318,351	-	-	19,318,351

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

The carrying values of cash and cash equivalents, amount due from broker, amount due from Manager and all current liabilities are a reasonable approximation of the fair values due to their short-term nature.

#### 4 MANAGEMENT FEE

In accordance with the 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 31 March 2023, the management fee is recognised at a rate of 1.65% (2022: 1.65%) per annum on the NAV of the Fund calculated on a daily basis as stated in the Fund's Information Memorandum.

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

#### 5 TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to an annual fee at a rate not exceeding 0.10% per annum on the NAV of the Fund, subject to a minimum of RM18,000 per annum or its equivalents in the base currency of the Fund, whichever is higher, calculated and accrued daily, (excluding of foreign custodian fees and charges) and its calculated using the Fund's base currency.

For the financial year ended 31 March 2023, the Trustee's fee is recognised at a rate of 0.04% (2022: 0.04%) per annum on the NAV of the Fund, inclusive of local custodian fee but exclusive of foreign sub-custodian fee, calculated on a daily basis as stated in the Fund's Information Memorandum.

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



## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 6 FUND ACCOUNTING FEE

The fund valuation and accounting fee for the Fund is RM28,000 (equivalent to: USD6,812) per annum.

#### 7 DISTRIBUTIONS

	<u>2023</u> USD	<u>2022</u> USD
Distributions to unitholders is from the following sources:		
Dividend income	687,748	722,478
Gross realised income	687,748	722,478
Less: Expenses	-	-
Net distribution amount	<u>687,748</u>	<u>722,478</u>

	Gross/Net distribution per unit (sen)			
	<u>AUD Class</u> AUD	<u>RM Class</u> RM	<u>SGD Class</u> SGD	<u>USD Class</u> USD
<u>2023</u>				
20.04.2022	0.17	0.17	0.17	0.17
18.05.2022	0.17	0.17	0.17	0.17
15.06.2022	0.17	0.17	0.17	0.17
20.07.2022	0.17	0.17	0.11	0.10
17.08.2022	0.17	0.17	0.17	0.17
21.09.2022	0.17	0.17	0.17	0.17
19.10.2022	0.17	0.17	0.17	0.17
16.11.2022	0.17	0.17	0.17	0.17
21.12.2022	0.17	0.17	0.17	0.17
18.01.2023	0.17	0.17	0.17	0.17
15.02.2023	0.17	0.17	0.17	0.17
16.03.2023	0.17	0.17	0.17	0.17
	<u>2.04</u>	<u>2.04</u>	<u>1.98</u>	<u>1.97</u>

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 7 DISTRIBUTIONS (CONTINUED)

	Gross/Net distribution per unit (sen)			
	<u>AUD Class</u> AUD	<u>RM Class</u> RM	<u>SGD Class</u> SGD	<u>USD Class</u> USD
<u>2022</u>				
21.04.2021	0.14	0.17	0.14	0.14
19.05.2021	0.17	0.17	0.17	0.17
16.06.2021	0.17	0.17	0.16	0.17
21.07.2021	0.17	0.17	0.15	0.15
18.08.2021	0.17	0.17	0.17	0.17
20.09.2021	0.17	0.17	0.15	0.15
20.10.2021	0.17	0.17	0.17	0.17
17.11.2021	0.17	0.17	0.17	0.17
15.12.2021	0.17	0.17	0.17	0.17
19.01.2022	0.17	0.17	0.17	0.17
16.02.2022	0.14	0.17	0.08	0.10
16.03.2022	0.17	0.17	0.17	0.17
	1.98	2.04	1.87	1.90
	1.98	2.04	1.87	1.90

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.

There are unrealised losses of USD1,793,137 (2022: USD2,954,797) for the financial year ended 31 March 2023.

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 8 TAXATION

	<u>2023</u> USD	<u>2022</u> USD
Current taxation	5,373	1,679

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

	<u>2023</u> USD	<u>2022</u> USD
Net loss before taxation	(2,227,531)	(2,627,117)
Tax at Malaysian statutory rate of 24% (2022: 24%)	(534,607)	(630,508)
Tax effects of:		
Investment loss not brought to tax	296,163	363,442
Expenses not deductible for tax purposes	169,249	241,275
Restriction on tax deductible expenses for Wholesale Funds	69,196	25,792
Foreign income subject to different tax rate	-	1,679
Under provision for prior year	5,373	-
Tax expense	5,373	1,679

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2023</u> USD	<u>2022</u> USD
Financial assets at fair value through profit or loss:		
- collective investment scheme	<u>15,554,658</u>	<u>19,318,351</u>
Net (loss)/gain on financial assets at fair value through profit or loss:		
- realised (loss)/gain on sale of investments	(595,834)	360,240
- unrealised (loss) on changes in fair value	(1,793,363)	(2,954,601)
- management fee rebate on collective investment scheme #	206,433	262,234
	<u>(2,182,764)</u>	<u>(2,332,127)</u>

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

(a) Collective investment scheme

(i) Collective investment scheme as at 31 March 2023 is as follows:

	<u>Quantity</u>	<u>Aggregate cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
Value Partners High - Dividend Stocks Fund (Class A2 MDis)	<u>1,579,153</u>	<u>17,748,579</u>	<u>15,554,658</u>	<u>93.91</u>
Total collective investment scheme	<u>1,579,153</u>	<u>17,748,579</u>	<u>15,554,658</u>	<u>93.91</u>
Accumulated unrealised loss on collective investment scheme		<u>(2,193,921)</u>		
Total collective investment scheme		<u>15,554,658</u>		

## AFFIN HWANG WORLD SERIES – DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

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

(a) Collective investment scheme (continued)

(ii) Collective investment scheme as at 31 March 2022 is as follows:

	<u>Quantity</u>	<u>Aggregate cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
Value Partners High - Dividend Stocks Fund (Class A2 MDIs)	1,727,938	19,718,909	19,318,351	94.98
Total collective investment scheme	<u>1,727,938</u>	<u>19,718,909</u>	<u>19,318,351</u>	<u>94.98</u>
Accumulated unrealised loss on collective investment scheme		<u>(400,558)</u>		
Total collective investment scheme		<u>19,318,351</u>		

(b) Target Fund's top 10 holdings

(i) The Target Fund's top 10 holdings as at 31 March 2023 is as follows:

	<u>Percentage of target fund NAV %</u>
China Telecom Corp Ltd	5.7
Taiwan Semiconductor Manufacturing Co Ltd	5.1
Samsung Electronics Co Ltd	4.5
China Construction Bank Corp	3.4
Sinopharm Group Co Ltd	3.2
China Merchants Bank Co Ltd	3.1
China State Construction International Holdings Ltd	3.0
China Railway Group Ltd	2.7
MediaTek Inc	2.6
Far East Horizon Ltd	2.3
Total	<u>35.6</u>

## AFFIN HWANG WORLD SERIES – DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

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

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

(ii) The Target Fund's top 10 holdings as at 31 March 2022 is as follows:

	<u>Percentage of target fund NAV</u> %
Taiwan Semiconductor Manufacturing Co Ltd	6.20
China Telecom Corp Ltd	5.80
Samsung Electronics Co Ltd	5.60
China Construction Bank Corp	3.30
China State Construction International Holdings Ltd	3.10
MediaTek Inc	2.40
Far East Horizon Ltd	2.20
Sinopharm Group Co Ltd	2.20
Guangdong Investment Ltd	2.10
HKBN Ltd	2.10
Total	<u>35.00</u>

#### 10 NUMBER OF UNITS IN CIRCULATION

(a) AUD class units in circulation

	<u>2023</u> No. of units	<u>2022</u> No. of units
At the beginning of the financial year	15,216,000	17,363,000
Creation of units arising from applications	1,240,254	2,846,194
Creation of units arising from distributions	587,216	500,133
Cancellation of units	(3,437,470)	(5,493,327)
At the end of the financial year	<u>13,606,000</u>	<u>15,216,000</u>

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 10 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

##### (b) RM class units in circulation

	<u>2023</u>	<u>2022</u>
	No. of units	No. of units
At the beginning of the financial year	55,318,000	53,215,000
Creation of units arising from applications	5,539,642	15,803,215
Creation of units arising from distributions	1,983,293	1,655,549
Cancellation of units	(14,967,935)	(15,355,764)
At the end of the financial year	<u>47,873,000</u>	<u>55,318,000</u>

##### (c) SGD class units in circulation

	<u>2023</u>	<u>2022</u>
	No. of units	No. of units
At the beginning of the financial year	7,665,000	8,201,000
Creation of units arising from applications	61,234	1,860,325
Creation of units arising from distributions	316,178	249,884
Cancellation of units	(593,412)	(2,646,209)
At the end of the financial year	<u>7,449,000</u>	<u>7,665,000</u>

##### (d) USD class units in circulation

	<u>2023</u>	<u>2022</u>
	No. of units	No. of units
At the beginning of the financial year	6,550,000	7,438,000
Creation of units arising from applications	211,459	870,754
Creation of units arising from distributions	279,387	237,929
Cancellation of units	(574,846)	(1,996,683)
At the end of the financial year	<u>6,466,000</u>	<u>6,550,000</u>

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 11 TRANSACTIONS WITH BROKER

(i) Details of transaction with broker for the financial year ended 31 March 2023 are as follows:

<u>Name of broker</u>	<u>Value of trade</u> USD	<u>Percentage</u> <u>of total trade</u> %
HSBC Limited (HK)	5,014,415	100.00

(ii) Details of transaction with broker for the financial year ended 31 March 2022 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> USD	<u>Percentage</u> <u>of total trade</u> %
HSBC Limited (HK)	6,672,259	100.00

The transaction with Value Partners Limited is in relation to purchase Value Partners High - Dividend Stocks Fund.

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

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

<u>Related parties</u>	<u>Relationship</u>
CVC Capital Partners Asia V L.P. ("CVC Asia V")	Ultimate holding company of the Manager
Lembaga Tabung Angkatan Tentera ("LTAT")	Former ultimate holding corporate body of the Manager
Affin Bank Berhad ("ABB")	Former penultimate holding company of the Manager
Affin Hwang Investment Bank Berhad	Former holding company of the Manager
Starlight TopCo Limited	Penultimate holding company of the Manager
Starlight Universe Limited	Intermediate holding company of the Manager
Starlight Asset Sdn Bhd	Intermediate holding company of the Manager



## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

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

<u>Related parties</u>	<u>Relationships</u>
Nikko Asset Management International Limited (“NAMI”)	Substantial shareholder of the Manager
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	The Manager
Subsidiaries and associated companies of CVC Asia V as disclosed in their financial statements	Subsidiaries and associated companies of the ultimate holding companies of the Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated companies of the former penultimate holding company of the Manager
Directors of AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)	Directors of the Manager

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

	<u>2023</u>		<u>2022</u>	
	<u>No. of units</u>	<u>USD</u>	<u>No. of units</u>	<u>USD</u>
<u>The Manager:</u>				
AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) (The units are held legally for booking purposes)				
- AUD Class	3,083	1,120	2,487	1,009
- RM Class	2,817	352	3,643	507
- SGD Class	3,482	1,204	3,764	1,460
- USD Class	3,146	1,493	3,576	1,903
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)

#### 13 TOTAL EXPENSE RATIO (“TER”)

	<u>2023</u> %	<u>2022</u> %
TER	1.76	1.75

TER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial year calculated on a daily basis is USD17,351,920 (2022: USD22,274,087).

#### 14 PORTFOLIO TURNOVER RATIO (“PTR”)

	<u>2023</u>	<u>2022</u>
PTR (times)	0.16	0.14

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = USD1,819,960 (2021: USD2,800,000)  
total disposal for the financial year = USD3,790,290 (2021: USD3,512,017)

## **AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2023 (CONTINUED)**

#### **15 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR**

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

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

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

#### **16 SUBSEQUENT EVENT TO THE FINANCIAL YEAR END**

On 19 April 2023, Nikko Asset Management International Limited ("NAMI") has divested all its equity interest of 27% in AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad) to Nikko Asset Management Co., Ltd ("NAM") for 20% and remaining 7% of the equity interest to Lembaga Tabung Angkatan Tentera ("LTAT") resulting in both NAM and LTAT becoming substantial shareholders of the Manager.

## **AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND**

### **STATEMENT BY THE MANAGER**

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **AHAM Asset Management Berhad (formerly known as Affin Hwang Asset Management Berhad)**, do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 34 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 31 March 2023 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 March 2023 in accordance with the Malaysia Financial Reporting Standards, International Financial Reporting Standards.

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

**DATO' TENG CHEE WAI**  
**EXECUTIVE DIRECTOR/MANAGING DIRECTOR**

Kuala Lumpur  
23 May 2023

# INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Our opinion

In our opinion, the financial statements of Affin Hwang World Series – Dividend Value Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 31 March 2023, 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 31 March 2023, 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 34.

### Basis for opinion

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

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

### *Independence and other ethical responsibilities*

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

### 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 the Manager's Report, but does not include the financial statements of the Fund and our auditors’ report thereon.

## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND (CONTINUED)

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

#### Information other than the financial statements and auditors' report thereon (continued)

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

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

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

#### Responsibilities of the Manager for the financial statements

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

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

#### Auditors' responsibilities for the audit of the financial statements

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

**INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF  
AFFIN HWANG WORLD SERIES - DIVIDEND VALUE FUND (CONTINUED)**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

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

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

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

OTHER MATTERS

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

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

Kuala Lumpur  
23 May 2023



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