

# Affin Hwang World Series - Global Equity Fund

Annual Report  
30 September 2020

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



**AFFIN HWANG**  
CAPITAL

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

**TRUSTEE**  
Deutsche Trustees Malaysia Berhad (763590-H)

# AFFIN HWANG WORLD SERIES – GLOBAL EQUITY FUND

## Annual Report and Audited Financial Statements For the Financial Year Ended 30 September 2020

Contents	Page
FUND INFORMATION .....	III
FUND PERFORMANCE DATA .....	V
MANAGER'S REPORT .....	VI
TRUSTEE'S REPORT .....	XIII
FINANCIAL STATEMENT	
DIRECTORY OF SALES OFFICE	

## FUND INFORMATION

Fund Name	Affin Hwang World Series – Global Equity Fund
Fund Type	Growth
Fund Category	Equity feeder (wholesale)
Investment Objective	The Fund aims to achieve medium to long-term capital appreciation
Benchmark	MSCI AC World Index
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever appropriate

### BREAKDOWN OF UNITHOLDERS BY SIZE MYR CLASS AS AT 30 SEPTEMBER 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	0	0
5,001 to 10,000	29	204
10,001 to 50,000	68	1,954
50,001 to 500,000	110	14,934
500,001 and above	14	92,931
<b>Total</b>	<b>221</b>	<b>110,023</b>

\* Note : Excluding Manager's stock

### BREAKDOWN OF UNITHOLDERS BY SIZE SGD CLASS AS AT 30 SEPTEMBER 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	0	0
5,001 to 10,000	1	6
10,001 to 50,000	4	69
50,001 to 500,000	6	1,015
500,001 and above	2	2,649
<b>Total</b>	<b>13</b>	<b>3,739</b>

\* Note: Excluding Manager's stock

# **BREAKDOWN OF UNITHOLDERS BY SIZE USD CLASS AS AT 30 SEPTEMBER 2020**

<b>Size of holdings (units)</b>	<b>No. of unitholders</b>	<b>No. of units held * ('000)</b>
5,000 and below	0	0
5,001 to 10,000	1	8
10,001 to 50,000	6	170
50,001 to 500,000	5	352
500,001 and above	3	23,339
<b>Total</b>	<b>15</b>	<b>23,869</b>

*\* Note: Excluding Manager's stock*

## FUND PERFORMANCE DATA

Category	As At 30 Sep 2020 (%)			As At 30 Sep 2019 (%)			As At 30 Sep 2018 (%)		
Portfolio composition									
Collective investment scheme - foreign	97.58			97.24			97.04		
Cash & cash equivalent	2.42			2.76			2.96		
Total	100.00			100.00			100.00		
Currency class	MYR Class	SGD Class	USD Class	MYR Class	SGD Class	USD Class	MYR Class	SGD Class	USD Class
Total NAV (RM' million)	88.363	2.950	19.430	40.680	1.742	14.209	46.889	1.428	13.089
NAV per unit (RM)	0.8031	0.7884	0.8139	0.6774	0.6719	0.6868	0.6531	0.6491	0.6702
Unit in Circulation (million)	110.028	3.742	23.872	60.056	2.593	20.689	71.792	2.200	19.531
Highest NAV	0.8312	0.8134	0.8448	0.6937	0.6901	0.7146	0.6588	0.6585	0.6808
Lowest NAV	0.5695	0.5555	0.5414	0.5621	0.5546	0.5703	0.5647	0.5709	0.5914
Return of the Fund (%) <sup>iii</sup>	18.56	17.34	18.51	3.72	3.51	2.48	10.51	13.56	12.70
- Capital Return (%) <sup>i</sup>	18.56	17.34	18.51	3.72	3.51	2.48	10.51	13.56	12.70
- Income Return (%) <sup>ii</sup>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Management Expenses Ratio (%) <sup>1</sup>		1.88			1.89			1.96	
Portfolio Turnover Ratio (times) <sup>2</sup>		1.53			0.55			0.56	

<sup>1</sup>The Fund's MER was lower than previous year due to higher average NAV of the Fund for the financial year.

<sup>2</sup>The Fund's PTR was lower than previous year due to higher average NAV 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	= Capital return x Income return – 1

**MANAGER'S REPORT****Income Distribution / Unit Split**

No income distribution or unit split were declared for the financial year ended 30 September 2020.

**Performance Review****USD Class**

For the period under review from 1 October 2019 to 30 September 2020 the Fund - USD class, registered a return of 18.51% compared to the benchmark return of 8.27% during the performance under review. The Fund thus outperformed the Benchmark by 10.24%. The Net Asset Value ("NAV") per unit as at 30 September 2020 was USD 0.8139 compared to the NAV per unit on 30 September 2019 was USD 0.6868.

Since inception, the Fund has registered a return of 62.78% versus the benchmark of 44.31%. This represents an outperformance of 18.47%. The Fund will continue to be managed in a manner to fulfill its objective.

**MYR Class**

The Fund - MYR class, registered a return of 18.56% compared to the benchmark return of 10.16% during the performance under review. The Fund thus outperformed the Benchmark by 8.40%. The Net Asset Value ("NAV") per unit as at 30 September 2020 was MYR 0.8031 compared to the NAV per unit on 30 September 2019 was MYR 0.6774.

Since inception, the Fund has registered a return of 60.62% versus the benchmark of 41.77%. This represents an outperformance of 18.85%. The Fund will continue to be managed in a manner to fulfill its objective.

**SGD Class**

The Fund - SGD class, registered a return of 17.34% compared to the benchmark return of 8.32% during the performance under review. The Fund thus outperformed the Benchmark by 9.02%. The Net Asset Value ("NAV") per unit as at 30 September 2020 was SGD 0.7884 compared to the NAV per unit on 30 September 2019 was SGD 0.6719.

Since inception, the Fund has registered a return of 57.68% versus the benchmark of 41.28%. This represents an outperformance of 16.40%. The Fund will continue to be managed in a manner to fulfill its objective.

Given the performance during the period under review, we believe the Fund's objective is being met to achieve medium to long-term capital appreciation.

## USD Class

Table 1: Performance of the Fund

	<b>1 Year</b> <b>(1/10/19 - 30/9/20)</b>	<b>3 Years</b> <b>(1/10/17 - 30/9/20)</b>	<b>Since Commencement</b> <b>(14/12/15 - 30/9/20)</b>
<b>Fund</b>	<b>18.51%</b>	<b>36.86%</b>	<b>62.78%</b>
<b>Benchmark</b>	<b>8.27%</b>	<b>18.15%</b>	<b>44.31%</b>
<b>Outperformance</b>	<b>10.24%</b>	<b>18.71%</b>	<b>18.47%</b>

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	<b>1 Year</b> <b>(1/10/19 - 30/9/20)</b>	<b>3 Years</b> <b>(1/10/17 - 30/9/20)</b>	<b>Since Commencement</b> <b>(14/12/15 - 30/9/20)</b>
<b>Fund</b>	<b>18.51%</b>	<b>11.02%</b>	<b>10.68%</b>
<b>Benchmark</b>	<b>8.27%</b>	<b>5.71%</b>	<b>7.94%</b>
<b>Outperformance</b>	<b>10.24%</b>	<b>5.31%</b>	<b>2.74%</b>

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	<b>FYE 2020</b> <b>(1/10/19 - 30/9/20)</b>	<b>FYE 2019</b> <b>(1/10/18 - 30/9/19)</b>	<b>FYE 2018</b> <b>(1/10/17 - 30/9/18)</b>	<b>FYE 2017</b> <b>(1/10/16 - 30/9/17)</b>	<b>FYE 2016</b> <b>(14/12/15 - 30/9/16)</b>
<b>Fund</b>	<b>18.51%</b>	<b>2.48%</b>	<b>12.70%</b>	<b>16.36%</b>	<b>2.22%</b>
<b>Benchmark</b>	<b>8.27%</b>	<b>(0.04%)</b>	<b>9.17%</b>	<b>15.93%</b>	<b>5.36%</b>
<b>Outperformance</b>	<b>10.24%</b>	<b>2.52%</b>	<b>3.53%</b>	<b>0.43%</b>	<b>(3.14%)</b>

Source of Benchmark: Bloomberg

## MYR Class

Table 1: Performance of the Fund

	<b>1 Year</b> <b>(1/10/19 - 30/9/20)</b>	<b>3 Years</b> <b>(1/10/17 - 30/9/20)</b>	<b>Since Commencement</b> <b>(14/12/15 - 30/9/20)</b>
<b>Fund</b>	<b>18.56%</b>	<b>35.89%</b>	<b>60.62%</b>
<b>Benchmark</b>	<b>10.16%</b>	<b>19.25%</b>	<b>41.77%</b>
<b>Outperformance</b>	<b>8.40%</b>	<b>16.64%</b>	<b>18.85%</b>

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	<b>1 Year</b> <b>(1/10/19 - 30/9/20)</b>	<b>3 Years</b> <b>(1/10/17 - 30/9/20)</b>	<b>Since Commencement</b> <b>(14/12/15 - 30/9/20)</b>
<b>Fund</b>	<b>18.56%</b>	<b>10.75%</b>	<b>10.37%</b>
<b>Benchmark</b>	<b>10.16%</b>	<b>6.04%</b>	<b>7.54%</b>
<b>Outperformance</b>	<b>8.40%</b>	<b>4.71%</b>	<b>2.83%</b>

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	<b>FYE 2020</b> <b>(1/10/19 - 30/9/20)</b>	<b>FYE 2019</b> <b>(1/10/18 - 30/9/19)</b>	<b>FYE 2018</b> <b>(1/10/17 - 30/9/18)</b>	<b>FYE 2017</b> <b>(1/10/16 - 30/9/17)</b>	<b>FYE 2016</b> <b>(14/12/15 - 30/9/16)</b>
<b>Fund</b>	<b>18.56%</b>	<b>3.72%</b>	<b>10.51%</b>	<b>18.65%</b>	<b>(0.38%)</b>
<b>Benchmark</b>	<b>10.16%</b>	<b>1.17%</b>	<b>7.00%</b>	<b>18.55%</b>	<b>0.28%</b>
<b>Outperformance</b>	<b>8.40%</b>	<b>2.55%</b>	<b>3.51%</b>	<b>0.10%</b>	<b>(0.66%)</b>

Source of Benchmark: Bloomberg

## SGD Class

Table 1: Performance of the Fund

	1 Year (1/10/19 - 30/9/20)	3 Years (1/10/17 - 30/9/20)	Since Commencement (14/12/15 - 30/9/20)
<b>Fund</b>	<b>17.34%</b>	<b>37.93%</b>	<b>57.68%</b>
<b>Benchmark</b>	<b>8.32%</b>	<b>20.51%</b>	<b>41.28%</b>
<b>Outperformance</b>	<b>9.02%</b>	<b>17.42%</b>	<b>16.40%</b>

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/10/19 - 30/9/20)	3 Years (1/10/17 - 30/9/20)	Since Commencement (14/12/15 - 30/9/20)
<b>Fund</b>	<b>17.34%</b>	<b>11.30%</b>	<b>9.95%</b>
<b>Benchmark</b>	<b>8.32%</b>	<b>6.41%</b>	<b>7.46%</b>
<b>Outperformance</b>	<b>9.02%</b>	<b>4.89%</b>	<b>2.49%</b>

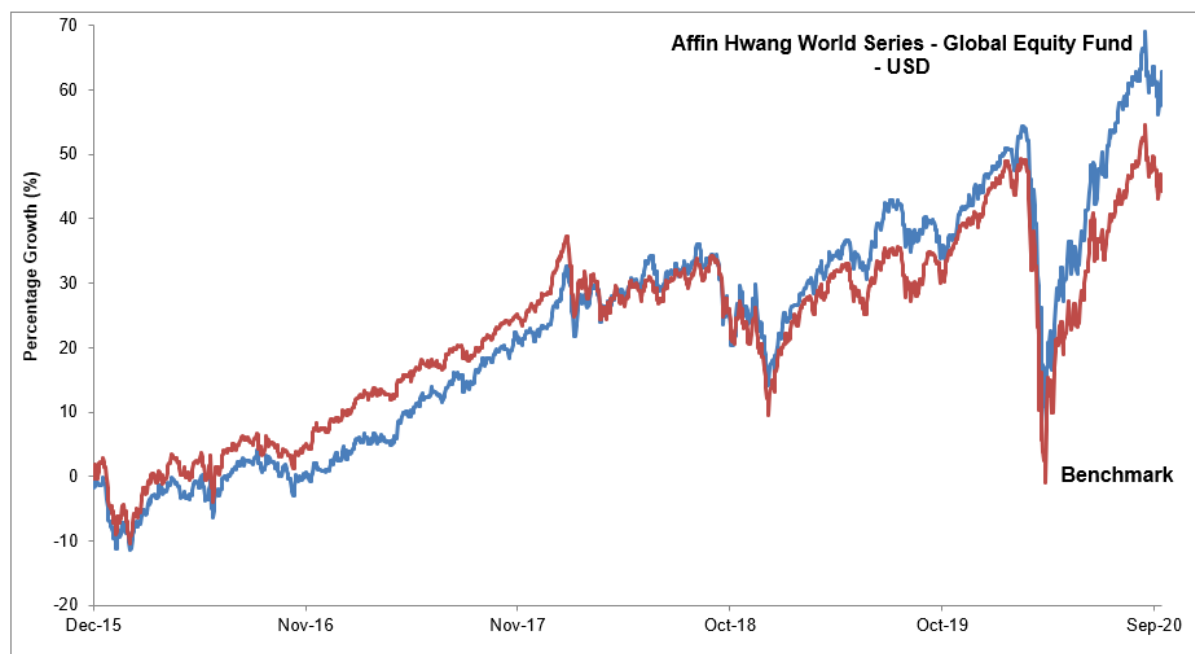
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

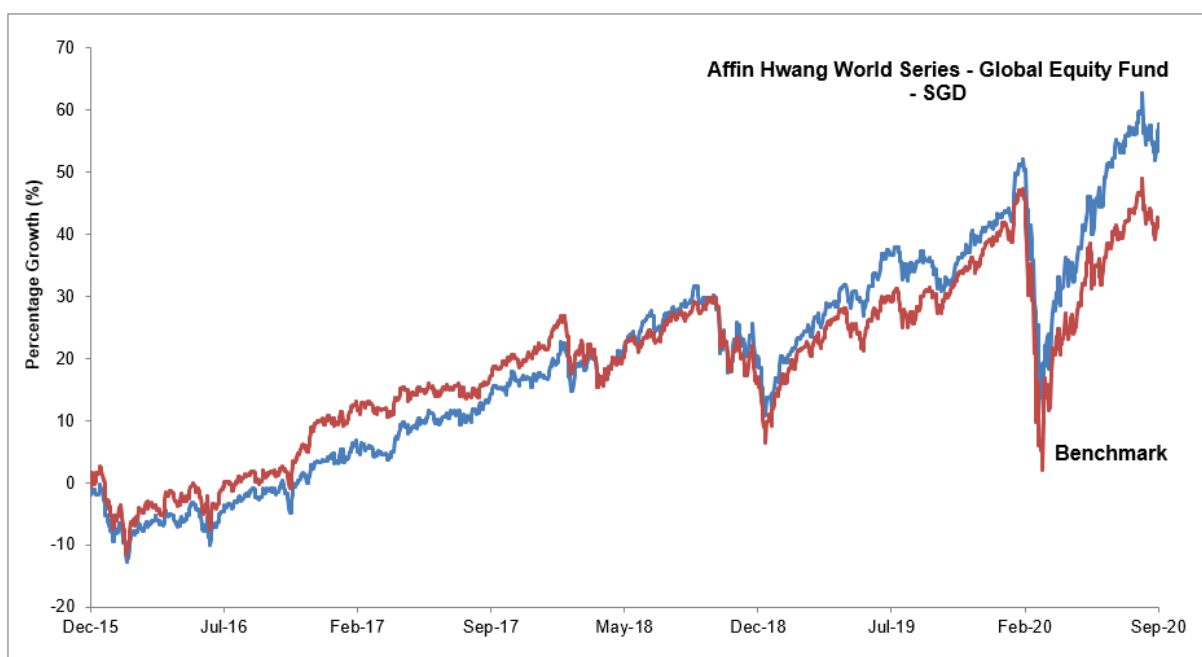
	FYE 2020 (1/10/19 - 30/9/20)	FYE 2019 (1/10/18 - 30/9/19)	FYE 2018 (1/10/17 - 30/9/18)	FYE 2017 (1/10/16 - 30/9/17)	FYE 2016 (14/12/15 - 30/9/16)
<b>Fund</b>	<b>17.34%</b>	<b>3.51%</b>	<b>13.56%</b>	<b>15.69%</b>	<b>(1.18%)</b>
<b>Benchmark</b>	<b>8.32%</b>	<b>1.13%</b>	<b>10.00%</b>	<b>15.33%</b>	<b>1.65%</b>
<b>Outperformance</b>	<b>9.02%</b>	<b>2.38%</b>	<b>3.56%</b>	<b>0.36%</b>	<b>(2.83%)</b>

Source of Benchmark: Bloomberg

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







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

*Benchmark: MSCI World Free 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 September 2020, the asset allocation of the Fund's exposure to the collective investment scheme stood at 97.58% of the Fund's NAV while the balance was held in cash & cash equivalent.

## **Strategies Employed**

The team believes that companies with superior returns on capital over the long term will deliver better performance. The stocks that make it into a client's portfolio are what the team calls 'Future Quality'. Future Quality means a company which will attain and sustain high returns on investment. The team assesses companies to understand the quality of management, the quality of the company franchise, the quality of the balance sheet and the size of the valuation opportunity. The common feature of all Future Quality companies is that the growth in future cash flow, its sustainability and the level of returns to investors is not reflected in the share price today.

The Nikko Global Equity team are long-term investors and all of the companies in the portfolio are subject to detailed bottom-up analysis – incorporating full 5 year forecasts of their cash flows. The team typically holds between 40 and 50 stocks in the portfolio.

## **Market Review**

The year to September 2020 will live long in the memory of investors. The global coronavirus pandemic and the unprecedented economic lockdowns introduced in an attempt to control its spread, have produced extreme periods of volatility. 2020 has already produced the fastest 30% drawdown in history, followed by the best month for 30 years. Both before and after the worst impacts of the virus, however, equity markets have continued to perform well. Monetary policy remains extremely supportive and equities have continued to look attractively valued, especially relative to other asset classes.

The end of 2019 set the tone for much of the ex-virus period, with central banks responding to softening economic data by resuming balance sheet expansion in an attempt to ensure ample liquidity. One of the main reasons for the economic growth deceleration was a loss of corporate confidence, triggered by political uncertainty, as China and the US attempted to agree new terms of trade. The end of the year brought some respite on this front too, with the countries reaching agreement over the 1st Phase of a trade agreement. Substantial longer-term issues remain unresolved, however.

The 1st quarter of 2020 saw COVID-19 transform from a potentially controllable, largely domestic Chinese issue into a global pandemic. The virus posed fundamental questions to society. Most critically, how long can (or should) we accept the economic pain necessary to gain a measure of control over its spread? Infection rates soared during the period from March to May across the world, hospitals were swamped by surging admissions and doctors struggled to develop good treatment options for a patient population who were predominantly aged and often suffering from other underlying medical conditions.

Credit spreads blew out during this period, as government bond yields sunk to levels not even seen during the Global Financial Crisis as governments around the world announced large wage assistance programs. Whilst it took time to put these initiatives in place and longer still for the cash to start flowing to those that needed it, the financial pain felt by business owners was more immediate, with businesses often shuttered with zero notice. This timing mismatch saw unemployment soar across the worst impacted countries.

By the end of the second quarter, however, it appeared that the policy response was gaining traction and economic data was starting to recover. Global equity markets climbed almost 6% in Q2 as equity investors continued to recoup March's steep losses. The forces that shaped both the panicky sell-off and the subsequent recovery remained firmly on investors' radars. The ongoing tussle between the coronavirus-inspired economic and public health crises on the one hand and the unprecedented policy response on the other showed no sign of being resolved this month.

The recovery continued in Q3, including the best August for more than 30 years. Markets gained another 4% over the quarter. Although reported virus infection rates have remained generally well controlled in some countries (most notably China), September saw a reacceleration in Europe and the US and the virus has

crept back to being the first item on nightly news bulletins. No one can quite be sure yet whether the rise in cases is a function of better testing infrastructure or something more sinister. Thankfully – at time of writing at least – hospital admissions and (even more so) fatalities remain well below levels seen earlier in the year. The hope is that this will remain the case and that recently returned economic freedoms will not be removed once again by politicians in an attempt to avoid a public health crisis.

Throughout the review period, Gold has generally continued to remain in favour as central banks have injected liquidity into the global financial system. Debt deflation remains public enemy number one, given generally high levels of indebtedness but a burst of reasonably pronounced price inflation could also result from recent monetary easing if the pandemic's impact on consumers is less marked than expected. Gold is viewed as a hedge against both eventualities.

Over the period as a whole the MSCI ACWI has risen by more than 10%. The best performing sectors have been those where growth was seen as accelerated by the coronavirus. This was particularly true of the Information Technology sector, with companies and individuals having to invest more in adapting to new working patterns. Consumer Discretionary also performed exceptionally well – driven by other COVID winners, like Amazon. Healthcare has also outperformed, as life sciences research has continued to boom throughout the year. The worst performing sectors were Energy and Financials. Oil prices and flat yield curves posed meaningful headwinds for these sectors.

Regionally, GEM-Asia and North America were the best performing areas. China was the first to be impacted by the virus and has emerged from outbreak more quickly than most. The US has benefitted from its high exposure to global technology leaders. The UK has been a notable underperformer, driven by a high exposure to banks and energy. Europe and Japan have also failed to keep pace with the market.

## **Investment Outlook**

One of the factors that has been helping equity markets push higher in recent months has been positive earnings revisions. Given the unprecedented nature of the coronavirus outbreak and the economic lockdowns introduced to limit its spread, it is probably not surprising that forecasting error has turned out to be significant for estimates compiled back in the dark days of March to May this year. Hindsight is a wonderful thing in investment but it turns out that the world hasn't yet ended and that people still need and want to do the things that give them pleasure.

Where will profit expectations go from here though and how realistic are expectations that 2021 will mark a return to pre-COVID normal? These questions look especially pertinent as we near the traditional flu season and we deal with an increase in infection rates. Can the public health risks be effectively managed without jeopardising economic health? At the very least, politicians should no longer be under any illusion regarding the economic damage done by lockdowns. The societal damage and the disproportionately high burden of this damage on the worst off in society should be equally clear.

Having lived with the virus for seven months now, investors have (seemingly indelibly) marked large chunks of the market as either 'working from home winners' or 'COVID losers'. Whilst it is undoubtedly true that some businesses have benefitted from shifting patterns of working and consuming and others have lost, assessing the permanence of these changes is increasingly important. Once you have decided how long these shifts will persist then you can start to consider what the appropriate multiple is to pay for that.

Our portfolio has enjoyed more than its fair share of winners throughout the crisis, despite the virus being foreseen by none of us. Dealing with the virus has just accelerated changes that were already taking place; whether it be the migration of data to the Cloud, the enabling of more flexible working or the shift of some healthcare out of hospitals and into patients' own homes. In each case, we believe that these changes address major societal issues and will persist long after vaccines have successfully been developed and the threat posed by the coronavirus has passed. The sustained nature of the growth opportunities that these changes present are not yet fully reflected in the stocks' long-term valuations but we have taken profits in some of them, in recognition of some pulling forward of demand.

We have been investing the proceeds in increasing positions in companies which have been tagged COVID losers but where we remain confident in the long-term Future Quality credentials, even if we acknowledge that we have no way of knowing when the challenges posed by the vaccine will pass.

The successful development and commercialisation of (likely many) vaccines for the virus remains the most likely clearing event that would likely trigger a re-evaluation of the merits of these two camps. Data continues

to accumulate on the efficacy and safety of the many products in development. Recent commentary by both regulators and the drug industry suggest that they will not be swayed by the political calendar when assessing their vaccines. This may not help the Republican Party (or those wishing for a rally into year-end) but is almost certainly the best approach to eradicating the threat posed by the virus in the long term.

In conclusion, last month saw a marked increase in share price volatility in some of the stocks deemed most insulated from the adverse impacts of COVID-19. We suspect that this volatility will persist for some time as the real strengths of economies are revealed, with emergency wage support measures rolling off, inventories partially rebuilt and political uncertainty elevated. We remain optimistic that the picture will look reasonably positive – at least by the middle of next year. With other asset classes looking more expensively valued than equities, we remain constructive on markets. Most importantly, the current bifurcation of markets between the COVID haves and have-nots is continuing to present attractively valued Future Quality businesses for us to invest in on behalf of our clients.

### **State of Affairs of the Fund**

There is neither any significant change to the state affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the period under review.

### **Soft Commissions received from Brokers**

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

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

During the financial period under review, the management company had received on behalf of the Fund, soft commissions in the form of research materials, data and quotation services, investment-related publications, market data feed and industry benchmarking agencies which are of demonstrable benefit to Unitholders of the Fund.

### **Cross Trade**

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

## **TRUSTEE’S REPORT TO THE UNITHOLDERS OF AFFIN HWANG WORLD SERIES – GLOBAL EQUITY FUND**

We have acted as Trustee Affin Hwang World Series – Global Equity Fund (“the Fund”) for the financial year ended 30 September 2020. To the best of our knowledge, for the financial year under review, Affin Hwang Asset Management Berhad (“the Manager”), has operated and managed the Fund in accordance with the following:

- (a) limitation imposed on the investment powers of the Manager and the Trustee under the Deed(s), the Securities Commission’s Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework, the Capital Markets Services Act 2007 and other applicable laws;
- (b) valuation and pricing for the Fund is carried out in accordance with the Deed(s) of the Fund and applicable regulatory requirements; and
- (c) creation and cancellation of units for the Fund are carried out in accordance with the Deed(s) of the Fund and applicable regulatory requirements.

For Deutsche Trustees Malaysia Berhad

**Ng Hon Leong**  
Head, Trustee Operations

**Jiva Munusamy**  
Head, Client Management

Kuala Lumpur  
16 November 2020

**AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

**FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020**

# **AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

## **FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020**

<b>CONTENTS</b>	<b>PAGE(S)</b>
STATEMENT OF COMPREHENSIVE INCOME	1
STATEMENT OF FINANCIAL POSITION	2 - 3
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	4
STATEMENT OF CASH FLOWS	5
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	6 - 12
NOTES TO THE FINANCIAL STATEMENTS	13 - 64
STATEMENT BY THE MANAGER	65
INDEPENDENT AUDITORS' REPORT	66 - 69

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

	<u>Note</u>	<u>2020</u> USD	<u>2019</u> <u>Restated</u> USD
<b>INVESTMENT INCOME</b>			
Interest income from financial asset at amortised cost		4,752	2,580
Net gain on foreign currency exchange		154,181	44,274
Net gain on financial asset at fair value through profit or loss	7	5,712,958	1,151,992
		<u>5,871,891</u>	<u>1,198,846</u>
<b>EXPENSES</b>			
Management fee	4	(618,711)	(378,854)
Trustee fee	5	(20,717)	(12,862)
Auditors' remuneration		(2,619)	(1,817)
Tax agent's fee		(855)	(847)
Other expenses		(3,735)	(2,918)
		<u>(646,637)</u>	<u>(397,298)</u>
<b>NET PROFIT BEFORE TAXATION</b>		5,225,254	801,548
Taxation	6	-	-
<b>PROFIT AFTER TAXATION</b>		5,225,254	801,548
<b>OTHER COMPREHENSIVE INCOME</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Foreign currency translation		597,597	(222,428)
<b>NET INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>5,822,851</u>	<u>579,120</u>
Profit after taxation is made up of the following:			
Realised amount		2,656,286	708,212
Unrealised amount		2,568,968	93,336
		<u>5,225,254</u>	<u>801,548</u>

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



## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

	<u>Note</u>	<u>2020</u> USD	<u>2019</u> <u>Restated</u> USD	<u>2018</u> <u>Restated</u> USD
<b>ASSETS</b>				
Cash and cash equivalents	8	1,051,147	612,228	809,435
Amount due from Manager				
- creation of units		134,299	103,153	-
- rebate of management fee receivable		42,160	25,342	24,629
Financial asset at fair value through profit or loss	7	41,813,972	24,490,412	24,712,274
<b>TOTAL ASSETS</b>		<u>43,041,578</u>	<u>25,231,135</u>	<u>25,546,338</u>
<b>LIABILITIES</b>				
Amount due to brokers		-	-	21,930
Amount due to Manager				
- management fee		62,426	37,406	37,176
- cancellation of units		120,869	164	12,950
Amount due to Trustee		2,081	1,247	1,239
Auditors' remuneration		1,958	1,796	1,640
Tax agent's fee		2,062	2,014	2,023
Other payables and accruals		2,736	2,699	2,616
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>		<u>192,132</u>	<u>45,326</u>	<u>79,574</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>42,849,446</u>	<u>25,185,809</u>	<u>25,466,764</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>42,849,446</u>	<u>25,185,809</u>	<u>25,466,764</u>

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

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020 (CONTINUED)

	<u>Note</u>	<u>2020</u> USD	<u>2019</u> <u>Restated</u> USD	<u>2018</u> <u>Restated</u> USD
<b>REPRESENTED BY:</b>				
<b>FAIR VALUE OF OUTSTANDING UNITS</b>				
- MYR Class		21,266,638	9,716,647	11,333,968
- SGD Class		2,153,293	1,260,827	1,043,827
- USD Class		19,429,515	14,208,335	13,088,969
		<u>42,849,446</u>	<u>25,185,809</u>	<u>25,466,764</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>				
- MYR Class	9 (a)	110,028,000	60,056,000	71,792,000
- SGD Class	9 (b)	3,742,000	2,593,000	2,200,000
- USD Class	9 (c)	23,872,000	20,689,000	19,531,000
		<u>137,642,000</u>	<u>83,338,000</u>	<u>93,523,000</u>
<b>NET ASSET VALUE PER UNIT (USD)</b>				
- MYR Class		0.1933	0.1618	0.1579
- SGD Class		0.5754	0.4862	0.4745
- USD Class		0.8139	0.6868	0.6702
		<u>0.8139</u>	<u>0.6868</u>	<u>0.6702</u>
<b>NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES</b>				
- MYR Class		RM0.8031	RM0.6774	RM0.6531
- SGD Class		SGD0.7884	SGD0.6719	SGD0.6491
- USD Class		USD0.8139	USD0.6868	USD0.6702
		<u>USD0.8139</u>	<u>USD0.6868</u>	<u>USD0.6702</u>

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

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

	<u>2020</u> USD	<u>2019</u> <u>Restated</u> USD	<u>2018</u> <u>Restated</u> USD
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	25,185,809	25,466,764	5,803,782
Movement due to units created and cancelled during the financial year			
Creation of units arising from applications	26,412,330	13,264,607	19,060,055
- MYR Class	20,887,566	5,564,434	6,026,403
- SGD Class	948,347	560,916	953,062
- USD Class	4,576,417	7,139,257	12,080,590
Cancellation of units	(14,571,544)	(14,124,682)	(1,113,257)
- MYR Class	(11,904,917)	(7,314,109)	(1,077,168)
- SGD Class	(324,177)	(397,657)	(11,524)
- USD Class	(2,342,450)	(6,412,916)	(24,565)
Net increase in net assets attributable to unitholders during the financial year comprises of:			
Profit after taxation	5,225,254	801,548	2,118,067
- MYR Class	2,402,932	229,118	950,187
- SGD Class	169,741	66,648	22,996
- USD Class	2,558,317	537,383	1,144,884
Other comprehensive income			
Foreign currency translation	597,597	(222,428)	(401,883)
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR</b>	<u>42,849,446</u>	<u>25,185,809</u>	<u>25,466,764</u>

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

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020

	<u>Note</u>	<u>2020</u> USD	<u>2019</u> <u>Restated</u> USD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Proceeds from sale of investments		46,966,066	12,188,191
Purchase of investments		(58,991,641)	(11,305,415)
Interest received		4,752	2,580
Management fee rebate received		398,155	259,727
Management fee paid		(593,691)	(385,269)
Trustee fee paid		(19,883)	(12,842)
Payments for other fees and expenses		(6,962)	(5,285)
Net realised gain on foreign currency exchange		153,729	44,263
Net cash (used in)/generated from operating activities		<u>(12,089,475)</u>	<u>785,950</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from creation of units		26,381,184	13,160,328
Payments for cancellation of units		(14,450,839)	(14,137,478)
Net cash generated from/(used in) financing activities		<u>11,930,345</u>	<u>(977,150)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		(159,130)	(191,200)
<b>EFFECTS OF FOREIGN CURRENCY EXCHANGE</b>		598,049	(6,007)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		<u>612,228</u>	<u>809,435</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	8	<u><u>1,051,147</u></u>	<u><u>612,228</u></u>

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

## **AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020**

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

#### **A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

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

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues 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

- IC Interpretation 23 'Uncertainty over Income Tax Treatments' (effective 1 January 2019)
- Annual Improvements to MFRSs 2015 – 2017 Cycle (effective 1 January 2019)

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 'Definition of a Business' (effective 1 January 2020) revise the definition of a business.
- Amendments to MFRS 101 'Classification of liabilities as current or non-current' (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date.

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

## **AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)**

#### **B INCOME RECOGNITION**

##### Interest income

Interest income from short term deposits with licensed financial institutions is recognised based on effective interest rate method on an accruals 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 scheme ("CIS"), realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of the investments, determined on a weighted average cost basis.

#### **C TAXATION**

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

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

#### **D FUNCTIONAL AND PRESENTATION CURRENCY**

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

The functional and presentational currency of the Fund has been revised from SGD to USD effective 13 January 2020 as stipulated in the Second Supplemental Deed dated on 16 December 2019. The revision of functional and presentational currency has been made due to the changes in currency class of the Fund's investment in Nikko AM Shenton Global Opportunities Fund from SGD Class to USD Class. The changes in functional currency has been applied prospectively from the date of translation. The changes in presentation currency represents a change in accounting policy and has been applied retrospectively. The effects of these changes are disclosed in Note 14 to the financial statements.

#### **E FOREIGN CURRENCY TRANSLATIONS**

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

## **AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)**

#### **F FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

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

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The 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 are measured at fair value through profit or loss.

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

The Fund classifies cash and cash equivalents and amount due from Manager as financial assets at amortised cost as these financial assets are held to collect contractual cash flows 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 initial 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.

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

##### (ii) Recognition and measurement (continued)

Financial assets are de-recognised 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 foreign currency exchange 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 is valued at the last published net asset value ("NAV") per unit at the date of the statement of financial position.

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

##### (iii) Impairment

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

##### Significant increase in credit risk

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

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

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



## **AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)**

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

##### **(iii) Impairment (continued)**

###### **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.

#### **G CASH AND CASH EQUIVALENTS**

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

#### **H AMOUNT 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 broker balance is held for collection. Refer to Note F for accounting policy on recognition and measurement.

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

## **AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)**

#### **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 three classes of units, known respectively as the MYR Class, SGD Class and USD Class, which are cancelled at the unitholder's option and do not have identical features. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's 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.

#### **J INCREASE 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.

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

##### Functional currency

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

- (i) Significant portion of the Fund's NAV is in an investment denominated in USD.
- (ii) Significant portion of the Fund's expenses are denominated in USD.

## **AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

### **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)**

#### **L      REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX**

The analysis of realised and unrealised profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Unlisted Capital Market Products under the Lodge and Launch Framework.

## **AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020**

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

The Wholesale Fund was constituted under the name Affin Hwang Global Equity Fund (the “Fund”) pursuant to the execution of a Deed dated 9 November 2015, First Supplemental Deed dated 3 August 2016 and Second Supplemental Deed dated 16 December 2019 (the “Deeds”) entered into between Affin Hwang Asset Management Berhad (the “Manager”) and Deutsche Trustees Malaysia Berhad (the “Trustee”). The Fund changed its name from Affin Hwang Global Equity Fund to Affin Hwang World Series - Global Equity Fund as amended by the First Supplemental Deed dated 3 August 2016.

The Fund commenced operations on 14 December 2015 and will continue its operations until terminated by the Trustee as provided under Clause 12.1 of the Deeds.

The functional and presentational currency of the Fund has been revised to USD effective 13 January 2020 as stipulated in the Second Supplemental Deed dated on 16 December 2019. The revision of functional and presentational currency has been made due to the changes in currency class of the Fund’s investment in Nikko AM Shenton Global Opportunities Fund from SGD Class to USD Class.

The Fund may invest any of in 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’s objective.

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

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

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds, exchange-traded fund 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 16 November 2020.

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (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	<u>Total</u> USD
<u>2020</u>				
<u>Financial assets</u>				
Cash and cash equivalents	8	1,051,147	-	1,051,147
Amount due from Manager				
- creation of units		134,299	-	134,299
- rebate of management fee receivable		42,160	-	42,160
Collective investment scheme	7	-	41,813,972	41,813,972
Total		<u>1,227,606</u>	<u>41,813,972</u>	<u>43,041,578</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		62,426	-	62,426
- cancellation of units		120,869	-	120,869
Amount due to Trustee		2,081	-	2,081
Auditors' remuneration		1,958	-	1,958
Tax agent's fee		2,062	-	2,062
Other payables and accruals		2,736	-	2,736
Total		<u>192,132</u>	<u>-</u>	<u>192,132</u>
<u>2019</u>				
<u>Restated</u>				
<u>Financial assets</u>				
Cash and cash equivalents	8	612,228	-	612,228
Amount due from Manager				
- creation of units		103,153	-	103,153
- rebate of management fee receivable		25,342	-	25,342
Collective investment scheme	7	-	24,490,412	24,490,412
Total		<u>740,723</u>	<u>24,490,412</u>	<u>25,231,135</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised cost USD	At fair value through profit or loss USD	<u>Total USD</u>
2019				
<u>Restated</u> (continued)				
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		37,406	-	37,406
- cancellation of units		164	-	164
Amount due to Trustee		1,247	-	1,247
Auditors' remuneration		1,796	-	1,796
Tax agent's fee		2,014	-	2,014
Other payables and accruals		2,699	-	2,699
Total		<u>45,326</u>	<u>-</u>	<u>45,326</u>
2018				
<u>Restated</u>				
<u>Financial assets</u>				
Cash and cash equivalents	8	809,435	-	809,435
Amount due from Manager				
- rebate of management fee receivable		24,629	-	24,629
Collective investment scheme	7	-	24,712,274	24,712,274
Total		<u>834,064</u>	<u>24,712,274</u>	<u>25,546,338</u>
<u>Financial liabilities</u>				
Amount due to brokers		21,930	-	21,930
Amount due to Manager				
- management fee		37,176	-	37,176
- cancellation of units		12,950	-	12,950
Amount due to Trustee		1,239	-	1,239
Auditors' remuneration		1,640	-	1,640
Tax agent's fee		2,023	-	2,023
Other payables and accruals		2,616	-	2,616
Total		<u>79,574</u>	<u>-</u>	<u>79,574</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

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.

##### 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>2020</u> USD	<u>2019</u> <u>Restated</u> USD	<u>2018</u> <u>Restated</u> USD
<b>Quoted investment</b>			
Collective investment scheme	41,813,972	24,490,412	24,712,274

The following table summarises the sensitivity of the Fund's profit after taxation and net asset value to price risk movements. The analysis is based on the assumptions that the market price increased by 10% (2019: 5%; 2018: 5%) and decreased by 10% (2019: 5%; 2018: 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.

<u>% Change in price</u>	<u>Market value</u> USD	<u>Impact on</u> <u>profit after</u> <u>tax/NAV</u> USD
<u>2020</u>		
-10%	37,632,575	(4,181,397)
0%	41,813,972	-
+10%	45,995,369	4,181,397

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

#### Market risk (continued)

##### (a) Price risk (continued)

<u>% Change in price</u>	<u>Market value</u> USD	<u>Impact on</u> <u>profit after</u> <u>tax/NAV</u> USD
2019 <u>Restated</u>		
-5%	23,265,891	(1,224,521)
0%	24,490,412	-
+5%	25,714,933	1,224,521
	<u>                    </u>	<u>                    </u>
2018 <u>Restated</u>		
-5%	23,476,660	(1,235,614)
0%	24,712,274	-
+5%	25,947,888	1,235,614
	<u>                    </u>	<u>                    </u>

##### (b) Interest rate risk

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

The Fund's exposure to the interest rate risk is mainly confined to short term deposits with a financial institution. The Manager overcomes this exposure by way of maintaining deposits on a short term basis.

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

##### (c) Currency risk

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



## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (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:

	Cash and cash <u>equivalents</u> USD	Amount due from <u>Manager</u> USD	<u>Total</u> USD
<u>Financial assets</u>			
<u>2020</u>			
Malaysian Ringgit	126,305	134,299	260,604
Singapore Dollar	7,604	-	7,604
	<u>133,909</u>	<u>134,299</u>	<u>268,208</u>
<u>2019</u>			
<u>Restated</u>			
Malaysian Ringgit	55,710	22,231	77,941
Singapore Dollar	533,133	106,264	639,397
	<u>588,843</u>	<u>128,495</u>	<u>717,338</u>
<u>2018</u>			
<u>Restated</u>			
Malaysian Ringgit	215,182	-	215,182
Singapore Dollar	540,633	24,629	565,262
	<u>755,815</u>	<u>24,629</u>	<u>780,444</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

##### Market risk (continued)

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

	Other payables* USD	Net assets attributable to unitholders USD	Total USD
<u>Financial liabilities</u>			
<u>2020</u>			
Malaysian Ringgit	127,625	21,266,638	21,394,263
Singapore Dollar	-	2,153,293	2,153,293
	<u>127,625</u>	<u>23,419,931</u>	<u>23,547,556</u>
<u>2019</u>			
<u>Restated</u>			
Malaysian Ringgit	6,673	9,716,647	9,723,320
Singapore Dollar	38,653	1,260,827	1,299,480
	<u>45,326</u>	<u>10,977,474</u>	<u>11,022,800</u>
<u>2018</u>			
<u>Restated</u>			
Malaysian Ringgit	43,455	11,333,968	11,377,423
Singapore Dollar	36,119	1,043,827	1,079,946
	<u>79,574</u>	<u>12,377,795</u>	<u>12,457,369</u>

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

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by each currency's respective historical volatility (2019 and 2018: 5%), with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding (decrease)/increase in the net assets attributable to unitholders by each currency's respective historical volatility (2019 and 2018: 5%). Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

##### Market risk (continued)

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

	Change in rate %	Impact on profit after tax/NAV USD
<u>2020</u>		
Malaysian Ringgit	+/- 6.05	-/+ 1,278,586
Singapore Dollar	+/- 5.43	-/+ 116,511
		<hr/>
<u>2019</u>		
<u>Restated</u>		
Malaysian Ringgit	+/- 5	-/+ 482,269
Singapore Dollar	+/- 5	-/+ 33,004
		<hr/>
<u>2018</u>		
<u>Restated</u>		
Malaysian Ringgit	+/- 5	-/+ 558,112
Singapore Dollar	+/- 5	-/+ 25,734
		<hr/>

##### 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, deposit with a 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.

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (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.

	Within <u>one month</u> USD	Between <u>one month</u> <u>to one year</u> USD	<u>Total</u> USD
<u>2020</u>			
Amount due to Manager			
- management fee	62,426	-	62,426
- cancellation of units	120,869	-	120,869
Amount due to Trustee	2,081	-	2,081
Auditors' remuneration	-	1,958	1,958
Tax agent's fee	-	2,062	2,062
Other payables and accruals	-	2,736	2,736
Net assets attributable to unitholders*	42,849,446	-	42,849,446
	<u>43,034,822</u>	<u>6,756</u>	<u>43,041,578</u>
<u>2019</u>			
<u>Restated</u>			
Amount due to Manager			
- management fee	37,406	-	37,406
- cancellation of units	164	-	164
Amount due to Trustee	1,247	-	1,247
Auditors' remuneration	-	1,796	1,796
Tax agent's fee	-	2,014	2,014
Other payables and accruals	-	2,699	2,699
Net assets attributable to unitholders*	25,185,809	-	25,185,809
	<u>25,224,626</u>	<u>6,509</u>	<u>25,231,135</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (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 USD	Between one month to one year USD	Total USD
2018			
<u>Restated</u>			
Amount due to brokers	21,930	-	21,930
Amount due to Manager			
- management fee	37,176	-	37,176
- cancellation of units	12,950	-	12,950
Amount due to Trustee	1,239	-	1,239
Auditors' remuneration	-	1,640	1,640
Tax agent's fee	-	2,023	2,023
Other payables and accruals	-	2,616	2,616
Net assets attributable to unitholders*	25,466,764	-	25,466,764
	<u>25,540,059</u>	<u>6,279</u>	<u>25,546,338</u>

\* Outstanding units are redeemed on demand at the unitholders' option. 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 these instruments typically retain them for the medium to long term.

##### Credit risk

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

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

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

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

##### Credit risk (continued)

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

	Cash and cash equivalents USD	Amount due from Manager USD	Total USD
<u>2020</u>			
Financial services			
- AAA	120,359	-	120,359
- AA1	930,788	-	930,788
Others			
- NR	-	176,459	176,459
	<u>1,051,147</u>	<u>176,459</u>	<u>1,227,606</u>
<u>2019</u>			
<u>Restated</u>			
Financial services			
- AAA	50,173	-	50,173
- AA1	562,055	-	562,055
Others			
- NR	-	128,495	128,495
	<u>612,228</u>	<u>128,495</u>	<u>740,723</u>
<u>2018</u>			
<u>Restated</u>			
Financial services			
- AAA	210,495	-	210,495
- AA1	598,940	-	598,940
Others			
- NR	-	24,629	24,629
	<u>809,435</u>	<u>24,629</u>	<u>834,064</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

##### Capital risk

The capital of the Fund is represented by net assets attributable to unitholders. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders.

The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

#### 3 FAIR VALUE ESTIMATION

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

The fair value of financial assets traded in active markets (such as trading securities) is based on quoted market prices at the close of trading on the period end date.

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

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

##### (i) Fair value hierarchy

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

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

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

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (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> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<u>2020</u>				
Financial asset at fair value through profit or loss - collective investment scheme	41,813,972	-	-	41,813,972
<u>2019</u> <u>Restated</u>				
Financial asset at fair value through profit or loss - collective investment scheme	24,490,412	-	-	24,490,412
<u>2018</u> <u>Restated</u>				
Financial asset at fair value through profit or loss - collective investment scheme	24,712,274	-	-	24,712,274

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

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



## **AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)**

#### **4 MANAGEMENT FEE**

In accordance with the Deeds, the Manager is entitled to a management fee at a rate not exceeding 1.80% per annum on the NAV of the Fund calculated on a daily basis.

For the financial year ended 30 September 2020, the management fee is recognised at a rate of 1.80% (2019: 1.80%) 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 at a rate not exceeding 0.10% per annum on the NAV of the Fund, excluding of foreign custodian fees and charges.

For the financial year ended 30 September 2020, the Trustee's fee is recognised at a rate of 0.06% (2019: 0.06%) 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.

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

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 6 TAXATION

	<u>2020</u> USD	<u>2019</u> <u>Restated</u> USD
Current taxation	-	-

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

	<u>2020</u> USD	<u>2019</u> <u>Restated</u> USD
Net profit before taxation	5,225,254	801,548
Tax at Malaysian statutory tax rate of 24% (2019: 24%)	1,254,061	192,372
Tax effects of:		
Investment income not subject to tax	(1,409,254)	(287,723)
Expenses not deductible for tax purposes	5,402	2,305
Restriction on tax deductible expenses for Wholesale Funds	149,791	93,046
Tax expense	-	-

#### 7 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2020</u> USD	<u>2019</u> <u>Restated</u> USD	<u>2018</u> <u>Restated</u> USD
Financial asset at fair value through profit or loss:			
- collective investment scheme – foreign	41,813,972	24,490,412	24,712,274
Net gain on financial asset at fair value through profit or loss:			
- realised gain on sale of investment	2,729,469	804,993	
- unrealised gain on changes in fair value	2,568,516	93,325	
- management fee rebate on collective investment scheme #	414,973	253,674	
	5,712,958	1,151,992	

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 7 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

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

(a) Collective investment scheme – foreign

(i) Collective investment scheme – foreign as at 30 September 2020 are as follows:

	<u>Quantity</u>	<u>Aggregate cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
Nikko AM Shenton Global Opportunities Fund – USD Class	34,499,977	36,122,779	41,813,972	97.58
Total collective investment scheme – foreign	<u>34,499,977</u>	<u>36,122,779</u>	<u>41,813,972</u>	<u>97.58</u>
Accumulated unrealised gain on collective investment scheme – foreign		<u>5,691,193</u>		
Total collective investment scheme – foreign		<u>41,813,972</u>		

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 7 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

(a) Collective investment scheme – foreign (continued)

(ii) Collective investment scheme – foreign as at 30 September 2019 (restated) are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> USD	<u>Fair value</u> USD	<u>Percentage of NAV</u> %
Nikko AM Shenton Global Opportunities Fund – SGD Class	21,623,360	21,367,735	24,490,412	97.24
Total collective investment scheme – foreign	<u>21,623,360</u>	<u>21,367,735</u>	<u>24,490,412</u>	<u>97.24</u>
Accumulated unrealised gain on collective investment scheme – foreign		<u>3,122,677</u>		
Total collective investment scheme – foreign		<u>24,490,412</u>		

(iii) Collective investment scheme – foreign as at 30 September 2018 (restated) are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> USD	<u>Fair value</u> USD	<u>Percentage of NAV</u> %
Nikko AM Shenton Global Opportunities Fund – SGD Class	22,447,623	21,682,922	24,712,274	97.04
Total collective investment scheme – foreign	<u>22,447,623</u>	<u>21,682,922</u>	<u>24,712,274</u>	<u>97.04</u>
Accumulated unrealised gain on collective investment scheme – foreign		<u>3,029,352</u>		
Total collective investment scheme – foreign		<u>24,712,274</u>		

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 8 CASH AND CASH EQUIVALENTS

	<u>2020</u> USD	<u>2019</u> <u>Restated</u> USD	<u>2018</u> <u>Restated</u> USD
Cash and bank balances	930,788	562,055	598,940
Deposit with a licensed financial institution	120,359	50,173	210,495
	<u>1,051,147</u>	<u>612,228</u>	<u>809,435</u>

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

	<u>2020</u> %	<u>2019</u> %	<u>2018</u> %
Deposit with a licensed financial institution	<u>1.75</u>	<u>3.00</u>	<u>3.25</u>

Deposit with a licensed financial institution of the Fund has an average maturity of 1 day (2019: 1 day; 2018: 1 day).

#### 9 NUMBER OF UNITS IN CIRCULATION

##### (a) MYR Class units in circulation

	<u>2020</u> No. of units	<u>2019</u> No. of units	<u>2018</u> No. of units
At the beginning of the financial year	60,056,000	71,792,000	39,846,000
Creation of units arising from applications	127,979,000	36,593,000	38,787,000
Cancellation of units	(78,007,000)	(48,329,000)	(6,841,000)
At the end of the financial year	<u>110,028,000</u>	<u>60,056,000</u>	<u>71,792,000</u>

##### (b) SGD Class units in circulation

	<u>2020</u> No. of units	<u>2019</u> No. of units	<u>2018</u> No. of units
At the beginning of the financial year	2,593,000	2,200,000	231,000
Creation of units arising from applications	1,806,000	1,247,000	1,995,000
Cancellation of units	(657,000)	(854,000)	(26,000)
At the end of the financial year	<u>3,742,000</u>	<u>2,593,000</u>	<u>2,200,000</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(c) USD Class units in circulation			
	<u>2020</u>	<u>2019</u>	<u>2018</u>
	No. of units	No. of units	No. of units
At the beginning of the financial year	20,689,000	19,531,000	210,000
Creation of units arising from applications	6,484,000	11,419,000	19,361,000
Cancellation of units	(3,301,000)	(10,261,000)	(40,000)
At the end of the financial year	<u>23,872,000</u>	<u>20,689,000</u>	<u>19,531,000</u>

#### 10 TRANSACTIONS WITH BROKER

- (a) Details of transactions with the broker for the financial year ended 30 September 2020 are as follows:

<u>Name of broker</u>	<u>Value of trade</u> USD	Percentage of <u>total trade</u> %
Nikko Asset Management Asia Ltd	<u>105,439,486</u>	<u>100.00</u>

- (b) Details of transactions with the broker for the financial year ended 30 September 2019 are as follows:

<u>Name of broker</u>	Restated <u>value of trade</u> USD	Percentage of <u>total trade</u> %
Nikko Asset Management Asia Ltd	<u>23,470,976</u>	<u>100.00</u>

# Included in transactions with brokers are trades with Nikko Asset Management Asia Ltd, a company related to the Manager amounting to USD105,439,486 (2019: USD23,470,976). The Manager is of the opinion that all transactions with the related company has been entered into in the normal course of business at agreed terms between the related parties.

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

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

<u>Related parties</u>	<u>Relationships</u>
Affin Hwang Asset Management Berhad	The Manager
Affin Hwang Investment Bank Berhad	Holding company of the Manager
Affin Bank Berhad ("ABB")	Ultimate holding company of the Manager
Subsidiaries and associated companies of ABB as disclosed in its financial statements	Subsidiaries and associated companies of the ultimate holding company of the Manager as disclosed in its financial statements
Nikko Asset Management Asia Ltd	Subsidiary of the substantial shareholder of the Manager

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

	<u>2020</u>		<u>2019</u>		<u>2018</u>	
	No. of units	USD	No. of units	Restated USD	No. of units	Restated USD
<u>The Manager:</u>						
Affin Hwang Asset Management Berhad (The booking are held legally for booking purposes)						
- MYR Class	3,640	704	2,735	443	3,060	483
- SGD Class	2,849	1,640	2,655	1,291	3,103	1,472
- USD Class	2,732	2,224	2,954	2,029	2,526	1,693

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 12 MANAGEMENT EXPENSE RATIO ("MER")

	<u>2020</u> %	<u>2019</u> %
MER	<u>1.88</u>	<u>1.89</u>

MER is derived from the following calculation:

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

A	=	Management fee, excluding management fee rebates
B	=	Trustee fee
C	=	Auditors' remuneration
D	=	Tax agent's fee
E	=	Other expenses
F	=	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 USD34,531,485 (2019: USD21,440,424).

#### 13 PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2020</u>	<u>2019</u>
PTR (times)	<u>1.53</u>	<u>0.55</u>

PTR is derived from the following calculation:

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

where: total acquisition for the financial year = USD58,473,420 (2019: USD11,283,139)  
total disposal for the financial year = USD46,966,066 (2019: USD12,187,837)

#### 14 CHANGES IN ACCOUNTING POLICY

As disclosed in Note D to the financial statements, the Fund has changed its functional currency and presentation currency during the year. The changes in presentation currency represents a change in accounting policy and has been applied retrospectively in accordance with MFRS 108 "Accounting Policies, Changes in Accounting Estimates and Errors". The changes in comparatives are related to the change in presentation currency of the Fund from SGD to USD. The changes in comparative have no impact on the results and performance of the Fund.

The effects of the change in presentation currency to the financial statements are summarised below.



# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

#### (i) Change in presentation currency

The effect of the change in comparatives is set out below:

	2019 As previously stated SGD	2019 Restated USD
Impact on the statement of comprehensive income for the financial year ended 30 September 2019 (extract):		
<b>INVESTMENT INCOME</b>		
Interest income from financial asset at amortised cost	3,527	2,580
Net gain on foreign currency exchange	60,516	44,274
Net gain on financial asset at fair value through profit or loss	1,617,814	1,151,992
	<u>1,681,857</u>	<u>1,198,846</u>
<b>EXPENSES</b>		
Management fee	(517,843)	(378,854)
Trustee fee	(17,581)	(12,862)
Auditors' remuneration	(2,482)	(1,817)
Tax agent's fee	(1,158)	(847)
Other expenses	(3,989)	(2,918)
	<u>(543,053)</u>	<u>(397,298)</u>
<b>NET PROFIT BEFORE TAXATION</b>	1,138,804	801,548
Taxation	-	-
<b>NET INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<u>1,138,804</u>	<u>801,548</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

##### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

	2019 As previously <u>stated</u> SGD	2019 <u>Restated</u> USD
Impact on the statement of financial position as at 30 September 2019 (extract):		
<b>ASSETS</b>		
Cash and cash equivalents	845,970	612,228
Amount due from Manager		
- creation of units	142,535	103,153
- rebate of management fee receivable	35,018	25,342
Financial asset at fair value through profit or loss	33,840,558	24,490,412
<b>TOTAL ASSETS</b>	<u>34,864,081</u>	<u>25,231,135</u>
<b>LIABILITIES</b>		
Amount due to Manager		
- management fee	51,688	37,406
- cancellation of units	226	164
Amount due to Trustee	1,723	1,247
Auditors' remuneration	2,482	1,796
Tax agent's fee	2,783	2,014
Other payables and accruals	3,729	2,699
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>	<u>62,631</u>	<u>45,326</u>
<b>NET ASSET VALUE OF THE FUND</b>	<u>34,801,450</u>	<u>25,185,809</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<u>34,801,450</u>	<u>25,185,809</u>

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

#### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

	2018 As previously <u>stated</u> SGD	2018 <u>Restated</u> USD
Impact on the statement of financial position for as at ended 30 September 2018 (extract):		
<b>ASSETS</b>		
Cash and cash equivalents	1,107,299	809,435
Amount due from Manager		
- rebate of management fee receivable	33,692	24,629
Financial asset at fair value through profit or loss	33,806,120	24,712,274
<b>TOTAL ASSETS</b>	<u>34,947,111</u>	<u>25,546,338</u>
<b>LIABILITIES</b>		
Amount due to brokers	30,000	21,930
Amount due to Manager		
- management fee	50,856	37,176
- cancellation of units	17,716	12,950
Amount due to Trustee	1,695	1,239
Auditors' remuneration	2,243	1,640
Tax agent's fee	2,768	2,023
Other payables and accruals	3,578	2,616
<b>TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)</b>	<u>108,856</u>	<u>79,574</u>
<b>NET ASSET VALUE OF THE FUND</b>	<u>34,838,255</u>	<u>25,466,764</u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	<u>34,838,255</u>	<u>25,466,764</u>

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

#### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

	2019 As previously stated SGD	2019 Restated USD
Impact on the statement of changes in net asset attributable to unitholders for the financial year ended 30 September 2019 (extract):		
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	34,838,255	25,466,764
Movement due to units created and cancelled during the financial year		
Creation of units arising from applications	18,130,955	13,264,607
- MYR Class	7,605,842	5,564,434
- SGD Class	766,697	560,916
- USD Class	9,758,416	7,139,257
Cancellation of units	(19,306,564)	(14,124,682)
- MYR Class	(9,997,415)	(7,314,109)
- SGD Class	(543,544)	(397,657)
- USD Class	(8,765,605)	(6,412,916)
Net increase in net assets attributable to unitholders during the financial year comprises of:		
Profit after taxation	1,138,804	801,548
- MYR Class	313,174	229,118
- SGD Class	91,099	66,648
- USD Class	734,531	537,383
Other comprehensive income		
Foreign currency translation	-	(222,428)
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR</b>	<b>34,801,450</b>	<b>25,185,809</b>

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

#### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

	2018 As previously stated SGD	2018 Restated USD
Impact on the statement of changes in net asset attributable to unitholders for the financial year ended 30 September 2018 (extract):		
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	7,880,220	5,803,782
Movement due to units created and cancelled during the financial year		
Creation of units arising from applications	25,608,028	19,060,055
- MYR Class	8,096,740	6,026,403
- SGD Class	1,280,481	953,062
- USD Class	16,230,807	12,080,590
Cancellation of units	(1,495,710)	(1,113,257)
- MYR Class	(1,447,223)	(1,077,168)
- SGD Class	(15,483)	(11,524)
- USD Class	(33,004)	(24,565)
Net increase in net assets attributable to unitholders during the financial year comprises of:		
Profit after taxation	2,845,717	2,118,067
- MYR Class	1,276,619	950,187
- SGD Class	30,896	22,996
- USD Class	1,538,202	1,144,884
Other comprehensive income		
Foreign currency translation	-	(401,883)
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR</b>	<b>34,838,255</b>	<b>25,466,764</b>

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

#### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

	2019 As previously <u>stated</u> SGD	2019 <u>Restated</u> USD
Impact on the statement of cash flow for the financial year ended 30 September 2019 (extract):		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Proceeds from sale of investments	16,659,638	12,188,191
Purchase of investments	(15,453,000)	(11,305,415)
Interest received	3,527	2,580
Management fee rebate received	355,012	259,727
Management fee paid	(526,611)	(385,269)
Trustee fee paid	(17,553)	(12,842)
Payments for other fees and expenses	(7,224)	(5,285)
Net realised gain on foreign currency exchange	60,501	44,263
	<u>1,074,290</u>	<u>785,950</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from creation of units	17,988,420	13,160,328
Payments for cancellation of units	(19,324,054)	(14,137,478)
	<u>(1,335,634)</u>	<u>(977,150)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(261,344)	(191,200)
<b>EFFECTS OF FOREIGN CURRENCY EXCHANGE</b>	15	(6,007)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<u>1,107,299</u>	<u>809,435</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<u><u>845,970</u></u>	<u><u>612,228</u></u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

##### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):

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

Financial instruments are as follows:

	At amortised cost SGD	At fair value through profit or loss SGD	Total SGD
2019			
<u>As previously stated</u>			
<u>Financial assets</u>			
Cash and cash equivalents	845,970	-	845,970
Amount due from Manager			
- creation of units	142,535	-	142,535
- rebate of management fee receivable	35,018	-	35,018
Collective investment scheme	-	33,840,558	33,840,558
Total	1,023,523	33,840,558	34,864,081
<u>Financial liabilities</u>			
Amount due to Manager			
- management fee	51,688	-	51,688
- cancellation of units	226	-	226
Amount due to Trustee	1,723	-	1,723
Auditors' remuneration	2,482	-	2,482
Tax agent's fee	2,783	-	2,783
Other payables and accruals	3,729	-	3,729
Total	62,631	-	62,631

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

Financial instruments are as follows: (continued)

	At amortised cost USD	At fair value through profit or loss USD	Total USD
2019 <u>Restated</u>			
<u>Financial assets</u>			
Cash and cash equivalents	612,228	-	612,228
Amount due from Manager			
- creation of units	103,153	-	103,153
- rebate of management fee receivable	25,342	-	25,342
Collective investment scheme	-	24,490,412	24,490,412
Total	740,723	24,490,412	25,231,135
<u>Financial liabilities</u>			
Amount due to Manager			
- management fee	37,406	-	37,406
- cancellation of units	164	-	164
Amount due to Trustee	1,247	-	1,247
Auditors' remuneration	1,796	-	1,796
Tax agent's fee	2,014	-	2,014
Other payables and accruals	2,699	-	2,699
Total	45,326	-	45,326



## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

##### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

Financial instruments are as follows:

	At amortised cost SGD	At fair value through profit or loss SGD	Total SGD
2018			
<u>As previously stated</u>			
<u>Financial assets</u>			
Cash and cash equivalents	1,107,299	-	1,107,299
Amount due from Manager			
- rebate of management fee receivable	33,692	-	33,692
Collective investment scheme	-	33,806,120	33,806,120
Total	<u>1,140,991</u>	<u>33,806,120</u>	<u>34,947,111</u>
<u>Financial liabilities</u>			
Amount due to brokers	30,000	-	30,000
Amount due to Manager			
- management fee	50,856	-	50,856
- cancellation of units	17,716	-	17,716
Amount due to Trustee	1,695	-	1,695
Auditors' remuneration	2,243	-	2,243
Tax agent's fee	2,768	-	2,768
Other payables and accruals	3,578	-	3,578
Total	<u>108,856</u>	<u>-</u>	<u>108,856</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

##### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

Financial instruments are as follows: (continued)

	At amortised cost USD	At fair value through profit or loss USD	Total USD
2018 <u>Restated</u>			
<u>Financial assets</u>			
Cash and cash equivalents	809,435	-	809,435
Amount due from Manager			
- rebate of management fee receivable	24,629	-	24,629
Collective investment scheme	-	24,712,274	24,712,274
Total	834,064	24,712,274	25,546,338
<u>Financial liabilities</u>			
Amount due to brokers	21,930	-	21,930
Amount due to Manager			
- management fee	37,176	-	37,176
- cancellation of units	12,950	-	12,950
Amount due to Trustee	1,239	-	1,239
Auditors' remuneration	1,640	-	1,640
Tax agent's fee	2,023	-	2,023
Other payables and accruals	2,616	-	2,616
Total	79,574	-	79,574

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

#### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

#### Market risk

##### (a) Price risk

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

	2019 <u>As previously stated</u> SGD	2019 <u>Restated</u> USD
<b>Quoted investment</b>		
Collective investment scheme	33,840,558	24,490,412

The following table summarises the sensitivity of the Fund's profit after taxation and net asset value to price risk movements.

<u>% Change in price</u>	<u>Market value</u> SGD	Impact on profit after tax/NAV SGD
2019 <u>As previously stated</u>		
-5%	32,148,530	(1,692,028)
0%	33,840,558	-
+5%	35,532,586	1,692,028
<u>% Change in price</u>	<u>Market value</u> USD	Impact on profit after tax/NAV USD
2019 <u>Restated</u>		
-5%	23,265,891	(1,224,521)
0%	24,490,412	-
+5%	25,714,933	1,224,521

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

#### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

#### Market risk

##### (a) Price risk

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

	2018 <u>As previously stated</u> SGD	2018 <u>Restated</u> USD
<b>Quoted investment</b>		
Collective investment scheme	33,806,120	24,712,274

The following table summarises the sensitivity of the Fund's profit after taxation and net asset value to price risk movements.

<u>% Change in price</u>	<u>Market value</u> SGD	Impact on profit after tax/NAV SGD
2018 <u>As previously stated</u>		
-5%	32,115,814	(1,690,306)
0%	33,806,120	-
+5%	35,496,426	1,690,306
<u>% Change in price</u>	<u>Market value</u> USD	Impact on profit after tax/NAV USD
2018 <u>Restated</u>		
-5%	23,476,660	(1,235,614)
0%	24,712,274	-
+5%	25,947,888	1,235,614

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

#### Market risk

- (c) Currency risk

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

	Cash and cash <u>equivalents</u> SGD	Amount due from <u>Manager</u> SGD	<u>Total</u> SGD
<u>Financial assets</u>			
2019			
<u>As previously stated</u>			
Malaysian Ringgit	76,979	30,718	107,697
United States Dollar	32,314	-	32,314
	<u>109,293</u>	<u>30,718</u>	<u>140,011</u>
	Cash and cash <u>equivalents</u> USD	Amount due from <u>Manager</u> USD	<u>Total</u> USD
2019			
<u>Restated</u>			
Malaysian Ringgit	55,710	22,231	77,941
Singapore Dollar	533,133	106,264	639,397
	<u>588,843</u>	<u>128,495</u>	<u>717,338</u>

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(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)

	Other payables* SGD	Net assets attributable to unitholders SGD	Total SGD
<u>Financial liabilities</u>			
2019 <u>As previously stated</u>			
Malaysian Ringgit	9,220	13,426,346	13,435,566
United States Dollar	-	19,632,908	19,632,908
	<u>9,220</u>	<u>33,059,254</u>	<u>33,068,474</u>
	Other payables* USD	Net assets attributable to unitholders USD	Total USD
2019 <u>Restated</u>			
Malaysian Ringgit	6,673	9,716,647	9,723,320
Singapore Dollar	38,653	1,260,827	1,299,480
	<u>45,326</u>	<u>10,977,474</u>	<u>11,022,800</u>

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

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

#### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(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)

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to changes in foreign exchange movements.

	Change in rate %	Impact on profit after tax/NAV SGD
2019 <u>As previously stated</u>		
Malaysian Ringgit	+/- 5	-/+ 666,393
United States Dollar	+/- 5	-/+ 980,030
	Change in rate %	Impact on profit after tax/NAV USD
2019 <u>Restated</u>		
Malaysian Ringgit	+/- 5	-/+ 482,269
Singapore Dollar	+/- 5	-/+ 33,004

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

#### Market risk

- (c) Currency risk

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

	Cash and cash <u>equivalents</u> SGD	Amount due from <u>Manager</u> SGD	<u>Total</u> SGD
<u>Financial assets</u>			
2018			
<u>As previously stated</u>			
Malaysian Ringgit	294,367	-	294,367
United States Dollar	73,352	-	73,352
	<u>367,719</u>	<u>-</u>	<u>367,719</u>
	Cash and cash <u>equivalents</u> USD	Amount due from <u>Manager</u> USD	<u>Total</u> USD
2018			
<u>Restated</u>			
Malaysian Ringgit	215,182	-	215,182
Singapore Dollar	540,633	24,629	565,262
	<u>755,815</u>	<u>24,629</u>	<u>780,444</u>



# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

#### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(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)

	Other payables* SGD	Net assets attributable to unitholders SGD	Total SGD
<u>Financial liabilities</u>			
2018			
<u>As previously stated</u>			
Malaysian Ringgit	26,305	15,504,745	15,531,050
United States Dollar	-	17,905,566	17,905,566
	<u>26,305</u>	<u>33,410,311</u>	<u>33,436,616</u>
	Other payables* USD	Net assets attributable to unitholders USD	Total USD
2018			
<u>Restated</u>			
Malaysian Ringgit	43,455	11,333,968	11,377,423
Singapore Dollar	36,119	1,043,827	1,079,946
	<u>79,574</u>	<u>12,377,795</u>	<u>12,457,369</u>

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

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(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)

The table below summarises the sensitivity of the Fund's profit after tax and net asset value to changes in foreign exchange movements.

	Change in rate %	Impact on profit after tax/NAV SGD
2018 <u>As previously stated</u>		
Malaysian Ringgit	+/- 5	-/+ 761,834
United States Dollar	+/- 5	-/+ 891,611
	Change in rate %	Impact on profit after tax/NAV USD
2018 <u>Restated</u>		
Malaysian Ringgit	+/- 5	-/+ 558,112
Singapore Dollar	+/- 5	-/+ 25,734

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

##### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

##### Liquidity risk

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

	Within one month SGD	Between one month to one year SGD	Total SGD
2019			
<u>As previously stated</u>			
Amount due to Manager			
- management fee	51,688	-	51,688
- cancellation of units	226	-	226
Amount due to Trustee	1,723	-	1,723
Auditors' remuneration	-	2,482	2,482
Tax agent's fee	-	2,783	2,783
Other payables and accruals	-	3,729	3,729
Net assets attributable to unitholders*	34,801,450	-	34,801,450
	<u>34,855,087</u>	<u>8,994</u>	<u>34,864,081</u>

	Within one month USD	Between one month to one year USD	Total USD
2019			
<u>Restated</u>			
Amount due to Manager			
- management fee	37,406	-	37,406
- cancellation of units	164	-	164
Amount due to Trustee	1,247	-	1,247
Auditors' remuneration	-	1,796	1,796
Tax agent's fee	-	2,014	2,014
Other payables and accruals	-	2,699	2,699
Net assets attributable to unitholders*	25,185,809	-	25,185,809
	<u>25,224,626</u>	<u>6,509</u>	<u>25,231,135</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

##### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

##### Liquidity risk

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

	Within one month SGD	Between one month to one year SGD	Total SGD
2018			
<u>As previously stated</u>			
Amount due to brokers	30,000	-	30,000
Amount due to Manager			
- management fee	50,856	-	50,856
- cancellation of units	17,716	-	17,716
Amount due to Trustee	1,695	-	1,695
Auditors' remuneration	-	2,243	2,243
Tax agent's fee	-	2,768	2,768
Other payables and accruals	-	3,578	3,578
Net assets attributable to unitholders*	34,838,255	-	34,838,255
	<u>34,938,522</u>	<u>8,589</u>	<u>34,947,111</u>

	Within one month USD	Between one month to one year USD	Total USD
2018			
<u>Restated</u>			
Amount due to brokers	21,930	-	21,930
Amount due to Manager			
- management fee	37,176	-	37,176
- cancellation of units	12,950	-	12,950
Amount due to Trustee	1,239	-	1,239
Auditors' remuneration	-	1,640	1,640
Tax agent's fee	-	2,023	2,023
Other payables and accruals	-	2,616	2,616
Net assets attributable to unitholders*	25,466,764	-	25,466,764
	<u>25,540,059</u>	<u>6,279</u>	<u>25,546,338</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

##### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

##### Credit risk

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

	Cash and cash <u>equivalents</u> SGD	Amount due from <u>Manager</u> SGD	<u>Total</u> SGD
2019			
<u>As previously stated</u>			
Financial services			
- AAA	69,329	-	69,329
- AA1	776,641	-	776,641
Others			
- NR	-	177,553	177,553
	<u>845,970</u>	<u>177,553</u>	<u>1,023,523</u>
	Cash and cash <u>equivalents</u> USD	Amount due from <u>Manager</u> USD	<u>Total</u> USD
2019			
<u>Restated</u>			
Financial services			
- AAA	50,173	-	50,173
- AA1	562,055	-	562,055
Others			
- NR	-	128,495	128,495
	<u>612,228</u>	<u>128,495</u>	<u>740,723</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

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

##### Credit risk

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

	Cash and cash <u>equivalents</u> SGD	Amount due from <u>Manager</u> SGD	<u>Total</u> SGD
2018			
<u>As previously stated</u>			
Financial services			
- AAA	287,955	-	287,955
- AA1	819,344	-	819,344
Others			
- NR	-	33,692	33,692
	<u>1,107,299</u>	<u>33,692</u>	<u>1,140,991</u>

	Cash and cash <u>equivalents</u> USD	Amount due from <u>Manager</u> USD	<u>Total</u> USD
2018			
<u>Restated</u>			
Financial services			
- AAA	210,495	-	210,495
- AA1	598,940	-	598,940
Others			
- NR	-	24,629	24,629
	<u>809,435</u>	<u>24,629</u>	<u>834,064</u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

#### 3 FAIR VALUE ESTIMATION

- (i) Fair value hierarchy

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

	<u>Level 1</u> SGD	<u>Level 2</u> SGD	<u>Level 3</u> SGD	<u>Total</u> SGD
2019				
<u>As previously stated</u>				
Financial asset at fair value through profit or loss - collective investment scheme	33,840,558	-	-	33,840,558
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
2019				
<u>Restated</u>				
Financial asset at fair value through profit or loss - collective investment scheme	24,490,412	-	-	24,490,412
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

#### 3 FAIR VALUE ESTIMATION

- (i) Fair value hierarchy

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

	<u>Level 1</u> SGD	<u>Level 2</u> SGD	<u>Level 3</u> SGD	<u>Total</u> SGD
2018				
<u>As previously stated</u>				
Financial asset at fair value through profit or loss - collective investment scheme	33,806,120	-	-	33,806,120
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
2018				
<u>Restated</u>				
Financial asset at fair value through profit or loss - collective investment scheme	24,712,274	-		24,712,274
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>



## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

##### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements  
for the financial year ended 30 September 2019 (extract):

#### 6 TAXATION

	2019 <u>As previously stated</u> SGD	2019 <u>Restated</u> USD
Current taxation	-	-

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

	2019 <u>As previously stated</u> SGD	2019 <u>Restated</u> USD
Net profit before taxation	1,138,804	801,548
Tax at Malaysian statutory tax rate of 24%	273,313	192,372
Tax effects of:		
Investment income not subject to tax	(320,429)	(287,723)
Expenses not deductible for tax purposes	5,335	2,305
Restriction on tax deductible expenses for Wholesale Funds	41,781	93,046
Tax expense	-	-

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

#### (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):

### 7 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	2019 <u>As previously stated</u> SGD	2019 <u>Restated</u> USD
Financial asset at fair value through profit or loss:		
- collective investment scheme – foreign	33,840,558	24,490,412

	2019 <u>As previously stated</u> SGD	2019 <u>Restated</u> USD
Net gain on financial asset at fair value through profit or loss:		
- realised gain on sale of investment	1,100,319	804,993
- unrealised gain on changes in fair value	170,757	93,325
- management fee rebate on collective investment scheme #	346,738	253,674
	<u>1,617,814</u>	<u>1,151,992</u>

#### (a) Collective investment scheme – foreign

##### (i) Collective investment scheme – foreign as at 30 September 2019 (as previously stated) are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> SGD	<u>Fair value</u> SGD	<u>Percentage of NAV</u> %
Nikko AM Shenton Global Opportunities Fund – SGD Class	21,623,360	29,525,681	33,840,558	97.24
Total collective investment scheme – foreign	<u>21,623,360</u>	<u>29,525,681</u>	<u>33,840,558</u>	<u>97.24</u>
Accumulated unrealised gain on collective investment scheme – foreign		<u>4,314,877</u>		
Total collective investment scheme – foreign		<u>33,840,558</u>		

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

#### 7 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

- (a) Collective investment scheme – foreign (continued)

- (ii) Collective investment scheme – foreign as at 30 September 2019 (restated) are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> USD	<u>Fair value</u> USD	<u>Percentage of NAV</u> %
Nikko AM Shenton Global Opportunities Fund – SGD Class	21,623,360	21,367,735	24,490,412	97.24
Total collective investment scheme – foreign	<u>21,623,360</u>	<u>21,367,735</u>	<u>24,490,412</u>	<u>97.24</u>
Accumulated unrealised gain on collective investment scheme – foreign		<u>3,122,677</u>		
Total collective investment scheme – foreign		<u>24,490,412</u>		

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

#### 7 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	2018 <u>As previously stated</u> SGD	2018 <u>Restated</u> USD
Financial asset at fair value through profit or loss:		
- collective investment scheme – foreign	33,806,120	24,712,274

- (a) Collective investment scheme – foreign

- (i) Collective investment scheme – foreign as at 30 September 2018 (as previously stated) are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> SGD	<u>Fair value</u> SGD	<u>Percentage of NAV</u> %
Nikko AM Shenton Global Opportunities Fund - SGD Class	22,447,623	29,662,000	33,806,120	97.04
Total collective investment scheme – foreign	<u>22,447,623</u>	<u>29,662,000</u>	<u>33,806,120</u>	<u>97.04</u>
Accumulated unrealised gain on collective investment scheme – foreign		4,144,120		
Total collective investment scheme – foreign		<u>33,806,120</u>		

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

#### 7 FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

- (a) Collective investment scheme – foreign (continued)

- (ii) Collective investment scheme – foreign as at 30 September 2018 (restated) are as follows:

	<u>Quantity</u>	<u>Aggregate cost USD</u>	<u>Fair value USD</u>	<u>Percentage of NAV %</u>
Nikko AM Shenton Global Opportunities Fund – SGD Class	22,447,623	21,682,922	24,712,274	97.04
Total collective investment scheme – foreign	<u>22,447,623</u>	<u>21,682,922</u>	<u>24,712,274</u>	<u>97.04</u>
Accumulated unrealised gain on collective investment scheme – foreign		<u>3,029,352</u>		
Total collective investment scheme – foreign		<u>24,712,274</u>		

## AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

### NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

#### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):  
(continued)

#### 8 CASH AND CASH EQUIVALENTS

	2019 <u>As previously stated</u> SGD	2019 <u>Restated</u> USD
Cash and bank balances	776,641	562,055
Deposit with a licensed financial institution	69,329	50,173
	<u>845,970</u>	<u>612,228</u>

	2018 <u>As previously stated</u> SGD	2018 <u>Restated</u> USD
Cash and bank balances	819,344	598,940
Deposit with a licensed financial institution	287,955	210,495
	<u>1,107,299</u>	<u>809,435</u>

Impact on the notes to financial statements  
for the financial year ended 30 September 2019 (extract):

#### 10 TRANSACTIONS WITH BROKER

- (a) Details of transactions with the broker for the financial year ended 30 September 2019 are as follows:

<u>Name of broker</u>	<u>As previously stated</u> <u>Value of trade</u> SGD	<u>Restated</u> <u>Value of trade</u> USD
Nikko Asset Management Asia Ltd	<u>32,082,638</u>	<u>23,470,976</u>

# AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2020 (CONTINUED)

### 14 CHANGES IN ACCOUNTING POLICY (CONTINUED)

- (i) Change in presentation currency (continued)

The effect of the change in comparatives is set out below: (continued)

Impact on the notes to financial statements as at 30 September 2019/2018 (extract):

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

	As previously restated 2019		Restated 2019	
	No. of units	SGD	No. of units	USD
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad				
(The units are held legally for booking purposes)				
- MYR Class	2,735	612	2,735	443
- SGD Class	2,655	1,784	2,655	1,291
- USD Class	2,954	2,803	2,954	2,029

	As previously restated 2018		2018 Restated	
	No. of units	SGD	No. of units	USD
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad				
(The units are held legally for booking purposes)				
- MYR Class	3,060	661	3,060	483
- SGD Class	3,103	2,014	3,103	1,472
- USD Class	2,526	2,316	2,526	1,693

### 15 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

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

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

## **AFFIN HWANG WORLD SERIES - GLOBAL EQUITY FUND**

### **STATEMENT BY THE MANAGER**

I, 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 my opinion as the Manager, the financial statements set out on pages 1 to 64 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 September 2020 and of its financial performance, net assets attributable to unitholders and cash flows for the financial year ended 30 September 2020 in accordance with the Malaysia Financial Reporting Standards and International Financial Reporting Standards.

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

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

Kuala Lumpur  
16 November 2020



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

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Our opinion

In our opinion, the financial statements of Affin Hwang World Series – Global Equity Fund (“the Fund”) give a true and fair view of the financial position of the Fund as at 30 September 2020, and of its financial performance and its cash flows for the 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 September 2020, and the statement of comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 1 to 64.

#### 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 (including International Independence Standards) (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF  
AFFIN HWANG WORLD SERIES - GLOBAL EQUITY 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 controls as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

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

## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF AFFIN HWANG WORLD SERIES - GLOBAL EQUITY 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS OF  
AFFIN HWANG WORLD SERIES - GLOBAL EQUITY 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  
16 November 2020

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