Affin Hwang World Series - Global Income Fund

Annual Report

31 August 2020

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

AFFIN HWANG CAPITAL

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

TRUSTEE
TMF Trustees Malaysia Berhad (610812-W)

AFFIN HWANG WORLD SERIES – GLOBAL INCOME FUND

Annual Report and Audited Financial Statements
For the Financial Year Ended 31 August 2020

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FUND INFORMATION

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<tr><td>Fund Type</td><td>Income</td></tr>
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<tr><td>Benchmark</td><td>Bloomberg Barclays U.S. Aggregate Index</td></tr>
<tr><td>Distribution Policy</td><td>Subject to the availability of income, the Fund endeavours to distribute income for the respective Classes in the following manner, after the end of its financial year:

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BREAKDOWN OF UNITHOLDERS BY SIZE USD CLASS AS AT 31 AUGUST 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	4	5
5,001 to 10,000	2	17
10,001 to 50,000	16	456
50,001 to 500,000	22	2,918
500,001 and above	11	49,033
Total	**55**	**52,429**

** Note : Excluding Manager's stock*

BREAKDOWN OF UNITHOLDERS BY SIZE AUD HEDGED-CLASS AS AT 31 AUGUST 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	1	1
5,001 to 10,000	1	10
10,001 to 50,000	7	181
50,001 to 500,000	15	2,515
500,001 and above	7	47,152
Total	**31**	**49,859**

** Note : Excluding Manager's stock*

BREAKDOWN OF UNITHOLDERS BY SIZE GBP HEDGED-CLASS AS AT 31 AUGUST 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	3	1
5,001 to 10,000	1	9
10,001 to 50,000	4	65
50,001 to 500,000	10	2,168
500,001 and above	2	14,390
Total	**20**	**16,633**

** Note : Excluding Manager's stock*

BREAKDOWN OF UNITHOLDERS BY SIZE MYR CLASS AS AT 31 AUGUST 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	10	7
5,001 to 10,000	0	0
10,001 to 50,000	3	115
50,001 to 500,000	30	4,413
500,001 and above	7	18,397
Total	**50**	**22,932**

** Note : Excluding Manager's stock*

BREAKDOWN OF UNITHOLDERS BY SIZE MYR HEDGED-CLASS AS AT 31 AUGUST 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	9	3
5,001 to 10,000	0	0
10,001 to 50,000	30	943
50,001 to 500,000	88	16,219
500,001 and above	33	298,436
Total	**160**	**315,601**

** Note : Excluding Manager's stock*

BREAKDOWN OF UNITHOLDERS BY SIZE SGD HEDGED-CLASS AS AT 31 AUGUST 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	2	3
5,001 to 10,000	0	0
10,001 to 50,000	7	186
50,001 to 500,000	9	1,913
500,001 and above	9	37,290
Total	**27**	**39,392**

** Note : Excluding Manager's stock*

BREAKDOWN OF UNITHOLDERS BY SIZE EUR HEDGED-CLASS AS AT 31 AUGUST 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	1	0
5,001 to 10,000	0	0
10,001 to 50,000	2	62
50,001 to 500,000	2	112
500,001 and above	1	1,974
Total	**6**	**2,148**

** Note : Excluding Manager's stock*

FUND PERFORMANCE DATA

Category	As at 31 Aug 2020 (%)	As at 31 Aug 2019 (%)	As at 31 Aug 2018 (%)
Portfolio Composition			
Collective investment scheme	96.78	97.82	98.59
Cash & cash equivalent	3.22	2.18	1.41
Total	**100.00**	**100.00**	**100.00**

FUND PERFORMANCE DATA (CONTINUED)

Category	As at 31 Aug 2020 (%)							As at 31 Aug 2019 (%)							As at 31 Aug 2018 (%)						
Currency class	**USD Class**	**AUDH Class**	**GBPH Class**	**MYR Class**	**MYRH Class**	**SGDH Class**	**EURH Class**	**USD Class**	**AUDH Class**	**GBPH Class**	**MYR Class**	**MYRH Class**	**SGDH Class**	**EURH Class**	**USD Class**	**AUDH Class**	**GBPH Class**	**MYR Class**	**MYRH Class**	**SGDH Class**	**EURH Class**
Total NAV (million)	28.028	26.801	8.157	12.266	174.82	20.352	1.042	36.252	29.870	10.773	14.465	192.10	25.487	1.500	39.564	17.278	18.310	5.037	200.43	26.304	2.048
NAV per Unit (in respective currencies)	0.5346	0.5375	0.4903	0.5348	0.5539	0.5166	0.4845	0.5380	0.5512	0.5034	0.5437	0.5603	0.5257	0.4987	0.5253	0.5258	0.5014	0.5194	0.5437	0.5112	0.4886
Unit in Circulation (million)	52.432	49.861	16.636	22.935	315.605	39.395	2.150	67.389	54.188	21.401	26.605	342.87	48.485	3.008	75.309	32.862	36.520	9.698	368.67	51.455	4.192
Highest NAV	0.5505	0.5609	0.5121	0.5560	0.5706	0.5351	0.5064	0.5454	0.5580	0.5113	0.5475	0.5663	0.5329	0.5059	0.5441	0.5420	0.5216	0.5543	0.5550	0.5300	0.5026
Lowest NAV	0.4663	0.4700	0.4290	0.4961	0.4834	0.4512	0.4249	0.5194	0.5227	0.4928	0.5194	0.5383	0.5046	0.4821	0.5244	0.5239	0.5005	0.4930	0.5405	0.5100	0.4878
Return of the fund (%)	2.86	0.87	0.80	1.84	3.10	1.96	0.61	5.59	4.83	3.43	8.06	5.88	4.52	2.07	-0.51	-0.68	-1.91	-4.63	0.45	-1.46	-2.28
- Capital Return (%)	-0.63	-2.49	-2.60	-1.64	-1.14	-1.73	-2.85	2.42	4.83	0.40	4.68	3.05	2.84	2.07	-3.08	-2.52	-3.80	-6.30	-1.36	-3.33	-2.28
- Income Return (%)	3.52	3.44	3.50	3.53	4.29	3.75	3.56	3.10	Nil	3.02	3.23	2.74	1.64	Nil	2.65	1.89	1.97	1.78	1.84	1.94	Nil
Gross Distribution per Unit (sen)	1.822	1.81	1.68	1.86	2.31	1.89	1.69	1.63	Nil	1.50	1.69	1.50	0.85	Nil	1.40	1.00	1.00	0.92	1.00	1.00	Nil
Net Distribution per Unit (sen)	1.822	1.81	1.68	1.86	2.31	1.89	1.69	1.63	Nil	1.50	1.69	1.50	0.85	Nil	1.40	1.00	1.00	0.92	1.00	1.00	Nil
Management Expense Ratio (%)[1]	1.53							1.52							1.05						
Portfolio Turnover Ratio (times)[2]	0.30							0.15							0.39						

[1] The Fund's MER was higher than previous year due to lower average net asset value of the Fund for the financial year.
[2] The Fund's PTR was higher than previous year due to higher trading activities for the financial year.

Basis of calculation and assumption made in calculating the returns:-
The performance figures are a comparison of the growth/decline in NAV for the stipulated period taking into account all the distribution payable (if any) during the stipulated period.

An illustration of the above would be as follow:-

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

MANAGER'S REPORT

Income Distribution / Unit Split

The Net Asset Value per unit prior and subsequent to the distribution was as follows:-

USD Class

Cum Date	Ex-Date	Cum-distribution (USD)	Distribution per Unit (USD)	Ex-distribution (USD)
17-Sep-19	18-Sep-19	0.5400	0.0012	0.5388
15-Oct-19	16-Oct-19	0.5418	0.00002	0.5422
19-Nov-19	20-Nov-19	0.5434	0.0017	0.5417
17-Dec-19	18-Dec-19	0.5465	0.0017	0.5453
14-Jan-20	15-Jan-20	0.5497	0.0017	0.5480
18-Feb-20	19-Feb-20	0.5505	0.0017	0.5488
17-Mar-20	18-Mar-20	0.5012	0.0017	0.4841
14-Apr-20	15-Apr-20	0.5078	0.0017	0.5034
19-May-20	20-May-20	0.5092	0.0017	0.5097
16-Jun-20	17-Jun-20	0.5265	0.0017	0.5248
14-Jul-20	15-Jul-20	0.5266	0.0017	0.5262
18-Aug-20	19-Aug-20	0.5335	0.0017	0.5322

AUD Hedged-class

Cum Date	Ex-Date	Cum-distribution (AUD)	Distribution per Unit (AUD)	Ex-distribution (AUD)
17-Dec-19	18-Dec-19	0.5609	0.0045	0.5568
14-Jan-20	15-Jan-20	0.5608	0.0017	0.5590
18-Feb-20	19-Feb-20	0.5605	0.0017	0.5588
17-Mar-20	18-Mar-20	0.5069	0.0017	0.4889
14-Apr-20	15-Apr-20	0.5116	0.0017	0.5071
19-May-20	20-May-20	0.5128	0.0017	0.5133
16-Jun-20	17-Jun-20	0.5298	0.0017	0.5280
14-Jul-20	15-Jul-20	0.5297	0.0017	0.5293
18-Aug-20	19-Aug-20	0.5365	0.0017	0.5352

GBP Hedged-class

Cum Date	Ex-Date	Cum-distribution (GBP)	Distribution per Unit (GBP)	Ex-distribution (GBP)
17-Dec-19	18-Dec-19	0.5121	0.0045	0.5080
14-Jan-20	15-Jan-20	0.5114	0.0017	0.5097
18-Feb-20	19-Feb-20	0.5114	0.0016	0.5098
17-Mar-20	18-Mar-20	0.4645	0.0015	0.4478
14-Apr-20	15-Apr-20	0.4664	0.0016	0.4622
19-May-20	20-May-20	0.4673	0.0015	0.4678
16-Jun-20	17-Jun-20	0.4829	0.0015	0.4814

14-Jul-20	15-Jul-20	0.4830	0.0015	0.4824
18-Aug-20	19-Aug-20	0.4891	0.0014	0.4881

MYR Class

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
17-Sep-19	18-Sep-19	0.5428	0.0016	0.5416
19-Nov-19	20-Nov-19	0.5424	0.0017	0.5417
17-Dec-19	18-Dec-19	0.5437	0.0017	0.5419
14-Jan-20	15-Jan-20	0.5376	0.0017	0.5362
18-Feb-20	19-Feb-20	0.549	0.0017	0.5483
17-Mar-20	18-Mar-20	0.5236	0.0017	0.5083
14-Apr-20	15-Apr-20	0.5284	0.0017	0.5247
19-May-20	20-May-20	0.5317	0.0017	0.5325
16-Jun-20	17-Jun-20	0.5408	0.0017	0.5395
14-Jul-20	15-Jul-20	0.5402	0.0017	0.5390
18-Aug-20	19-Aug-20	0.5361	0.0017	0.5338

MYR Hedged-class

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
17-Sep-19	18-Sep-19	0.5625	0.005	0.5577
17-Dec-19	18-Dec-19	0.5687	0.0045	0.5647
14-Jan-20	15-Jan-20	0.5688	0.0017	0.5671
18-Feb-20	19-Feb-20	0.5706	0.0017	0.5688
17-Mar-20	18-Mar-20	0.5201	0.0017	0.5023
14-Apr-20	15-Apr-20	0.5244	0.0017	0.5196
19-May-20	20-May-20	0.5257	0.0017	0.5263
16-Jun-20	17-Jun-20	0.5440	0.0017	0.5424
14-Jul-20	15-Jul-20	0.5445	0.0017	0.5442

SGD Hedged-class

Cum Date	Ex-Date	Cum-distribution (SGD)	Distribution per Unit (SGD)	Ex-distribution (SGD)
17-Sep-19	18-Sep-19	0.5275	0.0012	0.5263
17-Dec-19	18-Dec-19	0.5347	0.0045	0.5306
14-Jan-20	15-Jan-20	0.5346	0.0017	0.5329
18-Feb-20	19-Feb-20	0.5349	0.0017	0.5332
17-Mar-20	18-Mar-20	0.4864	0.0017	0.4692
14-Apr-20	15-Apr-20	0.4916	0.0017	0.4871
19-May-20	20-May-20	0.4927	0.0017	0.4932
16-Jun-20	17-Jun-20	0.5091	0.0017	0.5074
14-Jul-20	15-Jul-20	0.5089	0.0015	0.5086
18-Aug-20	19-Aug-20	0.5155	0.0015	0.5144

EUR Hedged-class

Cum Date	Ex-Date	Cum-distribution (EUR)	Distribution per Unit (EUR)	Ex-distribution (EUR)
17-Dec-19	18-Dec-19	0.5064	0.0045	0.5022
14-Jan-20	15-Jan-20	0.5052	0.0017	0.5034
18-Feb-20	19-Feb-20	0.5047	0.0017	0.5029
17-Mar-20	18-Mar-20	0.4587	0.0017	0.4421
14-Apr-20	15-Apr-20	0.4622	0.0014	0.4583
19-May-20	20-May-20	0.4629	0.0015	0.4633
16-Jun-20	17-Jun-20	0.4781	0.0015	0.4766

14-Jul-20	15-Jul-20	0.4778	0.0015	0.4774
18-Aug-20	19-Aug-20	0.4836	0.0014	0.4826

No unit split were declared for the financial year ended 31 August 2020.

Performance Review

AUD Hedged-Class

For the period under review from 1 September 2019 – 31 August 2020, the Fund registered a 0.87% return compared to the benchmark return of 6.47%. The Fund thus underperformed the Benchmark by 5.60%. The Net Asset Value ("NAV") per unit of the Fund as at 31 August 2020 was AUD 0.5375 compared to its NAV per unit as at 31 August 2019 was AUD 0.5512. The Fund has declared a gross income distribution of AUD0.0181 per unit during the period under review.

Since its inception to 31 August 2020, the Fund has registered a return of 13.51%. Compared to the benchmark that rose 18.18% for the same period, the Fund underperformed the Benchmark by 4.67 percentage points. The Fund has declared a gross income distribution of AUD 0.0291 per unit during the period. The Fund will continue to be managed in a manner to fulfill its objective.

EUR Hedged-Class

For the period under review from 1 September 2019 – 31 August 2020, the Fund registered a 0.61% return compared to the benchmark return of 6.47%. The Fund thus underperformed the Benchmark by 5.86%. The Net Asset Value ("NAV") per unit of the Fund as at 31 August 2020 was EUR0.4845 compared to its NAV per unit as at 31 August 2019 was EUR0.4987. The Fund has declared a gross income distribution of EUR0.0169 per unit during the period under review.

Since its inception to 31 August 2020, the Fund has registered a return of 0.35%. Compared to the benchmark that rose 19.09% for the same period, the Fund underperformed the Benchmark by 18.74 percentage points. The Fund has declared a gross income distribution of EUR0.0169 per unit during the period. The Fund will continue to be managed in a manner to fulfill its objective.

GBP Hedged-Class

For the period under review from 1 September 2019 – 31 August 2020, the Fund registered a 0.80% return compared to the benchmark return of 6.47%. The Fund thus underperformed the Benchmark by 5.67%. The Net Asset Value ("NAV") per unit of the Fund as at 31 August 2020 was GBP0.4903 compared to its NAV per unit as at 31 August 2019 was GBP0.5034. The Fund has declared a gross income distribution of GBP0.0168 per unit during the period under review.

Since its inception to 31 August 2020, the Fund has registered a return of 6.81%. Compared to the benchmark that rose 16.67% for the same period, the Fund underperformed the Benchmark by 9.86 percentage points. The Fund has declared a gross income distribution of GBP0.0428 per unit during the period. The Fund will continue to be managed in a manner to fulfill its objective.

MYR Hedged Class

For the period under review from 1 September 2019 – 31 August 2020, the Fund registered a 3.10% return compared to the benchmark return of 6.47%. The Fund thus underperformed the Benchmark by 3.37%. The Net Asset Value ("NAV") per unit of the Fund as at 31 August 2020 was RM 0.5539 compared to its NAV per unit as at 31 August 2019 was RM 0.5603. The Fund has declared a gross income distribution of RM0.0231 per unit during the period under review.

Since its inception to 31 August 2020, the Fund has registered a return of 20.89%. Compared to the benchmark that rose 18.18% for the same period, the Fund outperformed the Benchmark by 2.71

percentage points. The Fund has declared a gross income distribution of RM0.0481 per unit during the period. The Fund will continue to be managed in a manner to fulfill its objective.

MYR Class

For the period under review from 1 September 2019 – 31 August 2020, the Fund registered a 1.84% return compared to the benchmark return of 6.47%. The Fund thus underperformed the Benchmark by 4.63%. The Net Asset Value ("NAV") per unit of the Fund as at 31 August 2020 was RM 0.5348 compared to its NAV per unit as at 31 August 2019 was RM 0.5437. The Fund has declared a gross income distribution of RM0.0186 per unit during the period under review.

Since its inception to 31 August 2020, the Fund has registered a return of 16.68%. Compared to the benchmark that rose 16.67% for the same period, the Fund outperformed the Benchmark by 0.01 percentage points. The Fund has declared a gross income distribution of RM0.0462 per unit during the period. The Fund will continue to be managed in a manner to fulfill its objective.

SGD Hedged Class

For the period under review from 1 September 2019 – 31 August 2020, the Fund registered a 1.96% return compared to the benchmark return of 6.47%. The Fund thus underperformed the Benchmark by 4.51%. The Net Asset Value ("NAV") per unit of the Fund as at 31 August 2020 was SGD0.5166 compared to its NAV per unit as at 31 August 2019 was SGD0.5257. The Fund has declared a gross income distribution of SGD 0.0189 per unit during the period under review.

Since its inception to 31 August 2020, the Fund has registered a return of 11.27%. Compared to the benchmark that rose 18.18% for the same period, the Fund underperformed the Benchmark by 6.91 percentage points. The Fund has declared a gross income distribution of SGD 0.0384 per unit during the period. The Fund will continue to be managed in a manner to fulfill its objective.

USD Class

For the period under review from 1 September 2019 – 31 August 2020, the Fund registered a 2.86% return compared to the benchmark return of 6.47%. The Fund thus underperformed the Benchmark by 3.61%. The Net Asset Value ("NAV") per unit of the Fund as at 31 August 2020 was USD 0.5346 compared to its NAV per unit as at 31 August 2019 was USD 0.5380. The Fund has declared a gross income distribution of USD0.01822 per unit during the period under review.

Since its inception to 31 August 2020, the Fund has registered a return of 17.36%. Compared to the benchmark that rose 18.18% for the same period, the Fund underperformed the Benchmark by 0.82 percentage points. The Fund has declared a gross income distribution of SGD 0.04952 per unit during the period. The Fund will continue to be managed in a manner to fulfill its objective.

AUD Hedged-Class

Table 1: Performance of the Fund

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (13/6/16 - 31/8/20)
Fund	**0.87%**	**5.03%**	**13.51%**
Benchmark	**6.47%**	**16.07%**	**18.18%**
Outperformance / (Underperformance)	**(5.60%)**	**(11.04%)**	**(4.67%)**

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (13/6/16 - 31/8/20)
Fund	**0.87%**	**1.65%**	**3.05%**
Benchmark	**6.47%**	**5.09%**	**4.04%**
Outperformance / (Underperformance)	**(5.60%)**	**(3.44%)**	**(0.99%)**

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2020 (01/9/19 - 31/8/20)	FYE 2019 (01/9/18 - 31/8/19)	FYE 2018 (01/9/17 - 31/8/18)	FYE 2017 (13/6/16 - 31/8/17)
Fund	**0.87%**	**4.83%**	**(0.68%)**	**8.08%**
Benchmark	**6.47%**	**10.17%**	**(1.05%)**	**1.82%**
Outperformance / (Underperformance)	**(5.60%)**	**(5.34%)**	**0.37%**	**6.26%**

Source of Benchmark: Bloomberg

EUR Hedged-Class

Table 1: Performance of the Fund

	1 Year (1/9/19 - 31/8/20)	Since Commencement (22/2/18 - 31/8/20)
Fund	**0.61%**	**0.35%**
Benchmark	**6.47%**	**19.09%**
Outperformance / (Underperformance)	**(5.86%)**	**(18.74%)**

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/19 - 31/8/20)	Since Commencement (22/2/18 - 31/8/20)
Fund	**0.61%**	**0.14%**
Benchmark	**6.47%**	**7.16%**
Outperformance / (Underperformance)	**(5.86%)**	**(7.02%)**

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2020 (01/9/19 - 31/8/20)	FYE 2019 (01/9/18 - 31/8/19)	FYE 2018 (22/2/18 - 31/8/18)
Fund	**0.61%**	**2.07%**	**(2.28%)**
Benchmark	**6.47%**	**10.17%**	**1.52%**
Outperformance / (Underperformance)	**(5.86%)**	**(8.10%)**	**(3.80%)**

Source of Benchmark: Bloomberg

GBP Hedged-Class

Table 1: Performance of the Fund

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (2/9/16 - 31/8/20)
Fund	**0.80%**	**2.27%**	**6.81%**
Benchmark	**6.47%**	**16.07%**	**16.67%**
Outperformance / (Underperformance)	**(5.67%)**	**(13.80%)**	**(9.86%)**

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (2/9/16 - 31/8/20)
Fund	**0.80%**	**0.75%**	**1.66%**
Benchmark	**6.47%**	**5.09%**	**3.93%**
Outperformance / (Underperformance)	**(5.67%)**	**(4.34%)**	**(2.27%)**

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2020 (01/9/19 - 31/8/20)	FYE 2019 (01/9/18 - 31/8/19)	FYE 2018 (01/9/17 - 31/8/18)	FYE 2017 (02/9/16 - 31/8/17)
Fund	**0.80%**	**3.43%**	**(1.91%)**	**4.44%**
Benchmark	**6.47%**	**10.17%**	**(1.05%)**	**0.51%**
Outperformance / (Underperformance)	**(5.67%)**	**(6.74%)**	**(0.86%)**	**3.93%**

Source of Benchmark: Bloomberg

MYR Hedged Class

Table 1: Performance of the Fund

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (13/6/16 - 31/8/20)
Fund	**3.10%**	**9.66%**	**20.89%**
Benchmark	**6.47%**	**16.07%**	**18.18%**
Outperformance / (Underperformance)	**(3.37%)**	**(6.41%)**	**2.71%**

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (13/6/16 - 31/8/20)
Fund	**3.10%**	**3.12%**	**4.60%**
Benchmark	**6.47%**	**5.09%**	**4.04%**
Outperformance / (Underperformance)	**(3.37%)**	**(1.97%)**	**0.56%**

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2020 (01/9/19 - 31/8/20)	FYE 2019 (01/9/18 - 31/8/19)	FYE 2018 (01/9/17 - 31/8/18)	FYE 2017 (13/6/16 - 31/8/17)
Fund	**3.10%**	**5.88%**	**0.45%**	**10.24%**
Benchmark	**6.47%**	**10.17%**	**(1.05%)**	**1.82%**
Outperformance / (Underperformance)	**(3.37%)**	**(4.29%)**	**1.50%**	**8.42%**

Source of Benchmark: Bloomberg

MYR Class

Table 1: Performance of the Fund

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (2/9/16 - 31/8/20)
Fund	**1.84%**	**5.05%**	**16.68%**
Benchmark	**6.47%**	**16.07%**	**16.67%**
Outperformance / (Underperformance)	**(4.63%)**	**(11.02%)**	**0.01%**

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (2/9/16 - 31/8/20)
Fund	**1.84%**	**1.66%**	**3.93%**
Benchmark	**6.47%**	**5.09%**	**3.93%**
Outperformance / (Underperformance)	**(4.63%)**	**(3.43%)**	**0.00%**

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2020 (01/9/19 - 31/8/20)	FYE 2019 (01/9/18 - 31/8/19)	FYE 2018 (01/9/17 - 31/8/18)	FYE 2017 (02/9/16 - 31/8/17)
Fund	**1.84%**	**8.06%**	**(4.53%)**	**11.06%**
Benchmark	**6.47%**	**10.17%**	**(1.05%)**	**0.51%**
Outperformance / (Underperformance)	**(4.63%)**	**(2.11%)**	**(3.48%)**	**10.55%**

Source of Benchmark: Bloomberg

SGD Hedged-Class

Table 1: Performance of the Fund

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (13/6/16 - 31/8/20)
Fund	**1.96%**	**5.01%**	**11.27%**
Benchmark	**6.47%**	**16.07%**	**18.18%**
Outperformance / (Underperformance)	**(4.51%)**	**(11.06%)**	**(6.91%)**

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (13/6/16 - 31/8/20)
Fund	**1.96%**	**1.64%**	**2.56%**
Benchmark	**6.47%**	**5.09%**	**4.04%**
Outperformance / (Underperformance)	**(4.51%)**	**(3.45%)**	**(1.48%)**

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2020 (01/9/19 - 31/8/20)	FYE 2019 (01/9/18 - 31/8/19)	FYE 2018 (01/9/17 - 31/8/18)	FYE 2017 (13/6/16 - 31/8/17)
Fund	**1.96%**	**4.52%**	**(1.46%)**	**5.96%**
Benchmark	**6.47%**	**10.17%**	**(1.05%)**	**1.82%**
Outperformance / (Underperformance)	**(4.51%)**	**(5.65%)**	**(0.41%)**	**4.14%**

Source of Benchmark: Bloomberg

USD Class

Table 1: Performance of the Fund

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (13/6/16 - 31/8/20)
Fund	**2.86%**	**8.06%**	**17.36%**
Benchmark	**6.47%**	**16.07%**	**18.18%**
Outperformance / (Underperformance)	**(3.61%)**	**(8.01%)**	**(0.82%)**

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/19 - 31/8/20)	3 Years (1/9/17 - 31/8/20)	Since Commencement (13/6/16 - 31/8/20)
Fund	**2.86%**	**2.62%**	**3.86%**
Benchmark	**6.47%**	**5.09%**	**4.04%**
Outperformance / (Underperformance)	**(3.61%)**	**(2.47%)**	**(0.18%)**

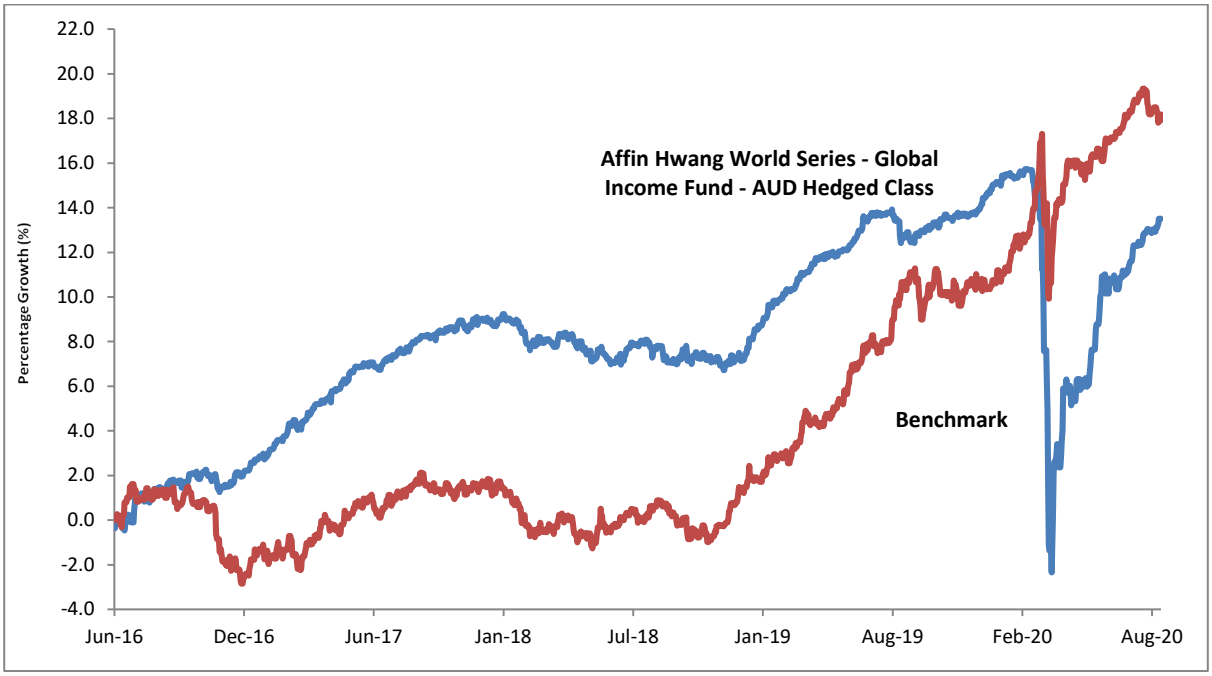
Source of Benchmark: Bloomberg

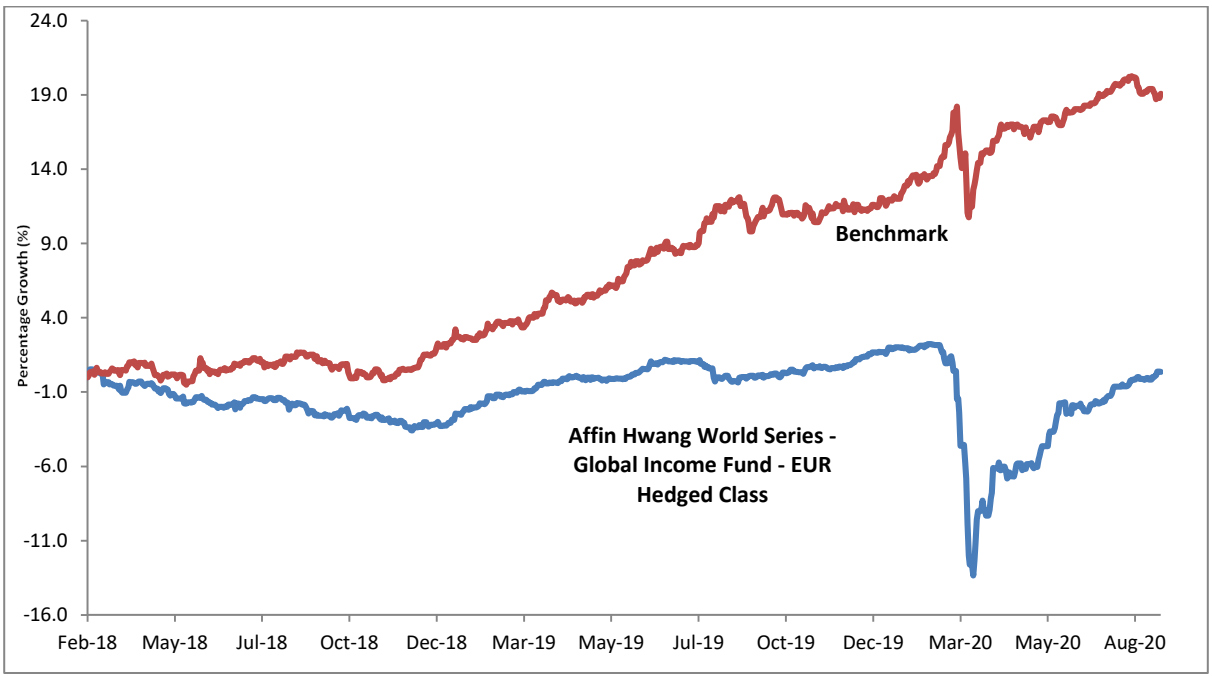
Table 3: Annual Total Return

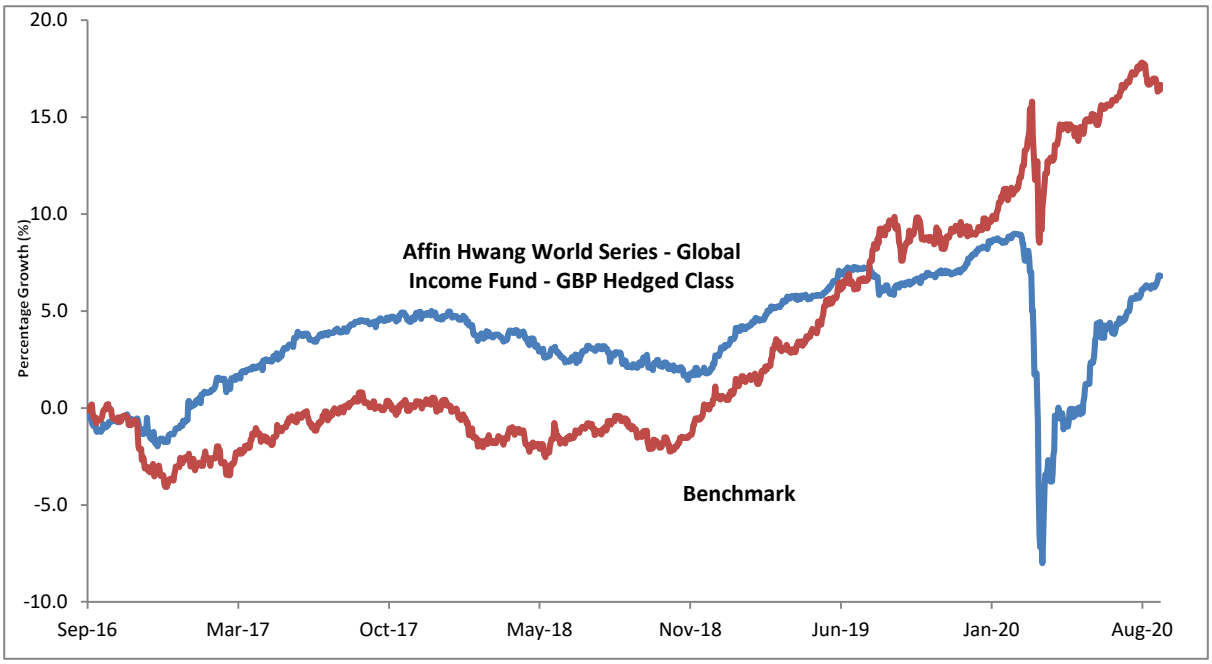
	FYE 2020 (01/9/19 - 31/8/20)	FYE 2019 (01/9/18 - 31/8/19)	FYE 2018 (01/9/17 - 31/8/18)	FYE 2017 (13/6/16 - 31/8/17)
Fund	**2.86%**	**5.59%**	**(0.51%)**	**8.60%**
Benchmark	**6.47%**	**10.17%**	**(1.05%)**	**1.82%**
Outperformance / (Underperformance)	**(3.61%)**	**(4.58%)**	**0.54%**	**6.78%**

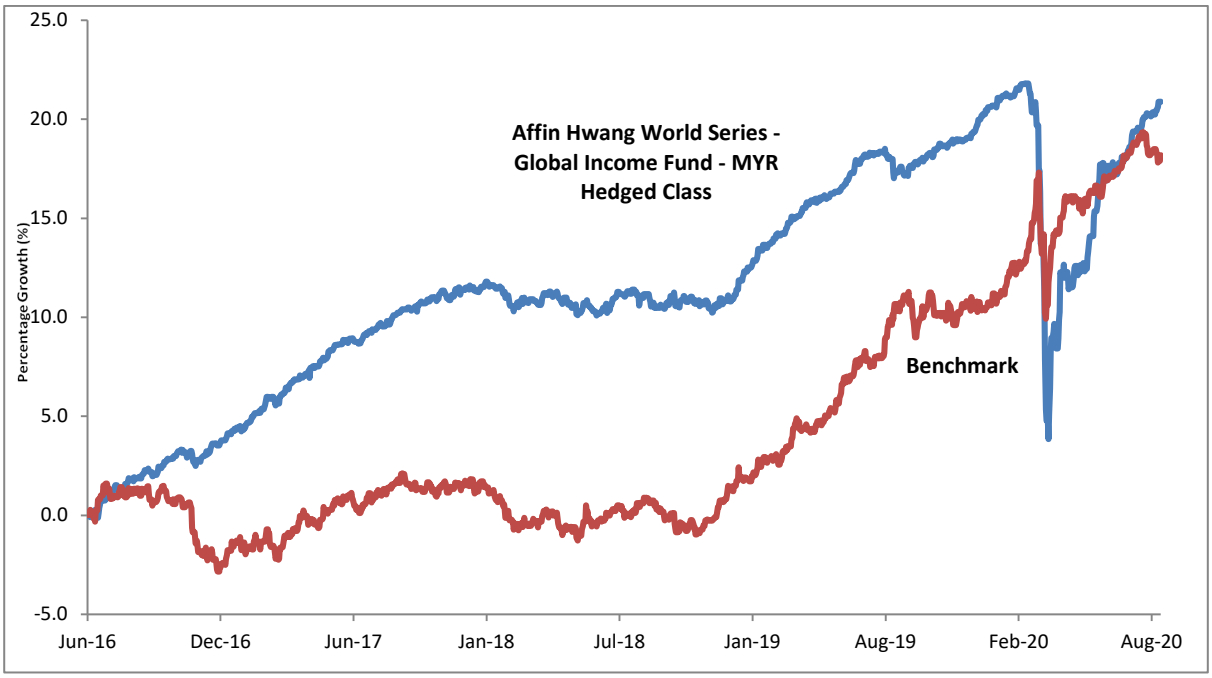
Source of Benchmark: Bloomberg

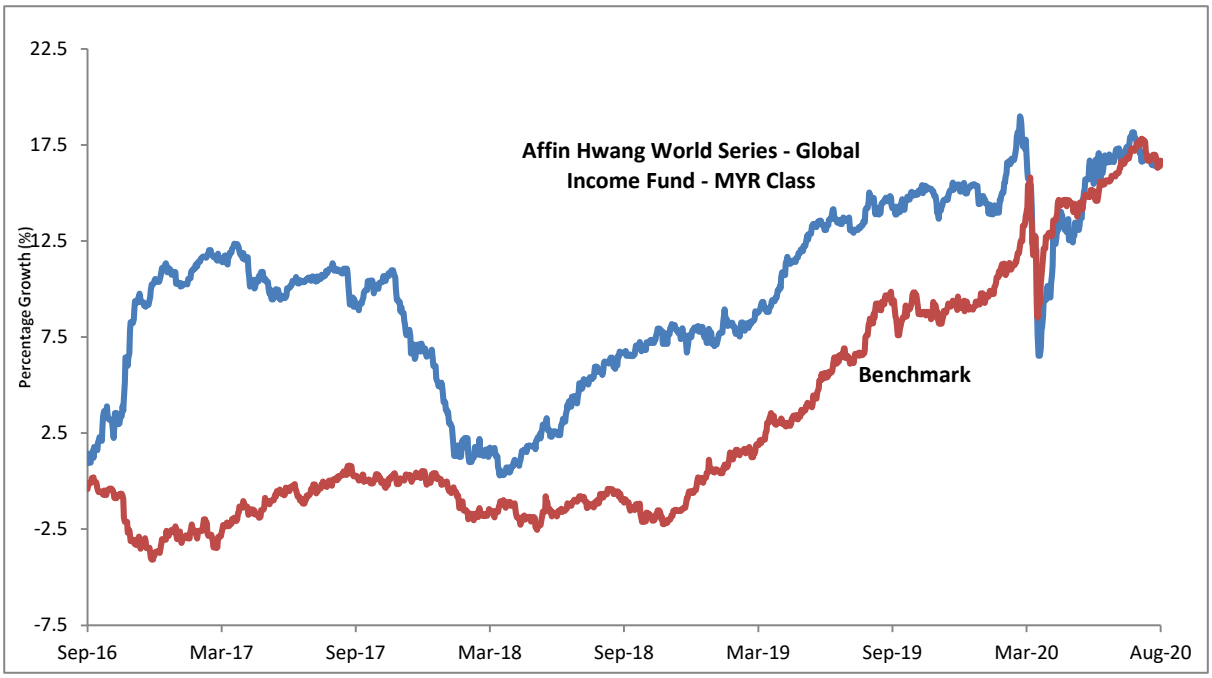
Figure 1: Movement of the Fund versus the Benchmark since commencement.

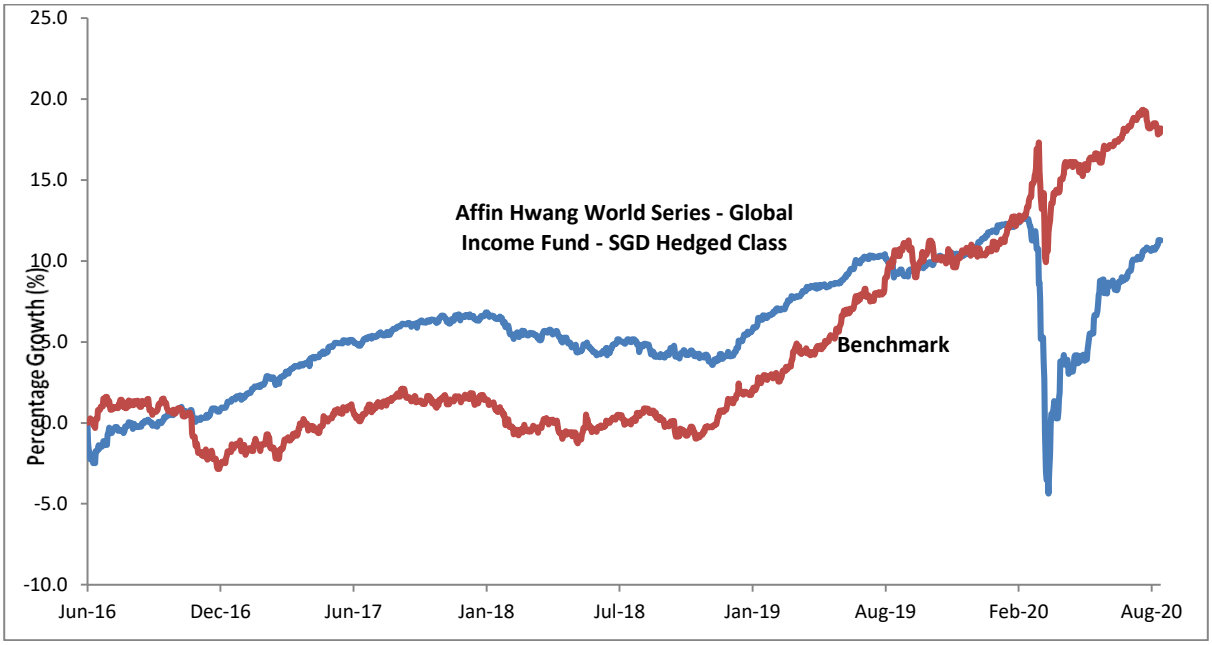


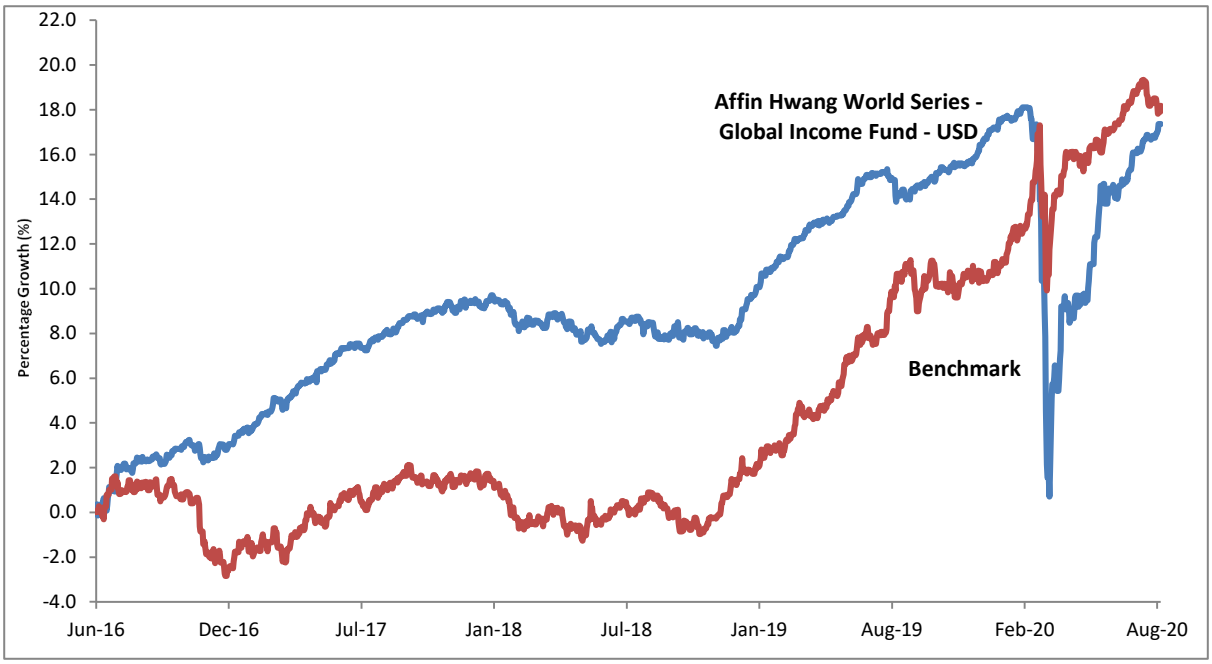



20.0
15.0
10.0
5.0
0.0
-5.0
-10.0
Percentage Growth (%)
Affin Hwang World Series - Global Income Fund - GBP Hedged Class
Benchmark
Sep-16
Mar-17
Oct-17
May-18
Nov-18
Jun-19
Jan-20
Aug-20


25.0
20.0
15.0
10.0
5.0
0.0
-5.0
Percentage Growth (%)
Affin Hwang World Series - Global Income Fund - MYR Hedged Class
Benchmark
Jun-16
Dec-16
Jun-17
Jan-18
Jul-18
Jan-19
Aug-19
Feb-20
Aug-20


22.5
17.5
12.5
7.5
2.5
-2.5
-7.5
Percentage Growth (%)
Affin Hwang World Series - Global Income Fund - MYR Class
Benchmark
Sep-16
Mar-17
Sep-17
Mar-18
Sep-18
Mar-19
Sep-19
Mar-20
Aug-20


25.0
20.0
15.0
10.0
5.0
0.0
-5.0
-10.0
Percentage Growth (%)
Affin Hwang World Series - Global Income Fund - SGD Hedged Class
Benchmark
Jun-16
Dec-16
Jun-17
Jan-18
Jul-18
Jan-19
Aug-19
Feb-20
Aug-20



"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: Barclays U.S Aggregate Index

Past performance is not necessarily indicative of future performance and that Unit prices and investment returns may go down, as well as up.
Benchmark: Barclays U.S. Aggregate Index

Asset Allocation

For a snapshot of the Fund's asset mix during the period under review, please refer to Fund Performance Data.

As at 31 August 2020, the asset allocation of the Fund stood at 96.78% in collective investment scheme while the balance was held in cash and cash equivalent.

Strategies Employed

Strategic Liquidity – The Fund continues to focus on maintaining high levels of liquidity (cash, Treasuries and Agency MBS) to provide additional flexibility and potentially deploy capital opportunistically. For example, Agency MBS securities offer an attractive yield pick-up over US Treasuries and benefit from the Federal Reserve's buying program.

Interest Rate Strategies – The Fund continues to see value in US rates, but overall remains cautious given the significant rally in yields. We focus our exposure on the intermediate portion of the yield curve where we see the most attractive opportunities, at the expense of the long end of the yield where we believe demand may not keep up with supply. In other parts of the world, we hold a tactical long exposure to European duration on the back of continuous support from the European Central Bank. Additionally, we hold a short position to Japanese duration, as it provides a hedge to global rates recalibrating higher.

Mortgage-Backed Exposures – We continue to like non-Agency mortgage-backed securities due to their attractive yields and risk profile. Our exposure is mainly in senior tranches of legacy, well seasoned deals, with very solid underlying fundamentals that should be resilient even in very distressed house price scenarios. We have avoided deeply subordinated parts of the market that may have stronger upside potential in positive economic scenarios, but have asymmetric downside and risk of permanent capital loss in negative scenarios. We also hold Agency MBS and senior AAA-rated tranches of CMBS. Both sectors provide "safe spread" along with an attractive risk profile in the event of a flight to quality. We remain focused on maintaining flexibility and ensuring a high level of liquidity in the portfolio – we do this by taking exposure to the CMBS market via AAA rated tranches of CMBX indices.

Corporates – Within investment grade corporates we continue to favour bonds issued by US and UK banks due to strong fundamentals and attractive relative value. We have also been participating selectively in high quality long dated new issues. The fund is highly selective in the High Yield sector with a focus on short dated senior and secured bonds from non-cyclical sectors, as well as financials given improved fundamentals and stricter regulatory oversight of the sector.

Emerging Markets – The Fund plans to retain exposure to sovereigns and quasi-sovereign bonds in select countries with strong initial conditions and high quality balance sheets such as Saudi Arabia and Russia. We also hold modest exposure to local EM rates, primarily in Mexico, as diversifying sources of duration.

Currency – Currency positions continue to be small as currencies may be more volatile than other asset classes. We remain tactical in our currencyposition which is overall limited, holding a long exposure to a basket of EM currencies versus the USD for additional diversification.

Market Review

While the global economy initially expanded, it then experienced severe headwinds given the impact of the coronavirus pandemic. In its June 2020 World Economic Outlook Update, the International Monetary Fund ("IMF") stated that it expects the U.S. economy to contract 8.0% in 2020, compared to the 2.3% GDP expansion in 2019. Elsewhere, the IMF anticipates that 2020 GDP growth in the eurozone, U.K. and Japan will be -10.2%, -10.2% and -5.8%, respectively. For comparison purposes, the GDP of these economies expanded 1.3%, 1.4% and 0.7%, respectively, in 2019.

Against this backdrop, central banks around the world took a number of aggressive actions. In Europe, the European Central Bank (the "ECB") unveiled a new €750 billion bond-buying program, which was subsequently expanded by another €600 billion in June 2020. In March, the Bank of England reduced its key lending rate to 0.10% – a record low. Finally, in July – after the reporting period ended – the European Union agreed on a $2.06 trillion spending package to bolster its economy. Elsewhere, the Bank of Japan maintained its short-term interest rates at -0.1%, while increasing the target for its holdings of corporate bonds to ¥4.2 trillion from ¥3.2 trillion. Japan's central bank also doubled its purchases of exchange-traded stock funds. Meanwhile, in May 2020, the Japanese government doubled its stimulus measures with a ¥117 trillion package.

The Federal Reserve (the "Fed") took unprecedented actions to support the economy and keep the market functioning properly. In early March 2020, the Fed lowered the federal funds rate to a range between 1.00% and 1.25%. Later in the month, the Fed lowered the rate to a range between 0.00% and 0.25%. On 23 March, the Fed announced, "It has become clear that our economy will face severe disruptions. Aggressive efforts must be taken across the public and private sectors to limit the losses to jobs and incomes and to promote a swift recovery once the disruptions abate." The Fed's efforts included the ability to make unlimited purchases of Treasury and mortgage securities. It also announced that, for the first time, it would purchase existing corporate bonds on the open market. In addition, the U.S. government passed a $2 trillion fiscal stimulus bill to aid the economy in March.

Both short- and long-term U.S. Treasury yields fell sharply during the reporting period. In our view, this was due to a combination of declining global growth given the coronavirus, the Fed's accommodative monetary policy and periods of extreme investor risk aversion. The yield on the benchmark 10-year U.S. Treasury note was 0.66% at the end of the reporting period, versus 1.92% on 31 December 2019. The Bloomberg Barclays Global Treasury Index (USD Hedged), which tracks fixed-rate, local currency government debt of investment grade countries, including both developed and emerging markets, returned 4.30%. Meanwhile, the Bloomberg Barclays Global Aggregate Credit Index (USD Hedged), a widely used index of global investment grade credit bonds, returned 3.43%. Riskier fixed income asset classes, including high yield corporate bonds and emerging market debt, generated weaker results. The ICE BofAML Developed Markets High Yield Constrained Index (USD Hedged), a widely used index of below investment grade bonds, returned -4.64%, whereas emerging market external debt, as represented by the JPMorgan Emerging Markets Bond Index (EMBI) Global (USD Hedged), returned -1.87%. Emerging market local bonds, as represented by the JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged), returned -6.89%.

Global equities generated weak results, driven by a sharp selloff in February and March 2020. We believe this was largely due to concerns over the impact of the coronavirus. In March 2020, the U.S. equity market ended its 11-year bull market run, and then posted the fastest fall on record from its all-time high to bear market territory. However, global equities recouped a portion of their losses in April, May and June 2020, as

investor sentiment improved given significant stimulus efforts from central banks around the world. All told, U.S. equities, as represented by the S&P 500 Index, returned -3.08% and global equities, as represented by the MSCI World Index, returned -5.77%. Meanwhile, Japanese equities, as represented by the Nikkei 225 Index (in JPY), returned -4.74% and European equities, as represented by the MSCI Europe Index (in EUR), returned -12.83%. Finally, emerging market equities, as measured by the MSCI Emerging Markets Index, returned -9.78%.

Commodity prices were extremely volatile and generally moved lower. When the reporting period began, Brent crude oil was approximately $66 a barrel. It ended the reporting period at roughly $41 a barrel after briefly trading below $15. Elsewhere, copper prices also fell, whereas gold prices moved higher.

Finally, there were periods of volatility in the foreign exchange markets, due in part, in our view, to signs of moderating global growth, trade conflicts, and changing central bank monetary policies, along with a number of geopolitical events. The U.S. dollar returned 6.46% versus the British pound, but the U.S. dollar fell 0.63% and 0.19% versus the yen and the euro, respectively.

Investment Outlook

The health crisis resulting from COVID-19 materially shifted the economic outlook; however, the response from central banks and governments has been swift and substantial. COVID-19 has not been fully contained, nor a vaccine approved, and a key risk as we head into the second half of the year is a possible second wave of infections triggering a return to shutdowns. As economies have started to reopen, economic data has shown signs of a sharp rebound with the speed and magnitude of the bounce back a clear positive. Similarly, central banks globally have made clear that they stand willing to use their full firepower to keep government and corporate borrowing costs low.

We expect yields to remain structurally low for an extended period in the wake of the pandemic, because unemployment is set to remain persistently high, and because of the increase in government and corporate debt, which requires lower real yields to be sustainable. The most important potential catalysts for higher yields include early and positive news regarding a vaccine and a Democratic sweep in the US elections in November, which could lead to a large increase in fiscal spending.

We see markets being driven by the conflicting forces of 1) global efforts to reopen economies and the potential threat of a second wave of infections, and 2) the historic level of stimulus from global central banks and governments. Given the amount of uncertainty that still exists, we remain generally cautious on risk, noting that volatility is likely to persist as the news flow evolves.

With the Fund continuing to provide an attractive yield of 5.5% (as at 31st Aug), we continue to see value in a diversified approach to capturing income from across the entire fixed income landscape. Having reduced risk in parts of the portfolio that we have less confidence in, we continue to search for opportunities in other sectors trading at significantly higher yields that we believe look attractive even in highly stressed go-forward scenarios.

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.

TRUSTEE'S REPORT TO THE UNITHOLDERS OF AFFIN HWANG WORLD SERIES – GLOBAL INCOME FUND

We have acted as Trustee of Affin Hwang World Series – Global Income Fund ("the Fund") for the financial year ended 31 August 2020. To the best of our knowledge, **Affin Hwang Asset Management Berhad**, the Manager, has operated and managed the Fund in accordance with the following:-

(a) limitations imposed on the investment powers of the Management Company and the Trustee under the Deeds, other provisions of the Deeds, the Capital Markets and Services Act 2007, the Securities Commission's Guidelines on Unlisted Capital Market Product under the Lodge Framework and other applicable laws during the financial period then ended;

(b) valuation/pricing is carried out in accordance with the Deeds and any regulatory requirements; and

(c) creation and cancellation of units are carried out in accordance with the Deeds and any regulatory requirements.

During this financial year, the total distributions of 1.86 cent per Unit for MYR class, 2.31 cent per Unit for MYR Hedged-class, 1.822 cent per Unit for USD class, 1.81 cent per Unit for AUD Hedged-class, 1.69 cent per Unit for EUR Hedged-class, 1.89 cent per Unit for SGD Hedged-class and 1.68 cent per Unit for GBP Hedged-class have been distributed to the Unitholders of the Fund. We are of the view that the distributions are not inconsistent with the objective of the Fund.

For TMF Trustees Malaysia Berhad
(Company No.: 610812-W)

NORHAYATI AZIT
DIRECTOR – FUND SERVICES

Kuala Lumpur
14th October 2020

AFFIN HWANG WORLD SERIES - GLOBAL INCOME FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020

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AFFIN HWANG WORLD SERIES - GLOBAL INCOME FUND

FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020

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AFFIN HWANG WORLD SERIES - GLOBAL INCOME FUND

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020

	Note	2020 USD	2019 USD
INVESTMENT INCOME			
Dividend income		4,805,379	4,953,375
Interest income from financial assets at amortised cost		3,644	4,695
Net gain/(loss) on foreign currency exchange		9,294	(20,651)
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss		2,629,966	(4,251,396)
Net (loss)/gain on financial assets at fair value through profit or loss	9	(206,075)	3,915,142
		7,242,208	4,601,165
EXPENSES			
Management fee	4	(1,886,195)	(1,902,056)
Trustee fee	5	(78,435)	(79,416)
Auditors' remuneration		(2,131)	(1,817)
Tax agent's fee		(830)	(847)
Fund accounting fee	6	(6,046)	-
Other expenses		(21,602)	(14,209)
		(1,995,239)	(1,998,345)
NET PROFIT BEFORE FINANCE COST AND TAXATION		5,246,969	2,602,820
FINANCE COST (EXCLUDING INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)			
Distributions	7	(4,814,864)	(3,138,299)
NET PROFIT/(LOSS) BEFORE TAXATION		432,105	(535,479)
Taxation	8	-	-
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		432,105	(535,479)

AFFIN HWANG WORLD SERIES - GLOBAL INCOME FUND

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

	Note	2020 USD	2019 USD
Increase/(Decrease) in net assets attributable to unitholders is made up of the following:			
Realised amount		(5,510,465)	(3,718,426)
Unrealised amount		5,942,570	3,182,947
		432,105	(535,479)

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 INCOME FUND

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2020

	Note	2020 USD	2019 USD
ASSETS			
Cash and cash equivalents	10	647,180	4,694,536
Dividend receivable		363,356	428,879
Amount due from broker		275,410	-
Amount due from Manager			
- creation of units		829,914	381,757
- management fee rebate receivable		53,762	63,455
Financial assets at fair value through profit or loss	9	115,824,802	135,661,377
Forward foreign currency contracts at fair value through profit or loss	11	2,779,183	14,480
TOTAL ASSETS		120,773,607	141,244,484
LIABILITIES			
Forward foreign currency contracts at fair value through profit or loss	11	99,109	1,819,968
Amount due to Manager			
- management fee		146,128	171,371
- cancellation of units		841,204	546,254
Amount due to Trustee		6,047	7,091
Amount due to brokers		-	15,005
Auditors' remuneration		2,131	1,817
Tax agent's fee		1,977	1,994
Other payables and accruals		901	1,790
TOTAL LIABILITIES (EXCLUDING NET ASSET ATTRIBUTABLE TO UNITHOLDERS)		1,097,497	2,565,290
NET ASSET VALUE OF THE FUND		119,676,110	138,679,194
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		119,676,110	138,679,194

AFFIN HWANG WORLD SERIES - GLOBAL INCOME FUND

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2020 (CONTINUED)

	Note	2020 USD	2019 USD
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- AUD Hedged-class		19,634,230	20,108,856
- EUR Hedged-class		1,242,585	1,659,486
- GBP Hedged-class		10,850,386	13,137,992
- MYR class		2,946,373	3,440,050
- MYR Hedged-class		41,993,735	45,682,570
- SGD Hedged-class		14,980,809	18,397,993
- USD class		28,027,992	36,252,247
		119,676,110	138,679,194
NUMBER OF UNITS IN CIRCULATION			
- AUD Hedged-class	12(a)	49,861,000	54,188,000
- EUR Hedged-class	12(b)	2,150,000	3,008,000
- GBP Hedged-class	12(c)	16,636,000	21,401,000
- MYR class	12(d)	22,935,000	26,605,000
- MYR Hedged-class	12(e)	315,605,000	342,872,000
- SGD Hedged-class	12(f)	39,395,000	48,485,000
- USD class	12(g)	52,432,000	67,389,000
		499,014,000	563,948,000
NET ASSET VALUE PER UNIT (USD)			
- AUD Hedged-class		0.3938	0.3711
- EUR Hedged-class		0.5779	0.5517
- GBP Hedged-class		0.6522	0.6139
- MYR class		0.1285	0.1293
- MYR Hedged-class		0.1331	0.1332
- SGD Hedged-class		0.3803	0.3795
- USD class		0.5346	0.5380

AFFIN HWANG WORLD SERIES - GLOBAL INCOME FUND

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2020 (CONTINUED)

	2020 USD	2019 USD
REPRESENTED BY: (CONTINUED)		
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES		
- AUD Hedged-class	AUD0.5375	AUD0.5512
- EUR Hedged-class	EUR0.4845	EUR0.4987
- GBP Hedged-class	GBP0.4903	GBP0.5034
- MYR class	RM0.5348	RM0.5437
- MYR Hedged-class	RM0.5539	RM0.5603
- SGD Hedged-class	SGD0.5166	SGD0.5257
- USD class	USD0.5346	USD0.5380

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 INCOME FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020

	2020 USD	2019 USD
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL YEAR	138,679,194	147,648,889
Movement due to units created and cancelled during the financial year:		
Creation of units arising from applications	35,724,701	37,818,674
- AUD Hedged-class	7,115,848	13,025,202
- EUR Hedged-class	142,120	119,378
- GBP Hedged-class	1,952,865	1,343,614
- MYR class	2,083,476	2,864,534
- MYR Hedged-class	13,263,835	11,394,311
- SGD Hedged-class	5,889,269	5,109,371
- USD class	5,277,288	3,962,264
Creation of units arising from distributions	3,936,139	2,538,204
- AUD Hedged-class	582,270	-
- EUR Hedged-class	17,208	-
- GBP Hedged-class	245,933	298,028
- MYR class	128,967	53,223
- MYR Hedged-class	1,644,043	1,047,834
- SGD Hedged-class	324,297	151,452
- USD class	993,421	987,667
Cancellation of units	(59,096,029)	(48,791,094)
- AUD Hedged-class	(9,293,611)	(4,794,306)
- EUR Hedged-class	(633,436)	(787,986)
- GBP Hedged-class	(5,258,400)	(11,430,615)
- MYR class	(2,648,506)	(722,249)
- MYR Hedged-class	(18,090,084)	(15,657,160)
- SGD Hedged-class	(9,163,087)	(6,322,158)
- USD class	(14,008,905)	(9,076,620)

AFFIN HWANG WORLD SERIES - GLOBAL INCOME FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

	2020 USD	2019 USD
Increase/(Decrease) of net asset attributable to unitholders during the financial year	432,105	(535,479)
- AUD Hedged-class	1,120,867	(719,050)
- EUR Hedged-class	57,207	(66,627)
- GBP Hedged-class	771,996	(895,893)
- MYR class	(57,615)	18,457
- MYR Hedged-class	(506,628)	107,520
- SGD Hedged-class	(467,663)	204,734
- USD class	(486,059)	815,380
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL YEAR	119,676,110	138,679,194

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 INCOME FUND

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020

	Note	2020 USD	2019 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		46,603,763	25,921,801
Purchase of investments		(27,965,005)	(12,850,374)
Dividends received		4,870,902	4,997,290
Interest received		3,644	4,695
Management fee rebate received		711,020	720,640
Management fee paid		(1,911,438)	(1,917,793)
Trustee fee paid		(79,479)	(80,067)
Payments for other fees and expenses		(31,201)	(17,024)
Realised loss on forward foreign currency contracts		(1,855,596)	(3,710,075)
Net realised gain/(loss) on foreign currency exchanges		17,085	(21,297)
Net cash generated from operating activities		20,363,695	13,047,796
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		35,276,544	37,508,910
Payments for cancellation of units		(58,801,079)	(50,468,994)
Payments for distributions		(878,725)	(600,095)
Net cash used in financing activities		(24,403,260)	(13,560,179)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(4,039,565)	(512,383)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		(7,791)	646
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR		4,694,536	5,206,273
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	10	647,180	4,694,536

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 INCOME FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 AUGUST 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 revenue and expenses during the reported financial year. It also requires the Manager to exercise their judgment in the process of applying the Fund's accounting policies. Although these estimates and judgment are based on the Manager's best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note M.

(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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

B INCOME RECOGNITION

Dividend income

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

Interest income

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

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

Realised gains and losses on sale of investments

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

C DISTRIBUTION

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

D TAXATION

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

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

E FUNCTIONAL AND PRESENTATION CURRENCY

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

F FOREIGN CURRENCY TRANSLATIONS

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

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

Investments 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, dividend receivable, amount due from brokers 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 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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

G 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

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

Definition of default and credit-impaired financial assets (continued)

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.

H CASH AND CASH EQUIVALENTS

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

I CREATION AND CANCELLATION OF UNITS

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

The Fund issues cancellable units, in seven classes of units, known respectively as the AUD Hedged-class, EUR Hedged-class, GBP Hedged-class, MYR class, MYR Hedged-class, SGD Hedged-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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

I CREATION AND CANCELLATION OF UNITS (CONTINUED)

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 AMOUNTS DUE FROM/(TO) BROKERS

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. The due from broker balance is held for collection. Refer to Note G for accounting policy on recognition and measurement.

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

K INCREASE/DECREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

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

L DERIVATIVE FINANCIAL INSTRUMENTS

A derivative financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

The Fund's derivative financial instruments comprise forward foreign currency contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Financial derivative positions will be "marked to market" at the close of each valuation day. Foreign exchange gains and losses on the derivative financial instrument are recognised in profit or loss when settled or at the date of the statement of financial position at which time they are included in the measurement of the derivative financial instrument. Derivative instruments that have a negative fair value are presented as liabilities as fair value through profit or loss.

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

The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. Derivatives that do not qualify for hedge accounting are classified as financial assets/liabilities at fair value through profit or loss.

M 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 Comissions's ("SC") Guidelines on Unlisted Capital Market Products under The Lodge and Launch Framework.

Functional currency

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

i) The Fund's sole investment is in a collective investment scheme denominated in USD.
ii) Significant portion of the Fund's cash is denominated in USD for the purpose of making settlement of foreign trades and expenses.
iii) Significant portion of the Fund's expenses are denominated in USD.

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

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

AFFIN HWANG WORLD SERIES - GLOBAL INCOME FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020

1 INFORMATION ON THE FUND

The Wholesale Fund was constituted under the name Affin Hwang Global Income Fund (the "Fund") pursuant to the execution of a Deed dated 21 April 2016 as modified by the Supplemental Deed dated 10 August 2016, Second Supplemental Deed dated 7 December 2017 and Third Supplemental Deed dated 26 January 2019 (the "Deeds") entered into between Affin Hwang Asset Management Berhad (the "Manager") and TMF Trustees Malaysia Berhad (the "Trustee"). The Fund has changed its name from Affin Hwang Global Income Fund to Affin Hwang World Series - Global Income Fund dated 10 August 2016.

The Fund commenced operations on 13 June 2017 and will continue its operations until terminated by the Trustee as provided under Clause 12.1 of the Deed.

The Fund may invest any of in the following assets, subject to the Deed, the Fund's objective, the Guidelines, the requirements of the Securities Commission ("SC") and all relevant laws:

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

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

The main objective of the Fund is to provide investors with regular income through investments in global fixed income instruments.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of unit trust funds and private retirement schemes as well as providing fund management services to private clients.

The financial statements were authorised for issue by the Manager on 14 October 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	Note	At amortised cost	At fair value through profit or loss	Total
		USD	USD	USD
2020				
Financial assets				
Cash and cash equivalents	10	647,180	-	647,180
Dividend receivable		363,356	-	363,356
Amount due from broker		275,410	-	275,410
Amount due from Manager				
- creation of units		829,914	-	829,914
- management fee rebate receivable		53,762	-	53,762
Collective investment scheme	9	-	115,824,802	115,824,802
Forward foreign currency contracts	11	-	2,779,183	2,779,183
Total		2,169,622	118,603,985	120,773,607
Financial liabilities				
Forward foreign currency contracts	11	-	99,109	99,109
Amount due to Manager				
- management fee		146,128	-	146,128
- cancellation of units		841,204	-	841,204
Amount due to Trustee		6,047	-	6,047
Auditors' remuneration		2,131	-	2,131
Tax agent's fee		1,977	-	1,977
Other payables and accruals		901	-	901
Total		998,388	99,109	1,097,497
2019				
Financial assets				
Cash and cash equivalents	10	4,694,536	-	4,694,536
Dividend receivable		428,879	-	428,879
Amount due from Manager				
- creation of units		381,757	-	381,757
- management fee rebate receivable		63,455	-	63,455
Collective investment scheme	9	-	135,661,377	135,661,377
Forward foreign currency contracts	11	-	14,480	14,480
Total		5,568,627	135,675,857	141,244,484

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

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

Financial instruments are as follows: (continued)

	Note	At amortised cost	At fair value through profit or loss	Total
		USD	USD	USD
2019 (continued)				
Financial liabilities				
Forward foreign currency contract at fair value through profit or loss	11	-	1,819,968	1,819,968
Amount due to brokers		15,005	-	15,005
Amount due to Manager				
- management fee		171,371	-	171,371
- cancellation of units		546,254	-	546,254
Amount due to Trustee		7,091	-	7,091
Auditors' remuneration		1,817	-	1,817
Tax agent's fee		1,994	-	1,994
Other payables and accruals		1,790	-	1,790
Total		745,322	1,819,968	2,565,290

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:

	2020	2019
	USD	USD
Quoted investment		
Collective investment scheme	115,824,802	135,661,377

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

Market risk (continued)

(a) Price risk (continued)

The following table summarises the sensitivity of the Fund's profit after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 5% (2019: 5%) and decreased by 10% (2019: 5%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the CIS, having regard to the historical volatility of the prices.

% Change in price	Market value USD	Impact on profit after tax/NAV USD
2020		
-5%	110,033,562	(5,791,240)
0%	115,824,802	-
+5%	121,616,042	5,791,240
2019		
-5%	128,878,308	(6,783,069)
0%	135,661,377	-
+5%	142,444,446	6,783,069

(b) Interest rate risk

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

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

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

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

Market risk (continued)

(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/(loss). The Manager will evaluate the likely directions of foreign currency versus United States Dollar based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels and technical chart considerations.

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

	Forward foreign currency contracts USD	Cash and cash equivalents USD	Amount due from Manager USD	Total USD
2020				
Financial assets				
Australian Dollar	1,129,102	203,605	236,914	1,569,621
Euro	69,926	37,419	11,701	119,046
British Pound Sterling	571,789	37,081	219	609,089
Malaysia Ringgit	726,931	64,990	26,111	818,032
Singapore Dollar	281,435	2,859	-	284,294
	2,779,183	345,954	274,945	3,400,082
2019				
Financial assets				
Australian Dollar	-	105,045	205,448	310,493
Euro	-	5,136	-	5,136
British Pound Sterling	11,550	43,078	-	54,628
Malaysia Ringgit	-	89,215	95,286	184,501
Singapore Dollar	2,930	3,283	44,398	50,611
	14,480	245,757	345,132	605,369

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 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: (continued)

	Forward foreign currency contracts USD	Amount due to Manager USD	Net assets attributable to unitholders USD	Total USD
2020				
Financial liabilities				
Australian Dollar	-	201,977	19,634,230	19,836,207
Euro	-	-	1,242,585	1,242,585
British Pound Sterling	-	518,959	10,850,386	11,369,345
Malaysia Ringgit	77,886	120,268	44,940,108	45,138,262
Singapore Dollar	21,223	-	14,980,809	15,002,032
	99,109	841,204	91,648,118	92,588,431
2019				
Financial liabilities				
Australian Dollar	607,831	101,360	20,108,856	20,818,047
Euro	30,369	-	1,659,486	1,689,855
British Pound Sterling	327,614	215,916	13,137,992	13,681,522
Malaysia Ringgit	587,181	223,601	49,122,620	49,933,402
Singapore Dollar	266,973	-	18,397,993	18,664,966
	1,819,968	540,877	102,426,947	104,787,792

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

The table below summarises the sensitivity of the Fund's profit after tax and NAV 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: 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: 5%). Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in rate %	Impact on profit after tax/ NAV USD
2020		
Australian Dollar	+/- 13.88	-/+ 2,535,402
Euro	+/- 8.66	-/+ 97,299
British Pound Sterling	+/- 13.30	-/+ 1,431,114
Malaysian Ringgit	+/- 6.27	-/+ 2,778,878
Singapore Dollar	+/- 5.51	-/+ 810,947
2019		
Australian Dollar	+/- 5	-/+ 1,025,378
Euro	+/- 5	-/+ 84,236
British Pound Sterling	+/- 5	-/+ 681,345
Malaysian Ringgit	+/- 5	-/+ 2,487,445
Singapore Dollar	+/- 5	-/+ 930,718

Liquidity risk

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

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

Liquidity risk (continued)

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

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

	Within one month USD	Between one month to one year USD	Total USD
2020			
Amount due to Manager			
- management fee	146,128	-	146,128
- cancellation of units	841,204	-	841,204
Amount due to Trustee	6,047	-	6,047
Auditors' remuneration	-	2,131	2,131
Tax agent's fee	-	1,977	1,977
Other payables and accruals	-	901	901
Forward foreign currency contracts	44,824	54,285	99,109
Net assets attributable to unitholders*	119,676,110	-	119,676,110
	120,714,313	59,294	120,773,607
2019			
Amount due to brokers	15,005	-	15,005
Amount due to Manager			
- management fee	171,371	-	171,371
- cancellation of units	546,254	-	546,254
Amount due to Trustee	7,091	-	7,091
Auditors' remuneration	-	1,817	1,817
Tax agent's fee	-	1,994	1,994
Other payables and accruals	-	1,790	1,790
Forward foreign currency contracts	157,813	1,662,155	1,819,968
Net assets attributable to unitholders*	138,679,194	-	138,679,194
	139,576,728	1,667,756	141,244,484

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

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

Credit risk

Credit risk refers to the ability of an issuer or counterparty to make timely payments of 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.

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

	Collective investment scheme	Forward foreign currency contracts	Cash and cash equivalents	Other assets*	Total
	USD	USD	USD	USD	USD
2020					
Collective investment scheme					
- NR	115,824,802	-	-	363,356	116,188,158
Financials					
- AAA	-	1,406,071	57,668	45,120	1,508,859
- AA1	-	-	589,512	-	589,512
- AA2	-	350,841	-	31,050	381,891
- AA3	-	348,646	-	-	348,646
- NR	-	673,625	-	1,082,916	1,756,541
	115,824,802	2,779,183	647,180	1,522,442	120,773,607
2019					
Collective investment scheme					
- NR	135,661,377	-	-	428,879	136,090,256
Financials					
- AAA	-	9,725	83,332	-	93,057
- AA1	-	-	4,611,204	-	4,611,204
- AA2	-	2,770	-	-	2,770
- NR	-	1,985	-	445,212	447,197
	135,661,377	14,480	4,694,536	874,091	141,244,484

*Other assets consist of dividend receivable, amount due from broker and amount due from Manager – creation of units and management fee rebate.

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

Capital risk

The capital of the Fund is represented by the 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 ESTIMATIONS

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 financial 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.

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

3 FAIR VALUE ESTIMATIONS (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:

2020	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
Financial assets at fair value through profit or loss				
- collective investment scheme	115,824,802	-	-	115,824,802
- forward foreign currency contracts	-	2,779,183	-	2,779,183
	115,824,802	2,779,183	-	118,603,985
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	99,109	-	99,109
2019				
Financial assets at fair value through profit or loss				
- collective investment scheme	135,661,377	-	-	135,661,377
- forward foreign currency contracts	-	14,480	-	14,480
	135,661,377	14,480	-	135,675,857
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	1,819,968	-	1,819,968

Investment whose value is 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 this instrument.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

3 FAIR VALUE ESTIMATIONS (CONTINUED)

(i) Fair value hierarchy (continued)

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include forward foreign currency contracts. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

(ii) The carrying values of cash and cash equivalents, amount due from brokers, dividend receivable and amount due from Manager and all current liabilities except for forward foreign currency contracts are a reasonable approximation of the fair values due to their short term nature.

4 MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a management fee at a rate not exceeding 5.00% per annum on the NAV of the Fund calculated on a daily basis.

For the financial year ended 31 August 2020, the management fee is recognised at a rate of 1.45% (2019: 1.45%) 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 31 August 2020, the Trustee 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.

6 FUND ACCOUNTING FEE

Effective 1 January 2020, the annual fund valuation and accounting fee for the Fund is USD12,500 (RM52,000) per annum.

7 DISTRIBUTIONS

	2020 USD	2019 USD
Distributions to unitholders are from the following sources:		
Dividend income	4,268,794	973,002
Previous years' realised income	546,070	2,687,959
Gross realised income	4,814,864	3,660,961
Less: Expenses	-	(522,662)
Net distribution amount	4,814,864	3,138,299

	Gross/Net distribution per unit (cent/sen)						
	AUD Hedged-class AUD	EUR Hedged-class EUR	GBP Hedged-class GBP	MYR class MYR	MYR Hedged-class MYR	SGD Hedged-class SGD	USD class USD
2020							
18.9.2019	-	-	-	0.16	0.50	0.12	0.120
16.10.2019	-	-	-	-	-	-	0.002
20.11.2019	-	-	-	0.17	-	-	0.170
18.12.2019	0.45	0.45	0.45	0.17	0.45	0.45	0.170
15.1.2020	0.17	0.17	0.17	0.17	0.17	0.17	0.170
19.2.2020	0.17	0.17	0.16	0.17	0.17	0.17	0.170
18.3.2020	0.17	0.17	0.15	0.17	0.17	0.17	0.170
15.4.2020	0.17	0.14	0.16	0.17	0.17	0.17	0.170
20.5.2020	0.17	0.15	0.15	0.17	0.17	0.17	0.170
17.6.2020	0.17	0.15	0.15	0.17	0.17	0.17	0.170
15.7.2020	0.17	0.15	0.15	0.17	0.17	0.15	0.170
19.8.2020	0.17	0.14	0.14	0.17	0.17	0.15	0.170
	1.81	1.69	1.68	1.86	2.31	1.89	1.822

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

7 DISTRIBUTIONS (CONTINUED)

	Gross/Net distribution per unit (cent/sen)				
	GBP Hedged-class	MYR class	MYR Hedged-class	SGD Hedged-class	USD class
	GBP	MYR	MYR	SGD	USD
2019					
19.9.2018	0.25	0.05	0.25	0.25	0.10
17.10.2018	-	0.10	-	-	0.10
21.11.2018	-	0.10	-	-	0.10
10.12.2018	0.25	-	0.25	-	-
19.12.2018	-	0.10	-	-	0.10
16.1.2019	-	0.18	-	-	0.18
20.2.2019	-	0.18	-	-	0.18
20.3.2019	0.50	0.18	0.50	0.10	0.18
17.4.2019	-	0.16	-	-	0.16
15.5.2019	-	0.16	-	-	0.16
19.6.2019	0.50	0.16	0.50	0.50	0.14
17.7.2019	-	0.16	-	-	0.12
21.8.2019	-	0.16	-	-	0.11
	1.50	1.69	1.50	0.85	1.63

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

Included in distribution for the financial year is an amount of USD546,070 (2019: USD2,687,959) made from previous years' realised income.

During the financial year ended 31 August 2020, the Fund incurred unrealised loss of USD5,942,570 (2019: USD3,182,947).

8 TAXATION

	2020 USD	2019 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:

	2020 USD	2019 USD
Net profit before finance cost and taxation	5,246,969	2,602,820
Tax at Malaysian statutory tax rate of 24% (2019: 24%)	1,259,273	624,677
Tax effects of:		
Investment income not subject to tax	(1,738,131)	(932,926)
Expenses not deductible for tax purposes	25,179	22,547
Restrictions on tax deductible expenses for Wholesale Fund	453,679	285,702
Tax expense	-	-

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2020 USD	2019 USD
Financial assets at fair value through profit or loss:		
- collective investment scheme – foreign	115,824,802	135,661,377

	2020 USD	2019 USD
Net (loss)/gain on assets at fair value through profit or loss		
- realised loss on sale of investments	(2,372,201)	(522,454)
- unrealised gain on changes in fair value	1,464,799	3,723,622
- management fee rebate on collective investment scheme#	701,327	713,974
	(206,075)	3,915,142

9 FINANCIAL ASSETS 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 has been considered as part of its net asset value. In order to prevent the double charging of management fee, management fee charged on the Fund's investments in collective investment scheme has 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 31 August 2020 are as follows:

	Quantity	Aggregate cost USD	Fair value USD	Percentage of NAV %
PIMCO Funds GIS Income Fund	9,882,662	113,387,596	115,824,802	96.78
Total collective investment scheme – foreign	9,882,662	113,387,596	115,824,802	96.78
Accumulated unrealised gain on collective investment scheme – foreign		2,437,206		
Total collective investment scheme – foreign		115,824,802		

(ii) Collective investment scheme as at 31 August 2019 are as follows:

	Quantity	Aggregate cost USD	Fair value USD	Percentage of NAV %
PIMCO Funds GIS Income Fund	11,664,779	134,688,970	135,661,377	97.82
Total collective investment scheme – foreign	11,664,779	134,688,970	135,661,377	97.82
Accumulated unrealised gain on collective investment scheme – foreign		972,407		
Total collective investment scheme – foreign		135,661,377		

10 CASH AND CASH EQUIVALENTS

	2020 USD	2019 USD
Cash and bank balances	589,512	4,611,204
Deposit with licensed financial institution	57,668	83,332
	647,180	4,694,536

The weighted average effective interest rates per annum of deposit with licensed financial institution is as follows:

	2020 %	2019 %
Deposit with licensed financial institution	1.75	3.00

Deposit with licensed financial institution have an average maturity of 1 day (2019: 3 days).

11 FORWARD FOREIGN CURRENCY CONTRACTS

As at the 31 August 2020, there are 66 (2019: 97) forward foreign currency contracts outstanding. The notional principal amounts of the outstanding forward foreign currency contracts amounted to USD85,881,899 (2019: USD102,312,508). The forward foreign currency contracts entered into during the financial year were for hedging against the currency exposure arising from investments in hedged classes denominated in foreign currencies such as Australian Dollar, Euro, British Pound Sterling, Malaysian Ringgit and Singapore Dollar. As the Fund has not adopted hedge accounting during the financial year, the changes in the fair value of the forward foreign currency contracts are recognised immediately in profit or loss.

12 NUMBER OF UNITS IN CIRCULATION

(a) AUD Hedged-class units in circulation

	2020 No. of units	2019 No. of units
At the beginning of the financial year	54,188,000	32,862,000
Creation of units arising from applications	19,120,680	33,963,000
Creation of units arising from distributions	1,622,634	-
Cancellation of units	(25,070,314)	(12,637,000)
At the end of the financial year	49,861,000	54,188,000

12 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(b) EUR Hedged-class units in circulation

	2020 No. of units	2019 No. of units
At the beginning of the financial year	3,008,000	4,192,000
Creation of units arising from applications	254,501	214,000
Creation of units arising from distributions	32,337	-
Cancellation of units	(1,144,838)	(1,398,000)
At the end of the financial year	2,150,000	3,008,000

(c) GBP Hedged-class units in circulation

	2020 No. of units	2019 No. of units
At the beginning of the financial year	21,401,000	36,520,000
Creation of units arising from applications	3,132,573	2,089,336
Creation of units arising from distributions	396,177	460,149
Cancellation of units	(8,293,750)	(17,668,485)
At the end of the financial year	16,636,000	21,401,000

(d) MYR class units in circulation

	2020 No. of units	2019 No. of units
At the beginning of the financial year	26,605,000	9,698,000
Creation of units arising from applications	16,180,597	22,079,266
Creation of units arising from distributions	1,020,005	412,734
Cancellation of units	(20,870,602)	(5,585,000)
At the end of the financial year	22,935,000	26,605,000

12 NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(e) MYR Hedged-class units in circulation

	2020 No. of units	2019 No. of units
At the beginning of the financial year	342,872,000	368,656,000
Creation of units arising from applications	99,846,375	84,204,759
Creation of units arising from distributions	12,642,781	7,828,226
Cancellation of units	(139,756,156)	(117,816,985)
At the end of the financial year	315,605,000	342,872,000

(f) SGD Hedged-class units in circulation

	2020 No. of units	2019 No. of units
At the beginning of the financial year	48,485,000	51,455,000
Creation of units arising from applications	15,676,057	13,318,160
Creation of units arising from distributions	874,729	394,130
Cancellation of units	(25,640,786)	(16,682,290)
At the end of the financial year	39,395,000	48,485,000

(g) USD class units in circulation

	2020 No. of units	2019 No. of units
At the beginning of the financial year	67,389,000	75,309,000
Creation of units arising from applications	9,828,342	7,347,721
Creation of units arising from distributions	1,890,063	1,853,992
Cancellation of units	(26,675,405)	(17,121,713)
At the end of the financial year	52,432,000	67,389,000

13 TRANSACTIONS WITH BROKER

(a) Details of transactions with the broker for the financial year ended 31 August 2020 are as follows:

Name of broker	Value of trade USD	Percentage of total trade %
Brown Brothers Harriman and Co.	74,829,173	100.00

(b) Details of transactions with the broker for the financial year ended 31 August 2019 are as follows:

Name of brokers	Value of trade USD	Percentage of total trade %
Brown Brothers Harriman and Co.	38,737,801	100.00

There is no brokerage fee paid to the broker during the financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

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

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

Related parties	Relationships
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
Director of Affin Hwang Asset Management Berhad	Director of the Manager

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

	2020		2019	
	No. of units	USD	No. of units	USD
The Manager:				
Affin Hwang Asset Management Berhad (The units are held legally for booking purpose)				
- AUD Hedged-class	2,412	950	2,793	1,036
- EUR Hedged-class	2,118	1,224	2,882	1,590
- GBP Hedged-class	3,015	1,966	3,735	2,293
- MYR class	3,411	438	3,781	489
- MYR Hedged-class	3,148	419	3,038	405
- SGD Hedged-class	3,728	1,418	2,950	1,120
- USD class	2,876	1,538	2,838	1,527
Party related to the Manager:				
Director of Affin Hwang Asset Management Berhad (The units are held beneficially)				
- MYR Hedged-class	-	-	469,105	62,485

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2020 (CONTINUED)

15 MANAGEMENT EXPENSE RATIO ("MER")

	2020 %	2019 %
MER	1.53	1.52

MER is derived from the following calculation:

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

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

The average NAV of the Fund for the financial year ended 31 August 2020 calculated on a daily basis is USD130,717,620 (2019: USD132,353,690).

16 PORTFOLIO TURNOVER RATIO ("PTR")

	2020	2019
PTR (times)	0.30	0.15

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 = USD27,950,000 (2019: USD12,816,000)
total disposal for the financial year = USD49,251,374 (2019: USD25,921,801)

17 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 INCOME FUND

STATEMENT BY THE MANAGER

I, Teng Chee Wai, as the Director of **Affin Hwang Asset Management Berhad**, do hereby state that in my opinion as the Manager, the financial statements set out on pages 1 to 38 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 August 2020 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 August 2020 in accordance with the Malaysia Financial Reporting Standards, 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
14 October 2020

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

REPORT ON THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of Affin Hwang World Series - Global Income Fund ("the Fund") give a true and fair view of the financial position of the Fund as at 31 August 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 31 August 2020, and the statement of comprehensive income, changes in net assets attributable to unitholders and statement of cash flows for the year ended 31 August 2020, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 1 to 38.

Basis for opinion

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

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

Independence and other ethical responsibilities

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

REPORT ON THE FINANCIAL STATEMENTS

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises Manager's report but does not include the financial statements of the Fund and our auditors' report thereon.

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

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

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

Responsibilities of the Manager for the financial statements

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

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

REPORT ON THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

(a) Identify and assess the risks of material misstatement of the financial statements of the Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.

(d) Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

REPORT ON 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
14 October 2020

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