

Affin Hwang

Select Asia (ex Japan)

Opportunity Fund

Interim Report
31 July 2021

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



AFFIN HWANG
CAPITAL

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

TRUSTEE
HSBC (Malaysia) Trustee Berhad
193701000084 (001281T)

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

Interim Report and Unaudited Financial Statements For the 6 Months Financial Period Ended 31 July 2021

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FUND INFORMATION

Fund Name	Affin Hwang Select Asia (ex Japan) Opportunity Fund
Fund Type	Growth
Fund Category	Equity
Investment Objective	The Fund seeks to provide capital appreciation over the medium to long-term by investing in equities and Equity-linked instruments in Asian markets (ex Japan)
Benchmark	MSCI AC Asia Ex Japan Index
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever appropriate

BREAKDOWN OF UNITHOLDERS BY MYR CLASS SIZE AS AT 31 JULY 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	2,148	5,728
5,001 to 10,000	1,775	13,007
10,001 to 50,000	4,582	107,054
50,001 to 500,000	1,741	197,107
500,001 and above	77	1,159,821
Total	10,323	1,482,717

* Note: Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY AUD CLASS SIZE AS AT 31 JULY 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	-	-
5,001 to 10,000	-	-
10,001 to 50,000	5	129
50,001 to 500,000	6	1,112
500,001 and above	3	3,609
Total	14	4,850

* Note: Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY USD CLASS SIZE AS AT 31 JULY 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	-	-
5,001 to 10,000	-	-
10,001 to 50,000	3	95
50,001 to 500,000	9	1,613
500,001 and above	3	3,712
Total	15	5,420

* Note: Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY GBP CLASS SIZE AS AT 31 JULY 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	-	-
5,001 to 10,000	1	10
10,001 to 50,000	4	107
50,001 to 500,000	4	449
500,001 and above	1	868
Total	10	1434

* Note: Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY SGD CLASS SIZE AS AT 31 JULY 2021

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	-	-
5,001 to 10,000	4	33
10,001 to 50,000	9	245
50,001 to 500,000	6	1,096
500,001 and above	4	5,671
Total	23	7,045

* Note: Excluding Manager's stock

FUND PERFORMANCE DATA

Category	As at 31 Jul 2021 (%)	As at 31 Jul 2020 (%)	As at 31 Jul 2019 (%)
Portfolio composition			
Quoted equities – local			
- Consumer Products & Services	-	-	4.81
- Technology	-	-	4.10
- Utilities	-	-	2.35
- Financials	-	-	-
- Trading / services	-	-	-
Total quoted equities – local	-	-	11.26
Quoted equities – foreign			
- Basic materials	2.86	-	0.32
- Consumer discretionary	23.60	-	-
- Consumer staples	7.46	-	-
- Consumer goods	-	5.65	3.24
- Consumer service	-	24.34	18.92
- Financials	8.63	17.53	26.31
- Healthcare	2.95	3.27	-
- Industrials	8.68	6.40	3.66
- Preference shares	3.32	-	-
- Real estate	1.54	-	-
- Technology	22.76	41.09	24.25
- Telecommunications	0.89	-	3.32
- Utilities	1.22	-	2.32
Total quoted equities – foreign	83.91	98.28	82.34
Exchange-traded fund - foreign	1.87	-	-
Cash & cash equivalent	14.22	1.72	6.40
Total	100.00	100.00	100.00

Category	As at 31 Jul 2021 (%)					As at 31 Jul 2020 (%)					As at 31 Jul 2019 (%)				
	MYR Class	AUD Class	USD Class	GBP Class	SGD Class	MYR Class	AUD Class	USD Class	GBP Class	SGD Class	MYR Class	AUD Class	USD Class	GBP Class	SGD Class
Total NAV (million)	1,437.119	3.145	3.033	0.873	4.546	729.434	0.298	0.101	0.072	1.819	723.743	0.337	0.001	0.022	1.480
NAV per Unit (in respective currencies)	0.9686	0.6482	0.5593	0.6079	0.6451	0.8597	0.5932	0.4942	0.5777	0.5801	0.7179	0.5268	0.4239	0.5292	0.4953
Unit in Circulation (million)	1,483.638	4.852	5.423	1.436	7.047	848.505	0.502	0.205	0.125	3.135	1,008.157	0.639	0.002	0.041	2.987
Highest NAV	1.0850	0.7232	0.6551	0.7162	0.7420	0.8704	0.6094	0.4977	0.5969	0.5905	0.7283	0.5330	0.5010	0.5292	0.5035
Lowest NAV	0.9622	0.6255	0.5544	0.6077	0.6437	0.6477	0.5189	0.3572	0.4594	0.4431	0.6641	0.4688	0.4042	0.4570	0.4570
Return of the Fund (%)	-2.68	-3.58	-6.83	-8.72	-5.27	18.96	7.72	14.98	16.14	15.88	7.55	12.37	-8.48	15.80	8.38
- Capital Growth (%)	-2.68	-3.58	-6.83	-8.72	-5.27	18.96	7.72	14.98	16.14	15.88	7.55	12.37	-8.48	15.80	8.38
- Income Distribution (%)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Management Expense Ratio (%) ¹	0.80					0.85					0.80				
Portfolio Turnover Ratio (times) ²	0.94					1.25					0.94				

¹The MER of the Fund was lower than previous year due to higher average NAV of the Fund the during the period under review.

²The PTR of the Fund was lower than previous year due to higher average NAV of the Fund the during the period under review.

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

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

An illustration of the above would be as follow:-

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

MANAGER'S REPORT

Income Distribution / Unit Split

No income distribution or unit split were declared for the financial period ended 31 July 2021.

Performance Review

MYR Class

For the period 1 February 2021 to 31 July 2021, the Fund registered a -2.68% return compared to the benchmark return of -2.21%. The Fund thus underperformed the Benchmark by 0.47%. The Net Asset Value per unit ("NAV") of the Fund as at 31 July 2021 was MYR0.9686 while the NAV as at 31 January 2021 was MYR0.9953.

Since commencement, the Fund has registered a return of 122.41% compared to the benchmark return of 87.10%, outperforming by 35.31%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/2/21 - 31/7/21)	1 Year (1/8/20 - 31/7/21)	3 Years (1/8/18 - 31/7/21)	5 Years (1/8/16 - 31/7/21)	Since Commencement (11/8/06 - 31/7/21)
Fund	(2.68%)	12.67%	35.24%	70.86%	122.41%
Benchmark	(2.21%)	16.54%	26.93%	62.52%	87.10%
Outperformance	(0.47%)	(3.87%)	8.31%	8.34%	35.31%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/8/20 - 31/7/21)	3 Years (1/8/18 - 31/7/21)	5 Years (1/8/16 - 31/7/21)	Since Commencement (11/8/06 - 31/7/21)
Fund	12.67%	10.58%	11.30%	5.48%
Benchmark	16.54%	8.27%	10.19%	4.27%
Outperformance	(3.87%)	2.31%	1.11%	1.21%

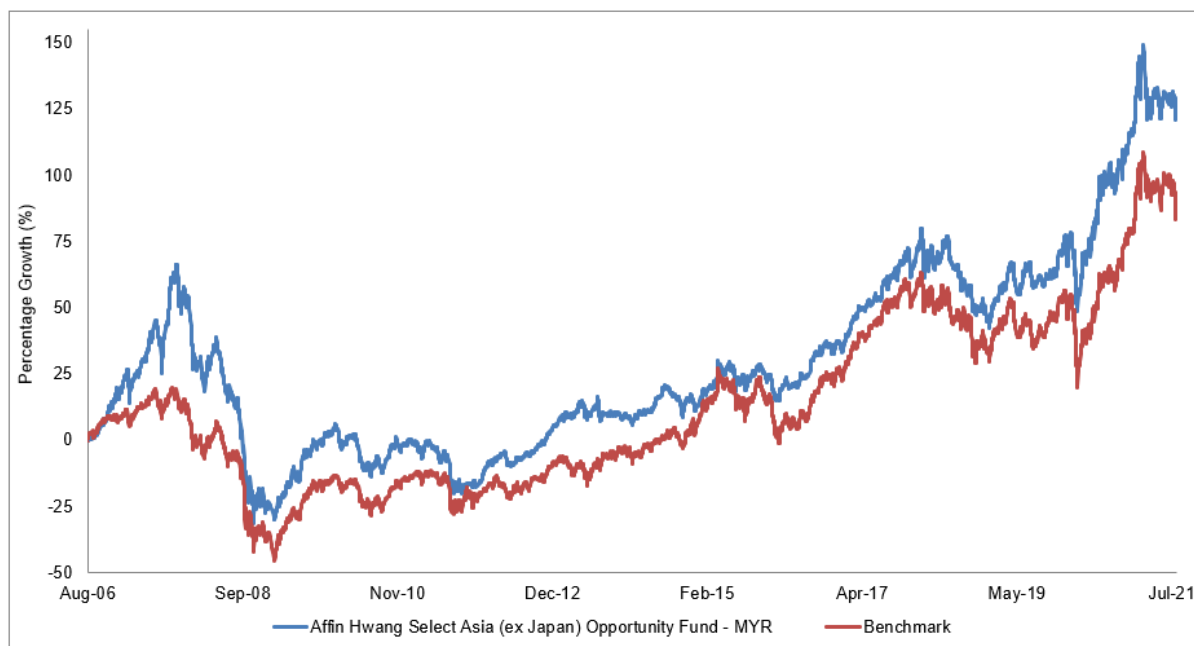
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/2/20 - 31/1/21)	FYE 2020 (1/2/19 - 31/1/20)	FYE 2019 (1/2/18 - 31/1/19)	FYE 2018 (1/2/17 - 31/1/18)	FYE 2017 (1/2/16 - 31/1/17)
Fund	37.72%	8.27%	(13.89%)	26.85%	20.91%
Benchmark	31.47%	2.73%	(12.39%)	23.70%	26.36%
Outperformance	6.25%	5.54%	(1.50%)	3.15%	(5.45%)

Source of Benchmark: Bloomberg

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



AUD Class

For the period 1 February 2021 to 31 July 2021, the Fund registered a -3.58% return compared to the benchmark return of -2.57%. The Fund thus underperformed the Benchmark by 1.01%. The Net Asset Value per unit (“NAV”) of the Fund as at 31 July 2021 was AUD0.6482 while the NAV as at 31 January 2021 was AUD0.6723.

Since commencement, the Fund has registered a return of 29.64% compared to the benchmark return of 24.11%, outperforming by 5.53%. The Fund has met its investment objective.

AUD Class

Table 1: Performance of the Fund

	6 Months (1/2/21 - 31/7/21)	1 Year (1/8/20 - 31/7/21)	3 Years (1/8/18 - 31/7/21)	Since Commencement (19/7/18 - 31/7/21)
Fund	(3.58%)	9.27%	31.00%	29.64%
Benchmark	(2.57%)	13.92%	23.20%	24.11%
Outperformance	(1.01%)	(4.65%)	7.80%	5.53%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/8/20 - 31/7/21)	3 Years (1/8/18 - 31/7/21)	Since Commencement (19/7/18 - 31/7/21)
Fund	9.27%	9.41%	8.92%
Benchmark	13.92%	7.19%	7.37%
Outperformance	(4.65%)	2.22%	1.55%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/2/20 - 31/1/21)	FYE 2020 (01/2/19 - 31/1/20)	FYE 2019 (19/7/18 - 31/1/19)
Fund	22.08%	17.47%	(6.24%)
Benchmark	16.80%	11.55%	(2.24%)
Outperformance	5.28%	5.92%	(4.00%)

Source of Benchmark: Bloomberg

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



GBP Class

For the period 1 February 2021 to 31 July 2021, the Fund registered a -8.72% return compared to the benchmark return of -7.68%. The Fund thus underperformed the Benchmark by 1.04%. The Net Asset Value per unit (“NAV”) of the Fund as at 31 July 2021 was GBP0.6079 while the NAV as at 31 January 2021 was GBP0.6660.

Since commencement, the Fund has registered a return of 21.58% compared to the benchmark return of 15.76%, outperforming by 5.82%. The Fund has met its investment objective.

GBP Class

Table 1: Performance of the Fund

	6 Months (1/2/21 - 31/7/21)	1 Year (1/8/20 - 31/7/21)	3 Years (1/8/18 - 31/7/21)	Since Commencement (19/7/18 - 31/7/21)
Fund	(8.72%)	5.23%	22.73%	21.58%
Benchmark	(7.68%)	10.34%	14.90%	15.76%
Outperformance	(1.04%)	(5.11%)	7.83%	5.82%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/8/20 - 31/7/21)	3 Years (1/8/18 - 31/7/21)	Since Commencement (19/7/18 - 31/7/21)
Fund	5.23%	7.06%	6.64%
Benchmark	10.34%	4.73%	4.94%
Outperformance	(5.11%)	2.33%	1.70%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/2/20 - 31/1/21)	FYE 2020 (1/2/19 - 31/1/20)	FYE 2019 (19/7/18 - 31/1/19)
Fund	33.90%	8.84%	(8.60%)
Benchmark	28.34%	2.16%	(4.36%)
Outperformance	5.56%	6.68%	(4.24%)

Source of Benchmark: Bloomberg

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



SGD Class

For the period 1 February 2021 to 31 July 2021, the Fund registered a -5.27% return compared to the benchmark return of -4.62%. The Fund thus underperformed the Benchmark by 0.65%. The Net Asset Value per unit ("NAV") of the Fund as at 31 July 2021 was SGD0.6451 while the NAV as at 31 January 2021 was SGD0.6810.

Since commencement, the Fund has registered a return of 29.02% compared to the benchmark return of 22.23%, outperforming by 6.79%. The Fund has met its investment objective.

SGD Class

Table 1: Performance of the Fund

	6 Months (1/2/21 - 31/7/21)	1 Year (1/8/20 - 31/7/21)	3 Years (1/8/18 - 31/7/21)	Since Commencement (19/7/18 - 31/7/21)
Fund	(5.27%)	11.20%	29.77%	29.02%
Benchmark	(4.62%)	15.31%	21.07%	22.23%
Outperformance	(0.65%)	(4.11%)	8.70%	6.79%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/8/20 - 31/7/21)	3 Years (1/8/18 - 31/7/21)	Since Commencement (19/7/18 - 31/7/21)
Fund	11.20%	9.07%	8.75%
Benchmark	15.31%	6.58%	6.83%
Outperformance	(4.11%)	2.49%	1.92%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/2/20 - 31/1/21)	FYE 2020 (1/2/19 - 31/1/20)	FYE 2019 (19/7/18 - 31/1/19)
Fund	36.04%	9.54%	(8.60%)
Benchmark	29.82%	4.16%	(5.23%)
Outperformance	6.22%	5.38%	(3.37%)

Source of Benchmark: Bloomberg

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



USD Class

For the period 1 February 2021 to 31 July 2021, the Fund registered a -6.83% return compared to the benchmark return of -6.38%. The Fund thus underperformed the Benchmark by 0.45%. The Net Asset Value per unit ("NAV") of the Fund as at 31 July 2021 was USD0.5593 while the NAV as at 31 January 2021 was USD0.6003.

Since commencement, the Fund has registered a return of 11.86% compared to the benchmark return of 23.19%, underperforming by 11.33%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/2/21 - 31/7/21)	1 Year (1/8/20 - 31/7/21)	3 Years (1/8/18 - 31/7/21)	Since Commencement (19/7/18 - 31/7/21)
Fund	(6.83%)	13.17%	12.06%	11.86%
Benchmark	(6.38%)	17.08%	21.66%	23.19%
Outperformance	(0.45%)	(3.91%)	(9.60%)	(11.33%)

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/8/20 - 31/7/21)	3 Years (1/8/18 - 31/7/21)	Since Commencement (19/7/18 - 31/7/21)
Fund	13.17%	3.87%	3.76%
Benchmark	17.08%	6.75%	7.11%
Outperformance	(3.91%)	(2.88%)	(3.35%)

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/2/20 - 31/1/21)	FYE 2020 (1/2/19 - 31/1/20)	FYE 2019 (19/7/18 - 31/1/19)
Fund	39.67%	(7.21%)	(7.36%)
Benchmark	33.30%	2.73%	(3.91%)
Outperformance	6.37%	(9.94%)	(3.45%)

Source of Benchmark: Bloomberg

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



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

Benchmark: MSCI AC Asia Ex Japan Index

Past performance is not necessarily indicative of future performance and that Unit prices and investment returns may go down, as well as up.

Asset Allocation

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

As at 31 July 2021, the Fund's equities weighting in the portfolio had decreased to 83.91% of the Fund's NAV – 14.37 percentage points lower than 98.28% a year ago while the cash holdings rose to 14.22%. Exposure towards the foreign equities were decreased mainly via the financials and technology space. The Manager continues to see opportunities in the market and was awaiting for better opportunity to redeployed the cash into quality names.

Strategies Employed

With the extreme volatility in markets, we continue to keep close monitor on market development amidst the rare event of global pandemic. Due to the regulatory headwinds in China, we have also lightened up exposure in the Chinese e-commerce and internet space while we took a more prudent approach. The Fund continues to adopt a barbell strategy between structural growth and cyclical buckets, with the defensive bucket making up less than 10% of the portfolio.

Market Review

Global equities started 2021 on a strong note as policy easing, and global vaccine rollouts went underway. At the start of January, US markets saw strong optimism. The storming of the US Capitol in early January had little effect over the broader market. However, a black swan event at the end of the month saw retail investors selectively targeting underperforming stocks (e.g. GME and AMC) that resulted in a short squeeze and pushing their share prices to new highs.

US equity markets ended the month of February with modest gains though sentiment was tested as surging bond yields and inflation fears took precedence. Whilst equities and bonds tend to move in opposite directions, the reality is that equity outperformance in the past year has largely come from growth-centric stocks and “stay at home” trades, which were facing short-term squeezes on their profit margins from rising rates. Another factor is the shift from growth to value, with value stocks performing better over the period.

Global equities endured a mixed session in March as US-China tensions boiled over dampening sentiment. With recovery still in a fragile state, global central banks including the Fed are expected to keep monetary policy accommodative to nurse the economy through the pandemic. Meanwhile, rising bond yields continue to unsettle markets. Banks are enjoying higher trading fees and lower provision costs as the economy gradually regains its footing.

Global markets shrugged off inflation fears to climb higher in June as investors start to buy-in to the Fed's dovish testimony. The S&P 500 and Nasdaq index rose, buoyed by stimulus optimism after early indication of bipartisan support of the proposed US\$1.2 trillion infrastructure bill in the US Congress. US Fed Chair, Jerome Powell testified in the House of Representatives to reiterate the central bank's view that inflation is transitory and that the FOMC will not rush to hike rates. The yield on the 10-year Treasury note tumbled as the Fed affirmed that it would not pre-emptively hike rates before signs of a recovery.

In Asia, the MSCI Asia ex-Japan index was marginally weaker in June as sentiment was dampened on geopolitical tensions and consolidation seen in China's economy. The Group of Seven (“G7”) nations and North Atlantic Treaty Organisation (“NATO”) held its annual summit with political leaders from US and Europe vowing to toughen its stance on China.

China had also reported weaker than expected retail sales and industrial production data. Industrial production grew 8.8% y-o-y in May, which came below consensus expectations of 9.2%. Weaker upstream production as well as a power shortage in the Yunan province which is an aluminium production hub led to lower factory output. May retail sales which rose 12.4% y-o-y also fell market expectations of 14.0%. However, weaker economic data could push back any chance of further tightening in China as policymakers look to sustain growth.

Asia was dragged by the weakness in the Chinese market in July. Once again, China saw regulators cracking down on businesses, this time targeting the education sector. Authorities had banned the provision of holiday and weekend tutoring, and further said that they will no longer approve the establishment of new tuition centres. Instead, tutoring companies are being asked to register as non-profit institutions.

The local equity market's performance was muted relative to regional peers. In the February result season, the tech sector was largely reporting earnings that beat expectations on the back of robust demand. Meanwhile, Finance Minister clarified in an interview that the government is not looking to impose capital gains tax on stocks. The government was mulling new taxes to widen its revenue base once the economy is on a more stable footing.

The Malaysian bond market saw an unwinding of “rate cut” bets at the end of January following BNM's announcement to keep interest rates unchanged at 1.75% highlighting that recovery of the local economy was underway. The shorter-end of the MGS curve saw yields rise whilst longer-tenured papers remained resilient that month.

Yields trended higher in tandem with US treasury movement in the quarter. Undoubtedly, the performance of the local bond market has been subpar since the start of the year; especially given the volatility in US Treasury yields, as well as the lack of support from EPF due to its ongoing commitment to the i-Sinar and i-Lestari programme. However, demand was seen returning in March, as more investors – including insurance players and asset managers – are seen nibbling into the market given the more attractive yield levels.

Fiscal deficit is expected to breach above the government's target of 6.0%. With the unveiled PEMULIH stimulus package, we could see the debt ceiling be raised to 65.0% from 60.0%. This could translate to more government bond supplies, which may put further pressure on Malaysia's sovereign rating.

On the monetary policy side, Bank Negara Malaysia (“BNM”) kept Overnight Policy Rates (“OPR”) at 1.75% in its monetary policy meeting in July. The central bank remained slightly optimistic on Malaysia's growth outlook on the back of various support measures in place, vaccine rollouts, as well as stronger export numbers.

Political risks abated slightly with the appointment of Datuk Seri Ismail Sabri Yaakob as the 9th Prime Minister after securing the majority support of 114 MPs. The next Parliament sitting is slated in September which Datuk

Seri Ismail Sabri will face a test of majority support through a vote of confidence. With political stability expected until the next General Election (GE) due by 2023, the local market could see further support on the back of continued vaccination roll-outs. The gradual reopening of more economic sectors also point to economic growth improving in the coming quarters.

During its quarterly GDP briefing, BNM said that Malaysia's GDP grew 16.1% y-o-y in the 2Q'21, although it contracted 2% on a q-o-q basis. The central bank also revised its full-year GDP growth forecast for Malaysia to between 3% and 4%, from the previous forecast of between 6% and 7.5% for 2021.

Investment Outlook

Global markets have rallied sharply from their lowest, supported by fiscal and monetary stimulus. The economy is still recovering, albeit at a slow pace, as consumers' confidence return. Recovery plays will be the most obvious theme for the year of improving macroeconomic conditions and the inevitable rollout of vaccines has everyone looking to the future and letting go of 2020's miseries. We have already seen the rotation from growth to value take place in the start of 2021.

Earnings momentum will continue in 2021 with earnings growth projected to rise in Asia ex-Japan. Key sectors leading the recovery include the energy, consumer discretionary and industrials. Though, this is tempered by moderately higher valuations which has crept up above historical averages. Liquidity conditions remain positive and with earnings visibility from Asian companies that are riding along a China-led economic recovery, Asia continues to be an ocean of growth potential as the region continues to grow. Selected Chinese consumer names which are less likely to be pressured by regulatory headwinds were deemed more favourable.

Back home, economic recovery continues to be delayed by Covid-19 as cases surge throughout the country. From a bottom-up perspective, the domestic focus will be on the recovery beneficiaries and exporters in the technology and EMS segment which have strong earnings visibility in the near term as well increasing demand. Weights in politically sensitive stocks have also been trimmed as the situation remains fluid.

ESG funds have also been gathering plenty of interest and we will expect this investor shift to ESG-focused funds to be more commonplace across the industry. The Biden administration's foray into building stronger climate change initiatives also signals a shift for the investment industry as this will generate more opportunities across asset classes. The wider implications of this on the economy will take time to materialise, but will continue to be observed.

State of Affairs of the Fund

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

Soft Commissions received from Brokers

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

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

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

Cross Trade

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

TRUSTEE'S REPORT TO THE UNITHOLDERS OF AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

We have acted as Trustee of Affin Hwang Select Asia (Ex Japan) Opportunity Fund ("the Fund") for the financial period ended 31 July 2021. To the best of our knowledge, Affin Hwang Asset Management Berhad ("the Management Company"), 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, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (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.

For HSBC (Malaysia) Trustee Berhad

Yap Lay Guat
Manager, Investment Compliance Monitoring

Kuala Lumpur
13 September 2021

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021

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AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

UNAUDITED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021

	Note	6 months financial period ended 31.7.2021 RM	6 months financial period ended 31.7.2020 RM
INVESTMENT (LOSS)/INCOME			
Dividend income		8,768,424	5,634,048
Interest income from financial assets at amortised cost		91,375	86,541
Net gain on foreign currency exchange		798,230	3,762,874
Net loss on forward foreign currency contract at fair value through profit or loss		(8,354,174)	(4,065,400)
Net (loss)/gain on financial assets at fair value through profit or loss	7	(25,132,760)	121,925,269
		<u>(23,828,905)</u>	<u>127,343,332</u>
EXPENSES			
Management fee	4	(10,712,057)	(4,823,101)
Trustee fee	5	(500,663)	(226,961)
Auditors' remuneration		(4,959)	(5,237)
Tax agent's fee		(1,884)	(50,039)
Transaction cost		(5,823,340)	(4,380,958)
Other expenses		(1,426,242)	(797,002)
		<u>(18,469,145)</u>	<u>(10,283,298)</u>
NET (LOSS)/PROFIT BEFORE TAXATION		(42,298,050)	117,060,034
Taxation	6	(2,409,261)	-
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>(44,707,311)</u>	<u>117,060,034</u>
(Decrease)/increase in net asset attributable to unitholders is made up of the following:			
Realised amount		34,657,924	45,759,208
Unrealised amount		(79,365,235)	71,300,826
		<u>(44,707,311)</u>	<u>117,060,034</u>

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

UNAUDITED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2021

	<u>Note</u>	<u>2021</u> RM	<u>2020</u> RM
ASSETS			
Cash and cash equivalents	8	206,470,230	7,387,648
Amount due from Manager			
- creation of units		4,110,097	5,799,297
Dividend receivables		2,106,879	467,447
Financial assets at fair value through profit or loss	7	1,268,839,580	724,091,617
TOTAL ASSETS		<u>1,481,526,786</u>	<u>737,746,009</u>
LIABILITIES			
Amount due to Manager			
- management fee		1,924,543	916,291
- cancellation of units		408,256	-
Amount due to Trustee		89,812	42,760
Auditors' remuneration		8,414	8,692
Tax agent's fee		2,615	3,175
Other payables and accruals		15,107	6,532
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		<u>2,448,747</u>	<u>977,450</u>
NET ASSETS VALUE OF THE FUND		<u>1,479,078,039</u>	<u>736,768,559</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>1,479,078,039</u>	<u>736,768,559</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

UNAUDITED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2021 (CONTINUED)

	<u>Note</u>	<u>2021</u> RM	<u>2020</u> RM
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- MYR Class		1,437,118,689	729,433,820
- AUD Class		9,821,927	901,301
- GBP Class		5,148,792	397,750
- SGD Class		14,192,053	5,606,407
- USD Class		12,796,578	429,281
		<u>1,479,078,039</u>	<u>736,768,559</u>
NUMBER OF UNITS IN CIRCULATION			
- MYR Class	9 (a)	1,483,638,000	848,505,000
- AUD Class	9 (b)	4,852,000	502,000
- GBP Class	9 (c)	1,436,000	125,000
- SGD Class	9 (d)	7,047,000	3,135,000
- USD Class	9 (e)	5,423,000	205,000
		<u>1,502,396,000</u>	<u>852,472,000</u>
NET ASSET VALUE PER UNIT (RM)			
- MYR Class		0.9686	0.8597
- AUD Class		2.0243	1.7954
- GBP Class		3.5855	3.1820
- SGD Class		2.0139	1.7883
- USD Class		2.3597	2.0941
		<u>0.9686</u>	<u>0.8597</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- MYR Class		RM0.9686	RM0.8597
- AUD Class		AUD0.6482	AUD0.5932
- GBP Class		GBP0.6079	GBP0.5777
- SGD Class		SGD0.6451	SGD0.5801
- USD Class		USD0.5593	USD0.4942
		<u>RM0.9686</u>	<u>RM0.8597</u>

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

UNAUDITED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021

	6 months financial period ended <u>31.7.2021</u> RM	6 months financial period ended <u>31.7.2020</u> RM
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	1,251,139,200	640,904,081
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications	312,428,221	77,472,156
- MYR Class	298,772,563	75,787,768
- AUD Class	3,957,386	717,592
- GBP Class	2,313,095	326,954
- SGD Class	4,763,965	245,229
- USD Class	2,621,212	394,613
Cancellation of units	(39,782,071)	(98,667,712)
- MYR Class	(35,607,562)	(97,645,572)
- AUD Class	(341,789)	(430,888)
- GBP Class	(556,594)	(72,494)
- SGD Class	(1,383,321)	(518,758)
- USD Class	(1,892,805)	-
Net (decrease)/increase in net assets attributable to unitholders during the financial period	(44,707,311)	117,060,034
- MYR Class	(43,393,000)	116,095,257
- AUD Class	(368,897)	90,862
- GBP Class	(177,839)	33,618
- SGD Class	(438,030)	809,150
- USD Class	(329,545)	31,147
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u><u>1,479,078,039</u></u>	<u><u>736,768,559</u></u>

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

UNAUDITED INTERIM STATEMENT OF CASH FLOWS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021

	<u>Note</u>	6 months financial period ended <u>31.7.2021</u> RM	6 months financial period ended <u>31.7.2020</u> RM
CASH FLOW FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		1,329,761,332	868,029,968
Purchase of investments		(1,465,723,873)	(852,636,812)
Dividends received		8,278,479	5,578,315
Interest received		91,375	86,541
Management fee paid		(10,319,129)	(4,782,942)
Trustee fee paid		(482,326)	(225,087)
Realised loss on forward foreign currency contracts		(7,654,182)	(4,065,400)
Payment for other fees and expenses		(7,255,130)	(5,229,743)
Net realised foreign currency exchange gain		6,403,296	6,372,948
Tax paid		(2,409,261)	-
Net cash flows (used in)/generated from operating activities		<u>(149,309,419)</u>	<u>13,127,788</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from creation of units		352,169,946	71,672,859
Payments for cancellation of units		(41,080,402)	(100,701,464)
Net cash flows generated from/(used in) financing activities		<u>311,089,544</u>	<u>(29,028,605)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		161,780,125	(15,900,817)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		2,461,813	4,711,852
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		<u>42,228,292</u>	<u>18,576,613</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	8	<u><u>206,470,230</u></u>	<u><u>7,387,648</u></u>

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021

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 period. It also requires the Manager to exercise their judgment in the process of applying the Fund’s accounting policies. Although these estimates and judgment are based on the Manager’s best knowledge of current events and actions, actual results may differ.

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

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

- The Conceptual Framework for Financial Reporting (Revised 2018)
- Amendments to MFRS 101 and MFRS 108 ‘Definition of Material’

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

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

- Amendments to MFRS 3 ‘Reference to Conceptual Framework’ (effective 1 January 2022) replace the reference to Framework for Preparation and Presentation of Financial Statements with 2018 Conceptual Framework.
- Annual Improvements to MFRSs 2018 – 2020 Cycle (effective for annual periods beginning on or after 1 January 2022).
- Amendments to MFRS 137 ‘onerous contracts—cost of fulfilling a contract’ (effective 1 January 2022) clarify that direct costs of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts.
- Amendments to MFRS 101 ‘Classification of liabilities as current or non-current (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period. A liability is classified as current if a condition is breached at or before the reporting date and a waiver is obtained after the reporting date.

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

B INCOME RECOGNITION

Dividend Income

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

Interest income

Interest income from short term deposit with a licensed financial institution is recognised based on effective interest rate method on an accruals basis.

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

Realised gains and losses on sale of investments

For quoted equities and exchange-traded fund (“ETF”), 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 TRANSACTION COSTS

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

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.

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

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 Ringgit Malaysia (“RM”), which is the Fund’s functional and presentation currency.

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

F FOREIGN CURRENCY TRANSLATION

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in 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 Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income.

The contractual cash flows of the Fund's debt securities are solely principal and interest ("SPPI"). However, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments and derivatives not designated as hedging instruments are measured at fair value through profit or loss.

The Fund classifies cash and cash equivalents, amount due from Manager and dividend receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows that represent SPPI.

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

(ii) Recognition and measurement

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

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

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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

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

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

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

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

(iii) Impairment

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

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

Qualitative criteria:

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

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

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

Write-off

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

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

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 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 at fair value through profit or loss.

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

J CREATION AND CANCELLATION OF UNITS

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

The Fund issues cancellable units, in five classes of units, known respectively as the AUD class, GBP class, MYR class, SGD class and USD class, which are cancelled at the unitholder's option and do not have identical features. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value ("NAV") of respective classes. The outstanding units are carried at the redemption amount that is payable at the statement of financial position if the unitholder exercises the right to put back the unit to the Fund.

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

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

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

L CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS 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 of the estimates, certain key variables that are anticipated to have material impact to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

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

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

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

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

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name HwangDBS Global Opportunities Fund (“Fund”) pursuant to the execution of a Master Deed dated 20 March 2006, as modified by first Supplemental Deed dated 13 December 2006, Second Supplemental Master Deed dated 18 June 2007, Third Supplemental Master Deed dated 28 August 2008, Fourth Supplemental Master Deed dated 27 September 2011, Fifth Supplemental Master Deed dated 18 January 2012, Sixth Supplemental Deed dated 2 May 2012, Seventh Supplemental Deed dated 27 June 2014 and Eight Supplemental Deed dated 28 April 2017 (the “Deeds”) entered into between Affin Hwang Asset Management Berhad (the “Manager”), HSBC (Malaysia) Trustee Berhad (the “Trustee”) and the registered unitholders of the Fund. The Fund has changed its name from Hwang Global Opportunities Fund to Hwang Select Asia (Ex Japan) Opportunity Fund as amended by the Sixth Supplemental Deed dated 2 May 2012, and from Hwang Select Asia (Ex Japan) Opportunity Fund to Affin Hwang Select Asia (Ex Japan) Opportunity Fund as amended by the Seventh Supplemental Deed dated 27 June 2014.

The Fund commenced operations on 19 July 2006 and will continue its operations until terminated by the Trustee as provided under Clause 12.2 of the Deeds.

The Fund has introduced other classes of units in accordance with the unitholders’ resolution passed on 8 December 2017.

The Fund may invest in any of the following investments:

- (i) Securities of companies listed on Bursa Malaysia and any other exchanges of countries who are members of International Organization of Securities Commission
- (ii) Unlisted securities including, without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation for such securities
- (iii) Debentures
- (iv) Money market instruments
- (v) Deposits
- (vi) Derivatives, for the purpose of hedging only
- (vii) Warrants
- (viii) Structured products
- (ix) Units or shares in collective investments schemes; and
- (x) Any other form of investments as may be permitted by the SC from time to time which are in line with the objective of the Fund.

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

The main objective of the Fund is to provide capital appreciation over the medium to long term by investing in equities and equity-linked investments in Asian markets (ex Japan).

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

The financial statements were authorised for issue by the Manager on 13 September 2021.

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2021</u>				
Cash and cash equivalents	8	206,470,230	-	206,470,230
Amount due to Manager				
- creation of units		4,110,097	-	4,110,097
Dividend receivables		2,106,879	-	2,106,879
Quoted equities	7	-	1,268,839,580	1,268,839,580
Total		<u>212,687,206</u>	<u>1,268,839,580</u>	<u>1,481,526,786</u>

Financial liabilities

Amount due to Manager				
- management fee		1,924,543	-	1,924,543
- cancellation of units		408,256	-	408,256
Amount due to Trustee		89,812	-	89,812
Auditors' remuneration		8,414	-	8,414
Tax agent's fee		2,615	-	2,615
Other payables and accruals		15,107	-	15,107
Total		<u>2,448,747</u>	<u>-</u>	<u>2,448,747</u>

2020

Cash and cash equivalents	8	7,387,648	-	7,387,648
Amount due to Manager				
- creation of units		5,799,297	-	5,799,297
Dividend receivables		467,447	-	467,447
Quoted equities	7	-	724,091,617	724,091,617
Total		<u>13,654,392</u>	<u>724,091,617</u>	<u>737,746,009</u>

Financial liabilities

Amount due to Manager				
- management fee		916,291	-	916,291
Amount due to Trustee		42,760	-	42,760
Auditors' remuneration		8,692	-	8,692
Tax agent's fee		3,175	-	3,175
Other payables and accruals		6,532	-	6,532
Total		<u>977,450</u>	<u>-</u>	<u>977,450</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

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

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

Market risk

(a) Price risk

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

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

	<u>2021</u> RM	<u>2020</u> RM
Quoted investments		
Quoted equities	1,268,839,580	724,091,617

The following table summarises the sensitivity of the Fund's profit after taxation and net asset value ("NAV") to price risk movements. The analysis is based on the assumptions that the market price increased by 10% (2020: 10%) and decreased by 10% (2020: 10%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the quoted securities, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on profit after tax/NAV</u> RM
<u>2021</u>		
-10%	1,141,955,622	(126,883,958)
0%	1,268,839,580	-
+10%	1,395,723,538	126,883,958
<u>2020</u>		
-10%	651,682,455	(72,409,162)
0%	724,091,617	-
+10%	796,500,779	72,409,162

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

Market risk (continued)

(b) Interest rate risk

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

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

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

(c) Currency risk

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

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

	<u>Quoted equities</u> RM	<u>Exchange- traded fund</u> RM	<u>Cash and cash equivalents</u> RM	<u>Other assets*</u> RM	<u>Total</u> RM
<u>2021</u>					
<u>Financial assets</u>					
Australian Dollar	17,024,257	-	15,798	127,328	17,167,383
China Renminbi	34,578,773	-	20,574,732	-	55,153,505
Euro	11,982,461	-	30,379,441	-	42,361,902
Hong Kong Dollar	395,849,843	27,682,150	74,201,555	906,160	498,639,708
Indonesian Rupiah	-	-	1	-	1
India Rupee	152,366,721	-	-	376,423	152,743,144
Korean Won	82,255,414	-	-	191,494	82,446,908
Pound Sterling	-	-	1,591,687	28,855	1,620,542
Singapore Dollar	7,505,288	-	1,319,845	-	8,825,133
Taiwan Dollar	147,745,813	-	-	632,802	148,378,615
United States Dollar	391,848,860	-	70,293,454	-	462,142,314
	<u>1,241,157,430</u>	<u>27,682,150</u>	<u>198,376,513</u>	<u>2,263,062</u>	<u>1,469,479,155</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	<u>Amount due to Manager</u> RM	<u>Net assets attributable to unitholders</u> RM	<u>Total</u> RM
<u>2021</u> (continued)			
<u>Financial liabilities</u>			
Australian Dollar	-	9,821,927	9,821,927
Pound Sterling	-	5,148,792	5,148,792
Singapore Dollar	53,062	14,192,053	14,245,115
United States Dollar	-	12,796,578	12,796,578
	<u>53,062</u>	<u>41,959,350</u>	<u>42,012,412</u>
	<u>Quoted equities</u> RM	<u>Cash and cash equivalents</u> RM	<u>Other assets*</u> RM
			<u>Total</u> RM
<u>2020</u>			
<u>Financial assets</u>			
Australian Dollar	-	497,366	5,309
China Renminbi	12,617,558	902	-
Hong Kong Dollar	369,156,930	9,864	343,438
Indonesian Rupiah	-	2	-
Korea Won	58,079,173	-	124,009
Pound Sterling	12,962,162	225,255	-
Singapore Dollar	20,650,946	323,429	-
Taiwan Dollar	51,639,149	-	-
United States Dollar	198,985,699	203,479	58,281
	<u>724,091,617</u>	<u>1,260,297</u>	<u>531,037</u>
			<u>725,882,951</u>

* Other assets consist of amount due from Manager and dividend receivables.

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (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)

	Net assets attributable to <u>unitholders</u> RM	<u>Total</u> RM
<u>2020</u> (continued)		
<u>Financial liabilities</u>		
Australian Dollar	901,301	901,301
Pound Sterling	397,750	397,750
Singapore Dollar	5,606,407	5,606,407
United States Dollar	429,281	429,281
	<u>7,334,739</u>	<u>7,334,739</u>

The table below summarises the sensitivity of the Fund's profit after tax and net asset value ("NAV") to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 10% (2020: 10%), with all other variables remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/(decrease) in foreign exchange rate will result in a corresponding (decrease)/increase in the net assets attributable to unitholders by approximately 10% (2020: 10%). Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in <u>rate</u> %	Impact on profit after tax/ <u>NAV</u> RM
<u>2021</u>		
Australian Dollar	+/-10	+/- 734,546
China Renminbi	+/-10	+/- 5,515,351
Euro	+/-10	+/- 4,236,190
Hong Kong Dollar	+/-10	+/- 49,863,971
India Rupee	+/-10	+/- 15,274,314
Korean Won	+/-10	+/- 8,244,691
Pound Sterling	+/-10	+/- 352,825
Singapore Dollar	+/-10	+/- 541,998
Taiwan Dollar	+/-10	+/- 14,837,862
United States Dollar	+/-10	<u>+/- 44,934,574</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

	Change in <u>rate</u> %	Impact on profit after tax/ <u>NAV</u> RM
<u>2020</u>		
Australian Dollar	+/-10	+/- 39,863
China Renminbi	+/-10	+/- 1,261,846
Hong Kong Dollar	+/-10	+/- 36,951,023
Korean Won	+/-10	+/- 5,820,318
Pound Sterling	+/-10	+/- 1,278,967
Singapore Dollar	+/-10	+/- 1,536,797
Taiwan Dollar	+/-10	+/- 5,163,915
United States Dollar	+/-10	+/- 19,881,818

Credit risk

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

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

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

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

Credit risk (continued)

The following table set out the credit risk concentration of the Fund:

	<u>Cash and cash equivalents</u> RM	<u>Amount due from Manager</u> RM	<u>Dividend receivables</u> RM	<u>Total</u> RM
<u>2021</u>				
Consumer Discretionary				
- NR	-	-	644,548	644,548
Financials Services				
- AAA	206,470,230	-	-	206,470,230
- NR	-	-	132,075	132,075
Industrials				
- NR	-	-	439,650	439,650
Real Estate				
- NR	-	-	454,764	454,764
Technology				
- NR	-	-	216,492	216,492
Utilities				
- NR	-	-	219,350	219,350
Others				
- NR	-	4,110,097	-	4,110,097
	<u>206,470,230</u>	<u>4,110,097</u>	<u>2,106,879</u>	<u>212,687,206</u>
<u>2020</u>				
Consumer Services				
- NR	-	-	72,972	72,972
Financials Services				
- AAA	7,387,648	-	-	7,387,648
- NR	-	-	270,466	270,466
Technology				
- NR	-	-	124,009	124,009
Others				
- NR	-	5,799,297	-	5,799,297
	<u>7,387,648</u>	<u>5,799,297</u>	<u>467,447</u>	<u>13,654,392</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

Liquidity risk

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

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

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

	<u>Within one month</u> RM	<u>Between one month and one year</u> RM	<u>Total</u> RM
<u>2021</u>			
Amount due to Manager			
- management fee	1,924,543	-	1,924,543
- cancellation of units	408,256	-	408,256
Amount due to Trustee	89,812	-	89,812
Auditors' remuneration	-	8,414	8,414
Tax agent's fee	-	2,615	2,615
Other payables and accruals	-	15,107	15,107
Net assets attributable to unitholders*	1,479,078,039	-	1,479,078,039
	<u>1,481,500,650</u>	<u>26,136</u>	<u>1,481,526,786</u>
<u>2020</u>			
Amount due to Manager			
- management fee	916,291	-	916,291
Amount due to Trustee	42,760	-	42,760
Auditors' remuneration	-	8,692	8,692
Tax agent's fee	-	3,175	3,175
Other payables and accruals	-	6,532	6,532
Net assets attributable to unitholders*	736,768,559	-	736,768,559
	<u>737,727,610</u>	<u>18,399</u>	<u>737,746,009</u>

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

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

Capital risk

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

3 FAIR VALUE ESTIMATION

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

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

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

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

(i) Fair value hierarchy

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

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

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

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

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.

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

5 TRUSTEE'S FEE

In accordance with the Deeds, the Trustee is entitled to an annual fee, inclusive of local custodian fees, at a rate not exceeding 0.30% per annum on the NAV of the Fund for local investments, excluding foreign sub-custodian fees.

For the 6 months financial period ended 31 July 2021, the Trustee fee is recognised at a rate of 0.07% (2020: 0.07%) per annum on the NAV of the Fund, inclusive of local custodian fee, calculated on daily basis as stated in the Fund's Prospectus.

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

6 TAXATION

	6 months financial period ended <u>31.7.2021</u> RM	6 months financial period ended <u>31.7.2020</u> RM
Current taxation - foreign	2,409,261	-

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

	6 months financial period ended <u>31.7.2021</u> RM	6 months financial period ended <u>31.7.2020</u> RM
Net (loss)/profit before taxation	(42,298,050)	117,060,034
Tax at Malaysian statutory rate of 24% (2020: 24%)	(10,151,532)	28,094,408
Tax effects of:		
Investment loss not brought to tax/ (Investment income not subject to tax)	5,718,937	(30,562,400)
Expenses not deductible for tax purposes	1,858,984	1,307,664
Restrictions on tax deductible expenses for Unit Trust Funds	2,573,611	1,160,328
Foreign investment income subject to different tax rates	2,409,261	-
Tax expense	2,409,261	-

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

7 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2021</u> RM	<u>2020</u> RM
Financial assets at fair value through profit or loss		
- quoted equities – foreign	1,241,157,430	724,091,617
- exchange-traded fund - foreign	27,682,150	-
	<u>1,268,839,580</u>	<u>724,091,617</u>
Net (loss)/gain on assets at fair value through profit or loss		
- realised gain on sale of investments	55,994,296	55,336,295
- unrealised (loss)/gain on changes in fair value	(81,127,056)	66,588,974
	<u>(25,132,760)</u>	<u>121,925,269</u>

(a) Quoted equities - foreign

(i) Quoted equities - foreign as at 31 July 2021 are as follows:

	<u>Quantity</u>	Aggregate cost RM	Fair value RM	Percentage of NAV %
<u>Australia</u>				
<u>Basic materials</u>				
OZ Minerals Ltd	236,000	15,549,736	17,024,257	1.15
<u>China</u>				
<u>Consumer Discretionary</u>				
China Tourism Group Duty Free Corp	135,971	27,518,594	21,385,057	1.45
<u>Telecommunications</u>				
Luxshare Precision Industry Co	546,853	15,985,873	13,193,716	0.89
<u>Germany</u>				
<u>Consumer Staples</u>				
HelloFresh SE	30,120	11,164,481	11,982,461	0.81

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

(a) Quoted equities - foreign (continued)

(i) Quoted equities - foreign as at 31 July 2021 are as follows: (continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong</u>				
<u>Basic Materials</u>				
Aluminum Corp of China Ltd	2,994,000	7,657,731	7,700,340	0.52
Ganfeng Lithium Co Ltd	193,800	11,545,180	17,529,485	1.19
	<u>3,187,800</u>	<u>19,202,911</u>	<u>25,229,825</u>	<u>1.71</u>
<u>Consumer Discretionary</u>				
Samsonite International SA	1,912,000	15,827,323	14,980,795	1.01
Alibaba Group Holding Ltd	600,500	67,240,630	61,582,116	4.16
Haier Smart Home Co Ltd	2,101,000	34,524,641	30,267,069	2.05
	<u>4,613,500</u>	<u>117,592,594</u>	<u>106,829,980</u>	<u>7.22</u>
<u>Consumer Staples</u>				
China Mengniu Dairy Co Ltd	1,242,000	29,575,991	28,270,491	1.91
China Feihe Ltd	2,484,000	27,816,677	20,082,494	1.36
	<u>3,726,000</u>	<u>57,392,668</u>	<u>48,352,985</u>	<u>3.27</u>
<u>Financials</u>				
AIA Group Ltd	1,093,000	51,160,060	55,214,054	3.73
<u>Health care</u>				
Hangzhou Tigermed Consulting	250,600	23,809,913	20,464,322	1.38
<u>Industrials</u>				
Swire Pacific Limited - CL A	506,000	16,084,110	13,233,580	0.89
China Resources Cement Holding	2,021,000	7,784,412	7,029,171	0.48
CK Hutchison Holdings Ltd	466,000	15,307,505	14,361,971	0.97
	<u>2,993,000</u>	<u>39,176,027</u>	<u>34,624,722</u>	<u>2.34</u>
<u>Real Estate</u>				
Link REIT	565,000	21,127,825	22,778,077	1.54

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

(a) Quoted equities - foreign (continued)

(i) Quoted equities - foreign as at 31 July 2021 are as follows: (continued)

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Hong Kong</u> (continued)				
<u>Technology</u>				
Baidu Inc	290,000	33,429,199	24,877,667	1.68
Tencent Holdings Ltd	187,200	50,807,343	48,633,976	3.29
Netjoy Holdings Ltd	3,721,400	13,758,156	8,844,235	0.60
	<u>4,198,600</u>	<u>97,994,698</u>	<u>82,355,878</u>	<u>5.57</u>
 <u>India</u>				
<u>Consumer Discretionary</u>				
Jubilant Foodworks Ltd	130,982	22,003,598	28,013,063	1.89
 <u>Consumer Staples</u>				
Varun Beverages Ltd	439,972	15,049,822	18,896,907	1.28
 <u>Financials</u>				
HDFC Bank Ltd	471,036	36,653,741	38,031,823	2.57
SBI Cards & Payment Services	589,794	31,030,800	34,484,689	2.33
	<u>1,060,830</u>	<u>67,684,541</u>	<u>72,516,512</u>	<u>4.90</u>
 <u>Technology</u>				
Tata Consultancy Services Ltd	82,787	13,928,461	14,862,919	1.00
 <u>Utilities</u>				
Petronet LNG Ltd	1,452,832	20,104,370	18,077,320	1.22
 <u>South Korea</u>				
<u>Industrials</u>				
Samsung SDI Co Ltd	6,356	16,075,176	17,275,532	1.17

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

(a) Quoted equities - foreign (continued)

(i) Quoted equities - foreign as at 31 July 2021 are as follows: (continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>South Korea</u> (continued)				
<u>Technology</u>				
NAVER Corp	10,029	15,355,109	15,946,892	1.08
<u>Preference Shares</u>				
Samsung Electronics Co Ltd - Pref Shares	185,406	31,505,740	49,032,990	3.32
<u>Singapore</u>				
<u>Industrials</u>				
SATS Ltd	601,000	7,470,396	7,505,288	0.51
<u>Taiwan</u>				
<u>Consumer discretionary</u>				
Gourmet Master Co Ltd	320,000	7,825,171	7,050,048	0.48
<u>Industrials</u>				
Hon Hai Precision Industry Co	922,000	15,464,490	15,304,278	1.03
<u>Technology</u>				
MediaTek Inc	117,000	11,682,399	16,066,323	1.09
Taiwan Semiconductor Manufacturer	968,000	57,377,652	84,721,296	5.73
ASE Technology Holding Co Ltd	1,331,000	16,579,089	24,603,868	1.66
	<u>2,416,000</u>	<u>85,639,140</u>	<u>125,391,487</u>	<u>8.48</u>
<u>United States</u>				
<u>Consumer discretionary</u>				
Amazon.com Inc	6,232	75,037,531	87,491,685	5.92
American Eagle Outfitters Inc	215,806	18,605,320	31,357,121	2.12
The Walt Disney Company	28,302	21,419,460	21,015,480	1.42
Netflix Inc.	10,232	21,293,639	22,345,038	1.51
Airbnb Inc - Class A	38,766	21,750,264	23,540,292	1.59
	<u>299,338</u>	<u>158,106,214</u>	<u>185,749,616</u>	<u>12.56</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

(a) Quoted equities - foreign (continued)

(i) Quoted equities - foreign as at 31 July 2021 are as follows: (continued)

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>United States</u> (continued)				
<u>Consumer staples</u>				
Coca-cola European Partners PL	118,804	28,856,935	31,106,587	2.10
<u>Health care</u>				
Laboratory Corp of America Holdings	18,622	14,808,581	23,150,322	1.57
<u>Industrials</u>				
Visa Inc	32,680	26,532,838	33,979,767	2.30
Axon Enterprise Inc	25,114	10,311,304	19,706,750	1.33
	57,794	36,844,142	53,686,517	3.63
<u>Technology</u>				
Apple Inc.	54,278	28,508,992	33,401,777	2.26
Nvidia Corporation	49,540	27,700,543	40,731,725	2.75
Microsoft Corporation	19,984	19,280,394	24,022,316	1.62
	123,802	75,489,929	98,155,818	6.63
Total quoted equities - foreign	<u>29,822,998</u>	<u>1,129,887,195</u>	<u>1,241,157,430</u>	<u>83.91</u>
Accumulated unrealised gain on quoted equities - foreign		<u>111,270,235</u>		
Total quoted equities - foreign		<u>1,241,157,430</u>		

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

(b) Quoted equities - foreign (continued)

(ii) Quoted equities - foreign as at 31 July 2020 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>China</u>				
<u>Consumer goods</u>				
Midea Group Co Ltd	291,198	9,957,440	12,617,558	1.71
<u>Hong Kong</u>				
<u>Consumer goods</u>				
China Mengniu Dairy Co Ltd	583,000	9,159,661	11,587,813	1.57
Nissin Foods Co Ltd	2,579,000	9,536,816	10,407,255	1.41
Shenzhou International Group Holdings	140,000	6,595,605	7,077,232	0.96
	<u>3,302,000</u>	<u>25,292,082</u>	<u>29,072,300</u>	<u>3.94</u>
<u>Consumer services</u>				
Alibaba Group Holding Ltd	563,500	52,887,419	75,797,963	10.29
China Yuhua Education Corp Ltd	3,691,000	10,307,011	15,096,426	2.05
Sands China Ltd	1,424,000	25,697,936	23,320,364	3.17
Sun Art Retail Group Ltd	1,623,000	11,531,990	9,549,031	1.30
Topsports International Holdings	1,777,000	9,932,420	9,055,905	1.23
	<u>9,078,500</u>	<u>110,356,776</u>	<u>132,819,689</u>	<u>18.04</u>
<u>Financials</u>				
A-Living Services Co Ltd	847,000	19,274,909	20,262,358	2.75
CIFI Holdings Group Co Ltd	4,495,147	14,100,571	17,107,307	2.32
Ping An Insurance Group Co China	733,000	33,718,282	32,906,041	4.47
Shimao Group Holdings Ltd	865,000	15,677,829	15,537,459	2.11
Sichuan Languang Justbon Svcs	477,000	11,515,630	13,706,280	1.86
	<u>7,417,147</u>	<u>94,287,221</u>	<u>99,519,445</u>	<u>13.51</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

(b) Quoted equities - foreign (continued)

(ii) Quoted equities - foreign as at 31 July 2020 are as follows (continued):

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Hong Kong (continued)</u>				
<u>Health care</u>				
AK Medical Holdings Ltd	556,000	8,022,244	6,886,071	0.93
<u>Industrials</u>				
China Resources Cement Holding	1,909,000	9,491,071	11,064,717	1.50
<u>Technology</u>				
HKBN Ltd	968,000	5,118,237	7,579,610	1.03
Tencent Holdings Ltd	254,600	46,306,473	74,340,959	10.09
Xiaomi Corp	973,000	7,934,051	7,874,139	1.07
	<u>2,195,600</u>	<u>59,358,761</u>	<u>89,794,708</u>	<u>12.19</u>
<u>Korea Republic</u>				
<u>Techology</u>				
Samsung Electronics Co Ltd	165,576	26,847,804	29,071,254	3.95
SK Hynix Inc	98,770	30,578,026	29,007,919	3.94
	<u>264,346</u>	<u>57,425,830</u>	<u>58,079,173</u>	<u>7.89</u>
<u>Singapore</u>				
<u>Financials</u>				
CapitaLand Retail China Trust	3,418,000	14,562,979	12,854,736	1.74
<u>Industrials</u>				
Venture Corp Ltd	142,000	6,635,272	7,796,210	1.06

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

(b) Quoted equities - foreign (continued)

(ii) Quoted equities - foreign as at 31 July 2020 are as follows (continued):

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Taiwan</u>				
<u>Technology</u>				
ASE Technology Holding Co Ltd	747,000	8,022,248	8,103,904	1.10
Taiwan Semiconductor Manufacturing	713,000	29,331,343	43,535,245	5.91
	<u>1,460,000</u>	<u>37,353,591</u>	<u>51,639,149</u>	<u>7.01</u>
<u>United Kingdom</u>				
<u>Consumer services</u>				
Compass Group PLC	224,000	13,967,907	12,962,162	1.76
	<u>224,000</u>	<u>13,967,907</u>	<u>12,962,162</u>	<u>1.76</u>
<u>United States</u>				
<u>Consumer services</u>				
Alibaba Group Holding Ltd	86	58,981	91,478	0.01
Amazon.com Inc	2,487	22,677,548	33,342,853	4.53
	<u>2,573</u>	<u>22,736,529</u>	<u>33,434,331</u>	<u>4.54</u>
<u>Financials</u>				
Visa Inc	20,835	16,524,155	16,809,212	2.28
	<u>20,835</u>	<u>16,524,155</u>	<u>16,809,212</u>	<u>2.28</u>
<u>Health care</u>				
Anthem Inc	14,689	17,528,228	17,247,989	2.34
	<u>14,689</u>	<u>17,528,228</u>	<u>17,247,989</u>	<u>2.34</u>
<u>Industrials</u>				
Axon Enterprise Inc	25,114	10,311,304	8,846,742	1.20
PayPal Holdings Inc	14,000	10,268,927	11,636,005	1.58
TransUnion	20,562	7,216,620	7,802,624	1.06
	<u>59,676</u>	<u>27,796,851</u>	<u>28,285,371</u>	<u>3.84</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

(b) Quoted equities - foreign (continued)

(ii) Quoted equities - foreign as at 31 July 2020 are as follows (continued):

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>United States</u> (continued)				
<u>Technology</u>				
Apple Inc.	7,651	8,770,442	13,784,809	1.87
Facebook Inc	31,605	27,392,746	33,973,056	4.61
Kingsoft Cloud Holdings	134,022	14,062,960	19,911,213	2.70
Microsoft Corporation	40,900	22,952,190	35,539,718	4.82
	<u>214,178</u>	<u>73,178,338</u>	<u>103,208,796</u>	<u>14.00</u>
Total quoted equities - foreign	<u>30,569,742</u>	604,475,275	<u>724,091,617</u>	<u>98.28</u>
Accumulated unrealised gain on quoted equities - foreign		<u>119,616,342</u>		
Total quoted equities - foreign		<u>724,091,617</u>		

(b) Exchange-traded fund – foreign

(i) Exchange-traded fund – foreign as at 31 July 2021 is as follows

	<u>Quantity</u>	Aggregate <u>cost</u> USD	Fair <u>value</u> USD	Percentage <u>of NAV</u> %
ChinaAMC Global ETF Series ChinaAMC HS HK Biotech In. ETF	<u>2,140,000</u>	<u>30,750,373</u>	<u>27,682,150</u>	<u>1.87</u>
Total exchange-traded fund - foreign	<u>2,140,000</u>	<u>30,750,373</u>	<u>27,682,150</u>	<u>1.87</u>
Accumulated unrealised loss on exchange-traded fund - foreign		<u>(3,068,223)</u>		
Total exchange-traded fund - foreign		<u>27,682,150</u>		

(ii) There was no investment in exchange-traded fund – foreign as at 31 July 2020.

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

8 CASH AND CASH EQUIVALENTS

	<u>2021</u> RM	<u>2020</u> RM
Cash and bank balances	198,412,923	1,284,587
Deposits with a licensed financial institution	8,057,307	6,103,061
	<u>206,470,230</u>	<u>7,387,648</u>

Weighted average effective interest rates per annum and weighted average maturity of deposits with licensed financial institution are as follows:

	<u>2021</u> %	<u>2020</u> %
Deposits with a licensed financial institution	<u>1.75</u>	<u>1.75</u>

Deposits with a licensed financial institution of the Fund have an average of 2 days (2020: 3 days).

9 NUMBER OF UNIT IN CIRCULATION

(a) MYR class units in circulation

	<u>2021</u> No. of units	<u>2020</u> No. of units
At the beginning of the financial period	1,223,041,000	878,951,000
Creation of units arising from applications	295,176,000	100,454,000
Cancellation of units	(34,579,000)	(130,900,000)
At the end of the financial period	<u>1,483,638,000</u>	<u>848,505,000</u>

(b) AUD class units in circulation

	<u>2021</u> No. of units	<u>2020</u> No. of units
At the beginning of the financial period	3,161,000	347,000
Creation of units arising from applications	1,849,000	426,000
Cancellation of units	(158,000)	(271,000)
At the end of the financial period	<u>4,852,000</u>	<u>502,000</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

9 NUMBER OF UNIT IN CIRCULATION (CONTINUED)

(c) GBP class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At the beginning of the financial period	969,000	41,000
Creation of units arising from applications	612,000	113,000
Cancellation of units	(145,000)	(29,000)
At the end of the financial period	<u>1,436,000</u>	<u>125,000</u>

(d) SGD class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At the beginning of the financial period	5,436,000	3,373,000
Creation of units arising from applications	2,260,000	147,000
Cancellation of units	(649,000)	(385,000)
At the end of the financial period	<u>7,047,000</u>	<u>3,135,000</u>

(e) USD class units in circulation

	<u>2021</u>	<u>2020</u>
	No. of units	No. of units
At the beginning of the financial period	5,113,000	2,000
Creation of units arising from applications	1,050,000	203,000
Cancellation of units	(740,000)	-
At the end of the financial period	<u>5,423,000</u>	<u>205,000</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

10 TRANSACTIONS WITH BROKERS

- (a) Detail of transactions with the top 10 brokers for the 6 months financial period ended 31 July 2021 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage</u> <u>of total</u> <u>trade</u> %	<u>Brokerage</u> <u>fees</u> RM	<u>Percentage</u> <u>of total</u> <u>brokerage</u> %
Robert W.Baird & Co.Inc. Ny	421,487,692	16.31	119,315	3.15
Sanford C. Bernstein And Co. LLC	150,151,546	5.81	160,917	4.25
Jefferies And Co Inc, Jersey C	123,273,281	4.77	58,585	1.55
CIMB-GK Securities Pte Ltd	110,608,136	4.28	143,205	3.79
China Intl Capital Corp HK Sec Ltd	103,211,351	3.99	258,028	6.82
Credit Lyonnais Securities Seoul	102,847,173	3.98	229,704	6.07
Citigroup Global Markets Ltd London	93,238,031	3.61	186,476	4.93
Macquarie Securities Ltd Seoul	88,289,164	3.42	166,890	4.41
JP Morgan Securities (Asia Pac) Ltd HK	81,626,998	3.16	154,687	4.09
Morgan Stanley And Co. International Plc	81,447,382	3.15	162,895	4.31
Others	1,228,498,528	47.52	2,141,624	56.63
	<u>2,584,679,282</u>	<u>100.00</u>	<u>3,782,326</u>	<u>100.00</u>

- (b) Detail of transactions with the top 10 brokers for the 6 months financial period ended 31 July 2020 are as follows:

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage</u> <u>of total</u> <u>trade</u> %	<u>Brokerage</u> <u>fees</u> RM	<u>Percentage</u> <u>of total</u> <u>brokerage</u> %
Robert W.Baird & Co.Inc. Ny	198,782,354	11.80	39,301	1.45
Citigroup Global Mkts Ltd	157,582,464	9.35	317,521	11.74
JP Morgan Securities (Asia Pacific) Ltd	154,068,238	9.14	440,595	16.29
Masterlink Securities Co Ltd Taipei	136,782,214	8.12	341,956	12.64
Macquarie Bank Ltd Hong Kong	98,945,851	5.87	154,170	5.70
CLSA Ltd	83,801,993	4.97	73,971	2.73
Depository Trust Company	81,816,729	4.86	86,728	3.21
Macquarie Bank Ltd Seoul	75,178,380	4.46	132,729	4.91
Sanford C.Bernstein and Co LLC	66,228,355	3.93	50,805	1.88
Hong Kong Securities Clearing Co Ltd	61,456,008	3.65	50,076	1.85
Others	570,378,247	33.85	1,017,358	37.60
	<u>1,685,020,833</u>	<u>100.00</u>	<u>2,705,210</u>	<u>100.00</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

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

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

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

	<u>2021</u>		<u>2020</u>	
	<u>No. of units</u>	<u>RM</u>	<u>No. of units</u>	<u>RM</u>
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad (The units are held legally for booking purpose)				
- MYR class	921,473	892,539	1,044,306	897,790
- AUD class	2,699	5,463	2,746	4,930
- GBP class	2,523	9,045	3,174	10,100
- SGD class	2,790	5,620	3,348	5,987
- USD class	2,639	6,227	2,429	5,087
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Director of the Manager:</u>				
Director of Affin Hwang Asset Management Berhad (The units are held beneficially)				
- MYR class	2,822,633	2,734,002	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Subsidiary and associated companies of the ultimate holding company of the Manager:</u>				
ABB Nominee (Tempatan) Sdn Bhd (The units are held beneficially)				
- MYR class	8,344,280	8,082,270	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

AFFIN HWANG SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 JULY 2021 (CONTINUED)

12 MANAGEMENT EXPENSE RATIO (“MER”)

	6 months financial period ended <u>31.7.2021</u> %	6 months financial period ended <u>31.7.2020</u> %
MER	<u>0.80</u>	<u>0.85</u>

MER is derived from the following calculation:

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

A	=	Management fee, excluding management fee rebate
B	=	Trustee fee
C	=	Auditors' remuneration
D	=	Tax agent's fee
E	=	Other expenses, excluding sales and service tax on transaction cost and withholding tax
F	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM1,442,116,541 (2020: RM650,283,879).

13 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended <u>31.7.2021</u>	6 months financial period ended <u>31.7.2020</u>
PTR (times)	<u>0.94</u>	<u>1.25</u>

PTR is derived from the following calculation:

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

where: total acquisition for the financial period = RM1,452,853,371 (2020: RM852,436,460)
total disposal for the financial period = RM1,270,430,884 (2020: RM776,978,445)

14 SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

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 SELECT ASIA (EX JAPAN) OPPORTUNITY FUND

STATEMENT BY THE MANAGER

I, Dato' Teng Chee Wai, for and on behalf of the board of directors of the Manager, **Affin Hwang Asset Management Berhad**, do hereby state that in the opinion of the Manager, the financial statements set out on pages 1 to 37 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 July 2021 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial period ended 31 July 2021 in accordance with the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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

DATO' TENG CHEE WAI
EXECUTIVE DIRECTOR/ MANAGING DIRECTOR

Kuala Lumpur
13 September 2021

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