

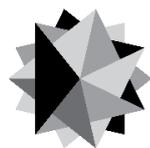
Affin Hwang

Select Asia (ex Japan)

Quantum Fund

Interim Report
31 August 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) QUANTUM FUND

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

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FUND INFORMATION

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

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

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	904	1,645
5,001 to 10,000	313	2,115
10,001 to 50,000	466	9,861
50,001 to 500,000	107	11,247
500,001 and above	25	118,444
Total	1,815	143,312

* Note: Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY SIZE AUD CLASS AS AT 31 AUGUST 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	66
50,001 to 500,000	3	205
500,001 and above	1	1,231
Total	7	1,502

* Note: Excluding Manager's stock

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

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	-	-
5,001 to 10,000	1	8
10,001 to 50,000	2	38
50,001 to 500,000	2	327
500,001 and above	1	581
Total	6	954

* Note: Excluding Manager's stock

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

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	-	-
5,001 to 10,000	2	16
10,001 to 50,000	2	44
50,001 to 500,000	3	824
500,001 and above	-	-
Total	7	884

* Note: Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY SIZE USD CLASS AS AT 31 AUGUST 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	1	32
50,001 to 500,000	2	445
500,001 and above	2	1,354
Total	5	1,831

* Note: Excluding Manager's stock

FUND PERFORMANCE DATA

Category	As at 31 Aug 2021 (%)	As at 31 Aug 2020 (%)	As at 31 Aug 2019 (%)
Portfolio Composition			
Quoted equities – local			
- Consumer products & services	4.27	11.09	6.96
- Financial services	-	2.30	6.58
- Industrial products & services	3.53	3.92	4.73
- Energy	-	-	4.36
- Technology	2.42	7.63	-
- Telecommunication	-	-	1.73
Total quoted equities – local	10.22	24.94	24.36
Quoted equities – foreign			
- Basic materials	2.19	1.30	1.11
- Consumer staples	3.46	-	-
- Consumer discretionary	17.11	-	-
- Consumer goods	-	20.98	3.12
- Consumer services	-	1.29	8.79
- Financials	2.78	17.32	19.86
- Healthcare	8.31	15.36	-
- Industrial	6.28	-	8.07
- Energy	1.80	-	-
- Real Estate	11.62	-	-
- Technology	21.68	15.68	11.44
- Utilities	0.72	-	-
Total quoted equities – foreign	75.95	71.93	52.39
Cash & cash equivalent	13.83	3.13	23.25
Total	100.00	100.00	100.00

FUND PERFORMANCE DATA (CONTINUED)

Category	As at 31 Aug 2021 (%)					As at 31 Aug 2020 (%)					As at 31 Aug 2019 (%)				
	<u>MYR Class</u>	<u>AUD Class</u>	<u>GBP Class</u>	<u>SGD Class</u>	<u>USD Class</u>	<u>MYR Class</u>	<u>AUD Class</u>	<u>GBP Class</u>	<u>SGD Class</u>	<u>USD Class</u>	<u>MYR Class</u>	<u>AUD Class</u>	<u>GBP Class</u>	<u>SGD Class</u>	<u>USD Class</u>
Total NAV (million)	319.736	1.243	0.710	0.685	1.441	276.784	1.870	0.249	1.458	0.173	315.173	0.001	0.006	0.0005	0.0005
NAV per Unit (in respective currencies)	2.2310	0.8259	0.7414	0.7721	0.7859	1.9598	0.7202	0.6729	0.6835	0.6887	1.3276	0.5257	0.4922	0.4678	0.4617
Unit in Circulation (million)	143.314	1.505	0.957	0.887	1.834	141.234	2.596	0.370	2.133	0.251	237.402	0.002	0.012	0.001	0.001
Highest NAV	2.3498	0.8458	0.7828	0.8169	0.8401	2.0240	0.7492	0.6964	0.7068	0.7095	1.3967	0.5409	0.5134	0.4901	0.4945
Lowest NAV	2.1049	0.7445	0.7007	0.7361	0.7434	1.0404	0.4635	0.3892	0.3660	0.3449	1.2891	0.5054	0.4629	0.4577	0.4503
Return of the fund ⁱⁱⁱ (%)	-1.90	2.79	3.20	3.08	4.39	41.46	27.74	38.63	39.32	43.21	0.83	3.42	6.08	0.19	-2.51
- Capital Return ⁱ (%)	-1.90	2.79	3.20	3.08	4.39	41.46	27.74	38.63	39.32	43.21	0.83	3.42	6.08	0.19	-2.51
- Income Return ⁱⁱ (%)	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			0.83					0.83					0.83		
Portfolio Turnover Ratio (times) ²			0.83					1.01					0.82		

¹ The Fund's MER was higher than previous period due to higher expenses incurred for the financial period.

² The Fund's PTR was higher than previous period due to more trading activities for the financial period.

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 August 2021.

Performance Review

MYR Class

For the period 1 March 2021 to 31 August 2021, the Fund registered a -1.90% return compared to the benchmark return of 11.91%. The Fund thus underperformed the Benchmark by -13.81%. The Net Asset Value per unit ("NAV") of the Fund as at 31 August 2021 was MYR2.2310 while the NAV as at 28 February 2021 was MYR2.2741.

Since commencement, the Fund has registered a return of 493.24% compared to the benchmark return of 173.91%, outperforming by 319.33%. The Fund has met its investmet objective.

Table 1: Performance of the Fund

	6 Months (1/3/21 - 31/8/21)	1 Year (1/9/20 - 31/8/21)	3 Years (1/9/18 - 31/8/21)	5 Years (1/9/16 - 31/8/21)	Since Commencement (6/5/04 - 31/8/21)
Fund	(1.90%)	13.84%	64.58%	57.68%	493.24%
Benchmark	11.91%	38.22%	34.03%	50.12%	173.91%
Outperformance	(13.81%)	(24.38%)	30.55%	7.56%	319.33%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/20 - 31/8/21)	3 Years (1/9/18 - 31/8/21)	5 Years (1/9/16 - 31/8/21)	Since Commencement (6/5/04 - 31/8/21)
Fund	13.84%	18.05%	9.53%	10.82%
Benchmark	38.22%	10.25%	8.46%	5.99%
Outperformance	(24.38%)	7.80%	1.07%	4.83%

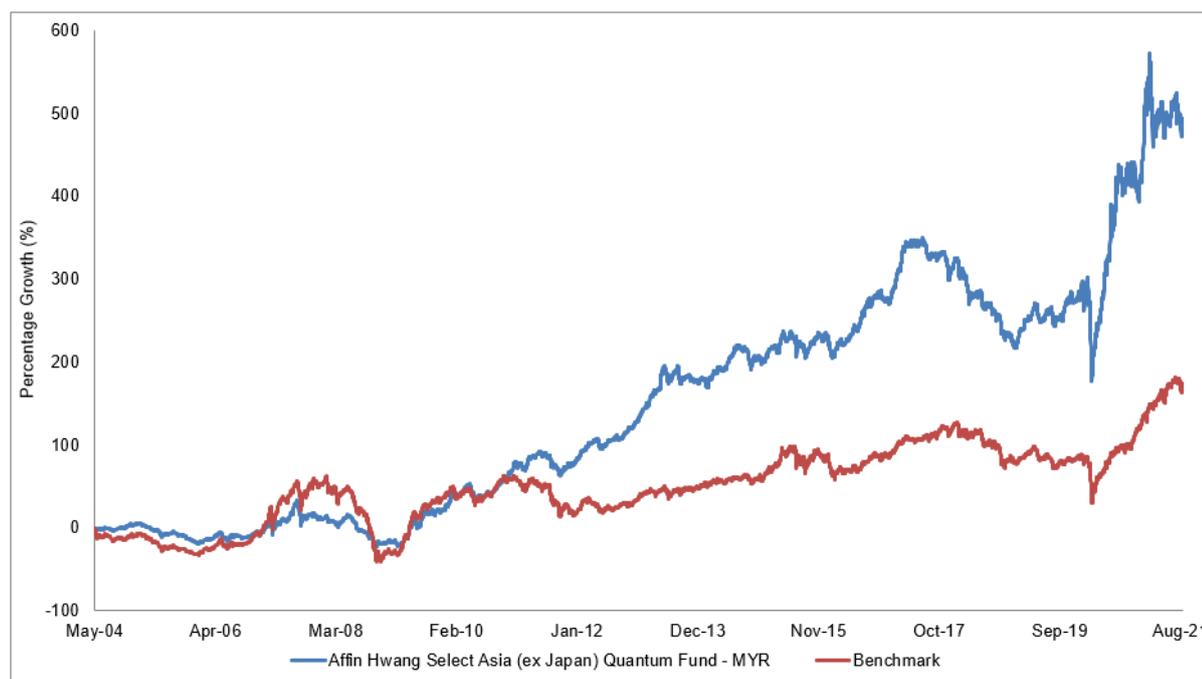
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/3/20 - 28/2/21)	FYE 2020 (1/3/19 - 29/2/20)	FYE 2019 (1/3/18 - 28/2/19)	FYE 2018 (1/3/17 - 28/2/18)	FYE 2017 (1/3/16 - 28/2/17)
Fund	64.15%	5.22%	(14.53%)	(0.10%)	30.11%
Benchmark	40.41%	(6.92%)	(13.29%)	6.17%	22.66%
Outperformance	23.74%	12.14%	(1.24%)	(6.27%)	7.45%

Source of Benchmark: Bloomberg

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



AUD Class

For the period 1 March 2021 to 31 August 2021, the Fund registered a 2.79% return compared to the benchmark return of 15.21%. The Fund thus underperformed the Benchmark by 12.42%. The Net Asset Value per unit (“NAV”) of the Fund as at 31 August 2021 was AUD0.8259 while the NAV as at 28 February 2021 was AUD0.8035.

Since commencement, the Fund has registered a return of 65.18% compared to the benchmark return of 34.21%, outperforming by 30.97%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/3/21 - 31/8/21)	1 Year (1/9/20 - 31/8/21)	3 Years (1/9/18 - 31/8/21)	Since Commencement (19/7/18 - 31/8/21)
Fund	2.79%	14.68%	70.78%	65.18%
Benchmark	15.21%	40.08%	30.57%	34.21%
Outperformance	(12.42%)	(25.40%)	40.21%	30.97%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/20 - 31/8/21)	3 Years (1/9/18 - 31/8/21)	Since Commencement (19/7/18 - 31/8/21)
Fund	14.68%	19.51%	17.43%
Benchmark	40.08%	9.29%	9.88%
Outperformance	(25.40%)	10.22%	7.55%

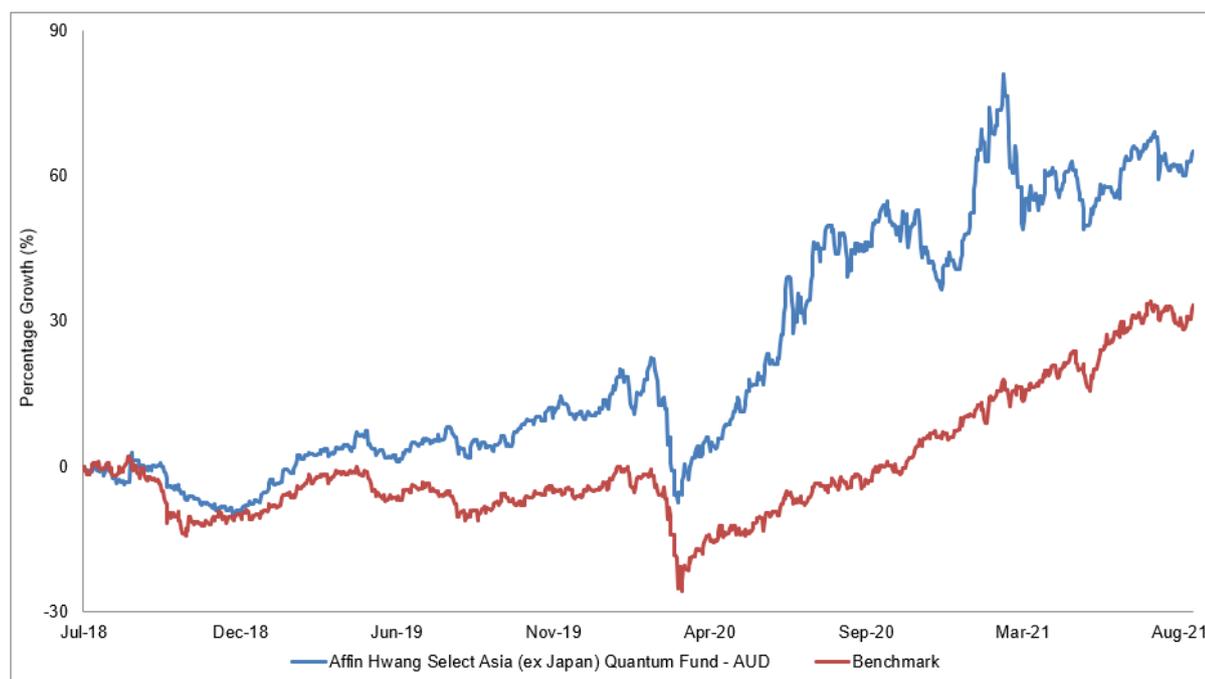
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/3/20 - 28/2/21)	FYE 2020 (1/3/19 - 29/2/20)	FYE 2019 (19/7/18 - 28/2/19)
Fund	42.52%	10.92%	1.66%
Benchmark	22.85%	(1.80%)	(3.44%)
Outperformance	19.67%	12.72%	5.10%

Source of Benchmark: Bloomberg

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



GBP Class

For the period 1 March 2021 to 31 August 2021, the Fund registered a -3.20% return compared to the benchmark return of 10.61%. The Fund thus underperformed the Benchmark by 13.81%. The Net Asset Value per unit ("NAV") of the Fund as at 31 August 2021 was GBP0.7414 while the NAV as at 28 February 2021 was GBP0.7659.

Since commencement, the Fund has registered a return of 48.28% compared to the benchmark return of 25.95%, outperforming by 22.33%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/3/21 - 31/8/21)	1 Year (1/9/20 - 31/8/21)	3 Years (1/9/18 - 31/8/21)	Since Commencement (19/7/18 - 31/8/21)
Fund	(3.20%)	10.18%	53.34%	48.28%
Benchmark	10.61%	34.82%	25.16%	25.95%
Outperformance	(13.81%)	(24.64%)	28.18%	22.33%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/20 - 31/8/21)	3 Years (1/9/18 - 31/8/21)	Since Commencement (19/7/18 - 31/8/21)
Fund	10.18%	15.30%	13.44%
Benchmark	34.82%	7.76%	7.67%
Outperformance	(24.64%)	7.54%	5.77%

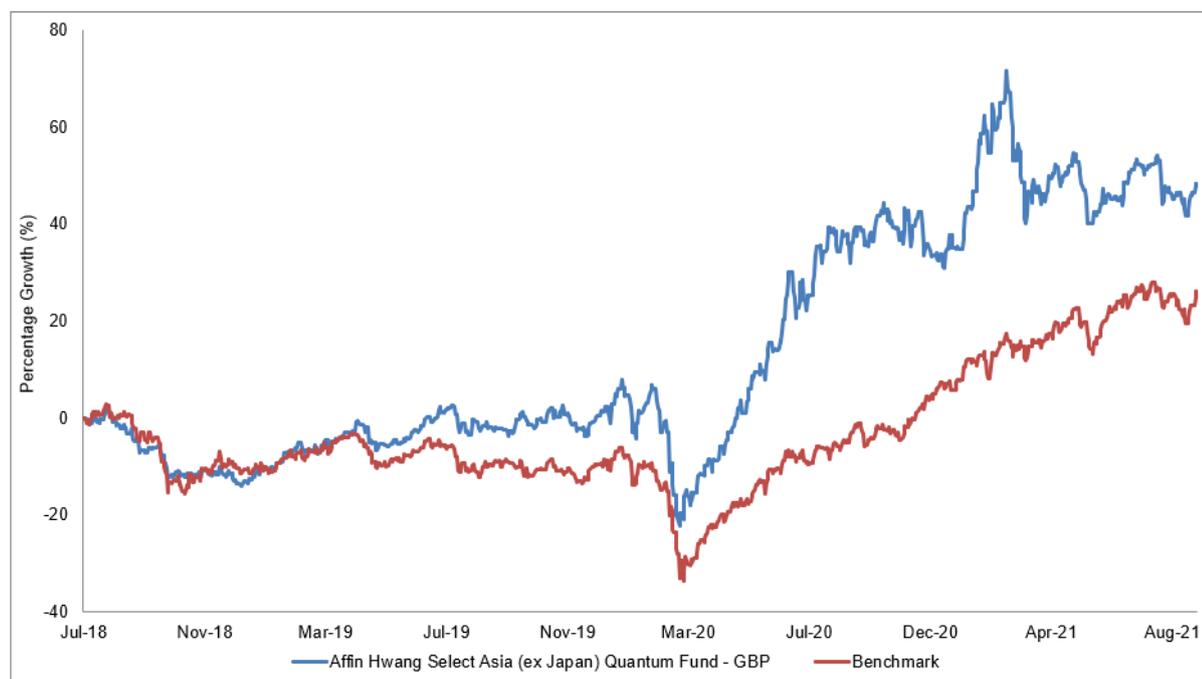
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/3/20 - 28/2/21)	FYE 2020 (1/3/19 - 29/2/20)	FYE 2019 (19/7/18 - 28/2/19)
Fund	57.79%	4.61%	(7.20%)
Benchmark	33.76%	(6.67%)	(8.79%)
Outperformance	24.03%	11.28%	1.59%

Source of Benchmark: Bloomberg

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



SGD Class

For the period 1 March 2021 to 31 August 2021, the Fund registered a -3.08% return compared to the benchmark return of 10.08%. The Fund thus underperformed the Benchmark by 13.16%. The Net Asset Value per unit (“NAV”) of the Fund as at 31 August 2021 was SGD0.7721 while the NAV as at 28 February 2021 was SGD0.7966.

Since commencement, the Fund has registered a return of 54.42% compared to the benchmark return of 30.65%, outperforming by 23.77%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/3/21 - 31/8/21)	1 Year (1/9/20 - 31/8/21)	3 Years (1/9/18 - 31/8/21)	Since Commencement (19/7/18 - 31/8/21)
Fund	(3.08%)	12.96%	60.22%	54.42%
Benchmark	10.08%	37.05%	30.12%	30.65%
Outperformance	(13.16%)	(24.09%)	30.10%	23.77%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/20 - 31/8/21)	3 Years (1/9/18 - 31/8/21)	Since Commencement (19/7/18 - 31/8/21)
Fund	12.96%	17.00%	14.93%
Benchmark	37.05%	9.16%	8.94%
Outperformance	(24.09%)	7.84%	5.99%

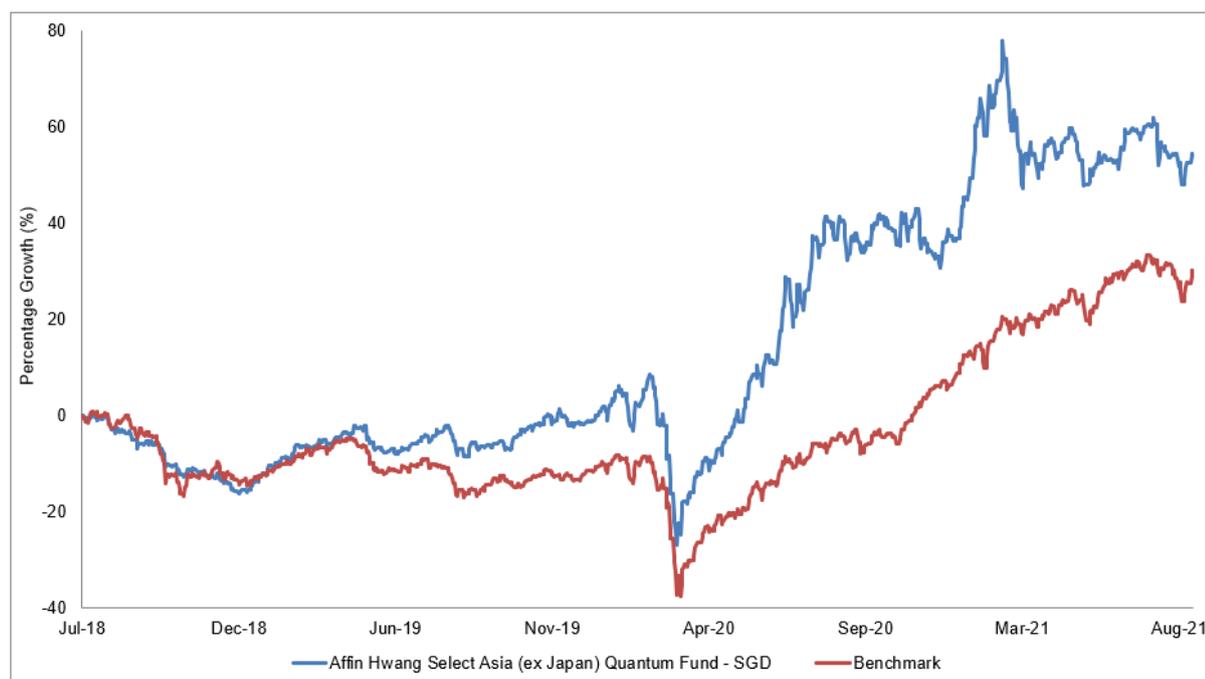
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/3/20 - 28/2/21)	FYE 2020 (1/3/19 - 29/2/20)	FYE 2019 (19/7/18 - 28/2/19)
Fund	62.37%	5.08%	(6.62%)
Benchmark	39.67%	(7.39%)	(8.25%)
Outperformance	22.70%	12.47%	1.63%

Source of Benchmark: Bloomberg

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



USD Class

For the period 1 March 2021 to 31 August 2021, the Fund registered a -4.39% return compared to the benchmark return of 9.08%. The Fund thus underperformed the Benchmark by 13.47%. The Net Asset Value per unit (“NAV”) of the Fund as at 31 August 2021 was USD0.7859 while the NAV as at 28 February 2021 was USD0.8220.

Since commencement, the Fund has registered a return of 57.18% compared to the benchmark return of 32.61%, outperforming by 24.57%. The Fund has met its investment objective.

Table 1: Performance of the Fund

	6 Months (1/3/21 - 31/8/21)	1 Year (1/9/20 - 31/8/21)	3 Years (1/9/18 - 31/8/21)	Since Commencement (19/7/18 - 31/8/21)
Fund	(4.39%)	14.11%	62.95%	57.18%
Benchmark	9.08%	38.59%	32.82%	32.61%
Outperformance	(13.47%)	(24.48%)	30.13%	24.57%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/9/20 - 31/8/21)	3 Years (1/9/18 - 31/8/21)	Since Commencement (19/7/18 - 31/8/21)
Fund	14.11%	17.66%	15.58%
Benchmark	38.59%	9.91%	9.46%
Outperformance	(24.48%)	7.75%	6.12%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2021 (1/3/20 - 28/2/21)	FYE 2020 (1/3/19 - 29/2/20)	FYE 2019 (19/7/18 - 28/2/19)
Fund	70.93%	1.54%	(5.28%)
Benchmark	46.17%	(10.22%)	(7.36%)
Outperformance	24.76%	11.76%	2.08%

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) Small Cap 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 August 2021, the asset allocation of the Fund stood at 86.17% in equities while the balance was held in cash and cash equivalent. Within the local space, the Manager had reduced exposure across sectors. Meanwhile, exposures into real estate and technology were increased within the foreign space. Cash level of the Fund was higher at 13.83% mainly due to decreased exposure towards the local equities.

Strategies Employed

Over the year under review, the Manager continued to focus on domestic-driven sectors that are less directly impacted by the pandemic. With the extreme volatility in markets, we raised our cash holdings and went into a defensive stance in our allocation. As the sell-down accelerated, we then slowly deployed back into the market with a focus on quality. We continue to keep close monitor on market development amidst the rare event of global pandemic.

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, while the 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.

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 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 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. 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.

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. 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.

In August, Prime Minister Datuk Seri Ismail Sabri Yaakob unveiled his cabinet line-up with familiar faces at the helm. Foreigners turned net buyers in the last week of the month with net inflows rising to the tune of RM960 million which is the strongest weekly inflow since 2019.

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 as well as a power crunch in China sent shockwaves across the region's supply chain. The crackdown on power consumption is being driven by rising demand for electricity and surging coal and gas prices, as well as strict targets from Beijing to cut emissions. 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. News of the potential default of China's leading real estate developer Evergrande also sent chills down investors' spines. Selected Chinese consumer names which are less likely to be pressured by regulatory headwinds were deemed more favourable.

Back home, economic recovery is on tracked as backed by positive vaccine roll-outs 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. The 12th Malaysia Plan also aims to revive the economy as well as move up the supply value chain, with an emphasis of clean & sustainable energy at the forefront. 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) QUANTUM FUND

We have acted as Trustee of Affin Hwang Select Asia (Ex Japan) Quantum Fund ("the Fund") for the financial period ended 31 August 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
15 October 2021

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 2021

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 2021

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AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

	<u>Note</u>	6 months financial period ended <u>31.8.2021</u> RM	6 months financial period ended <u>31.8.2020</u> RM
INVESTMENT (LOSS)/INCOME			
Dividend income		3,567,341	2,881,447
Interest income from financial assets at amortised cost		97,806	14,606
Net (loss)/gain on foreign currency exchange		(243,593)	2,156,642
Net (loss)/gain on financial assets at fair value through profit or loss	7	(5,514,745)	99,663,750
		<u>(2,093,191)</u>	<u>104,716,445</u>
EXPENSES			
Management fee	4	(2,497,782)	(2,084,817)
Trustee fee	5	(116,788)	(98,203)
Auditors' remuneration		(4,047)	(4,061)
Tax agent's fee		(15,840)	(1,915)
Transaction cost		(1,940,284)	(1,408,511)
Other expenses		(362,645)	(358,041)
		<u>(4,937,386)</u>	<u>(3,955,548)</u>
NET (LOSS)/PROFIT BEFORE TAXATION		(7,030,577)	100,760,897
Taxation	6	-	-
		<u>-</u>	<u>-</u>
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>(7,030,577)</u>	<u>100,760,897</u>
(Decrease)/increase in net asset attributable to unitholders is made up of the following:			
Realised amount		60,967,701	24,446,984
Unrealised amount		(67,998,278)	76,313,913
		<u>(7,030,577)</u>	<u>100,760,897</u>

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

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

UNAUDITED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2021

	<u>Note</u>	<u>2021</u> RM	<u>2020</u> RM
ASSETS			
Cash and cash equivalents	8	42,185,883	6,868,778
Amount due from brokers		3,607,790	3,831,369
Amount due from Manager			
- creations of units		628,206	671,366
Dividend receivables		428,081	446,624
Financial assets at fair value through profit or loss	7	289,285,556	279,996,435
TOTAL ASSETS		<u>336,135,516</u>	<u>291,814,572</u>
LIABILITIES			
Amount due to brokers		-	1,679,608
Amount due to Manager			
- management fee		425,294	381,372
- cancellation of units		-	661,282
Amount due to Trustee		19,847	17,797
Auditors' remuneration		4,033	4,061
Tax agent's fee		5,165	5,715
Other payables and accruals		21,948	13,444
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		<u>476,287</u>	<u>2,763,279</u>
NET ASSET VALUE OF THE FUND		<u>335,659,229</u>	<u>289,051,293</u>
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS		<u>335,659,229</u>	<u>289,051,293</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

	<u>Note</u>	<u>2021</u> RM	<u>2020</u> RM
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- AUD Class		3,763,330	5,702,225
- GBP Class		4,059,277	1,378,622
- MYR Class		319,735,763	276,783,563
- SGD Class		2,114,923	4,467,294
- USD Class		5,985,936	719,589
		<u>335,659,229</u>	<u>289,051,293</u>
NUMBER OF UNITS IN CIRCULATION			
- AUD Class	9(b)	1,505,000	2,596,000
- GBP Class	9(c)	957,000	370,000
- MYR Class	9(a)	143,314,000	141,234,000
- SGD Class	9(d)	887,000	2,133,000
- USD Class	9(e)	1,834,000	251,000
		<u>148,497,000</u>	<u>146,584,000</u>
NET ASSET VALUE PER UNIT (RM)			
- AUD Class		2.5006	2.1965
- GBP Class		4.2417	3.7260
- MYR Class		2.2310	1.9598
- SGD Class		2.3844	2.0944
- USD Class		3.2639	2.8669
		<u>2.5006</u>	<u>2.1965</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- AUD Class		AUD0.8259	AUD0.7202
- GBP Class		GBP0.7414	GBP0.6729
- MYR Class		RM2.2310	RM1.9598
- SGD Class		SGD0.7721	SGD0.6835
- USD Class		USD0.7859	USD0.6887
		<u>AUD0.8259</u>	<u>AUD0.7202</u>

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

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

	6 months financial period ended <u>31.8.2021</u> RM	6 months financial period ended <u>31.8.2020</u> RM
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	331,223,307	294,648,273
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications	63,455,454	34,152,016
- AUD Class	826,242	5,277,788
- GBP Class	518,421	1,317,693
- MYR Class	56,518,772	22,675,010
- SGD Class	1,225,828	4,196,516
- USD Class	4,366,191	685,009
Cancellation of units	(51,988,955)	(140,509,893)
- AUD Class	(3,446,148)	(249,522)
- GBP Class	(775,119)	-
- MYR Class	(43,873,058)	(140,248,576)
- SGD Class	(3,761,274)	(11,795)
- USD Class	(133,356)	-
Net (decrease)/increase in net assets attributable to unitholders during the financial period	(7,030,577)	100,760,897
- AUD Class	(103,735)	411,497
- GBP Class	(55,216)	29,322
- MYR Class	(6,718,166)	100,079,056
- SGD Class	(66,784)	208,468
- USD Class	(86,676)	32,554
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u><u>335,659,229</u></u>	<u><u>289,051,293</u></u>

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

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

	<u>Note</u>	6 months financial period ended <u>31.8.2021</u> RM	6 months financial period ended <u>31.8.2020</u> RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		308,193,387	270,922,871
Purchase of investments		(320,021,016)	(178,861,111)
Dividends received		3,272,230	2,290,670
Interest received		97,806	14,606
Management fee paid		(2,461,775)	(2,078,717)
Trustee fee paid		(115,108)	(97,919)
Payment for other fees and expenses		(2,319,809)	(1,504,475)
Net realised foreign currency exchange gain		1,383,167	2,792,420
Net cash flows (used in)/generated from operating activities		<u>(11,971,118)</u>	<u>93,478,345</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		68,306,352	33,480,650
Payments for cancellation of units		(52,212,873)	(140,254,807)
Net cash flows generated from/(used in) from financing activities		<u>16,093,479</u>	<u>(106,774,157)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		4,122,361	(13,295,812)
EFFECTS OF FOREIGN CURRENCY EXCHANGE		229,006	2,212,416
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		<u>37,834,516</u>	<u>17,952,174</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	8	<u><u>42,185,883</u></u>	<u><u>6,868,778</u></u>

Cash and cash equivalents as at 31 August 2021 comprise of bank balances.

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

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 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) QUANTUM FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 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 deposits with licensed financial institutions is recognised based on effective interest rate method on an accruals basis.

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

Realised gains and losses on sale of investments

For quoted equities, realised gains and losses on sale of investments are accounted for as the difference between the net disposal proceeds and the carrying amount of investments, determined on a weighted average cost basis.

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 and 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) QUANTUM FUND

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

F FOREIGN CURRENCY TRANSLATIONS

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

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

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed, and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. 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 brokers, amount due from Manager and dividends receivable 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 brokers, amount due to Manager, amount due to Trustee, auditors' remuneration, tax agent's fee and other payables and accruals as financial liabilities measured at amortised cost.

(ii) Recognition and measurement

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

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

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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

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

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category including the effects of 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 period 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 expected credit losses as any such impairment would be wholly insignificant to the Fund.

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment (continued)

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

Quantitative criteria:

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

Qualitative criteria:

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

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

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

Write-off

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

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

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

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

Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 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 on the estimates, certain key variables that are anticipated to have material impacts to the Fund's results and financial position are tested for sensitivity to changes in the underlying parameters.

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

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

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the 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 amount in 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) QUANTUM FUND

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

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name Hwang-DBS Select Small Caps Fund (The “Fund”) pursuant to the execution of a Deed dated 22 March 2004 as modified by First Supplemental Deed dated 29 December 2005, Fourth Supplemental Deed dated 15 October 2008 and Eight Supplemental Deed dated 28 April 2017. The Fund has changed its name from Hwang-DBS Select Small Caps Fund to Hwang DBS Select Small Caps Fund as amended by Second Supplemental Deed dated 18 June 2007, from Hwang DBS Select Small Caps Fund to HwangDBS Asia Quantum Fund as amended by the Third Supplemental Deed dated 7 December 2007, from HwangDBS Asia Quantum Fund to Hwang Asia Quantum Fund as amended by the Fifth Supplemental Deed dated 18 January 2012, from Hwang Asia Quantum Fund to Hwang Select Asia (Ex Japan) Quantum Fund as amended by the Sixth Supplemental Deed dated 10 December 2012 and from Hwang Select Asia (ex Japan) Quantum Fund to Affin Hwang Select Asia (ex Japan) Quantum Fund as amended by the Seventh Supplemental Deed dated 27 June 2014 (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 commenced operations on 6 May 2004 and will continue its operations until being terminated by the Trustee as provided under Clause 3.2 of the Deed.

The Fund has introduced five classes of unit (AUD, GBP, MYR, SGD, USD) in accordance with a 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 Commissions
- (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 investment 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 achieve capital appreciation over the medium to long-term by investing in Asia ex Japan equities.

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 series to private clients.

The financial statements were authorised for issued by the Manager on 15 October 2021.

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT, OBJECTIVES AND POLICIES

Financial instruments are as follows:

	<u>Note</u>	At amortised cost RM	At fair value through profit or loss RM	<u>Total</u> RM
<u>2021</u>				
<u>Financial assets</u>				
Cash and cash equivalents	8	42,185,883	-	42,185,883
Amount due from brokers		3,607,790	-	3,607,790
Amount due to Manager				
- creation of units		628,206	-	628,206
Dividend receivables		428,081	-	428,081
Quoted equities	7	-	289,285,556	289,285,556
Total		<u>46,849,960</u>	<u>289,285,556</u>	<u>336,135,516</u>
<u>Financial liabilities</u>				
Amount due to Manager				
- management fee		425,294	-	425,294
Amount due to Trustee		19,847	-	19,847
Auditors' remuneration		4,033	-	4,033
Tax agent's fee		5,165	-	5,165
Other payables and accruals		21,948	-	21,948
Total		<u>476,287</u>	<u>-</u>	<u>476,287</u>
<u>2020</u>				
Cash and cash equivalents	8	6,868,778	-	6,868,778
Amount due from brokers		3,831,369	-	3,831,369
Amount due to Manager				
- creation of units		671,366	-	671,366
Dividend receivables		446,624	-	446,624
Quoted equities	7	-	279,996,435	279,996,435
Total		<u>11,818,137</u>	<u>279,996,435</u>	<u>291,814,572</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised <u>cost</u> RM	At fair value through <u>profit or loss</u> RM	<u>Total</u> RM
<u>2020 (continued)</u>				
<u>Financial liabilities</u>				
Amount due to brokers		1,679,608	-	1,679,608
Amount due to Manager				
- management fee		381,372	-	381,372
- cancellation of units		661,282	-	661,282
Amount due to Trustee		17,797	-	17,797
Auditors' remuneration		4,061	-	4,061
Tax agent's fee		5,715	-	5,715
Other payables and accruals		13,444	-	13,444
Total		<u>2,763,279</u>	<u>-</u>	<u>2,763,279</u>

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

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

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.

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

Market Risk (continued)

(a) Price risk (continued)

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

	<u>2021</u> RM	<u>2020</u> RM
Quoted investments		
Quoted equities	289,285,556	279,996,435

The following table summarises the sensitivity of the Fund's profit after taxation and NAV to price risk movements. The analysis is based on the assumptions that the market price increased by 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.

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on profit after tax/NAV</u> RM
<u>2021</u>		
-10%	260,357,000	(28,928,556)
0%	289,285,556	-
+10%	318,214,112	28,928,556
<u>2020</u>		
-10%	251,996,791	(27,999,644)
0%	279,996,435	-
+10%	307,996,079	27,999,644

(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 short term basis.

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

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

Market risk (continued)

(c) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable 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 a 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>Cash and cash equivalents</u> RM	<u>Amount due from brokers</u> RM	<u>Dividend receivables</u> RM	<u>Total</u> RM
<u>2021</u>					
<u>Financial assets</u>					
Australian Dollar	12,196,432	7,259,395	-	-	19,455,827
Chinese Yuan	-	771,569	-	-	771,569
Hong Kong Dollar	95,019,987	10,473,048	3,571,125	-	109,064,160
Indian Rupee	20,799,165	-	-	-	20,799,165
Indonesian Rupiah	13,920,883	-	-	-	13,920,883
Philippines Peso	12,816,324	-	-	-	12,816,324
Pound Sterling	-	1,238,583	-	-	1,238,583
Singapore Dollar	39,585,371	18,963	-	210,126	39,814,460
Taiwan Dollar	48,915,218	157,456	-	79,615	49,152,289
Thailand Baht	6,602,137	-	-	-	6,602,137
United States Dollar	5,111,948	13,339,957	36,665	138,340	18,626,910
	<u>254,967,465</u>	<u>33,258,971</u>	<u>3,607,790</u>	<u>428,081</u>	<u>292,262,307</u>
				Net assets attributable to <u>unitholders</u> RM	<u>Total</u> RM
<u>Financial liabilities</u>					
Australian Dollar				3,763,330	3,763,330
Pound Sterling				4,059,277	4,059,277
Singapore Dollar				2,114,923	2,114,923
United States Dollar				5,985,936	5,985,936
				<u>15,923,466</u>	<u>15,923,466</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

Market risk (continued)

(d) Currency risk (continued)

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

	<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	3,739,874	1,168,969	233,272	5,142,115
Hong Kong Dollar	132,195,735	668,328	144,140	133,008,203
Philippines Peso	3,348,250	-	815,730	4,163,980
Pound Sterling	-	661,184	26,680	687,864
Singapore Dollar	31,813,267	976,716	485,281	33,275,264
Taiwan Dollar	36,817,816	-	-	36,817,816
United States Dollar	-	3,353,487	296,022	3,649,509
	<u>207,914,942</u>	<u>6,828,684</u>	<u>2,001,125</u>	<u>216,744,751</u>

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

	<u>Net assets attributable to unitholders</u> RM	<u>Total</u> RM
<u>Financial liabilities</u>		
Australian Dollar	5,702,225	5,702,225
Pound Sterling	1,378,622	1,378,622
Singapore Dollar	4,467,294	4,467,294
United States Dollar	719,589	719,589
	<u>12,267,730</u>	<u>12,267,730</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

Market risk (continued)

(c) Currency risk (continued)

The table below summarises the sensitivity of the Fund's profit after tax and net asset value 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 price %	Impact on profit after tax/NAV RM
<u>2021</u>		
Australian Dollar	+/- 10	+/- 1,569,250
Chinese Yuan	+/- 10	+/- 77,157
Hong Kong Dollar	+/- 10	+/- 10,906,416
Indian Rupee	+/- 10	+/- 2,079,917
Indonesian Rupiah	+/- 10	+/- 1,392,088
Philippines Peso	+/- 10	+/- 1,281,632
Pound Sterling	+/- 10	+/- 282,069
Singapore Dollar	+/- 10	+/- 3,769,954
Taiwan Dollar	+/- 10	+/- 4,915,229
Thailand Baht	+/- 10	+/- 660,214
United States Dollar	+/- 10	<u>+/- 1,264,097</u>
<u>2020</u>		
Australian Dollar	+/- 10	+/- 56,011
Hong Kong Dollar	+/- 10	+/- 13,300,820
Philippine Peso	+/- 10	+/- 416,398
Pound Sterling	+/- 10	+/- 69,076
Singapore Dollar	+/- 10	+/- 2,880,797
Taiwan Dollar	+/- 10	+/- 3,681,782
United States Dollar	+/- 10	<u>+/- 292,992</u>

Credit risk

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

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

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

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

Credit risk (continued)

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

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

	<u>Cash and cash equivalents</u> RM	<u>Amount due from Manager</u> RM	<u>Amount due from brokers</u> RM	<u>Dividend receivables</u> RM	<u>Total</u> RM
<u>2021</u>					
Financial Services					
- AAA	42,185,883	-	-	-	42,185,883
Consumer Goods					
- NR	-	-	3,048,396	-	3,048,396
Health Care					
- NR	-	-	522,729	188,937	711,666
REIT					
- NR	-	-	36,665	159,529	196,194
Technology					
- NR	-	-	-	79,615	79,615
Others					
- NR	-	628,206	-	-	628,206
	<u>42,185,883</u>	<u>628,206</u>	<u>3,607,790</u>	<u>428,081</u>	<u>46,849,960</u>
<u>2020</u>					
Financial Services					
- AAA	6,868,778	-	-	-	6,868,778
- NR	-	-	65,833	220,554	286,387
Consumer Goods					
- NR	-	-	815,730	142,568	958,298
Consumer Services					
- NR	-	-	1,572	-	1,572
Basic Materials					
- NR	-	-	2,948,234	-	2,948,234
Technology					
- NR	-	-	-	83,502	83,502
Others					
- NR	-	671,366	-	-	671,366
	<u>6,868,778</u>	<u>671,366</u>	<u>3,831,369</u>	<u>446,624</u>	<u>11,818,137</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 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. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of units by unitholders. Liquid assets comprise cash, deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

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	425,294	-	425,294
Amount due to Trustee	19,847	-	19,847
Auditors' remuneration	-	4,033	4,033
Tax agent's fee	-	5,165	5,165
Other payables and accruals	-	21,948	21,948
Net assets attributable to unitholders*	335,659,229	-	335,659,229
	<u>336,104,370</u>	<u>31,146</u>	<u>336,135,516</u>
<u>2020</u>			
Amount due to brokers	1,679,608	-	1,679,608
Amount due to Manager			
- management fee	381,372	-	381,372
- cancellation of units	661,282	-	661,282
Amount due to Trustee	17,797	-	17,797
Auditors' remuneration	-	4,061	4,061
Tax agent's fee	-	5,715	5,715
Other payables and accruals	-	13,444	13,444
Net assets attributable to unitholders*	289,051,293	-	289,051,293
	<u>291,791,352</u>	<u>23,220</u>	<u>291,814,572</u>

*Outstanding units are redeemed 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 holders of the instruments typically retain them for the medium to long term.

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 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 equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for shareholders 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 defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

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

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2021</u>				
Financial assets at fair value through profit or loss - quoted equities	289,285,556	-	-	289,285,556
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>2020</u>				
Financial assets at fair value through profit or loss - quoted equities	279,996,435	-	-	279,996,435
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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

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

4 MANAGEMENT FEE

In accordance with the Deeds, the Manager is entitled to a management fee at a rate not exceeding 3.00% per annum on the NAV of the Fund calculated on daily basis.

For the 6 months financial period ended 31 August 2021, the management fee is recognised at a rate of 1.50% (2020: 1.50%) per annum on the NAV of the Fund calculated on daily basis as stated in the Fund's Prospectus.

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

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

5 TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to an annual fee at a rate not exceeding 0.3% per annum on the NAV of the Fund.

For the 6 months financial period ended 31 August 2021, the Trustee's fee is recognised at a rate of 0.07% (2020: 0.07%) per annum, inclusive of local custodian fee but exclusive of foreign sub-custodian fee, on the NAV of the Fund 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>31.8.2021</u> RM	6 months financial period ended <u>31.8.2020</u> RM
Current taxation – local	-	-

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>31.8.2021</u> RM	6 months financial period ended <u>31.8.2020</u> RM
Net (loss)/profit before taxation	<u>(7,030,577)</u>	<u>100,760,897</u>
Tax at Malaysian statutory rate of 24% (2020: 24%)	(1,687,338)	24,182,615
Tax effects of:		
Investment loss not brought to tax/ (investment income not subject to tax)	502,365	(25,131,947)
Expenses not deductible for tax purposes	584,534	446,791
Restrictions on tax deductible expenses for Unit Trust Funds	600,439	502,541
Tax expense	<u>-</u>	<u>-</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 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 – local	34,318,091	72,081,493
- quoted equities - foreign	254,967,465	207,914,942
	<u>289,285,556</u>	<u>279,996,435</u>
Net gain on assets at fair value through profit or loss:		
- realised gain on sale of investments	62,712,539	25,562,253
- unrealised gain/(loss) on changes in fair value	(68,227,284)	74,101,497
	<u>(5,514,745)</u>	<u>99,663,750</u>

(a) Quoted equities - local

(i) Quoted equities - local as at 31 August 2021 are as follows:

	<u>Quantity</u>	<u>Aggregate cost</u> RM	<u>Fair value</u> RM	<u>Percentage of NAV</u> %
<u>Consumer Products & Services</u>				
Guan Chong Bhd	4,454,000	6,131,499	13,139,300	3.91
Guan Chong Bhd - Warrant	944,766	-	1,209,300	0.36
	<u>5,398,766</u>	<u>6,131,499</u>	<u>14,348,600</u>	<u>4.27</u>
<u>Industrial Products & Services</u>				
Supercomnet Technologies Bhd	6,394,100	12,434,993	9,271,445	2.76
Asia Poly Holdings Bhd	11,731,300	4,333,393	2,580,886	0.77
	<u>18,125,400</u>	<u>16,768,386</u>	<u>11,852,331</u>	<u>3.53</u>
<u>Technology</u>				
Greatech Technology Bhd	1,176,400	2,564,550	8,117,160	2.42
	<u>24,700,566</u>	<u>25,464,435</u>	<u>34,318,091</u>	<u>10.22</u>
Accumulated unrealised gain on quoted equities - local		<u>8,853,656</u>		
Total quoted equities - local		<u>34,318,091</u>		

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

(a) Quoted equities – local (continued)

(ii) Quoted equities - local as at 31 August 2020 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Consumer Products & Services</u>				
Guan Chong Bhd	8,628,800	11,878,644	30,459,664	10.54
Guan Chong Bhd - Warrant	944,766	-	1,596,654	0.55
	<u>9,573,566</u>	<u>11,878,644</u>	<u>32,056,318</u>	<u>11.09</u>
<u>Financials Services</u>				
Allianz Malaysia Bhd	475,050	4,809,754	6,650,700	2.30
<u>Industrial Products & Services</u>				
ATA IMS Bhd	3,530,600	5,645,661	5,331,206	1.85
Comfort Glove Bhd	999,500	4,353,001	4,307,845	1.49
Supercomnet Technologies Bhd	870,500	1,674,668	1,671,360	0.58
	<u>5,400,600</u>	<u>11,673,330</u>	<u>11,310,411</u>	<u>3.92</u>
<u>Technology</u>				
Greatech Technology Bhd	3,273,600	9,692,398	22,064,064	7.63
Total quoted equities – local	<u>18,722,816</u>	<u>38,054,126</u>	<u>72,081,493</u>	<u>24.94</u>
Accumulated unrealised gain on quoted equities - local		<u>34,027,367</u>		
Total quoted equities - local		<u>72,081,493</u>		

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

(b) Quoted equities - foreign

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

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Australia</u>				
<u>Consumer Staples</u>				
Select Harvests Ltd	235,842	5,702,022	6,141,109	1.83
<u>Energy</u>				
Karoon Energy Ltd	1,652,817	6,605,848	6,055,323	1.80
<u>Hong Kong</u>				
<u>Consumer Discretionary</u>				
Edvantage Group Holdings Ltd	2,328,000	9,631,820	6,853,204	2.04
JNBY Design Ltd	391,000	2,801,871	3,853,455	1.15
Samsonite International SA	854,100	6,724,388	7,406,292	2.21
Stella International Holdings	1,202,000	5,632,366	6,641,036	1.98
Xin Point Holdings Ltd	858,000	2,401,655	1,542,016	0.46
	<u>5,633,100</u>	<u>27,192,100</u>	<u>26,296,003</u>	<u>7.84</u>
<u>Health Care</u>				
Euroeyes International Eye C	1,083,000	5,897,903	6,919,216	2.06
Suzhou Basecare Medical Corp	547,500	7,814,857	3,357,790	1.00
Kangji Medical Holdings Ltd	1,004,500	8,066,109	5,828,414	1.74
	<u>2,635,000</u>	<u>21,778,869</u>	<u>16,105,420</u>	<u>4.80</u>
<u>Industrials</u>				
Singamas Container Holding Ltd	4,254,000	2,323,425	2,608,957	0.78
<u>Real Estate</u>				
A-Living Smart City Svc Co Ltd	349,250	2,933,229	5,736,655	1.71
Times Neighborhood Hdgs Ltd	1,982,000	6,901,936	5,158,163	1.54
	<u>2,331,250</u>	<u>9,835,165</u>	<u>10,894,818</u>	<u>3.25</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

(b) Quoted equities - foreign (continued)

(i) Quoted equities - foreign as at 31 August 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 (continued)</u>				
<u>Technology</u>				
Cowell E Holdings Inc	614,000	1,682,112	2,000,696	0.60
Netjoy Holdings Ltd	4,552,700	17,309,315	10,464,486	3.12
Pentamaster International Ltd	14,572,500	6,511,836	8,004,660	2.38
SUNeVision Holdings Ltd	792,000	3,432,255	3,471,911	1.03
Truly International Hldg Ltd	8,266,000	9,506,071	12,739,865	3.80
	<u>28,797,200</u>	<u>38,441,589</u>	<u>36,681,618</u>	<u>10.93</u>
<u>Utilities</u>				
Canvest Environmental Protection	1,066,000	2,458,807	2,433,171	0.72
	<u>1,066,000</u>	<u>2,458,807</u>	<u>2,433,171</u>	<u>0.72</u>
<u>India</u>				
<u>Consumer Discretionary</u>				
Devyani International Ltd	826,929	4,234,703	5,851,482	1.74
EIH Ltd	1,082,145	6,655,271	6,279,953	1.87
	<u>1,909,074</u>	<u>10,889,974</u>	<u>12,131,435</u>	<u>3.61</u>
<u>Financial</u>				
Shriram City Union Finance Ltd	57,146	5,333,021	6,792,548	2.02
	<u>57,146</u>	<u>5,333,021</u>	<u>6,792,548</u>	<u>2.02</u>
<u>Real Estate</u>				
Sobha Ltd	53,000	1,454,276	1,875,182	0.56
	<u>53,000</u>	<u>1,454,276</u>	<u>1,875,182</u>	<u>0.56</u>
<u>Indonesia</u>				
<u>Financial</u>				
Bank Neo Commerce Tbk PT	5,803,700	1,395,072	2,549,449	0.76
	<u>5,803,700</u>	<u>1,395,072</u>	<u>2,549,449</u>	<u>0.76</u>
<u>Health Care</u>				
Medikaloka Hermina Tbk Pt	19,443,100	5,128,758	6,518,105	1.94
	<u>19,443,100</u>	<u>5,128,758</u>	<u>6,518,105</u>	<u>1.94</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

(b) Quoted equities - foreign (continued)

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

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Indonesia</u> (continued)				
<u>Real Estate</u>				
Ciputra Development Tbk PT	19,192,600	5,010,025	4,853,329	1.45
<u>Philippines</u>				
<u>Basic Material</u>				
D&L Industries Inc	10,931,700	7,608,420	7,356,815	2.19
<u>Consumer Staples</u>				
Puregold Price Club Inc	509,900	1,618,425	1,769,047	0.53
Axelum Resources Corp	15,654,000	5,311,538	3,690,462	1.10
	<u>16,163,900</u>	<u>6,929,963</u>	<u>5,459,509</u>	<u>1.63</u>
<u>Singapore</u>				
<u>Health Care</u>				
Q & M Dental Group Singapore	686,100	1,326,221	1,557,429	0.46
<u>Industrials</u>				
HRnetgroup Ltd	2,603,400	5,453,929	6,392,071	1.90
Aztech Global Ltd	2,701,300	10,489,708	9,093,537	2.71
	<u>5,304,700</u>	<u>15,943,637</u>	<u>15,485,608</u>	<u>4.61</u>
<u>Real Estate</u>				
Ascendas India Trust	1,959,500	8,504,440	8,653,959	2.58
Lendlease Global Commer REIT	2,776,300	7,044,952	7,588,278	2.26
Manulife US REIT	1,697,800	5,157,866	5,111,948	1.52
	<u>6,433,600</u>	<u>20,707,258</u>	<u>21,354,185</u>	<u>6.36</u>
<u>Technology</u>				
Silverlake Axis Ltd	7,417,900	6,209,265	6,300,097	1.88

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

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

(b) Quoted equities - foreign (continued)

(i) Quoted equities - foreign as at 31 August 2021 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>Consumer Discretionary</u>				
Gourmet Master Co Ltd	314,000	6,209,534	6,900,621	2.06
Fusheng Precision Co. Ltd	202,000	6,662,848	5,481,118	1.63
	<u>516,000</u>	<u>12,872,382</u>	<u>12,381,739</u>	<u>3.69</u>
<u>Health Care</u>				
Pegavision Corp	42,000	3,338,194	3,729,726	1.11
<u>Industrials</u>				
Chieftek Precision Co Ltd	200,000	3,678,516	2,990,000	0.89
<u>Technology</u>				
Andes Technology Corporation	70,000	5,270,167	5,148,780	1.53
General Interface Solution Hld	204,000	3,866,847	3,263,286	0.97
Global Unichip Corp	106,000	6,387,897	6,845,904	2.04
Sporton International Inc	112,350	4,073,842	3,863,155	1.15
Taiwan Union Technology Corp	274,000	4,517,406	4,505,930	1.34
Test Research Inc	549,000	4,076,564	4,629,058	1.38
Ventec International Group Co	69,000	1,620,965	1,557,640	0.46
	<u>1,384,350</u>	<u>29,813,688</u>	<u>29,813,753</u>	<u>8.87</u>
<u>Thailand</u>				
<u>Consumer Discretionary</u>				
S Hotels & Resorts PCL	14,572,900	6,898,224	6,602,137	1.97
Total quoted equities – foreign	<u>156,716,979</u>	<u>258,874,719</u>	<u>254,967,465</u>	<u>75.95</u>
Accumulated unrealised loss on quoted equities - foreign		<u>(3,907,254)</u>		
Total quoted equities - foreign		<u>254,967,465</u>		

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 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 August 2020 are as follows:

	<u>Quantity</u>	<u>Aggregate cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Australia</u>				
<u>Basic Materials</u>				
Ramelius Resources Ltd	595,276	1,983,275	3,739,874	1.30
<u>Hong Kong</u>				
<u>Consumer Goods</u>				
Bosideng International Holdings Ltd	4,424,000	5,365,035	5,275,009	1.82
CMGE Technology Group Ltd	10,654,000	18,724,641	19,970,699	6.91
Stella International Holdings	1,305,000	5,939,648	5,284,903	1.83
	<u>16,383,000</u>	<u>30,029,324</u>	<u>30,530,611</u>	<u>10.56</u>
<u>Consumer Services</u>				
Hypebeast Ltd	5,382,500	2,555,479	2,312,753	0.80
Zhejiang New Century Hotel Management	197,800	1,682,878	1,408,721	0.49
	<u>5,580,300</u>	<u>4,238,357</u>	<u>3,721,474</u>	<u>1.29</u>
<u>Financials</u>				
A-Living Services Co Ltd	585,000	4,913,211	12,568,140	4.35
Aoyuan Healthy Life Group Co Ltd	1,879,000	5,782,471	7,266,318	2.51
Sichuan Languang Justbon Svcs	419,600	8,875,410	10,941,576	3.79
Yeahka Ltd	430,800	4,300,359	12,031,899	4.16
	<u>3,314,400</u>	<u>23,871,451</u>	<u>42,807,933</u>	<u>14.81</u>
<u>Health Care</u>				
CStone Pharmaceuticals	1,585,000	7,774,380	7,789,427	2.69
Hygeia Healthcare Holdings Co	859,000	11,823,649	18,777,714	6.50
	<u>2,444,000</u>	<u>19,598,029</u>	<u>26,567,141</u>	<u>9.19</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 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 August 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>Technology</u>				
Pentamaster International Ltd	16,409,000	10,998,736	16,833,353	5.82
Weimob Inc	1,683,300	4,325,145	11,735,223	4.06
	<u>18,092,300</u>	<u>15,323,881</u>	<u>28,568,576</u>	<u>9.88</u>
 <u>Philippines</u>				
<u>Consumer Goods</u>				
Axelum Resources Corp	15,654,000	5,311,538	3,348,250	1.16
 <u>Singapore</u>				
<u>Financials</u>				
CapitaLand Retail China Trust	1,181,324	5,014,375	4,162,921	1.44
Manulife US REIT	1,000,361	3,265,701	3,081,732	1.07
	<u>2,181,685</u>	<u>8,280,076</u>	<u>7,244,653</u>	<u>2.51</u>
 <u>Techonology</u>				
AEM Holdings Ltd	545,000	2,342,444	6,713,575	2.32
 <u>Health Care</u>				
Riverstone Holdings Ltd	726,100	8,061,427	8,944,453	3.09
UG Healthcare Corp Ltd	1,281,000	8,963,652	8,910,586	3.08
	<u>2,007,100</u>	<u>17,025,079</u>	<u>17,855,039</u>	<u>6.17</u>
 <u>Taiwan</u>				
<u>Consumer Goods</u>				
Universal Vision Biotechnology	758,000	7,353,497	26,757,400	9.26

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 31 AUGUST 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 August 2020 are as follows (continued):

	<u>Quantity</u>	Aggregate <u>cost</u> RM	Fair <u>value</u> RM	Percentage <u>of NAV</u> %
<u>Taiwan</u> (continued)				
<u>Techonolgy</u>				
Accton Technology Corp	167,000	3,720,785	5,517,814	1.91
Test Research Inc	549,000	4,076,564	4,542,602	1.57
	<u>716,000</u>	<u>7,797,349</u>	<u>10,060,416</u>	<u>3.48</u>
Total quoted equities – foreign	<u>68,271,061</u>	143,154,300	<u>207,914,942</u>	<u>71.93</u>
Accumulated unrealised gain on quoted equities - foreign		<u>64,760,642</u>		
Total quoted equities - foreign		<u>207,914,942</u>		

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

8 CASH AND CASH EQUIVALENTS

	<u>2021</u> RM	<u>2020</u> RM
Cash and bank balances	33,287,806	6,868,778
Deposits with a licensed financial institution	8,898,077	-
	<u>42,185,883</u>	<u>6,868,778</u>

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

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

Deposits with licensed a financial institution of the Fund have an average of 1 day (2020: Nil days).

9 NUMBER OF UNITS 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	137,991,000	212,413,000
Creation of units arising from applications during the financial period	25,071,000	14,576,000
Cancellation of units during the financial period	(19,748,000)	(85,755,000)
At the end of the financial period	<u>143,314,000</u>	<u>141,234,000</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	2,545,000	169,000
Creation of units arising from applications during the financial period	325,000	2,537,000
Cancellation of units during the financial period	(1,365,000)	(110,000)
At the end of the financial period	<u>1,505,000</u>	<u>2,596,000</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

9 NUMBER OF UNITS 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	1,011,000	12,000
Creation of units arising from applications during the financial period	122,000	358,000
Cancellation of units during the financial period	(176,000)	-
At the end of the financial period	<u>957,000</u>	<u>370,000</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	1,941,000	50,000
Creation of units arising from applications during the financial period	511,000	2,089,000
Cancellation of units during the financial period	(1,565,000)	(6,000)
At the end of the financial period	<u>887,000</u>	<u>2,133,000</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	553,000	1,000
Creation of units arising from applications during the financial period	1,321,000	250,000
Cancellation of units during the financial period	(40,000)	-
At the end of the financial period	<u>1,834,000</u>	<u>251,000</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

10 TRANSACTIONS WITH BROKERS

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

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
CIMB-GK Securities Pte Ltd	55,210,489	9.30	106,715	8.05
JP Morgan Securities (Asia Pac) Ltd	34,796,190	5.86	94,893	7.16
Masterlink Secs Co Ltd Taipei	32,763,795	5.52	81,910	6.18
UOB Kay Hian Pte Ltd	31,212,453	5.26	108,114	8.15
Fubon Secs Co Taipei	30,953,382	5.21	61,907	4.67
DBS Securities (S) Pte Ltd	27,105,109	4.56	67,763	5.11
CLSA Ltd	25,098,522	4.23	37,653	2.84
Macquire Bank Ltd Hong Kong	21,329,803	3.59	47,058	3.55
Instinet Pacific Ltd	20,512,239	3.45	38,511	2.90
CCB International Securities Ltd	18,334,534	3.09	39,161	2.95
Others #	296,626,865	49.93	642,370	48.44
	<u>593,943,381</u>	<u>100.00</u>	<u>1,326,055</u>	<u>100.00</u>

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

<u>Name of brokers</u>	<u>Value of trade</u> RM	<u>Percentage of total trade</u> %	<u>Brokerage fees</u> RM	<u>Percentage of total brokerage</u> %
DBS Securities (S) Pte Ltd	60,015,751	13.91	187,308	18.68
Macquire Bank Ltd Hong Kong	56,361,915	13.06	87,085	8.68
Citigroup Global Markets Ltd	36,437,071	8.45	72,874	7.27
CIMB-GK Securities Pte Ltd	34,768,935	8.06	59,889	5.97
Grand Cathay Securities (HK) Ltd	26,955,629	6.25	67,389	6.72
Sanford C. Bernstein and Co LLC	26,460,896	6.13	39,424	3.93
Morgan Stanley and Co. International PLC	24,621,097	5.71	49,242	4.91
JP Morgan Securities (Asia Pac) Ltd	24,202,560	5.61	74,150	7.39
CLSA Ltd	20,667,302	4.79	48,531	4.84
Credit Suisse First Boston Ltd	17,196,308	3.99	42,991	4.29
Others #	103,731,104	24.04	273,908	27.32
	<u>431,418,568</u>	<u>100.00</u>	<u>1,002,791</u>	<u>100.00</u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

10 TRANSACTIONS WITH BROKERS (CONTINUED)

Included in transactions with brokers are trades in the stockbroking industry with Affin Investment Bank Bhd, companies related to the Manager amounting to RM12,165,182 (2020: RM16,614,767). The Manager is of the opinion that all transactions with the related company have been entered into in the normal course of business at agreed terms between the related parties.

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

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

<u>Related parties</u>	<u>Relationships</u>
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

The units held by 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 purposes)				
- MYR class	2,141	4,777	3,391	6,646
- AUD class	2,979	7,449	3,615	7,940
- GBP class	3,153	13,374	3,200	11,923
- SGD class	2,773	6,612	3,189	6,679
- USD class	3,227	10,533	3,150	9,031
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Subsidiary and associated companies of the penultimate holding company of the Manager:</u>				
ABB Nominee (Tempatan) Sdn Bhd (The units are held beneficially)				
- MYR class	1,105,649	2,466,703	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

AFFIN HWANG SELECT ASIA (EX JAPAN) QUANTUM FUND

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

12 MANAGEMENT EXPENSE RATIO (“MER”)

	6 months financial period ended <u>31.8.2021</u> %	6 months financial period ended <u>31.8.2020</u> %
MER	<u>0.83</u>	<u>0.82</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 fees
- C = Auditors' remuneration
- D = Tax agent's fee
- E = Other expenses, excluding sales and service tax on transaction costs 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 RM331,062,450 (2020: RM278,642,030).

13 PORTFOLIO TURNOVER RATIO (“PTR”)

	6 months financial period ended <u>31.8.2021</u>	6 months financial period ended <u>31.8.2020</u>
PTR (times)	<u>0.83</u>	<u>0.73</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 = RM316,613,215 (2020: RM175,703,023)
total disposal for the financial period = RM232,369,574 (2020: RM230,653,240)

14 SIGNIFICANT EVENTS 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) QUANTUM 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 August 2021 and of its financial performance, net assets attributable to unitholders and cash flows for the financial period ended 31 August 2021 in accordance with 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
15 October 2021

DIRECTORY OF SALES OFFICE

HEAD OFFICE

Affin Hwang Asset Management Berhad
Ground Floor
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