

Affin Hwang Select Bond Fund

Interim Report
30 September 2020

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



AFFIN HWANG
CAPITAL

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

TRUSTEE
HSBC (Malaysia) Trustee Berhad
193701000084 (1281-T)

AFFIN HWANG SELECT BOND FUND

Interim Report and Unaudited Financial Statements For the 6 Months Financial Period Ended 30 September 2020

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FUND INFORMATION

Fund Name	Affin Hwang Select Bond Fund
Fund Type	Income
Fund Category	Bond
Investment Objective	To provide investors with a steady income stream over the medium to long-term period through investments primarily in bonds and other fixed income securities
Benchmark	Maybank 12-month fixed deposit rate
Distribution Policy	Subject to the availability of income, the Fund will distribute income on a quarterly basis. However, the amount of income available for distribution may fluctuate from year to year.

BREAKDOWN OF UNITHOLDERS BY SIZE RM CLASS AS AT 30 SEPTEMBER 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	235	560
5,001 to 10,000	157	1,156
10,001 to 50,000	607	15,108
50,001 to 500,000	717	121,176
500,001 and above	269	3,386,682
Total	1,985	3,524,682

* Note: Excluding Manager's stock

BREAKDOWN OF UNITHOLDERS BY SIZE USD HEDGED-CLASS AS AT 30 SEPTEMBER 2020

Size of holdings (units)	No. of unitholders	No. of units held * ('000)
5,000 and below	0	0
5,001 to 10,000	3	26
10,001 to 50,000	3	86
50,001 to 500,000	10	1,903
500,001 and above	10	79,304
Total	26	81,319

* Note: Excluding Manager's stock

FUND PERFORMANCE DATA

Category	As at 30 Sep 2020 (%)	As at 30 Sep 2019 (%)	As at 30 Sep 2018 (%)
Portfolio composition			
Unquoted fixed income securities	91.14	88.92	91.87
Unquoted credit linked notes	0.16	0.26	0.36
Collective investment scheme	0.43	3.51	2.09
Cash & cash equivalent	8.27	7.31	5.68
Total	100.00	100.00	100.00

Currency class	<u>RM</u> <u>Class</u>	<u>USD</u> <u>Hedged-</u> <u>class</u>	<u>RM</u> <u>Class</u>	<u>USD</u> <u>Hedged-</u> <u>class</u>	<u>RM</u> <u>Class</u>	<u>USD</u> <u>Hedged-</u> <u>class</u>
Total NAV (million)	2,466.020	44.146	1,449.925	28.282	1,043.827	24.074
NAV per unit (respective currencies)	0.6996	0.5404	0.6872	0.5350	0.6526	0.5202
Unit in Circulation (million)	3,524.714	81.688	2,109.975	52.862	1,599.458	46.277
Highest NAV	0.7059	0.5466	0.6921	0.5404	0.6582	0.5234
Lowest NAV	0.6536	0.5094	0.6617	0.5195	0.6475	0.5149
Return of the Fund (%) ⁱⁱⁱ	7.96	7.35	5.40	4.95	1.37	0.95
- Capital Return (%) ⁱ	6.96	6.06	3.87	3.00	-0.17	0.46
- Income Return (%) ⁱⁱ	0.94	1.21	1.48	1.89	1.54	0.48
Gross Distribution per Unit (sen)	0.65	0.65	1.00	1.00	1.00	0.25
Net Distribution per Unit (sen)	0.65	0.65	1.00	1.00	1.00	0.25
Management Expenses Ratio (%) ¹	0.55		0.53		0.56	
Portfolio Turnover Ratio (times) ²	0.48		0.53		0.36	

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

¹ The Fund's MER was higher than previous period under review due to higher expenses incurred by the Fund.

² The Fund's PTR was lower than previous period under review due to the higher average net asset value of the Fund during the financial period.

MANAGER'S REPORT

Income Distribution / Unit Split

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

RM Class

Cum Date	Ex-Date	Cum-distribution (RM)	Distribution per Unit (RM)	Ex-distribution (RM)
16 Jun 2020	17 Jun 2020	0.6919	0.0035	0.6891
16 Sep 2020	17 Sep 2020	0.7039	0.0030	0.7010

USD Class

Cum Date	Ex-Date	Cum-distribution (USD)	Distribution per Unit (USD)	Ex-distribution (USD)
16 Jun 2020	17 Jun 2020	0.5381	0.0035	0.5352
16 Sep 2020	17 Sep 2020	0.5449	0.0030	0.5419

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

Performance Review

RM Class

For the period 1 April 2020 to 30 September 2020, the Fund registered a return of 7.96%. The Net Asset Value (NAV) per unit of the Fund as at 30 September 2020 was RM 0.6996 while the NAV per unit on 31 March 2020 was RM 0.6541. The Benchmark for the period registered a return of 1.04%. The Fund outperformed the Benchmark by 6.92%. The fund declared a gross income distribution of RM0.0065 per unit for the period. (See Table 1 for performance of the Fund and Figure 1 for the movement of the Fund versus the Benchmark respectively).

Since its inception to 30 September 2020, the Fund has registered a return of 164.46%. Compared to the benchmark of 117.07% for the same period, the Fund outperformed the Benchmark by 47.39%. The fund has declared a total gross income distribution of RM0.384 per unit to-date. As such, the Fund will continue to be managed in a manner to fulfill its objective.

USD Hedged Class

For the period 1 April 2020 to 30 September 2020, the Fund registered a return of 7.35%. The Net Asset Value (NAV) per unit of the Fund as at 30 September 2020 was USD 0.5404 while the NAV per unit on 31 March 2020 was USD 0.5095. The Benchmark for the period registered a return of 0.54%. The Fund outperformed the Benchmark by 6.81%. The fund declared a gross income distribution of USD0.0065 per unit for the period. (See Table 1 for performance of the Fund and Figure 1 for the movement of the Fund versus the Benchmark respectively).

Since its inception to 30 September 2020, the Fund has registered a return of 27.13%. Compared to the benchmark of 23.97% for the same period, the Fund outperformed the Benchmark by 3.16%. The fund has declared a total gross income distribution of USD0.0845 per unit to-date. As such, the Fund will continue to be managed in a manner to fulfill its objective.

RM Class

Table 1: Performance of the Fund

	6 Months (1/4/20 - 30/9/20)	1 Year (1/10/19 - 30/9/20)	3 Years (1/10/17 - 30/9/20)	5 Years (1/10/15 - 30/9/20)	Since Commencement (18/8/03 - 30/9/20)
Fund	7.96%	5.06%	15.61%	32.26%	164.46%
Benchmark	1.04%	2.54%	9.34%	16.41%	117.07%
Outperformance	6.92%	2.52%	6.27%	15.85%	47.39%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/10/19 - 30/9/20)	3 Years (1/10/17 - 30/9/20)	5 Years (1/10/15 - 30/9/20)	Since Commencement (18/8/03 - 30/9/20)
Fund	5.06%	4.95%	5.75%	5.84%
Benchmark	2.54%	3.02%	3.08%	4.63%
Outperformance	2.52%	1.93%	2.67%	1.21%

Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2020 (1/4/19 - 31/3/20)	FYE 2019 (1/4/18 - 31/3/19)	FYE 2018 (1/4/17 - 31/3/18)	FYE 2017 (1/4/16 - 31/3/17)	FYE 2016 (1/7/15 - 31/3/16)
Fund	2.57%	5.17%	1.63%	8.84%	4.02%
Benchmark	3.08%	3.35%	3.14%	3.16%	3.94%
Outperformance	(0.51%)	1.82%	(1.51%)	5.68%	0.08%

Source of Benchmark: Bloomberg

USD Hedged Class

Table 1: Performance of the Fund

	6 Months (1/4/20 - 30/9/20)	1 Year (1/10/19 - 30/9/20)	3 Years (1/10/17 - 30/9/20)	5 Years (1/10/15 - 30/9/20)	Since Commencement (18/7/13 - 30/9/20)
Fund	7.35%	4.20%	12.37%	22.05%	27.13%
Benchmark	0.54%	1.58%	6.91%	10.53%	23.97%
Outperformance	6.81%	2.62%	5.46%	11.52%	3.16%

Source of Benchmark: Bloomberg

Table 2: Average Total Return

	1 Year (1/10/19 - 30/9/20)	3 Years (1/10/17 - 30/9/20)	5 Years (1/10/15 - 30/9/20)	Since Commencement (18/7/13 - 30/9/20)
Fund	4.20%	3.96%	4.06%	3.39%
Benchmark	1.58%	2.25%	2.02%	3.02%
Outperformance	2.62%	1.71%	2.04%	0.37%

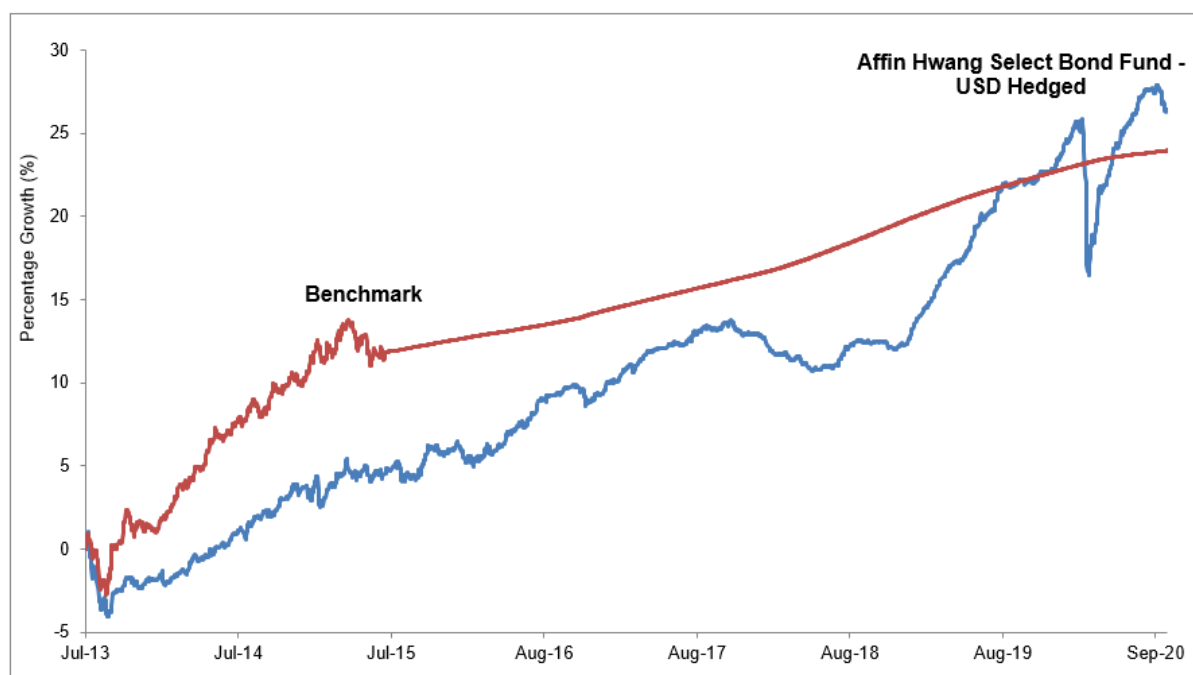
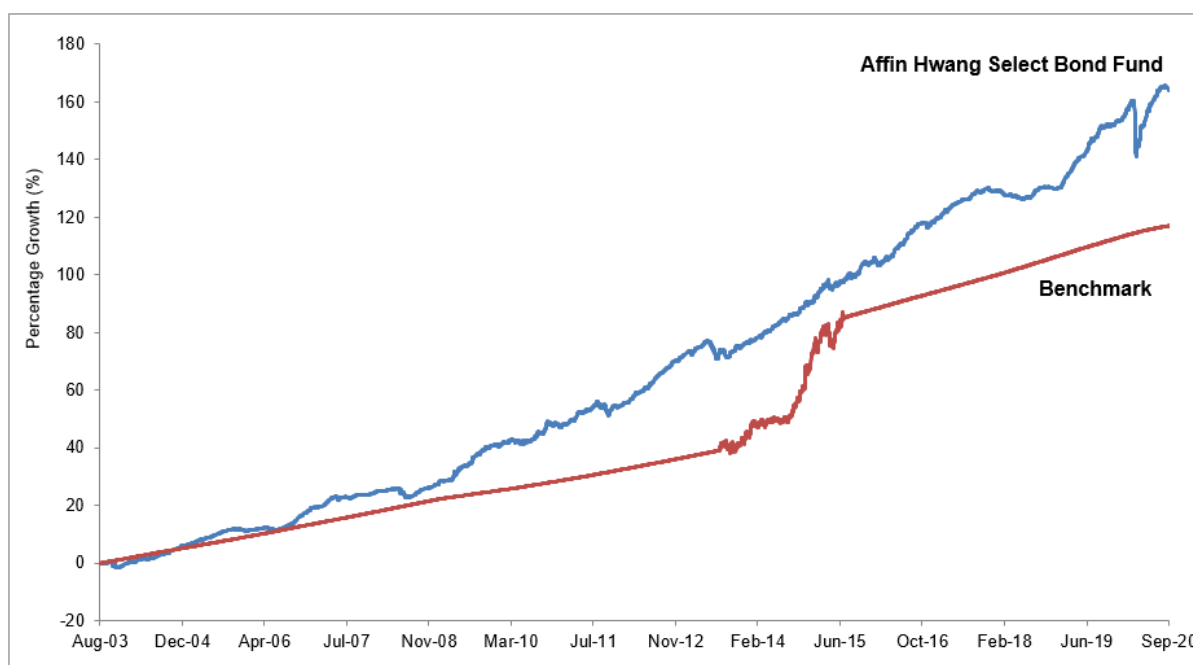
Source of Benchmark: Bloomberg

Table 3: Annual Total Return

	FYE 2020 (1/4/19 - 31/3/20)	FYE 2019 (1/4/18 - 31/3/19)	FYE 2018 (1/4/17 - 31/3/18)	FYE 2017 (1/4/16 - 31/3/17)	FYE 2016 (1/7/15 - 31/3/16)
Fund	1.87%	4.40%	(0.06%)	5.47%	1.10%
Benchmark	2.25%	2.95%	1.96%	1.70%	1.16%
Outperformance	(0.38%)	1.45%	(2.02%)	3.77%	(0.06%)

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: Maybank 12-month fixed deposit rate

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

Asset Allocation

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

As at 30 September 2020, the asset allocation of the Fund stood at 91.14% in fixed income instruments, 0.16% in credit linked investment, 0.43% in collective investment scheme while the balance was held in cash and cash equivalent. Compared to previous period under review, the overall asset allocation of the Fund remained relatively unchanged.

Strategies Employed

Over the period under review, the Manager maintained a focus on high conviction credit names across both domestic and regional space. To date, the Fund's bond holdings have continued to meet their respective financial obligations in respect of their outstanding debt.

Market Review

Global markets got off to a rocky start in 2020 as benchmark gauges reeled from contagion fears as a result of the coronavirus outbreak. The World Health Organization declared a global health emergency as soon as the coronavirus outbreak has claimed the lives of at least 300 people with rates of infection rapidly increasing. The global equities trended lower as risk assets continue to reel from the impact of the Covid-19 outbreak which sent chills to investors. The rapid spread of the infection outside of China with new cases springing in Italy, South Korea and Iran led to a rush towards safe haven assets with US Treasury yields dipping to record lows.

Coming into March, the global markets faced a washout, as few asset classes were spared from the selloff due to the pandemic fears as infection rates continue to escalate rapidly. The MSCI Asia ex-Japan index closed 12.2% lower in the month. In the US, the S&P 500 index closed 12.5% lower that month. In an attempt to stem the fallout from the coronavirus, major economies led by the US has introduced an unprecedented US\$2 trillion relief package to cushion its economy. The relief package comes as the US also reports the most number of Covid-19 cases, making it the country with the largest outbreak in the world surpassing that of Italy and China.

However, global equities staged a rebound in April as markets looked past recent softness in economic data and were instead buoyed by stimulus optimism as well as encouraging developments on the COVID-19 front. The rally was fuelled by a volley of stimulus measures rolled out by major central banks including an expansion package by the US Federal Reserve and the European Union (EU). The S&P 500 index advanced by 8.8% in the month; while positive effects were also felt in Asia in which the Hong Kong Hang Seng and the broader MSCI Asia ex-Japan index rose by 4.4% and 8.9% respectively.

The US unveiled its Main Street Lending Program which is designed to provide support and ensure credit flow into SMEs that were in "good financial standing". Similarly, the EU proposed a European Stability Mechanism ("ESM") which offers a credit line of up to 240 billion Euros to EU members.

Tensions between the two global powerhouse rose recently after China ordered the US to close its Chengdu-based consulate. The order followed the US closure of the Chinese consulate in Houston. On the other hand, remarks by US President Donald Trump that he will move to ban Chinese-owned video app TikTok in the US also added fuel to this fire.

Technology companies have been leading gains in the US stock market despite the slowdown in the economy due to COVID-19. Gold price which has a historical negative correlation to the US dollar has surged to new highs this year as investors flock to the safe heaven asset.

On commodities, crude oil prices slid by about 35% YTD as at end of September, after oil prices rebounded in June following a move by Organization of the Petroleum Exporting Countries ("OPEC") and its oil-producing allies to extend the group's historic production cut.

On the domestic front, the country plunged into political turmoil which ultimately culminated in the appointment of Tan Sri Muhyiddin Yassin as the eighth Prime Minister, from the Perikatan Nasional coalition

(UMNO, PAS, Bersatu and a splinter faction of PKR). The appointment was announced by Istana Negara amidst shifting political allegiances and frantic horse-trading across the ruling and opposition coalitions.

Coming into September, opposition leader Datuk Seri Anwar Ibrahim claimed that he has secured a “strong, formidable” majority from lawmakers in parliament to oust Prime Minister Tan Sri Muhyiddin Yassin. The news was greeted with scepticism as Anwar has made prior claims before. Though a statement from UMNO president Datuk Seri Dr Ahmad Zahid Hamidi that he has information that many members from UMNO and Barisan Nasional have stated their support for Anwar to form a new government has lent credibility to the claim.

Malaysia's economy posted a smaller contraction of 2.7 per cent in the third quarter (3Q) of 2020, surpassing consensus estimate of -4.6 per cent, as well as the Gross Domestic Product (GDP) contraction of 17.1 per cent in 2Q, supported by improvements in all sectors.

Prime Minister Tan Sri Muhyiddin Yassin unveiled a RM250 billion economic stimulus package to soften the economic blow due to the impact of Covid-19 with businesses shuttered due to the movement control order (MCO). Called the Pakej Rangsangan Ekonomi Prihatin Rakyat or Prihatin, the package comprises RM128 billion to protect the welfare of the people, RM100 billion to protect the welfare of small and medium enterprises (“SMEs”) and RM2 billion to strengthen the country's economy according to The Edge. This was on top of the RM20 billion stimulus that was earlier announced on 27 February.

Whilst RM250 billion seems like a massive amount on the surface, the actual fiscal spending outlay amounts to 10.0% or RM25billion. The rest of the relief package comes in the form of loan guarantees, moratorium in loan repayments, EPF withdrawals, among others. In April, Prime Minister had announced an additional RM10billion package to help SMEs cope during the pandemic.

Recent placement exercises by Tenaga Nasional Bhd (“TNB”) and Serba Dinamik Holdings Bhd point to strong appetite. Khazanah raised RM1 billion from TNB placement (3x oversubscribed) while Serba Dinamik raised RM456.7 million (1.5x oversubscribed). We could see more placement exercises in the market with ample liquidity on the side-lines as most funds are sitting on decent amounts of cash.

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 following the low death rates despite the rise in infections. The accelerated efforts to shorten the timeline for a successful vaccine inoculation also lessened market's response towards increasing infection rates. Economic restarts have since moved at different paces between countries, each depending on their own ways of dealing with Covid-19.

A Biden presidency may be positive for the Asian stock markets. Biden prides himself as one who respects international laws, supporting more coordinated foreign policies. Trade tensions might ease, with technology sector equities and high-yield credits benefitting provided the ongoing Huawei and TikTok issues can be solved amicably. Biden's clean energy revolution plan could also revitalise US' energy sector and create more well-paying jobs, further boosting US economy. Considering that the World Trade Organisation (“WTO”) has recently ruled Trump's China tariff as illegal, Biden may also consider reducing or removing tariffs on China imports.

The worldwide Covid-19 death toll has since breached the 1 million mark, with US cases remaining stable at a high rate and Europe battling new waves. The shift in infections to younger age groups and more effective treatments however ensured Europe's continuous recovery despite the increasing infection rates. It is also more exposed to global trade than US, thus will benefit from the rebound in Chinese demand. Europe's exposure to financials, cyclical sectors such as energy and industrials, will potentially outperform in the second phase of recovery when economy continues to pick up as yield curve steepens. US dollar should weaken as economy recovers globally given its counter-cyclical behaviour, with more economically sensitive currencies appreciating instead, including euro and British sterling that are undervalued. However, British sterling faces higher volatility due to Brexit negotiations.

On the other hand, recent alarming increase in Covid-19 cases caused targeted lockdowns in Malaysia, potentially delaying economic recovery although remaining positive on a full rebound by 2021. From a bottom-up perspective, markets are still focused on more export-oriented industries i.e. gloves, electromotive force and technology stocks. Politics pose as minor distraction seeing how the peak of political risk has

passed after Sabah election results were released. However, the risk to policy continuity caused by uncertainty of a majority win could lead to potential loss on FDI opportunities to other emerging market countries.

Gold price which has a historical negative correlation to the US dollar has surged to new highs this year as investors flock to the safe haven asset.

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

Cross trade transactions have been carried out during the reported period and that the Investment Committee of the fund has reviewed that such transactions are in the best interest of the fund and transacted on an arm's length and fair value basis.

TRUSTEE'S REPORT TO THE UNITHOLDERS OF AFFIN HWANG SELECT BOND FUND

We have acted as Trustee of Affin Hwang Select Bond Fund ("the Fund") for the financial period ended 30 September 2020. 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.

During this financial period, a total distribution of 0.65 sen per unit (gross) for RM Class and 0.65 cent per unit (gross) for USD Hedged-class have been distributed to the unitholders of the Fund respectively. We are of the view that the distributions are not inconsistent with the objective of the Fund.

For HSBC (Malaysia) Trustee Berhad

Vicknesan Balakrishnan
Chief Executive Officer

Kuala Lumpur
16 November 2020

AFFIN HWANG SELECT BOND FUND

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

AFFIN HWANG SELECT BOND FUND

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

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AFFIN HWANG SELECT BOND FUND

UNAUDITED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

	<u>Note</u>	6 months financial period ended 30.9.2020 RM	6 months financial period ended 30.9.2019 RM
INVESTMENT INCOME			
Dividend income		189,924	-
Interest income from financial assets at amortised cost		2,680,069	1,420,851
Interest income from financial assets at fair value through profit or loss		41,428,732	28,852,344
Net (loss)/gain foreign currency exchange		(496,259)	71,169
Net gain/(loss) on forward foreign currency contracts at fair value through profit or loss		19,272,951	(8,544,711)
Net gain on financial assets at fair value through profit or loss	8	99,573,299	52,462,752
		<u>162,648,716</u>	<u>74,262,405</u>
EXPENSES			
Management fee	4	(11,005,243)	(6,204,077)
Trustee fee	5	(779,522)	(441,511)
Auditors' remuneration		(5,319)	(4,031)
Tax agent's fee		(1,905)	(1,905)
Other expenses		(326,534)	(857,624)
		<u>(12,118,523)</u>	<u>(7,509,148)</u>
NET PROFIT BEFORE FINANCE COST AND TAXATION			
		150,530,193	66,753,257
Finance cost	6	(22,180,048)	(20,101,970)
NET PROFIT BEFORE TAXATION			
		128,350,145	46,651,287
Taxation	7	-	-
INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS			
		<u>128,350,145</u>	<u>46,651,287</u>
Increase in net assets attributable to unitholders comprise the following:			
Realised amount		14,786,251	11,652,732
Unrealised amount		113,563,894	34,998,555
		<u>128,350,145</u>	<u>46,651,287</u>

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

AFFIN HWANG SELECT BOND FUND

UNAUDITED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2020

	<u>Note</u>	<u>2020</u> RM	<u>2019</u> RM
ASSETS			
Cash and cash equivalents	9	187,489,463	112,566,010
Amount due from dealers		8,202,230	2,393,188
Amount due from Manager			
- creation of units		27,851,798	21,647,609
- management fee rebate receivable		49,847	1,445
Financial assets at fair value			
through profit or loss	8	2,430,543,987	1,453,735,701
Forward foreign currency contracts			
at fair value through profit or loss	11	22,153,598	3,985,539
TOTAL ASSETS		<u>2,676,290,923</u>	<u>1,594,329,492</u>
LIABILITIES			
Forward foreign currency contracts			
at fair value through profit or loss	11	4,721,388	4,894,396
Amount due to dealers		19,745,760	16,537,823
Amount due to Manager			
- management fee		2,129,356	1,237,498
- cancellation of units		74,771	3,228,864
Amount due to Trustee		149,055	86,625
Auditor's remuneration		5,189	4,031
Tax agent's fee		5,276	5,705
Other payables and accruals		13,647	7,453
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		<u>26,844,442</u>	<u>26,002,395</u>
NET ASSET VALUE OF THE FUND		<u>2,649,446,481</u>	<u>1,568,327,097</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>2,649,446,481</u>	<u>1,568,327,097</u>

AFFIN HWANG SELECT BOND FUND

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

	<u>Note</u>	<u>2020</u> RM	<u>2019</u> RM
REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNTIS			
- RM Class		2,466,020,184	1,449,924,865
- USD Hedged Class		183,426,297	118,402,232
		<u>2,649,446,481</u>	<u>1,568,327,097</u>
NUMBER OF UNITS IN CIRCULATION			
- RM Class	12 (a)	3,524,714,000	2,109,975,000
- USD Hedged Class	12 (b)	81,688,000	52,862,000
		<u>3,606,402,000</u>	<u>2,162,837,000</u>
NET ASSET VALUE PER UNIT (RM)			
- RM Class		0.6996	0.6872
- USD Hedged Class		2.2454	2.2398
		<u>0.6996</u>	<u>2.2398</u>
NET ASSET VALUE PER UNIT IN RESPECTIVE CURRENCIES			
- RM Class		RM0.6996	RM0.6872
- USD Hedged Class		USD0.5404	USD0.5350
		<u>RM0.6996</u>	<u>USD0.5350</u>

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

AFFIN HWANG SELECT BOND FUND

UNAUDITED INTERIM STATEMENT OF CHANGES IN ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

	6 months financial period ended <u>30.9.2020</u> RM	6 months financial period ended <u>30.9.2019</u> RM
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE BEGINNING OF THE FINANCIAL PERIOD	1,910,839,754	1,107,385,975
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications	614,242,182	445,694,878
- RM Class	552,375,591	403,330,221
- USD Hedged Class	61,866,591	42,364,657
Creation of units arising from distributions	20,933,405	19,053,250
- RM Class	19,128,072	17,226,193
- USD Hedged Class	1,805,333	1,827,057
Cancellation of units	(24,919,005)	(50,458,293)
- RM Class	(11,751,393)	(41,190,132)
- USD Hedged Class	(13,167,612)	(9,268,161)
Net increase in net assets attributable to unitholders during the financial period	128,350,145	46,651,287
- RM Class	126,203,467	41,735,662
- USD Hedged Class	2,146,678	4,915,625
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u>2,649,446,481</u>	<u>1,568,327,097</u>

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

AFFIN HWANG SELECT BOND FUND

UNAUDITED INTERIM STATEMENT OF CASH FLOWS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

	<u>Note</u>	6 months financial period ended <u>30.9.2020</u> RM	6 months financial period ended <u>30.9.2019</u> RM
CASH FLOW FROM OPERATING ACTIVITIES			
Proceeds from sale of investments		666,524,963	485,686,541
Purchase of investments		(1,470,277,302)	(842,941,407)
Proceed from margin accounts		2,158,750	-
Dividend received		189,924	-
Interest received		39,684,820	27,928,048
Management fee rebate received		192,326	8,925
Management fee paid		(10,706,544)	(5,896,776)
Trustee fee paid		(749,458)	(419,999)
Payment for other fees and expenses		(333,489)	(870,435)
Realised loss on forward foreign currency contracts		(16,426,003)	(5,935,573)
Realised gain on interest rate swap		-	4,055,593
Net realised (loss)/gain on foreign currency exchange		(365,724)	1,255,144
Net cash used in operating activities		<u>(790,107,737)</u>	<u>(337,129,939)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from creation of units		589,555,378	426,874,891
Payments for cancellation of units		(28,509,890)	(47,392,960)
Payments for distributions		(1,246,643)	(1,048,720)
Net cash generated from financing activities		<u>559,798,845</u>	<u>378,433,211</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		<u>(230,308,892)</u>	<u>41,303,272</u>
EFFECTS OF FOREIGN CURRENCY EXCHANGE		<u>(130,535)</u>	<u>123,332</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		<u>417,928,890</u>	<u>71,139,406</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	9	<u><u>187,489,463</u></u>	<u><u>112,566,010</u></u>

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

AFFIN HWANG SELECT BOND FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

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

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

- Amendments to MFRS 3 'Definition of a Business' (effective 1 January 2020) revise the definition of a business.
- Amendments to MFRS 101 'Classification of liabilities as current or non-current (effective 1 January 2023) clarify that a liability is classified as non-current if an entity has a substantive right at the end of the reporting period to defer settlement for at least 12 months after the reporting period.

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

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

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.

AFFIN HWANG SELECT BOND FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

B INCOME RECOGNITION (CONTINUED)

Interest income

Interest income from short term deposits with licensed financial institutions and unquoted fixed income securities are recognised based on effective interest rate method on an accrual basis.

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

Realised gains and losses on sale of investments

For unquoted fixed income securities, 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 cost adjusted for accretion of discount or amortisation of premium on investments.

For unquoted credit linked note, 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 cost.

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

C DISTRIBUTION

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

D TAXATION

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

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, which is the Fund's functional and presentation currency.

AFFIN HWANG SELECT BOND FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

F FOREIGN CURRENCY TRANSLATION

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

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income (“OCI”) or through profit or loss), and
- those to be measured at amortised cost

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

The contractual cash flows of the Fund’s debt securities are solely principal and interest, 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 dealers and amount due from Manager as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

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

(ii) Recognition and measurement

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

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

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

AFFIN HWANG SELECT BOND FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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

Gain or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category including the effects of currency transaction are presented in the statement of comprehensive income within 'net gain/(loss) on financial assets at fair value through profit or loss' in the financial period which they arise.

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.

Unquoted fixed income securities including money market instruments denominated in Ringgit Malaysia are revalued on a daily basis based on fair value prices quoted by a bond pricing agency ("BPA") registered with the Securities Commission ("SC") as per the SC's Guidelines on Unit Trust Funds. Where such quotation are not available or where the Manager is of the view that the price quoted by the BPA for a specific unquoted fixed income securities differs from the market price by more than 20 basis points, the Manager may use the market price, provided that the Manager:

- (i) records its basis for using non-BPA price;
- (ii) obtains necessary internal approvals to use the non-BPA price; and
- (iii) keeps an audit trail of all decisions and basis for adopting the market yield.

Unquoted fixed income securities including money market instruments denominated in foreign currencies are revalued at least twice a week by reference to the mid-price quoted in Bloomberg. We use the Composite Bloomberg Bond Trader (CBBT) which is a weighted average bid and ask of price contributions submitted by Bloomberg Dealers. However if such quotations are not available, the fair value shall be determined by reference to the bid and offer prices quoted by independent and reputable financial institutions.

Valuation of the investment in unquoted credit linked note is based on amount as stated in the contract between issuers and the Manager. Valuation provided by issuers is then compared against the Manager's valuation determined by using a valuation model, which is based on independently sourced observable or implied market data, mainly interest rate yield curves, recent market transactions, foreign exchange rates and market volatility.

Investment in CIS is valued at the last published net asset value ("NAV") per unit at the date of the statement of financial position.

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

AFFIN HWANG SELECT BOND FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

G FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(iii) Impairment

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

Significant increase in credit risk

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

Definition of default and credit-impaired financial assets

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

Quantitative criteria:

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

Qualitative criteria:

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

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

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

Write-off

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

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

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.

AFFIN HWANG SELECT BOND FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

I AMOUNTS DUE FROM/(TO) DEALERS

Amounts due from and to dealers 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 dealers 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.

J CREATION AND CANCELLATION OF UNITS

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

The Fund issues cancellable units, in two classes of units, known respectively as the RM class and USD hedged-class, which are cancelled at the unitholder's option and do not have identical features subject to restrictions as stipulated in the Prospectus and SC's Guidelines on Unit Trust Funds. 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.

AFFIN HWANG SELECT BOND FUND

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

L DERIVATIVE FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

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

N REALISED AND UNREALISED PORTIONS OF PROFIT OR LOSS AFTER TAX

The analysis of realised and unrealised profit or loss after tax as presented on the statement of comprehensive income is prepared in accordance with SC's Guidelines on Unit Trust Funds.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020

1 INFORMATION ON THE FUND

The Unit Trust Fund was constituted under the name HwangDBS Select Bond Fund (the “Fund”) pursuant to the execution of a Deed dated 1 July 2003 and modified by First Supplemental Deed dated 29 December 2005, Second Supplemental Deed dated 18 June 2007, Third Supplemental Deed dated 15 October 2008, Fourth Supplemental Deed dated 18 January 2012, Fifth Supplemental Deed dated 3 May 2013, Sixth Supplemental Deed dated 27 June 2014 and Seventh Supplemental Deed dated 28 April 2017 (the “Deeds”) entered into between Affin Hwang Asset Management Berhad (the “Manager”), HSBC (Malaysia) Trustee Berhad (the “Trustee”) and the registered unitholders of the Fund. The Fund then issued a new class of units in United States Dollar (“USD”) as amended by Fifth Supplemental Deed dated 3 May 2013. The Fund has changed its name from HwangDBS Select Bond Fund to Hwang Select Bond Fund as amended by Fourth Supplemental Deed dated 18 January 2012 and from Hwang Select Bond Fund to Affin Hwang Select Bond Fund as amended by Sixth Supplemental Deed dated 27 June 2014.

The Fund was launched on 28 July 2003 and will continue its operations until terminated by the Trustee as provided under Clause 3.1 of the Deed.

The Fund may invest in any of the following investments, including but not limited to:

- (a) Securities of companies listed on Bursa Malaysia and any other exchanges of countries who are members of International Organization of Securities Commissions
- (b) Unlisted securities including, without limitation, securities that have been approved by the relevant regulatory authorities for the listing of and quotation for such securities
- (c) Debentures
- (d) Money market instruments
- (e) Deposits
- (f) Derivatives, for the purpose of hedging only;
- (g) Warrants;
- (h) Structured product;
- (i) Units or shares in collective investment schemes; and
- (j) Any other form of investments as may be permitted by the SC from time to time which are in line with the objective of the Fund

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

The main objective of the Fund is to provide investors with a steady income stream in the form of distribution through investing primarily in bonds and other fixed income securities.

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

The financial statements were authorised for issue by the Manager on 16 November 2020.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE AND POLICIES

Financial instruments are as follows:

	Note	At amortised costs RM	At fair value through profit or loss RM	Total RM
<u>2020</u>				
<u>Financial assets</u>				
Cash and cash equivalents	9	187,489,463	-	187,489,463
Amount due from dealers		8,202,230	-	8,202,230
Amount due from Manager				
- creation of units		27,851,798	-	27,851,798
- management fee rebate receivable		49,847	-	49,847
Collective investment schemes	8	-	11,510,342	11,510,342
Unquoted fixed income securities	8	-	2,414,738,286	2,414,738,286
Unquoted credit linked note	8	-	4,295,359	4,295,359
Foreign forward currency contracts	11	-	22,153,598	22,153,598
Total		<u>223,593,338</u>	<u>2,452,697,585</u>	<u>2,676,290,923</u>
<u>Financial liabilities</u>				
Forward foreign currency contracts		-	4,721,388	4,721,388
Amount due to dealers		19,745,760	-	19,745,760
Amount due to Manager				
- management fee		2,129,356	-	2,129,356
- cancellation of units		74,771	-	74,771
Amount due to Trustee		149,055	-	149,055
Auditor's remuneration		5,189	-	5,189
Tax agent's fee		5,276	-	5,276
Other payables and accruals		13,647	-	13,647
Total		<u>22,123,054</u>	<u>4,721,388</u>	<u>26,844,442</u>
<u>2019</u>				
<u>Financial assets</u>				
Cash and cash equivalents	9	112,566,010	-	112,566,010
Amount due from dealers		2,393,188	-	2,393,188
Amount due from Manager				
- creation of units		21,647,609	-	21,647,609
- management fee rebate receivable		1,445	-	1,445
Foreign forward currency contracts	11	-	3,985,539	3,985,539
Collective investment schemes	8	-	55,049,013	55,049,013
Unquoted fixed income securities	8	-	1,394,572,696	1,394,572,696
Unquoted credit linked note	8	-	4,113,992	4,113,992
Total		<u>136,608,252</u>	<u>1,457,721,240</u>	<u>1,594,329,492</u>

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Financial instruments are as follows: (continued)

	<u>Note</u>	At amortised costs RM	At fair value through profit or loss RM	<u>Total</u> RM
<u>2019 (continued)</u>				
<u>Financial liabilities</u>				
Forward foreign currency contracts		-	4,894,396	4,894,396
Amount due to dealers		16,537,823	-	16,537,823
Amount due to Manager				
- management fee		1,237,498	-	1,237,498
- cancellation of units		3,228,864	-	3,228,864
Amount due to Trustee		86,625	-	86,625
Auditor's remuneration		4,031		4,031
Tax agent's fee		5,705		5,705
Other payables and accruals		7,453		7,453
Total		<u>21,107,999</u>	<u>4,894,396</u>	<u>26,002,395</u>

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

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

Market risk

(a) Price risk

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

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Market risk (continued)

(b) Price risk (continued)

The Fund's overall exposed to price risk was as follow:

	<u>2019</u> RM	<u>2018</u> RM
Quoted investments		
Collective investment schemes	11,510,342	55,049,013
Unquoted investment *		
Unquoted fixed income securities	2,414,738,286	1,394,572,696
Unquoted credit linked note	4,295,359	4,113,992
	<u>2,419,033,645</u>	<u>1,398,686,688</u>

* Include interest receivable of RM25,888,585 (2019: RM16,406,836)

The following table summarises the sensitivity of the Fund's profit after taxation and net asset value to price risk movements. The analysis is based on the assumptions that the market price increased by 7.5% (2019: 5%) and decreased by 7.5% (2019: 5%) with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the unquoted securities and collective investment schemes, having regard to the historical volatility of the prices.

<u>% Change in price</u>	<u>Market value</u> RM	<u>Impact on profit after tax/NAV</u> RM
<u>2020</u>		
-7.50%	2,224,306,247	(180,349,155)
0%	2,404,655,402	-
+7.5%	2,585,004,557	180,349,155
<u>2019</u>		
-5%	1,365,462,422	(71,866,443)
0%	1,437,328,865	-
+5%	1,509,195,308	71,866,443

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Market risk

(b) Interest rate risk

In general, when interest rates rise, unquoted fixed income securities prices will tend to fall and vice versa. Therefore, the NAV of the Fund may also tend to fall when interest rates rise or are expected to rise. However, investors should be aware that should the Fund hold an unquoted fixed income security till maturity, such price fluctuations would dissipate as it approaches maturity, and thus the growth of the NAV shall not be affected at maturity. In order to mitigate interest rates exposure of the Fund, the Manager will manage the duration of the portfolio via shorter or longer tenured assets depending on the view of the future interest rate trend of the Manager, which is based on its continuous fundamental research and analysis.

This risk is crucial in an unquoted fixed income securities fund since unquoted fixed income securities portfolio management depends on forecasting interest rate movements. Prices of unquoted fixed income securities move inversely to interest rate movements, therefore as interest rates rise, the prices of unquoted fixed income securities decrease and vice versa. Furthermore, unquoted fixed income securities with longer maturity and lower yield coupon rates are more susceptible to interest rate movements.

Investors should note that unquoted fixed income securities and money market instruments are subject to interest rate fluctuations. Such investments may be subject to unanticipated rise in interest rates which may impair the ability of the issuers to make payments of interest income and principal, especially if the issuers are highly leveraged. An increase in interest rates may therefore increase the potential for default by an issuer.

The table below summarises the sensitivity of the Fund's profit after taxation and net asset value to movements in prices of unquoted fixed income securities held by the Fund as a result of movement in interest rate. The analysis is based on the assumptions that the interest rate increased and decreased by 2% (200 basis points) (2019: 1% (100 basis points)) with all other variables held constant.

<u>% Change in interest rate</u>	<u>Impact on profit after tax/NAV</u>	
	<u>2020</u>	<u>2019</u>
	RM	RM
+ 2% (2019: + 1%)		
- 2% (2019: - 1%)	(8,363,244)	(2,744,790)
	8,426,209	2,750,494

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

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE 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 unfavourable movements against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/(loss). The Manager will evaluate the likely directions of the foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels and technical chart considerations.

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

	Unquoted fixed income <u>securities</u> RM	Unquoted credit linked <u>note</u> RM	Collective investment <u>scheme</u> RM	Forward foreign currency <u>contracts</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2020</u>							
<u>Financial assets</u>							
Australian Dollar	147,152,370	-	-	2,183,272	102,504	-	149,438,146
Chinese Yuan	-	-	-	-	638	-	638
Euro	188,536,943	-	-	1,623,672	569,394	-	190,730,009
Pound Sterling	5,425,989	-	-	15,613	101,063	-	5,542,665
Singapore Dollar	227,508,002	-	-	-	3,172,232	-	230,680,234
United States Dollar	1,329,292,232	4,295,359	6,232,224	18,331,041	4,737,641	11,036,166	1,373,924,663
	<u>1,897,915,536</u>	<u>4,295,359</u>	<u>6,232,224</u>	<u>22,153,598</u>	<u>8,683,472</u>	<u>11,036,166</u>	<u>1,950,316,355</u>

* Other assets consist of amount due from dealers and amount due from Manager.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	Forward foreign currency contracts RM	Other liabilities** RM	Net assets attributable to unitholders RM	Total RM
<u>2020</u> (continued)				
<u>Financial liabilities</u>				
Australian Dollar	881,722	-	-	881,722
Euro	203,185	(2,397)	-	200,788
United States Dollar	3,636,481	19,231,687	183,426,297	206,294,465
	<u>4,721,388</u>	<u>19,229,290</u>	<u>183,426,297</u>	<u>207,376,975</u>

** Other liabilities consist of amount due to dealers, amount due to Manager and other payables and accruals.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	Unquoted fixed income securities RM	Unquoted credit linked note RM	Forward foreign currency contracts RM	Cash and cash equivalents RM	Other assets* RM	Total RM
<u>2019</u>						
<u>Financial assets</u>						
Australian Dollar	81,891,964	-	1,227,261	-	-	83,119,225
Chinese Yuan	-	-	-	609	-	609
Euro	30,852,434	-	949,365	102,632	-	31,904,431
Pound Sterling	-	-	-	4	-	4
Indonesian Rupiah	35,034,922	-	-	-	-	35,034,922
Singapore Dollar	104,313,411	-	792,974	1,172,371	-	106,278,756
United States Dollar	733,828,871	4,113,992	1,015,939	3,461,637	2,893,542	745,313,981
	<u>985,921,602</u>	<u>4,113,992</u>	<u>3,985,539</u>	<u>4,737,253</u>	<u>2,893,542</u>	<u>1,001,651,928</u>

* Other assets consist of amount due from dealers and amount due from Manager.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Market risk (continued)

(c) Currency risk (continued)

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

	Forward foreign currency contracts RM	Other liabilities** RM	Net assets attributable to unitholders RM	Total RM
<u>2019</u> (continued)				
<u>Financial liabilities</u>				
Euro	-	(2,277)	-	(2,277)
United States Dollar	4,894,396	3,227,322	118,402,232	126,523,950
	<u>4,894,396</u>	<u>3,225,045</u>	<u>118,402,232</u>	<u>126,521,673</u>

** Other liabilities consist of amount due to Manager and other payables and accruals.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

2 FINANCIAL INSTRUMENTS, RISK MANAGEMENT OBJECTIVE 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% (2019: 5%), with all other variables held constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/ (decrease) in foreign exchange rate will result in a corresponding (decrease)/ increase in the net assets attributable to unitholders by approximately 10% (2019: 5%). Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in rate %	Impact on profit after tax/ NAV RM
<u>2020</u>		
Australian Dollar	+/- 10	+/- 18,350,185
Chinese Yuan	+/- 10	+/- 64
Euro	+/- 10	+/- 19,052,922
Pound Sterling	+/- 10	+/- 554,267
Singapore Dollar	+/- 10	+/- 23,068,023
United States Dollar	+/- 10	+/- 116,763,020
<u>2019</u>		
Australian Dollar	+/-5	+/- 4,155,961
Chinese Yuan	+/-5	+/- 30
Euro	+/-5	+/- 1,595,335
Indonesian Rupiah	+/-5	+/- 1,751,746
Singapore Dollar	+/-5	+/- 5,313,938
United States Dollar	+/-5	+/- 30,939,502

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Credit risk

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

Credit risk arising from placements of 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 dealers are governed by the relevant rules and regulations as prescribed by the respective stock exchange.

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

For unquoted fixed income securities, the Manager regularly reviews the rating assigned to the issuer so that necessary steps can be taken if the rating falls below those described by the Deeds and SC's Guidelines on Unit Trust Funds.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Credit risk (continued)

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

	Unquoted fixed income <u>securities</u> RM	Unquoted credit linked <u>notes</u> RM	Forward foreign currency <u>contract</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2020</u>						
Basic Materials						
- Ba2	4,058,639	-	-	-	-	4,058,639
- Baa2	23,588,337	-	-	-	-	23,588,337
- Baa3	24,895,230	-	-	-	-	24,895,230
- BBB+	1,691,547	-	-	-	-	1,691,547
Consumer Goods						
- A1	29,296,119	-	-	-	-	29,296,119
- Ba2	6,396,717	-	-	-	-	6,396,717
- Baa1	7,058,761	-	-	-	-	7,058,761
- Baa2	20,256,921	-	-	-	-	20,256,921
- Baa3	23,692,511	-	-	-	-	23,692,511
- BB+	2,929,147	-	-	-	-	2,929,147
Consumer Services						
- A	6,407,700	-	-	-	-	6,407,700
- Baa1	24,919,936	-	-	-	-	24,919,936
- Baa2	6,452,184	-	-	-	-	6,452,184
- NR	9,044,843	-	-	-	-	9,044,843
- A+	6,316,716	-	-	-	-	6,316,716
Financials						
- A1	20,812,180	-	-	-	-	20,812,180
- A2	67,413,041	-	-	-	-	67,413,041

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Credit risk (continued)

The following table sets out on the credit risk concentration of the Fund: (continued)

	Unquoted fixed income <u>securities</u> RM	Unquoted credit linked <u>notes</u> RM	Forward foreign currency <u>contract</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2020</u> (continued)						
Financials						
- A3	41,382,420	-	-	-	-	41,382,420
- Aa1	21,340,721	-	-	-	-	21,340,721
- Aa2	-	-	2,043,590	-	-	2,043,590
- AA3	15,665,242	-	357,227	-	-	16,022,469
- Aaa	52,670,033	-	17,501,231	187,489,463	-	257,660,727
- B1	91,930,917	-	-	-	-	91,930,917
- Ba1	119,674,327	-	-	-	-	119,674,327
- Ba2	71,918,407	-	-	-	-	71,918,407
- Ba3	6,186,509	-	-	-	-	6,186,509
- Baa1	128,315,445	-	-	-	-	128,315,445
- Baa2	168,514,713	-	-	-	-	168,514,713
- Baa3	162,210,111	-	-	-	-	162,210,111
- BB-	55,591,898	-	-	-	-	55,591,898
- BBB	39,153,412	-	-	-	-	39,153,412
- BBB-	110,598,453	-	-	-	-	110,598,453
- BBB+	66,563,890	-	-	-	-	66,563,890
- NR	116,940,742	4,295,359	2,251,550	-	8,202,230	131,689,881
- BB	8,471,566	-	-	-	-	8,471,566
- A-	16,852,608	-	-	-	-	16,852,608
- B2	20,486,831	-	-	-	-	20,486,831

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Credit risk (continued)

The following table sets out on the credit risk concentration of the Fund: (continued)

	Unquoted fixed income <u>securities</u> RM	Unquoted credit linked <u>notes</u> RM	Forward foreign currency <u>contract</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2020</u> (continued)						
Government						
- Aa1	9,253,520	-	-	-	-	9,253,520
- Aaa	70,171,770	-	-	-	-	70,171,770
- NR	53,291,878	-	-	-	-	53,291,878
- SOV	123,416,067	-	-	-	-	123,416,067
Health Care						
- AA-	5,256,408	-	-	-	-	5,256,408
- NR	8,419,323	-	-	-	-	8,419,323
Industrials						
- A	41,274,696	-	-	-	-	41,274,696
- A1	46,022,772	-	-	-	-	46,022,772
- A2	6,024,867	-	-	-	-	6,024,867
- AA-	30,212,514	-	-	-	-	30,212,514
- Baa1	26,183,749	-	-	-	-	26,183,749
- Baa2	8,327,497	-	-	-	-	8,327,497
- Baa3	17,765,720	-	-	-	-	17,765,720
- BBB	2,171,536	-	-	-	-	2,171,536
- BBB-	8,415,295	-	-	-	-	8,415,295
- NR	74,374,443	-	-	-	-	74,374,443

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Credit risk (continued)

The following table sets out on the credit risk concentration of the Fund: (continued)

	Unquoted fixed income <u>securities</u> RM	Unquoted credit linked <u>notes</u> RM	Forward foreign currency <u>contract</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2020</u> (continued)						
Oil & Gas						
- A3	42,595,382	-	-	-	-	42,595,382
- Ba1	5,950,374	-	-	-	-	5,950,374
- Baa2	26,184,187	-	-	-	-	26,184,187
- Baa3	6,609,786	-	-	-	-	6,609,786
- BBB-	47,139,323	-	-	-	-	47,139,323
Quasi-Gov						
- Baa2	3,475,147	-	-	-	-	3,475,147
- NR	4,152,044	-	-	-	-	4,152,044
Technology						
- A1	21,536,303	-	-	-	-	21,536,303
- Aa2	4,130,532	-	-	-	-	4,130,532
- Baa3	6,395,093	-	-	-	-	6,395,093

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Credit risk (continued)

The following table sets out on the credit risk concentration of the Fund: (continued)

	Unquoted fixed income <u>securities</u> RM	Unquoted credit linked <u>notes</u> RM	Forward foreign currency <u>contract</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2020</u> (continued)						
Utilities						
- A1	5,078,206	-	-	-	-	5,078,206
- A3	5,962,985	-	-	-	-	5,962,985
- AA-	35,582,049	-	-	-	-	35,582,049
- Aa1	1,015,012	-	-	-	-	1,015,012
- Ba1	4,855,443	-	-	-	-	4,855,443
- Baa2	20,405,857	-	-	-	-	20,405,857
- Baa3	11,375,733	-	-	-	-	11,375,733
- AA+	5,131,446	-	-	-	-	5,131,446
- WR	5,122,451	-	-	-	-	5,122,451
Telecommunications						
- Ba1	12,454,678	-	-	-	-	12,454,678
- Baa2	6,198,991	-	-	-	-	6,198,991
- NR	3,106,435	-	-	-	-	3,106,435
Others						
- NR	-	-	-	-	27,901,645	27,901,645
	<u>2,414,738,286</u>	<u>4,295,359</u>	<u>22,153,598</u>	<u>187,489,463</u>	<u>36,103,875</u>	<u>2,664,780,581</u>

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Credit risk (continued)

The following table sets out on the credit risk concentration of the Fund: (continued)

	Unquoted fixed income <u>securities</u> RM	Unquoted credit linked <u>notes</u> RM	Forward foreign currency <u>contract</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2019</u>						
Basic materials						
- A-	3,464,915	-	-	-	-	3,464,915
- Ba3	8,236,799	-	-	-	-	8,236,799
- Baa1	25,122,664	-	-	-	-	25,122,664
- Baa2	4,363,920	-	-	-	-	4,363,920
- Baa3	6,680,947	-	-	-	-	6,680,947
- BBB+	1,679,921	-	-	-	-	1,679,921
Consumer goods						
- A2	11,568,227	-	-	-	-	11,568,227
Consumer services						
- Baa2	6,551,338	-	-	-	-	6,551,338
- NR	3,160,190	-	-	-	-	3,160,190
Financials						
- A1	20,587,205	-	-	-	-	20,587,205
- A2	15,226,029	-	-	-	-	15,226,029
- A3	61,306,576	-	-	-	-	61,306,576
- AA1	11,097,333	-	-	-	-	11,097,333
- AA2	-	-	182,556	25,000,000	-	25,182,556
- AA3	15,581,101	-	539,579	-	-	16,120,680
- AAA	22,165,648	-	2,836,055	81,537,667	-	106,539,370

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Credit risk (continued)

The following table sets out on the credit risk concentration of the Fund: (continued)

	Unquoted fixed income <u>securities</u> RM	Unquoted credit linked <u>notes</u> RM	Forward foreign currency <u>contract</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2019</u> (continued)						
Financials (continued)						
- B1	57,135,776	-	-	-	-	57,135,776
- Ba1	36,321,565	-	-	-	-	36,321,565
- Ba2	44,340,185	-	-	-	-	44,340,185
- Ba3	6,074,574	-	-	-	-	6,074,574
- Baa1	56,829,444	-	-	-	-	56,829,444
- Baa2	97,227,890	-	-	-	-	97,227,890
- Baa3	101,496,625	-	-	-	-	101,496,625
- BB	40,296,742	-	-	-	-	40,296,742
- BB-	32,112,683	-	-	-	-	32,112,683
- BBB-	58,657,197	-	-	-	-	58,657,197
- BBB+	20,074,110	-	-	-	-	20,074,110
- NR	110,040,712	4,113,992	427,349	6,028,343	701,507	121,311,903
Government						
- AAA	28,384,118	-	-	-	-	28,384,118
- Baa2	11,078,030	-	-	-	-	11,078,030
- NR	28,790,098	-	-	-	-	28,790,098
- SOV	83,394,562	-	-	-	-	83,394,562
Healthcare						
- AA-	5,228,423	-	-	-	-	5,228,423
- NR	8,430,402	-	-	-	-	8,430,402

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Credit risk (continued)

The following table sets out on the credit risk concentration of the Fund: (continued)

	Unquoted fixed income <u>securities</u> RM	Unquoted credit linked <u>notes</u> RM	Forward foreign currency <u>contract</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2019</u> (continued)						
Industrials						
- A	41,526,117	-	-	-	-	41,526,117
- A1	43,496,992	-	-	-	-	43,496,992
- A2	16,623,917	-	-	-	-	16,623,917
- AA-	48,223,916	-	-	-	-	48,223,916
- Baa1	22,372,270	-	-	-	-	22,372,270
- BBB	10,748,472	-	-	-	-	10,748,472
- NR	54,501,920	-	-	-	-	54,501,920
Technology						
- A1	13,698,280	-	-	-	-	13,698,280
Oil & gas						
- A1	-	-	-	-	1,691,681	1,691,681
- A2	2,406,834	-	-	-	-	2,406,834
- BBB-	29,009,758	-	-	-	-	29,009,758

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Credit risk (continued)

The following table sets out on the credit risk concentration of the Fund: (continued)

	Unquoted fixed income <u>securities</u> RM	Unquoted credit linked <u>notes</u> RM	Forward foreign currency <u>contract</u> RM	Cash and cash <u>equivalents</u> RM	Other <u>assets*</u> RM	<u>Total</u> RM
<u>2019</u> (continued)						
Telecommunications						
- Baa2	11,651,753	-	-	-	-	11,651,753
- NR	3,041,352	-	-	-	-	3,041,352
Utilities						
- AA-	23,659,263	-	-	-	-	23,659,263
- AA+	5,140,799	-	-	-	-	5,140,799
- AA1	6,066,049	-	-	-	-	6,066,049
- Baa2	19,699,055	-	-	-	-	19,699,055
Others						
NR	-	-	-	-	21,649,054	21,649,054
	<u>1,394,572,696</u>	<u>4,113,992</u>	<u>3,985,539</u>	<u>112,566,010</u>	<u>24,042,242</u>	<u>1,539,280,479</u>

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Liquidity risk

Liquidity risk is the risk that the investments cannot be readily sold at or near its actual value without taking a significant discount. This will result in lower NAV of the Fund. The Manager manages this risk by maintaining sufficient level of liquid assets to meet anticipated payments and cancellations of units by unitholders. The 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.

	Within <u>one month</u> RM	Between <u>one month</u> <u>to one year</u> RM	<u>Total</u> RM
<u>2020</u>			
Amount due to dealers	19,745,760	-	19,745,760
Amount due to Manager			
- management fee	2,129,356	-	2,129,356
- cancellation of units	74,771	-	74,771
Amount due to Trustee	149,055	-	149,055
Auditors' remuneration	-	5,189	5,189
Tax agent's fee	-	5,276	5,276
Other payables and accruals	-	13,647	13,647
Forward foreign currency contracts	1,552,841	3,168,547	4,721,388
Net asset attributable to unitholders*	2,649,446,481	-	2,649,446,481
	<u>2,673,098,264</u>	<u>3,192,659</u>	<u>2,676,290,923</u>
<u>2019</u>			
Amount due to dealers	16,537,823	-	16,537,823
Amount due to Manager			
- management fee	1,237,498	-	1,237,498
- cancellation of units	3,228,864	-	3,228,864
Amount due to Trustee	86,625	-	86,625
Auditor's remuneration	-	4,031	4,031
Tax agent's fee	-	5,705	5,705
Other payables and accruals	-	7,453	7,453
Forward foreign currency contracts	601,069	4,293,327	4,894,396
Net asset attributable to unitholders*	1,568,327,097	-	1,568,327,097
	<u>1,590,018,976</u>	<u>4,310,516</u>	<u>1,594,329,492</u>

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

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

Capital risk

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

3 FAIR VALUE ESTIMATION

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

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

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

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

(i) Fair value hierarchy

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

- (i) Quoted prices (unadjusted) in active market for identical assets or liabilities (Level 1)
- (ii) 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)
- (iii) Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

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

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

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

	<u>Level 1</u> RM	<u>Level 2</u> RM	<u>Level 3</u> RM	<u>Total</u> RM
<u>2020</u>				
Financial assets at fair value through profit or loss				
- unquoted fixed income securities	-	2,414,738,286	-	2,414,738,286
- unquoted credit linked note	-	-	4,295,359	4,295,359
- collective investment schemes	11,510,342	-	-	11,510,342
- forward foreign currency contracts	-	22,153,598	-	22,153,598
	<u>11,510,342</u>	<u>2,436,891,884</u>	<u>4,295,359</u>	<u>2,452,697,585</u>
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	4,721,388	-	4,721,388
<u>2019</u>				
Financial assets at fair value through profit or loss				
- unquoted fixed income securities	-	1,394,572,696	-	1,394,572,696
- unquoted credit linked note	-	-	4,113,992	4,113,992
- collective investment schemes	55,049,013	-	-	55,049,013
- forward foreign currency contracts	-	3,985,539	-	3,985,539
	<u>55,049,013</u>	<u>1,398,558,235</u>	<u>4,113,992</u>	<u>1,457,721,240</u>
Financial liabilities at fair value through profit or loss				
- forward foreign currency contracts	-	4,894,396	-	4,894,396

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

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

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

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include unquoted credit linked note. As observable prices are not available for these securities, the Fund has used valuation techniques to derive the fair value.

The Fund invests in unquoted credit linked note that are issued by issuers who do not originate them directly but repackage the underlying investments and reissue the credit linked note. Valuation of unquoted credit linked note are determined by attempting to obtain bid quotes from issuers that originate such investments directly themselves. These quotes will be based on similar terms as the contract in regards to the underlying reference entity, notional amounts, credit event characteristics, coupon frequency, coupon amounts and maturity dates. Once the Issuer has received these quotes, it will determine a notional price on the basis of weighted average of such quotes.

As a counter-check, the Manager monitors the movement of the market observable quantitative factors generally used. By this, the Manager is able to determine the degree of change in any particular factor (some which are likely to affect the mark to market valuation of the unquoted credit linked note more than other factors, such as the change in underlying credit spread or Credit Default Swap spread against benchmark treasury) and extrapolate it against the mark to market valuations provided by the issuer to determine fairness of the valuations provided by the issuers.

The sensitivity of fair value valuations for unquoted credit linked investments to non-market observable factors are not static and can vary substantially depending on the issuers assumptions. As such, the relative change in valuations of such unquoted credit linked investments can vary substantially higher or lower as compared to relative movements of market observable factors. In order to better estimate and monitor factors that are non-market observable, the Manager uses proxy factors, that are market observable, to determine rates of change in values. For example, in terms of implied future correlation level of underlying foreign exchange exposures, a proxy factor such as historical correlation levels would be used to give a closer indication of changes in those assumptions used by the issuer.

The Manager does not expect the change in fair value of the credit linked note due to any reasonable shift in the unobservable input to have a material impact to the financial statements as a whole.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

3 FAIR VALUE ESTIMATION (CONTINUED)

(i) Fair value hierarchy (continued)

	<u>2020</u> RM	<u>2019</u> RM
Opening balance	4,295,181	4,035,825
Purchase/(sales)	-	-
Net change in fair value reserve on financial assets at fair value through profit or loss	178	78,167
	<u>4,295,359</u>	<u>4,113,992</u>

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

4 MANAGEMENT FEE

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

For the 6 months financial period ended 30 September 2020, the management fee is recognised at a rate of 1.00% (2019: 1.00%) per annum of the NAV of the Fund calculated on a daily basis.

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

5 TRUSTEE FEE

In accordance with the Deeds, the Trustee is entitled to an annual fee at a rate not exceeding 0.30% per annum of the NAV of the Fund.

For the 6 months financial period ended 30 September 2020, the Trustee fee is recognised at a rate of 0.07% (2019: 0.07%) per annum of the NAV of the Fund inclusive of local custodian fee, but exclusive of foreign sub-custodian fee, calculated on a daily basis.

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

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

6 DISTRIBUTION

	6 months financial period ended 30.9.2020 RM	6 months financial period ended 30.9.2019 RM
Distribution to unitholders is from the following sources:		
Previous financial period's realised income	22,180,048	20,101,970
Gross realised income	22,180,048	20,101,970
Less: Expenses	-	-
	<u>22,180,048</u>	<u>20,101,970</u>
Gross/Net distribution per unit (sen)		
	RM Class RM	Hedged Class USD
<u>2020</u>		
17.06.2020	0.35	0.35
17.09.2020	0.30	0.30
	<u>0.35</u>	<u>0.30</u>
<u>2019</u>		
19.06.2019	0.50	0.50
18.09.2019	0.50	0.50
	<u>0.50</u>	<u>0.50</u>

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

Included in distribution for the financial period is an amount of RM22,180,048 (2019: RM20,101,970) made from previous financial year's realised income.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

7 TAXATION

	6 months financial period ended 30.9.2020 RM	6 months financial period ended 30.9.2019 RM
Current taxation - foreign	-	-

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

	6 months financial period ended 30.9.2020 RM	6 months financial period ended 30.9.2019 RM
Net profit before finance cost and taxation	150,530,193	66,753,257
Tax at Malaysian statutory rate of 24% (2019: 24%)	36,127,246	16,020,782
Tax effects of:		
Investment income not subject to tax	(39,010,218)	(17,822,423)
Expenses not deductible for tax purposes	255,627	309,849
Restriction on tax deductible expenses for Unit Trust Funds	2,627,345	1,491,792
Tax expense	-	-

8 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2020 RM	2019 RM
Designated at fair value through profit or loss		
- unquoted fixed income securities – local	516,822,750	408,651,094
- unquoted fixed income securities – foreign	1,897,915,536	985,921,602
- unquoted credit linked note - foreign	4,295,359	4,113,992
- collective investment schemes – local	11,510,342	55,049,013
	2,430,543,987	1,453,735,701
Net gain on assets at fair value through profit or loss		
- realised gain/(loss) on sale of investment	21,471,682	10,658,406
- unrealised gain on changes in fair value	77,995,475	41,802,038
- management fee rebate on collective investment scheme #	106,142	2,308
	99,573,299	52,462,752

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

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

(a) Unquoted fixed income securities - local

(i) Unquoted fixed income securities - local as at 30 September 2020 are as follows:

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
Bonds				
4.65% Abu Dhabi National Energy Co 03.03.2022 (WR)	5,000,000	5,034,242	5,122,451	0.19
6.65% Aeon Credit Service M Bhd Call: 08.12.2023 (NR)	10,000,000	10,372,231	10,769,577	0.41
5.8% AFFIN Bank Bhd Call: 31.07.2023 (A3)	3,000,000	3,030,032	3,148,773	0.12
5.5% Ara Bintang Bhd 17.03.2026 (AAA)	14,700,000	14,730,985	15,288,288	0.58
4.50% Bank Pembangunan Malaysia Bhd 04.11.2026 (AAA)	5,000,000	5,092,443	5,575,666	0.21
4.62% Bank Pembangunan Malaysia Bhd 02.03.2027 (AAA)	7,500,000	7,527,726	8,327,333	0.31
5.4% CIMB Group Holdings Bhd Call: 23.10.2023 (A1)	7,500,000	8,002,194	8,127,519	0.31
3.47% DanaInfra Nasional Bhd 26.09.2029 (NR)	5,000,000	5,001,424	5,258,226	0.20
3.9% DanaInfra Nasional Bhd 24.09.2049 (NR)	5,000,000	5,001,603	4,759,553	0.18
3.14% Danum Capital Bhd 13.05.2027 (AAA)	10,000,000	10,121,080	10,323,899	0.39
3.42% Danum Capital Bhd 21.02.2035 (AAA)	10,000,000	10,038,165	9,990,916	0.38
6.5% Eco World Capital Assets Bhd 12.08.2022 (NR)	30,550,000	32,608,915	31,968,374	1.21
3.465% GII 15.10.2030 (SOV)	10,000,000	10,152,719	10,881,434	0.41
4.119% GII 30.11.2034 (SOV)	20,000,000	22,207,796	22,476,851	0.85
5.73% IJM Land Berhad Call: 19.03.2027 (A2)	5,000,000	5,007,853	5,274,999	0.20
5.85% Jimah East Power Sdn Bhd 04.06.2031 (AA-)	10,000,000	10,930,374	12,204,026	0.46
6.20% Jimah East Power Sdn Bhd 04.12.2031 (AA-)	10,000,000	10,780,370	12,566,837	0.47

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(a) Unquoted fixed income securities – local (continued)

(i) Unquoted fixed income securities - local as at 30 September 2020 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
4.55% Kapar Energy Ventures SB 05.07.2021 (AA+)	5,000,000	5,061,986	5,131,446	0.19
4.55% Kedah Cement Sdn Bhd 07.07.2023 (A1)	5,000,000	5,058,555	5,078,206	0.19
4.6% Lafarge Cement Sdn Bhd 13.01.2023 (A1)	15,000,000	15,156,071	15,254,883	0.57
5.06% Lafarge Cement Sdn Bhd 08.07.2022 (A1)	30,000,000	30,472,520	30,767,889	1.16
6.9% Mah Sing Group Bhd Call: 04.04.2022 (NR)	16,800,000	17,838,874	17,918,988	0.68
5.05% MBSB Bank Bhd Call: 20.12.2024 (A3)	4,650,000	4,714,619	4,978,076	0.19
5.30% MEX II Sdn Bhd 28.04.2023 (A)	3,000,000	3,141,204	3,084,141	0.12
5.90% MEX II Sdn Bhd 27.04.2029 (A)	8,500,000	8,820,588	8,479,046	0.32
6.1% MEX II Sdn Bhd 29.04.2031 (A)	7,000,000	7,295,464	6,912,319	0.26
6.20% MEX II Sdn Bhd 29.04.2032 (A)	3,100,000	3,237,766	3,045,250	0.11
6.30% MEX II Sdn Bhd 29.04.2033 (A)	500,000	550,755	488,067	0.02
3.502% MGS 31.05.2027 (SOV)	20,000,000	20,759,256	21,555,380	0.81
3.757% MGS 22.05.2040 (SOV)	20,000,000	21,841,461	21,389,524	0.81
4.498% MGS 15.04.2030 (SOV)	10,000,000	10,923,867	11,677,695	0.44
4.642% MGS 07.11.2033 (SOV)	30,000,000	36,052,574	35,435,183	1.34
4.48% Penang Port Sdn Bhd 27.12.2029 (AA-)	5,000,000	5,057,379	5,528,938	0.21
4.68% Penang Port Sdn Bhd 26.12.2031 (AA-)	4,700,000	4,756,330	5,282,248	0.20
4.3% Perbadanan Kemajuan N Selangor 28.06.2022 (AA3)	10,000,000	10,118,217	10,309,137	0.39
5.01% Perbadanan Kemajuan N Selangor 26.10.2023 (AA3)	5,000,000	5,280,172	5,356,105	0.20
3.8% Prasarana Malaysia Bhd 25.02.2050 (NR)	5,000,000	5,019,117	4,715,360	0.18
5.11% Prasarana Malaysia Bhd 12.09.2042 (NR)	5,000,000	5,553,830	5,983,500	0.22
4.55% Sabah Development Bank Bhd 08.08.2022 (AA1)	7,000,000	7,014,263	7,271,545	0.27
4.70% Tan Chong Motor Holdings Bhd 24.11.2021 (A1)	15,000,000	15,341,901	15,296,901	0.58

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(a) Unquoted fixed income securities – local (continued)

(i) Unquoted fixed income securities - local as at 30 September 2020 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
4.59% Teknologi Tenaga Perlis Consor 29.01.2021 (AA1)	1,000,000	1,008,544	1,015,012	0.04
4.85% UEM Edgenta Bhd 26.04.2022 (AA-)	5,000,000	5,104,244	5,256,408	0.20
6.35% UMW Holdings Bhd Call: 20.04.2028 (A1)	12,000,000	14,110,151	13,999,218	0.53
5.69% UniTapah Sdn Bhd 12.12.2025 (AA1)	3,500,000	3,560,417	3,993,583	0.15
3.00% United Overseas Bank Malaysia Call: 01.08.2025 (AA1)	10,000,000	10,048,250	10,075,593	0.38
4.95% WCT Holdings Bhd 22.10.2021 (AA-)	6,000,000	6,232,383	6,233,005	0.23
5.05% WCT Holdings Bhd 21.10.2022 (AA-)	5,000,000	5,266,093	5,269,477	0.20
5.17% WCT Holdings Bhd 23.10.2023 (AA-)	17,500,000	18,213,974	18,710,032	0.71
5.8% WCT Holdings Bhd Call: 27.09.2024 (A)	12,000,000	12,005,700	12,174,081	0.46
6% WCT Holdings Bhd Call: 28.09.2026 (A)	7,000,000	7,003,460	7,091,792	0.27
Total unquoted fixed income securities – local	<u>482,500,000</u>	<u>507,260,137</u>	<u>516,822,750</u>	<u>19.51</u>
Accumulated unrealised gain on unquoted fixed income securities – local		<u>9,562,613</u>		
Total unquoted fixed income securities – local		<u>516,822,750</u>		

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(a) Unquoted fixed income securities – local (continued)

(ii) Unquoted fixed income securities - local as at 30 September 2019 are as follows:

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds</u>				
5.69% UniTapah Sdn Bhd 12.12.2025 (AA1)	3,500,000	3,560,447	3,906,083	0.25
6.80% Mah Sing Group Bhd Call: 31.03.2020 (NR)	8,250,000	8,540,718	8,564,589	0.55
6.90% Mah Sing Group Bhd Call: 04.04.2022 (NR)	6,800,000	7,032,672	7,180,028	0.46
5.40% CIMB Group Holdings Bhd Call: 2 3.10.2023 (A1)	7,500,000	8,006,906	8,004,819	0.51
6.65% Aeon Credit Service M Bhd Call: 08.12.2023 (NR)	7,000,000	7,155,787	7,352,784	0.47
5.65% IJM Land Berhad Call: 19.03.2026 (A2)	5,000,000	5,009,288	5,300,588	0.34
5.73% IJM Land Berhad Call: 19.03.2027 (A2)	5,000,000	5,009,419	5,346,069	0.34
6.50% Eco World Capital Assets Bhd 12.08.2022 (NR)	24,250,000	24,701,734	25,049,863	1.60
4.55% Sabah Development Bank Bhd 08.08.2022 (AA1)	7,000,000	7,000,503	7,191,250	0.46
5.80% AFFIN Bank Bhd Call: 31.07.2023 (A3)	8,000,000	8,078,816	8,419,536	0.54
4.80% Lafarge Cement Sdn Bhd 13.01.2020 (A1)	10,000,000	10,106,362	10,118,675	0.65
5.00% Lafarge Cement Sdn Bhd 11.12.2020 (A1)	7,700,000	7,816,027	7,871,159	0.50
4.30% Perbadanan Kemajuan N Selangor 28.06.2022 (AA3)	10,000,000	10,123,917	10,252,612	0.65
5.06% Lafarge Cement Sdn Bhd 08.07.2022 (A1)	25,000,000	25,322,892	25,507,158	1.63
4.85% UEM Edgenta Bhd 26.04.2022 (AA-)	5,000,000	5,104,973	5,228,423	0.33
5.01% Perbadanan Kemajuan N Selangor 26.10.2023 (AA3)	5,000,000	5,333,008	5,328,489	0.34
4.95% WCT Holdings Bhd 22.10.2021 (AA-)	7,000,000	7,246,889	7,247,029	0.46
5.30% MEX II Sdn Bhd 28.04.2023 (AA-)	3,000,000	3,167,772	3,185,930	0.20
4.59% Teknologi Tenaga Perlis Consort 29.01.2021 (AA1)	1,000,000	1,010,428	1,022,337	0.07
4.55% Kapar Energy Ventures SB 05.07.2021 (AA+)	5,000,000	5,068,581	5,140,799	0.33
5.17% WCT Holdings Bhd 23.10.2023 (AA-)	15,000,000	15,650,872	15,752,620	1.00

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(a) Unquoted fixed income securities – local (continued)

(ii) Unquoted fixed income securities - local as at 30 September 2019 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds</u> (continued)				
4.65% Abu Dhabi National Energy Co 03.03.2022 (AA1)	5,000,000	5,049,321	5,043,712	0.32
4.50% Bank Pembangunan Malaysia Bhd 04.11.2026 (AAA)	5,000,000	5,091,233	5,342,433	0.34
4.62% Bank Pembangunan Malaysia Bhd 02.03.2027 (AAA)	7,500,000	7,526,654	7,971,104	0.51
3.47% DanaInfra Nasional Bhd 26.09.2029 (NR)	5,000,000	5,002,377	4,954,427	0.32
5.90% MEX II Sdn Bhd 27.04.2029 (AA-)	8,500,000	8,830,125	9,661,141	0.62
6.10% MEX II Sdn Bhd 29.04.2031 (AA-)	7,000,000	7,303,084	8,142,289	0.52
5.85% Jimah East Power Sdn Bhd 04.06.2031 (AA-)	10,000,000	10,981,937	11,647,626	0.74
6.20% Jimah East Power Sdn Bhd 04.12.2031 (AA-)	10,000,000	10,817,063	12,011,637	0.77
6.20% MEX II Sdn Bhd 29.04.2032 (AA-)	3,100,000	3,241,062	3,642,155	0.23
6.30% MEX II Sdn Bhd 29.04.2033 (AA-)	500,000	552,778	592,752	0.04
5.11% Prasarana Malaysia Bhd 12.09.2042 (NR)	5,000,000	5,566,283	5,876,300	0.37
5.17% DanaInfra Nasional Bhd 26.11.2048 (NR)	5,000,000	5,605,222	6,043,644	0.38
3.90% DanaInfra Nasional Bhd 24.09.2049 (NR)	5,000,000	5,002,671	4,866,321	0.31
5.80% WCT Holdings Bhd Call: 27.09.2024 (A)	34,500,000	34,521,929	34,521,584	2.20
6.00% WCT Holdings Bhd Call: 28.09.2026 (A)	7,000,000	7,004,603	7,004,533	0.45
4.119% GII 30.11.2034 (SOV)	10,000,000	10,698,448	10,698,425	0.68
4.467% GII 15.09.2039 (SOV)	20,000,000	21,238,892	22,161,270	1.41
4.895% GII 08.05.2047 (SOV)	10,000,000	11,326,277	11,964,704	0.76
3.90% MGS 30.11.2026 (SOV)	15,000,000	15,403,267	15,646,130	1.00
4.498% MGS 15.04.2030 (SOV)	10,000,000	10,755,521	11,022,694	0.70

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(a) Unquoted fixed income securities – local (continued)

(ii) Unquoted fixed income securities - local as at 30 September 2019 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
4.921% MGS 06.07.2048 (SOV)	10,000,000	11,362,569	11,901,339	0.76
5.50% Ara Bintang Bhd 17.03.2026 (NR)	14,900,000	14,931,403	14,964,034	0.95
Total unquoted fixed income securities – local	384,000,000	397,860,730	408,651,094	26.06
Accumulated unrealised gain on unquoted fixed income securities – local		10,790,364		
Total unquoted fixed income securities – local		408,651,094		

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign

(i) Unquoted fixed income securities - foreign as at 30 September 2020 are as follows:

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds</u>				
3.3% AAI Ltd Call:06.10.2022 (A3)	5,914,400	5,711,165	6,102,275	0.23
4.4% ABN AMRO Bank NV Call: 27.03.2023 (Baa2)	9,972,000	10,623,796	10,520,349	0.40
3.2% AIA Group Ltd Call: 16.03.2040 (A3)	7,894,500	7,918,815	8,173,439	0.31
3.875% Allianz SE Call: 07.03.2022 (A2)	415,500	406,711	409,842	0.02
1.1% Alphabet Inc Call: 15.05.2030 (Aa2)	4,155,000	4,213,706	4,130,532	0.16
1% Australia Government Bond 21.12.2030 (AAA)	8,871,600	9,136,870	9,028,511	0.34
1.75% Australia Government Bond 21.06.2051 (AAA)	23,657,600	23,344,854	23,900,730	0.90
2.5% Australia Government Bond 21.05.2030 (AAA)	20,700,400	22,952,306	24,145,678	0.91
2.75% Australia Government Bond 21.11.2029 (Aaa)	5,914,400	7,139,257	7,007,019	0.26
6.75% Australia New Zealand Bank Gp Call: 15.06.2026 (Baa2)	6,232,500	6,968,120	7,245,749	0.27
2.163% Axiata SPV2 Bhd Call: 19.05.2030 (Baa2)	6,232,500	6,302,163	6,198,991	0.23
6% Banco Bilbao Vizcaya Arg SA Call: 29.03.2024 (Ba2)	4,865,200	4,672,748	4,816,866	0.18
6.5% Banco Bilbao Vizcaya Arg SA Call: 05.03.2025 (Ba2)	2,493,000	2,539,503	2,484,260	0.09
6.25% Banco Santander SA Call: 11.09.2021 (Ba1)	9,730,400	9,893,974	9,712,244	0.37
5.625% Bank of East Asia Ltd Call: 18.05.2022 (Ba2)	10,387,500	10,979,462	10,684,387	0.40
6.125% Barclays PLC Call: 15.12.2025 (Ba2)	7,063,500	7,197,872	7,174,657	0.27
7.25% Barclays PLC Call: 15.03.2023 (Ba2)	5,326,500	5,314,504	5,425,989	0.20
3.875% Bluestar Finance Holdings Ltd Call: 24.06.2023 (Baa3)	8,310,000	8,648,380	8,419,201	0.32
4.35% BNP Paribas SA Call: 22.01.2024 (Baa2)	6,065,600	6,103,495	6,408,074	0.24
2.625% BOC Aviation Ltd Call: 17.06.2030 (A-)	12,465,000	12,463,117	12,375,512	0.47
3.25% BP Capital Markets PLC Call: 22.03.2026 (A3)	19,460,800	19,754,475	20,178,770	0.76

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(i) Unquoted fixed income securities - foreign as at 30 September 2020 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
4.375% BP Capital Markets PLC Call: 22.06.2025 (A3)	8,725,500	8,999,041	9,087,554	0.34
4.875% BP Capital Markets PLC Call: 22.03.2030 (A3)	12,465,000	12,706,343	13,329,058	0.50
3.425% CCCI Treasury Ltd Call: 21.11.2024 (Baa2)	8,310,000	8,371,314	8,327,497	0.31
4.625% China CITIC Bank International Call: 28.02.2024 (Baa3)	5,193,750	5,104,034	5,521,161	0.21
2.45% China Construction Bank Corp Call: 24.06.2025 (BBB+)	18,697,500	19,351,448	18,934,984	0.71
3.05% China Overseas Finance Cayman 27.11.2029 (Baa1)	12,465,000	12,526,840	13,207,983	0.50
3.75% China Resources Land Ltd Call: 09.12.2024 (Baa2)	8,310,000	8,444,611	8,593,094	0.32
4.1% Chinalco Capital Holdings Ltd Call: 11.09.2024 (BBB+)	1,662,000	1,684,787	1,691,547	0.06
6% CIFI Holdings Group Co Ltd Call: 16.01.2023 (BB-)	11,634,000	11,631,686	11,886,458	0.45
6.55% CIFI Holdings Group Co Ltd Call: 28.03.2022 (BB-)	19,113,000	19,192,919	19,773,275	0.75
7.625% CIFI Holdings Group Co Ltd 02.03.2021 (BB)	8,310,000	8,407,264	8,471,566	0.32
4.85% Ciputra Development Tbk PT 20.09.2021 (BB-)	9,098,400	9,355,524	8,970,674	0.34
4% CK Hutchison Capital Sec17 Ltd Call: 12.05.2022 (Baa1)	8,725,500	9,041,901	9,018,192	0.34
3.375% CK Hutchison Intl 20 Ltd Call: 08.11.2049 (A2)	5,401,500	5,618,492	6,024,867	0.23
2.75% CMB International Leasing 12.08.2030 (Baa1)	4,155,000	4,176,528	4,109,058	0.16
3.5% CMHI Finance BVI Co Ltd Call: 09.10.2023 (NR)	8,310,000	8,322,465	8,322,465	0.31
3.35% CNAC HK Finbridge Co Ltd Call: 22.09.2023 (Baa3)	16,620,000	16,585,811	16,476,029	0.62
3.7% CNAC HK Finbridge Co Ltd 22.09.2050 (Baa2)	13,296,000	13,232,902	12,995,843	0.49
3.875% CNAC HK Finbridge Co Ltd 19.06.2029 (Baa2)	4,155,000	4,179,312	4,467,369	0.17
1.8911% Commonwealth Bank of Australia Call: 10.09.2025 (Baa1)	7,393,000	7,645,593	7,398,826	0.28
1.875% Contemptry Ruidng Develop 17.09.2025 (Baa1)	7,063,500	7,060,511	7,058,761	0.27

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(i) Unquoted fixed income securities - foreign as at 30 September 2020 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
4.375% Cooperatieve Rabobank UA Call: 29.06.2027 (Baa3)	20,433,840	21,073,434	21,076,347	0.80
8% Country Garden Holdings Co Ltd Call: 27.09.2021 (BBB-)	11,634,000	12,433,805	12,651,845	0.48
3.97% CRCC Chengan Ltd Call: 27.06.2024 (Baa1)	12,465,000	12,945,084	12,928,276	0.49
5.625% Credit Suisse Group AG Call: 06.06.2024 (Ba2)	12,889,400	12,766,070	13,215,240	0.50
5% Dah Sing Bank Ltd Call: 15.01.2024 (Baa1)	6,232,500	6,219,893	6,709,009	0.25
3.60% DBS Group Holdings Ltd Call: 07.09.2021 (Baa1)	16,620,000	16,318,103	16,814,454	0.63
3% DEXUS Finance Pty Ltd Call: 03.11.2031 (A-)	4,435,800	4,284,746	4,477,096	0.17
3.5% Dianjian Haiyu Ltd Call: 14.06.2022 (Baa1)	4,155,000	4,302,222	4,237,281	0.16
4.3% Dianjian Haiyu Ltd Call: 20.06.2024 (BBB)	2,077,500	2,107,061	2,171,536	0.08
4.875% DNB Bank ASA Call: 12.11.2024 (Baa3)	23,268,000	24,189,796	24,661,705	0.93
2.763% Dubai DOF Sukuk Ltd 09.09.2030 (NR)	4,155,000	4,149,974	4,152,044	0.16
4.1% Elect Global Investments Ltd Call: 03.06.2025 (Baa2)	10,387,500	10,597,264	10,171,325	0.38
2.875% Electricite de France Call: 15.12.2026 (Baa3)	6,811,280	6,842,959	6,636,641	0.25
3.375% Electricite de France Call: 15.06.2030 (Baa3)	4,865,200	4,875,394	4,739,092	0.18
2.25% Enel S.p.A Call: 10.12.2026 (Ba1)	4,865,200	4,928,035	4,855,443	0.18
3.375% Erste Group Bank AG Call: 15.04.2027 (Ba1)	8,757,360	7,894,276	7,666,929	0.29
5.125% Erste Group Bank AG Call: 15.10.2025 (Ba1)	4,865,200	5,037,318	4,987,144	0.19
8.875% Erste Group Bank AG Call: 15.10.2021 (Ba1)	9,730,400	9,987,998	10,774,280	0.41
4.35% Far East Horizon Ltd Call: 14.06.2022 (NR)	4,986,000	5,065,316	5,041,989	0.19
3.4% Fidelity National Financial Call: 15.03.2030 (Baa2)	5,817,000	6,032,535	6,334,681	0.24
3.75% Flex Ltd Call: 01.01.2026 (Baa3)	5,193,750	5,746,402	5,724,292	0.22

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(i) Unquoted fixed income securities - foreign as at 30 September 2020 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
4.875% Flex Ltd Call: 12.02.2030 (Baa3)	10,387,500	12,210,900	12,041,428	0.45
1.744% Ford Motor Credit Co LLC 19.07.2024 (Ba2)	6,811,280	6,332,104	6,396,717	0.24
4% Franshion Brilliant Ltd Call: 03.01.2023 (Baa3)	16,620,000	16,286,196	16,937,073	0.64
4% Geely Automobile Holdings Ltd Call: 09.12.2024 (Baa3)	23,268,000	23,534,234	23,692,511	0.89
3% Goodman HK Finance Call: 22.04.2030 (BBB+)	6,232,500	6,403,886	6,546,306	0.25
2.2% GTA Finance Co Pty Ltd Call: 27.07.2027 (BBB)	2,957,200	3,026,481	2,996,442	0.11
2.875% Hongkong Land Finance Call: 27.02.2030 (A2)	13,296,000	13,983,927	14,275,952	0.54
4.75% HSBC Holdings PLC Call: 04.07.2029 (Baa3)	7,297,800	7,520,503	7,245,896	0.27
6% HSBC Holdings PLC Call: 22.05.2027 (Baa3)	10,803,000	11,393,071	11,282,653	0.43
6% HSBC Holdings PLC Call: 29.09.2023 (Baa3)	10,946,700	11,897,616	11,517,368	0.43
6.875% HSBC Holdings PLC Call: 01.06.2021 (Baa3)	8,310,000	8,625,504	8,667,468	0.33
4% Huarong Finance 2017 Co Call: 07.11.2022 (Baa1)	9,972,000	10,275,186	10,278,140	0.39
4.75% Indonesia Asahan Aluminium Tbk Call: 15.04.2025 (Baa2)	4,155,000	4,366,418	4,630,932	0.17
5.8% Indonesia Asahan Aluminium Tbk Call: 15.11.2049 (Baa2)	1,246,500	1,235,969	1,494,193	0.06
2.5596% Insurance Australia Group Ltd Call: 15.12.2026 (BBB)	4,435,800	4,515,154	4,453,830	0.17
3.375% JD.com Inc 14.01.2030 (Baa1)	5,817,000	5,751,990	6,363,325	0.24
4.125% JD.com Inc 14.01.2050 (Baa1)	16,620,000	19,162,924	18,556,611	0.70
3.9% Jollibee Worldwide Pte Ltd Call: 23.01.2025 (NR)	6,648,000	6,547,081	5,947,744	0.22
5.75% Julius Baer Group Ltd Call: 20.04.2022 (Baa3)	6,065,600	6,343,446	6,406,703	0.24
5.90% Julius Baer Group Ltd Call: 18.11.2020 (Baa3)	15,922,200	16,506,516	16,241,975	0.61

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(i) Unquoted fixed income securities - foreign as at 30 September 2020 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
2.5% Kilroy Realty LP Call: 15.08.2032 (Baa2)	14,542,500	14,719,243	14,349,125	0.54
7.4% KWG Group Holding Ltd Call: 13.01.2024 (BB-)	14,958,000	15,006,360	14,961,491	0.56
2.2% Landesbank Baden -Wuerttemberg 09.05.2029 (Baa2)	4,865,200	4,655,294	4,878,530	0.18
3.75% Landesbank Baden -Wuerttemberg Call: 18.05.2022 (Baa2)	15,164,000	15,313,101	15,001,330	0.57
4.9% Landesbank Baden -Wuerttemberg 29.06.2027 (Baa2)	5,914,400	6,609,122	6,149,333	0.23
5% Landesbank Baden-Wuerttemberg 17.05.2028 (Baa2)	7,688,720	8,019,044	8,161,323	0.31
3.375% Longfor Group Holdings Ltd 13.04.2027 (Baa2)	6,232,500	6,248,596	6,530,725	0.25
3.85% Longfor Group Holdings Ltd 13.01.2032 (Baa2)	20,775,000	20,656,942	21,935,110	0.83
3.95% Longfor Group Holdings Ltd 16.09.2029 (Baa2)	17,866,500	17,759,228	19,150,133	0.72
4.5% Mapletree Treasury Services Call: 19.01.2022 (NR)	9,098,400	9,428,403	9,384,301	0.35
4.625% Minejesa Capital BV 10.08.2030 (Baa3)	7,894,500	8,178,944	8,177,534	0.31
4.661% MINOR Intl PCL Call: 04.12.2021 (Baa2)	6,232,500	6,375,658	6,452,184	0.24
3.625% Mirvac Group Finance Ltd Call: 18.12.2026 (A3)	8,310,000	7,757,934	8,908,395	0.34
3.8% Nanyang Commercial Bank Ltd Call: 20.11.2024 (Baa3)	4,155,000	4,373,187	4,280,596	0.16
2.332% National Australia Bank Ltd 21.08.2030 (Baa1)	9,348,750	9,449,365	9,300,989	0.35
4.5% NBK Tier 1 Financing 2 Ltd Call: 27.11.2025 (Baa3)	8,310,000	8,466,362	8,358,198	0.32
2% New South Wales Treasury Corp 20.03.2031 (Aaa)	2,957,200	2,881,349	3,163,931	0.12
3.103% Nomura Holdings Inc 16.01.2030 (Baa1)	13,296,000	13,173,567	14,262,148	0.54
6.25% Noor Tier 1 Sukuk Ltd Call: 01.06.2021 (NR)	4,155,000	4,348,664	4,265,246	0.16

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(i) Unquoted fixed income securities - foreign as at 30 September 2020 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
3.1% NTUC Income Insurance Call: 20.07.2040 (A)	6,065,600	6,162,834	6,407,700	0.24
3.65% NTUC Income Insurance Call: 23.08.2022 (A+)	6,065,600	6,381,837	6,316,716	0.24
5.75% NWD Finance BVI Ltd Call: 05.10.2021 (NR)	12,465,000	12,798,824	12,866,511	0.49
4.5% NWD MTN Ltd 19.05.2030 (NR)	11,634,000	12,449,167	12,299,465	0.46
4.5% Office PPTY Income Trst Call: 01.11.2024 (Baa3)	6,232,500	6,337,326	6,395,168	0.24
2.875% OMV AG Call: 01.06.2029 (Baa2)	14,595,600	14,807,443	14,500,189	0.55
7.15% Oneok Inc Call: 15.07.2050 (Baa3)	5,401,500	5,668,848	6,609,786	0.25
1.832% Oversea-Chinese Banking Corp Call: 10.09.2025 (A2)	5,193,750	5,184,278	5,196,184	0.20
4.25% Parkway Pantai Ltd Call: 27.07.2022 (NR)	8,310,000	8,643,784	8,419,323	0.32
4% Perusahaan Listrik Negara PT Call: 30.12.2049 (Baa2)	13,296,000	13,583,011	13,438,415	0.51
4.875% Perusahaan Listrik Negara PT 17.07.2049 (Baa2)	6,232,500	6,193,506	6,967,442	0.26
4.75% Phoenix Group Holdings PLC Call: 04.06.2026 (BBB)	8,310,000	8,694,493	8,693,610	0.33
5.625% Phoenix Group Holdings PLC Call: 29.01.2025 (BBB-)	16,204,500	16,684,476	16,653,669	0.63
6.25% Powerlong Real Estate Call: 10.08.2022 (B2)	20,359,500	20,497,658	20,486,831	0.77
4.027% Prosus NV Call: 03.02.2050 (Baa3)	6,232,500	6,416,663	6,395,093	0.24
2.8468% QBE Insurance Group Ltd Call: 25.08.2026 (Baa1)	11,828,800	12,147,267	11,826,267	0.45
5.875% QBE Insurance Group Ltd Call: 17.06.2026 (BBB-)	14,542,500	15,441,192	16,220,923	0.61
1.75% Queensland Treasury Corp 21.08.2031 (Aa1)	8,871,600	8,606,277	9,253,520	0.35
4.6% Radiant Access Ltd Call: 18.11.2020 (A2)	4,155,000	4,412,116	4,234,338	0.16
3.75% Repsol Intl Finance Call: 11.03.2026 (Ba1)	5,838,240	5,799,210	5,950,374	0.22

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(i) Unquoted fixed income securities - foreign as at 30 September 2020 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
2.85% Royal Frieslandcampina Call: 10.09.2025 (BB+)	2,919,120	2,940,613	2,929,147	0.11
4.125% Santos Finance Ltd Call: 14.06.2027 (BBB-)	16,620,000	16,904,485	17,287,258	0.65
5.25% Santos Finance Ltd Call: 13.12.2028 (BBB-)	27,007,500	27,948,004	29,852,065	1.13
3.625% Scentre Group Trust ½ Call: 28.12.2025 (A2)	5,817,000	6,148,892	6,250,040	0.24
4.75% Scentre Group Trust 2 Call: 24.06.2026 (BBB+)	13,296,000	13,131,328	13,139,421	0.50
5.125% Scentre Group Trust 2 Call: 24.06.2030 (BBB+)	10,387,500	10,305,193	10,228,535	0.39
1.843% SGSP Australia Assets Pty Ltd Call: 15.06.2028 (A3)	5,914,400	6,049,598	5,962,985	0.23
2.942% Sharjah Sukuk Program Ltd 10.06.2027 (Baa2)	3,324,000	3,450,069	3,475,147	0.13
4.6% Shimao Group Holdings Ltd Call: 13.07.2025 (BBB-)	10,803,000	11,289,102	11,546,967	0.44
5.2% Shimao Group Holdings Ltd Call: 30.01.2022 (BBB-)	6,648,000	6,923,423	7,092,160	0.27
5.6% Shimao Group Holdings Ltd Call: 15.07.2023 (BBB-)	12,465,000	12,575,993	13,799,032	0.52
6.125% Shimao Group Holdings Ltd Call: 21.02.2022 (BBB-)	11,841,750	12,376,925	12,732,316	0.48
6.375% Shimao Group Holdings Ltd Call: 15.10.2020 (BBB-)	18,697,500	19,379,448	19,901,541	0.75
2.75% Singapore Government Bond 01.03.2046 (NR)	6,065,600	6,979,931	8,035,580	0.30
2.875% Singapore Government Bond 01.09.2030 (NR)	37,910,000	44,601,753	45,256,298	1.71
4.5% Singapore Press Holdings Ltd Call: 07.06.2024 (NR)	3,032,800	3,083,771	3,097,099	0.12
4.875% Societe Generale SA Call: 12.09.2024 (Ba2)	2,957,200	2,807,467	2,889,992	0.11
6.125% Societe Generale SA Call: 16.04.2024 (Ba2)	18,196,800	18,896,373	18,811,359	0.71
7.375% Societe Generale SA Call: 13.09.2021 (Ba2)	6,232,500	6,143,738	6,415,657	0.24
3.516% Standard Chartered PLC Call: 12.02.2025 (Baa2)	5,817,000	5,809,084	5,978,629	0.23

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(i) Unquoted fixed income securities - foreign as at 30 September 2020 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
5.375% Standard Chartered PLC Call: 03.10.2024 (Ba1)	18,196,800	18,764,585	18,510,770	0.70
6% Standard Chartered PLC Call: 26.07.2025 (Ba1)	16,620,000	17,365,001	17,107,520	0.65
7.50% Standard Chartered PLC Call: 02.04.2022 (Ba1)	8,310,000	8,782,953	8,873,349	0.33
3.95% StarHub Ltd Call: 16.06.2022 (NR)	3,032,800	3,123,317	3,106,435	0.12
4% Sumitomo Life Insurance Co Call: 14.09.2027 (A3)	4,155,000	4,038,197	4,630,286	0.17
4.45% Sun Hung Kai Properties Cap Mk Call: 23.11.2020 (A1)	12,465,000	13,156,066	12,684,661	0.48
2.3416% Suncorp Group Ltd Call: 01.12.2025 (BBB)	4,140,080	4,203,236	4,144,780	0.16
4.375% Svenska Handelsbanken AB Call: 01.03.2027 (BBB)	2,493,000	2,493,900	2,521,420	0.10
4.75% Svenska Handelsbanken AB Call: 01.03.2031 (BBB)	6,648,000	6,704,434	6,733,759	0.25
6.25% Svenska Handelsbanken AB Call: 01.03.2024 (Baa3)	4,986,000	5,318,163	5,440,266	0.21
3.125% Swiss Re Finance UK Call: 03.07.2025 (A3)	5,307,400	5,425,485	5,441,176	0.21
3.24% Tencent Holdings Ltd Call: 03.12.2049 (A1)	7,479,000	7,895,777	7,713,990	0.29
3.595% Tencent Holdings Ltd Call: 19.10.2027 (A1)	12,465,000	12,873,681	13,822,313	0.52
3.5% Thaioil Treasury Center Co Ltd 17.10.2049 (Baa2)	12,465,000	12,733,550	11,683,998	0.44
10.95% Times China Holdings Ltd 27.11.2020 (B1)	6,648,000	6,945,707	6,973,198	0.26
6.2% Times China Holdings Ltd Call: 22.09.2023 (B1)	16,620,000	16,553,389	16,452,969	0.62
6.75% Times China Holdings Ltd Call: 08.07.2023 (B1)	8,725,500	9,126,777	9,084,664	0.34
6.75% Times China Holdings Ltd Call: 16.07.2022 (B1)	8,310,000	8,578,282	8,628,792	0.33
7.625% Times China Holdings Ltd Call: 21.02.2021 (B1)	12,880,500	12,759,780	13,234,355	0.50
7.85% Times China Holdings Ltd Call: 02.11.2020 (B1)	13,711,500	14,055,507	14,231,338	0.54

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(i) Unquoted fixed income securities - foreign as at 30 September 2020 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
1.5% Treasury Corp of Victoria 20.11.2030 (Aaa)	5,914,400	5,688,797	6,089,832	0.23
5.125% UBS AG 15.05.2024 (BBB+)	15,789,000	17,044,991	17,714,644	0.67
4.85% UBS Group AG Call: 04.09.2024 (Ba1)	7,582,000	7,615,564	7,645,173	0.29
5.125% UBS Group AG Call: 29.07.2026 (Ba1)	8,310,000	8,643,613	8,530,524	0.32
6.875% UBS Group AG Call: 22.03.2021 (Ba1)	24,930,000	26,580,229	25,866,394	0.98
5.875% UBS Grp Funding Switzerland AG Call: 28.11.2023 (BBB)	9,098,400	9,558,996	9,609,571	0.36
1.75% United Overseas Bank Ltd Call: 16.03.2026 (A2)	14,542,500	14,551,896	14,467,303	0.55
3.875% United Overseas Bank Ltd Call: 19.10.2023 (Baa1)	4,155,000	4,362,419	4,325,096	0.16
4.00% United Overseas Bank Ltd Call: 18.05.2021 (Baa1)	9,098,400	9,401,552	9,385,947	0.35
5.25% UPL Corp Ltd Call: 27.02.2025 (Ba2)	4,155,000	4,287,390	4,058,639	0.15
5.35% Vanke Real Estate HK Co Ltd 11.03.2024 (Baa2)	15,373,500	15,445,106	17,107,203	0.65
2.625% Vodafone Group PLC Call: 27.05.2026 (Ba1)	6,324,760	6,430,324	6,281,227	0.24
3% Vodafone Group PLC Call: 27.05.2030 (Ba1)	6,324,760	6,432,543	6,173,451	0.23
3.5% Volkswagen Intl Fin NV Call: 17.06.2025 (Baa2)	9,730,400	10,076,210	9,915,905	0.37
3.75% Weichai Int HK Energy Grp Co Call: 14.09.2022 (BBB-)	8,310,000	8,314,639	8,415,295	0.32
2.894% Westpac Banking Corp Call: 04.02.2025 (Baa1)	19,944,000	19,622,183	20,697,528	0.78
4.08% Wing Tai Holdings Ltd Call: 28.06.2022 (NR)	7,582,000	7,646,217	7,241,714	0.27
4.48% Wing Tai Holdings Ltd Call: 24.05.2024 (NR)	3,032,800	3,053,709	3,014,167	0.11
6.8% Yanlord Land HK Co Ltd Call: 27.02.2022 (Ba3)	5,817,000	5,888,641	6,186,509	0.23
7.85% Yinson Juniper Ltd Call: 05.10.2022 (NR)	29,500,500	31,902,102	32,753,750	1.24

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(i) Unquoted fixed income securities - foreign as at 30 September 2020 are as follows (continued):

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
8.1% Yinson Juniper Ltd Call: 29.03.2024 (NR)	11,634,000	12,060,694	12,581,589	0.48
2.25% Yunda Holding Inv 19.08.2025 (Baa2)	10,387,500	10,493,339	10,341,016	0.39
6% Yuzhou Properties Co Ltd Call: 25.10.2020 (B1)	8,310,000	8,106,153	8,454,594	0.32
7.9% Yuzhou Properties Co Ltd Call: 30.10.2020 (NR)	2,077,500	2,148,816	2,170,410	0.08
8.375% Yuzhou Properties Co Ltd Call: 30.10.2022 (B1)	1,662,000	1,357,502	1,780,715	0.07
8.5% Yuzhou Properties Co Ltd Call: 26.02.2022 (B1)	12,465,000	12,592,838	13,090,292	0.49
1.875% Zurich Finance Ireland Call: 17.06.2030 (A2)	17,028,200	16,809,259	17,304,383	0.65
Total unquoted fixed income securities – foreign	<u>1,821,977,290</u>	<u>1,872,730,682</u>	<u>1,897,915,536</u>	<u>71.63</u>
Accumulated unrealised gain on unquoted fixed income securities – foreign		<u>25,184,854</u>		
Total unquoted fixed income securities – foreign		<u>1,897,915,536</u>		

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(ii) Unquoted fixed income securities - foreign as at 30 September 2019 are as follows:

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds</u>				
4.90% Landesbank Baden- Wuerttemberg 29.06.2027 (Baa2)	16,000,825	6,608,104	6,260,162	0.40
3.0642% Challenger Life Co Ltd Call: 24.11.2022 (BBB)	24,001,237	9,531,502	8,586,429	0.55
5.00% Landesbank Baden- Wuerttemberg 17.05.2028 (Baa2)	12,800,660	4,876,660	5,116,262	0.33
2.50% Mercedes-Benz Australia Pac Lt 20.03.2022 (A2)	16,000,825	5,842,899	5,890,745	0.38
2.00% New South Wales Treasury Corp 20.03.2031 (Aaa)	24,001,237	8,650,604	8,852,111	0.56
4.3309% AAI Ltd Call: 06.10.2022 (A3)	16,000,825	6,590,522	5,972,580	0.38
4.375% UBS Group AG Call: 27.08.2024 (BB)	40,002,061	14,171,251	14,166,609	0.90
1.625% Mercedes-Benz Australia Pac Lt 30.08.2022 (A2)	16,000,825	5,667,418	5,677,482	0.36
4.875% Societe Generale SA Call: 12.09.2024 (Ba2)	8,000,412	2,861,878	2,828,424	0.18
6.00% Banco Bilbao Vizcaya Arg SA Call: 29.03.2024 (Ba2)	20,980,980	4,673,020	4,925,712	0.31
1.75% Total SA Call: 04.04.2024 (A2)	10,490,490	2,317,006	2,406,834	0.15
6.00% HSBC Holdings PLC Call: 29.09.2023 (Baa3)	5,245,245	1,372,147	1,305,133	0.08
1.00% Origin Energy Finance Ltd Call: 17.06.2029 (Baa2)	33,569,568	7,387,017	7,363,850	0.47
2.20% Landesbank Baden- Wuerttemberg 09.05.2029 (Baa2)	41,961,961	9,305,446	10,017,699	0.64
4.50% Mapletree Treasury Services Call: 19.01.2022 (NR)	13,770,441	4,731,814	4,669,030	0.30
3.75% Landesbank Baden- Wuerttemberg Call: 18.05.2022 (Baa2)	22,950,735	7,827,089	7,778,303	0.50
3.95% StarHub Limited Call: 16.06.2022 (NR)	9,180,294	3,123,285	3,041,352	0.19
4.85% Ciputra Development Tbk PT 20.09.2021 (BB-)	27,540,882	9,355,586	9,093,896	0.58
5.875% UBS Grp Funding Switzerland AG Call: 28.11.2023 (BBB-)	6,885,221	2,311,456	2,395,550	0.15
4.35% BNP Paribas SA Call: 22.01.2024 (Baa2)	18,360,588	6,103,476	6,384,373	0.41

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(ii) Unquoted fixed income securities - foreign as at 30 September 2019 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds</u> (continued)				
5.375% Standard Chartered PLC Call: 03.10.2024 (Ba1)	27,540,882	9,309,881	9,341,971	0.60
4.75% United Overseas Bank Ltd Call: 19.11.2019 (Baa1)	36,721,176	12,406,115	12,367,670	0.79
5.00% Frasers Property Treasury Pte Call: 09.03.2020 (NR)	27,540,882	9,051,606	9,155,271	0.58
5.90% Julius Baer Group Ltd Call: 18.11.2020 (Baa3)	36,721,176	12,702,115	12,697,506	0.81
4.85% UBS Group AG Call: 04.09.2024 (BBB-)	13,770,441	4,558,299	4,546,359	0.29
6.125% Societe Generale SA Call: 16.04.2024 (Ba2)	27,540,882	9,331,674	9,550,301	0.61
4.48% Wing Tai Holdings Limited Call: 24.05.2024 (NR)	9,180,294	3,053,209	3,094,304	0.20
5.625% Credit Suisse Group AG Call: 06.06.2024 (Ba2)	20,655,662	6,906,349	7,037,335	0.45
4.50% Singapore Press Holdings Ltd Call: 07.06.2024 (NR)	9,180,294	3,083,732	3,160,190	0.20
3.95% Vanke Real Estate HK Co Ltd 23.12.2019 (Baa2)	61,343,738	15,766,847	14,848,405	0.95
6.25% Times Property Holdings Ltd Call: 31.10.2019 (B1)	35,053,565	8,278,422	8,506,177	0.54
4.40% ABN AMRO Bank NV Call: 27.03.2023 (Baa2)	42,064,277	10,623,736	10,373,030	0.66
5.625% Bank of East Asia Ltd/ The Call: 18.05.2022 (Ba2)	43,816,956	10,981,073	10,787,368	0.69
4.00% CK Hutchison Capital Sec17 Ltd Call: 12.05.2022 (Baa1)	36,806,243	9,043,237	8,950,290	0.57
4.60% Radiant Access Ltd Call: 18.05.2020 (A2)	17,526,782	4,412,652	4,177,685	0.27
6.00% HSBC Holdings PLC Call: 22.05.2027 (Baa3)	80,623,198	20,160,680	20,247,756	1.29
4.45% Sun Hung Kai Properties Cap Mk Call: 23.05.2020 (A1)	52,580,347	13,157,547	12,582,386	0.80
3.50% Dianjian Haiyu Ltd Call: 14.06.2022 (Baa1)	17,526,782	4,302,551	4,229,214	0.27
4.00% Franshion Brilliant Ltd Call: 03.01.2023 (Baa3)	70,107,129	16,278,611	16,645,152	1.06
3.25% Enn Energy Holdings Ltd 24.07.2022 (Baa2)	22,784,817	5,602,045	5,473,192	0.35

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(ii) Unquoted fixed income securities - foreign as at 30 September 2019 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds</u> (continued)				
4.25% Parkway Pantai Ltd Call: 27.07.2022 (NR)	35,053,565	8,644,263	8,430,402	0.54
4.625% Minejesa Capital BV 10.08.2030 (Baa3)	33,300,886	8,179,368	8,252,257	0.53
4.125% Santos Finance Ltd Call: 14.06.2027 (BBB-)	35,053,565	8,400,066	8,551,746	0.55
4.00% Sumitomo Life Insurance Co Call: 14.09.2027 (A3)	17,526,782	4,037,991	4,368,566	0.28
3.625% Mirvac Group Finance Ltd Call: 18.12.2026 (A3)	35,053,565	7,689,141	8,615,893	0.55
7.85% Yinson Juniper Ltd Call: 05.10.2022 (NR)	82,375,877	20,689,775	20,752,420	1.32
4.8% Press Metal Labuan Ltd Call: 30.10.2020 (Ba3)	35,053,565	8,640,734	8,236,799	0.53
4.00% Huarong Finance 2017 Co Call: 07.11.2022 (Baa1)	33,300,886	8,171,150	8,074,461	0.51
5.20% Shimao Property Holdings Ltd Call: 30.01.2022 (BBB-)	28,042,852	6,690,414	6,939,616	0.44
6.50% HSBC Holdings PLC Call: 23.03.2028 (Baa3)	70,107,129	17,228,533	17,558,926	1.12
4.625% Bluescope Finance Americas LLC Call: 25.04.2023 (Baa3)	26,290,173	6,036,167	6,680,947	0.43
4.875% Chalco HK Investment Co Ltd 07.09.2021 (A-)	14,021,426	3,285,621	3,464,915	0.22
6.375% Shimao Property Holdings Ltd Call: 15.10.2020 (BBB-)	43,816,956	10,653,171	11,270,014	0.72
10.95% Times China Holdings Ltd 27.11.2020 (B1)	28,042,852	6,944,578	7,369,021	0.47
4.661% MINOR Intl PCL Call: 04.12.2021 (Baa2)	26,290,173	6,376,377	6,551,338	0.42
5.35% Vanke Real Estate HK Co Ltd 11.03.2024 (Baa2)	64,849,094	15,442,738	16,848,097	1.07
7.625% CIFI Holdings Group Co Ltd 02.03.2021 (BB)	35,053,565	8,407,669	8,696,553	0.55
5.00% Dah Sing Bank Ltd Call: 15.01.2024 (Baa1)	26,290,173	6,218,310	6,723,449	0.43
6.125% Shimao Property Holdings Ltd Call: 21.02.2022 (BBB-)	35,053,565	8,275,058	8,939,061	0.57
7.625% Times China Holdings Ltd Call: 21.02.2021 (B1)	50,827,669	11,927,461	12,566,657	0.80

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(ii) Unquoted fixed income securities - foreign as at 30 September 2019 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds</u> (continued)				
8.50% Yuzhou Properties Co Ltd Call: 26.02.2022 (B1)	52,580,347	12,635,430	12,439,731	0.79
4.625% China CITIC Bank International Call: 28.02.2024 (Baa3)	21,908,478	5,102,532	5,492,895	0.35
5.25% Santos Finance Ltd Call: 13.12.2028 (BBB-)	78,870,520	19,042,585	20,458,012	1.30
6.55% CIFI Holdings Group Co Ltd Call: 28.03.2022 (BB-)	98,149,981	23,008,128	23,018,787	1.47
8.10% Yinson Juniper Ltd Call: 29.03.2024 (NR)	49,074,990	11,373,275	12,008,808	0.77
4.30% Dianjian Haiyu Ltd Call: 20.06.2024 (BBB)	8,763,391	2,107,253	2,162,043	0.14
3.875% CNAC HK Finbridge Co Ltd 19.06.2029 (Baa2)	17,526,782	4,177,477	4,363,920	0.28
5.60% Shimao Property Holdings Ltd Call: 15.07.2023 (BBB-)	52,580,347	12,579,137	13,010,665	0.83
3.45% China Overseas Finance Cayman 15.07.2029 (BBB+)	10,516,069	2,497,622	2,603,794	0.17
6.75% Times China Holdings Ltd Call: 16.07.2022 (B1)	35,053,565	8,370,768	8,362,638	0.53
4.875% Perusahaan Listrik Negara PT 17.07.2049 (Baa2)	26,290,173	6,192,877	6,862,013	0.44
4.125% NWD MTN Ltd 18.07.2029 (NR)	35,053,565	8,193,868	8,365,168	0.53
7.50% Lloyds Banking Group PLC Call: 27.06.2024 (Baa3)	19,279,460	4,912,841	4,947,927	0.32
5.125% UBS AG 15.05.2024 (BBB+)	66,601,773	17,208,439	17,470,316	1.11
4.05% Dianjian Haixing Ltd Call: 21.10.2019 (Baa1)	52,580,347	12,808,592	12,800,642	0.82
6.75% QBE Insurance Group Ltd Call: 02.12.2024 (BBB-)	17,526,782	4,731,304	4,729,122	0.30
7.125% UBS AG Call: 19.02.2020 (BB)	70,107,129	18,368,716	17,433,580	1.11
4.00% China Life Insurance Co. Ltd Call: 03.07.2020 (A3)	140,214,258	33,040,099	33,930,001	2.16
6.875% UBS Group AG Call: 22.03.2021 (Ba1)	70,107,129	17,658,367	17,803,693	1.13
6.875% HSBC Holdings PLC Call: 01.06.2021 (Baa3)	35,053,565	8,629,584	8,999,440	0.57

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(ii) Unquoted fixed income securities - foreign as at 30 September 2019 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
6.75% Australia New Zealand Bank Gp Call: 15.06.2026 (Baa2)	26,290,173	6,974,180	7,104,124	0.45
5.875% QBE Insurance Group Ltd Call: 17.06.2026 (BBB-)	26,290,173	6,250,100	6,826,810	0.44
6.75% BHP Billiton Finance USA Ltd Call: 20.10.2025 (Baa1)	87,633,911	23,037,141	25,122,664	1.60
4.375% NWD MTN Ltd 30.11.2022 (NR)	35,053,565	8,662,429	8,820,996	0.56
7.50% Standard Chartered PLC Call: 02.04.2022 (Ba1)	35,053,565	8,787,606	9,175,901	0.58
3.60% DBS Group Holdings Ltd Call: 07.09.2021 (Baa1)	70,107,129	16,315,285	16,863,222	1.08
3.875% Allianz SE Call: 07.03.2022 (A2)	1,752,678	406,431	401,687	0.03
7.375% Societe Generale SA Call: 13.09.2021 (Ba2)	26,290,173	6,143,907	6,645,153	0.42
5.75% NWD Finance BVI Ltd Call: 05.10.2021 (NR)	52,580,347	12,802,148	12,824,645	0.82
6.00% Yuzhou Properties Co Ltd Call: 25.10.2020 (B1)	35,053,565	7,987,834	7,891,552	0.50
2.50% Bank of the Philippine Islands 10.09.2024 (Baa2)	52,580,347	12,630,267	12,497,435	0.80
6.80% Yanlord Land HK Co Ltd Call: 27.02.2022 (Ba3)	24,537,495	5,890,276	6,074,574	0.39
6.50% Banco Bilbao Vizcaya Arg SA Call: 05.03.2025 (Ba2)	10,516,069	2,539,592	2,565,892	0.16
2.75% CK Hutchison Intl 19 II Ltd Call: 06.06.2029 (A2)	70,107,129	16,814,873	16,623,917	1.06
4.10% Chinalco Capital Holdings Ltd Call: 11.09.2024 (BBB+)	7,010,713	1,684,814	1,679,921	0.11
3.95% Longfor Group Holdings Ltd 16.09.2029 (Baa3)	22,784,817	5,389,988	5,349,633	0.34
3.25% HKT Capital No 5 Ltd 30.09.2029 (Baa2)	49,074,990	11,634,842	11,651,753	0.74
3.75% DP World Crescent Ltd Call: 30.10.2029 (Baa1)	10,516,069	2,508,262	2,512,916	0.16
4.7% DP World Crescent Ltd Call: 30.03.2049 (Baa1)	28,042,852	6,688,875	6,679,850	0.43
3.975% Tencent Holdings Ltd Call: 11.01.2029 (A1)	52,580,347	12,465,779	13,698,280	0.87
3.00% Australian Government 21.03.2047 (Aaa)	40,002,061	16,975,179	18,541,160	1.18

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(b) Unquoted fixed income securities – foreign (continued)

(ii) Unquoted fixed income securities - foreign as at 30 September 2019 are as follows:
(continued)

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
<u>Bonds (continued)</u>				
1.45% Indonesia Government Intl Bond 18.09.2026 (Baa2)	20,980,980	4,717,660	4,833,206	0.31
8.125% Indonesia Treasury Bond 15.05.2024 (NR)	2,607	9,125,006	9,565,540	0.61
8.25% Indonesia Treasury Bond 15.05.2029 (NR)	2,607	9,048,779	9,635,257	0.61
8.375% Indonesia Treasury Bond 15.04.2039 (NR)	2,607	9,000,118	9,589,301	0.61
8.375% Indonesia Treasury Bond 15.03.2034 (Baa2)	1,738	5,861,065	6,244,824	0.40
2.875% United States Treasury N/B 15.05.2049 (Aaa)	35,053,565	8,903,831	9,842,958	0.63
Total unquoted fixed income securities – foreign	<u>3,605,976,076</u>	<u>966,142,307</u>	<u>985,921,602</u>	<u>62.86</u>
Accumulated unrealised gain on unquoted fixed income securities – foreign		<u>19,779,295</u>		
Total unquoted fixed income securities – foreign		<u>985,921,602</u>		

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(c) Unquoted credit linked notes - foreign

(i) Unquoted credit linked note – foreign as at 30 September 2020 are as follows:

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
3.85% BNP Paribas 23.06.2021 (NR)	4,155,000	4,092,207	4,295,359	0.16
Accumulated unrealised gain on unquoted credit linked note - foreign		203,152		
Total unquoted credit linked note - foreign		4,295,359		

(i) Unquoted credit linked note – foreign as at 30 September 2019 are as follows:

<u>Name of issuer</u>	<u>Nominal value RM</u>	<u>Adjusted cost RM</u>	<u>Fair value RM</u>	<u>Percentage of NAV %</u>
3.85% BNP Paribas 23.06.2021 (NR)	17,526,782	4,092,877	4,113,992	0.26
Accumulated unrealised gain on unquoted credit linked note - foreign		21,115		
Total unquoted credit unquoted credit linked note - foreign		4,113,992		

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

(d) Collective investment schemes – local

(i) Collective investment schemes – local as at 30 September 2020 are as follows:

	<u>Quantity</u> RM	<u>Aggregate</u> <u>cost</u> RM	<u>Fair</u> <u>value</u> RM	<u>Percentage</u> <u>of NAV</u> %
Affin Hwang Income Extra Fund	5,083,124	5,085,357	5,259,000	0.20
Affin Hwang Select Cash Fund	18,147	19,107	19,118	-
Affin Hwang Total Return Fund	1,499,484	6,029,856	6,232,224	0.23
Total collective investment schemes – local	6,600,755	11,134,320	11,510,342	0.43
Accumulated unrealised gain on collective investment schemes – local		376,022		
Total collective investment schemes – local		11,510,342		

(ii) Collective investment schemes – local as at 30 September 2019 are as follows:

	<u>Quantity</u> RM	<u>Aggregate</u> <u>cost</u> RM	<u>Fair</u> <u>value</u> RM	<u>Percentage</u> <u>of NAV</u> %
Affin Hwang Aiiman Money Market Fund	93,342,343	50,000,000	50,022,162	3.19
Affin Hwang Income Extra Fund	5,000,349	5,000,000	5,026,851	0.32
Total collective investment schemes – local	98,342,692	55,000,000	55,049,013	3.51
Accumulated unrealised gain on collective investment schemes – local		49,013		
Total collective investment schemes – local		55,049,013		

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

9 CASH AND CASH EQUIVALENTS

	<u>2020</u> RM	<u>2019</u> RM
Cash and bank balances	8,707,808	4,746,862
Deposits with licensed financial institutions	178,781,655	107,819,148
	<u>187,489,463</u>	<u>112,566,010</u>

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

	<u>2020</u> %	<u>2019</u> %
Deposits with licensed financial institutions	<u>2.42</u>	<u>3.52</u>

Deposits with licensed financial institutions have an average maturity of 48 days (2019: 107 days).

10 MARGIN ACCOUNTS

Margin accounts represent margin deposits held in respect of open exchange-traded futures contracts.

11 FORWARD FOREIGN CURRENCY CONTRACTS

As at the date of the financial position, there are 107 (2019: 76) forward currency contracts outstanding. The notional principal amount of the outstanding forward currency contracts amounted to RM1,729,715,520 (2019: RM919,651,748). The forward currency contracts entered into during the financial period were for hedging against the currency exposure arising from the investment in the foreign unquoted fixed income securities denominated in Australian Dollar, Euro, Pound Sterling, Singapore Dollar and United States Dollar. As the Fund has not adopted hedge accounting during the financial period, the change in the fair value of the forward currency contract is recognised immediately in the statement of comprehensive income.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

12 NUMBER OF UNITS IN CIRCULATION

(a) RM Class units in circulation

	<u>2020</u>	<u>2019</u>
	No. of units	No. of units
At the beginning of the financial period	2,721,551,000	1,555,137,000
Creation of units arising from applications during the financial period	792,904,319	591,088,987
Creation of units arising from distributions during the financial period	27,500,681	25,288,013
Cancellation of units during the financial period	<u>(17,242,000)</u>	<u>(61,539,000)</u>
At the end of the financial period	<u><u>3,524,714,000</u></u>	<u><u>2,109,975,000</u></u>

(b) USD Hedged Class units in circulation

	<u>2020</u>	<u>2019</u>
	No. of units	No. of units
At the beginning of the financial period	59,451,000	37,064,000
Creation of units arising from applications during the financial period	27,228,537	19,234,251
Creation of units arising from distributions during the financial period	798,463	825,749
Cancellation of units during the financial period	<u>(5,790,000)</u>	<u>(4,262,000)</u>
At the end of the financial period	<u><u>81,688,000</u></u>	<u><u>52,862,000</u></u>

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

13 TRANSACTIONS WITH DEALERS

- (i) Details of transactions with the top 10 dealers for the 6 months financial period ended 30 September 2020 are as follows:

<u>Name of dealers</u>	<u>Value of trade RM</u>	<u>Percentage of total trade %</u>
Citigroup Global Markets Ltd	241,840,527	11.68
Affin Hwang Asset Management Bhd #	200,299,105	9.68
The Hongkong and Shanghai Banking	152,059,163	7.35
Bank of America Merrill Lynch	138,071,798	6.67
Nomura Singapore Ltd *	118,213,827	5.71
Deutsche Bank Ag, Great Winchester	76,262,923	3.68
Standard Chartered Bank, London	72,241,141	3.49
BNP Paribas Sec (S) Pte Ltd	69,413,332	3.35
Market Axess Capital Ltd *	64,870,784	3.13
Barclays Bank Plc London	63,456,061	3.07
Others # *	873,450,493	42.19
	<u>2,070,179,154</u>	<u>100.00</u>

- (ii) Details of transactions with the top 10 dealers for the 6 months financial period ended 30 September 2019 are as follows:

<u>Name of dealers</u>	<u>Value of trade RM</u>	<u>Percentage of total trade %</u>
HSBC Corporation Ltd	179,661,961	14.23
RHB Investment Bank Bhd *	106,831,903	8.46
Citigroup Global Markets	101,336,907	8.02
Standard Chartered Bank Malaysia Bhd	78,746,326	6.23
Affin Hwang Investment Bank Bhd # *	68,062,720	5.39
Nomura Singapore Ltd	62,745,948	4.97
Merrill Lynch International	61,209,526	4.85
Affin Hwang Asset Management Bhd #	55,000,000	4.35
CIMB Bank Bhd	51,349,500	4.07
Citibank Bhd	46,674,592	3.70
Others *	451,222,134	35.73
	<u>1,262,841,517</u>	<u>100.00</u>

There is no brokerage fee paid to the dealers.

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

13 TRANSACTIONS WITH DEALERS (CONTINUED)

Included in transactions with dealers are trades in the stockbroking industry with Affin Hwang Asset Management Bhd and Affin Hwang Investment Bank Bhd, companies related to the Manager amounting to RM200,299,105 and RM12,730,058 (2019: RM55,000,000 and RM68,062,720). The Manager is of the opinion that all transactions with the related companies have been entered into in the normal course of business at agreed terms between related parties

* Included in the transactions with dealers are cross trades conducted between the Fund and other funds; and private mandates managed by the Manager amounting to:

	<u>2020</u> RM	<u>2019</u> RM
<u>Name of dealers</u>		
Affin Hwang Investment Bank Bhd	10,393,590	68,062,720
Haitong Intl Sec Singapore Ltd	15,100,341	-
Market Axess Capital Ltd	54,541,113	-
Nomura Singapore Ltd	100,344,852	-
RHB Bank Bhd	-	2,598,738
RHB Investment Bank Bhd	23,648,906	49,373,382
	<u>204,028,802</u>	<u>120,034,840</u>

The cross trades are conducted between the Funds and other funds; and a private mandate managed by the Manager as follows:

	<u>2020</u> RM	<u>2019</u> RM
Affin Hwang Aiiman Income Plus Fund	-	5,296,000
Affin Hwang Bond Fund	-	25,178,900
Affin Hwang Flexible Maturity Income Fund IV	-	10,003,500
Affin Hwang Flexible Maturity Income Fund 7	-	16,305,500
Affin Hwang Flexible Maturity Income Fund 9	28,842,618	27,952,382
Affin Hwang Flexible Maturity Income Fund 11	4,231,399	-
Affin Hwang Flexible Maturity Income Fund 13	86,744,619	-
Affin Hwang Flexible Maturity Income Fund 14	66,033,011	-
Affin Hwang Flexible Maturity Income Fund 18	6,347,099	-
Affin Hwang Flexible Maturity Income Fund 19	3,148,765	-
Affin Hwang Hard Currencies Fixed Income Fund	5,659,556	-
Affin Hwang Target Maturity Income Fund	3,021,735	-
Affin Hwang PRS Conservative Fund	-	300,000
Affin Hwang Select Cash Fund	-	20,500,220
Affin Hwang Wholesale Fund I	-	5,115,500
Private mandates managed by the Manager	-	9,382,838
	<u>204,028,802</u>	<u>120,034,840</u>

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

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

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

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

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

	<u>2020</u>		<u>2019</u>	
	No. of units	RM	No. of units	RM
<u>The Manager:</u>				
Affin Hwang Asset Management Berhad (the units are held legally for booking purposes)				
- RM Class	31,696	22,175	2,481	1,705
- USD Hedged Class	369,240	829,091	3,449	7,725
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Party related to the Manager:</u>				
AXA Affin Life Insurance Berhad (The units are held beneficially)				
- RM Class	212,737,435	148,831,110	148,891,640	102,318,335
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

AFFIN HWANG SELECT BOND FUND

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE 6 MONTHS FINANCIAL PERIOD ENDED 30 SEPTEMBER 2020 (CONTINUED)

15 MANAGEMENT EXPENSE RATIO ("MER")

	6 months financial period ended <u>30.9.2020</u> %	6 months financial period ended <u>30.9.2019</u> %
MER	<u>0.55</u>	<u>0.53</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 withholding tax
F	=	Average NAV of Fund calculated on a daily basis

The average NAV of the Fund for the current financial period calculated on a daily basis is RM2,218,771,888 (2019: RM1,256,442,335)

16 PORTFOLIO TURNOVER RATIO ("PTR")

	6 months financial period ended <u>30.9.2020</u>	6 months financial period ended <u>30.9.2019</u>
PTR (times)	<u>0.48</u>	<u>0.53</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 acquisitions for the financial period = RM1,490,023,062 (2019: RM849,970,955)
total disposals for the financial period = RM649,835,730 (2019: RM476,803,350)

AFFIN HWANG SELECT BOND FUND

STATEMENT BY THE MANAGER

I, Teng Chee Wai, for and on behalf of the board of directors of the Manager, **Affin Hwang Asset Management Berhad**, do hereby state that in my opinion as the Manager, the financial statements set out on pages 1 to 69 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 30 September 2020 and of its financial performance, changes in equity and cash flows for the financial period ended 30 September 2020 in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

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

TENG CHEE WAI
EXECUTIVE DIRECTOR/MANAGING DIRECTOR

Kuala Lumpur
16 November 2020

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