

# MYETF DOW JONES U.S. TITANS 50

## SEMI-ANNUAL REPORT

For the Financial Period from 1 July 2023 to 31 December 2023



**i-VCAP Management Sdn Bhd**  
**Company No.: 200701034939 (792968-D)**  
*(a wholly owned subsidiary of Kenanga Investors Berhad)*



## MYETF DOW JONES U.S. TITANS 50

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## **INTRODUCTION**

MyETF Dow Jones U.S. Titans 50 or MyETF-US50 is the first USD-denominated Shariah exchange-traded-fund ("ETF") introduced in Malaysia. It is designed to provide investment results that closely correspond to the performance of its Benchmark Index, i.e. Dow Jones Islamic Market U.S. Titans 50 ("DJUS50 Index").

MyETF-US50 was listed on the Main Market of Bursa Securities on 20 February 2018. The stock short name and stock number for MyETF-US50 are "METFUS50" and "0827EA" respectively.

The benchmark index, Dow Jones Islamic Market U.S. Titans 50, shall comprise of 50 largest companies (by float-adjusted market capitalisation) listed on the relevant exchanges which have passed rules-based screens for Shariah compliance of S&P Dow Jones Indices. Provided by S&P Dow Jones, the index is constructed and computed based on the robust methodology established by S&P Dow Jones in terms of investability and Shariah aspects.

## CORPORATE DIRECTORY

**Manager: i-VCAP Management Sdn Bhd** Company No. 200701034939 (792968-D)

**Registered Office**

Level 17, Kenanga Tower  
237, Jalan Tun Razak  
50400 Kuala Lumpur, Malaysia.  
Tel: 03-2172 2888  
Fax: 03-2172 2999

**Business Office**

Level 14, Kenanga Tower  
237, Jalan Tun Razak  
50400 Kuala Lumpur, Malaysia.  
Tel: 03-2172 3000  
Fax: 03-2172 3080  
E-mail: [ivcap@kenanga.com.my](mailto:ivcap@kenanga.com.my)  
Website: [www.ivcap.com.my](http://www.ivcap.com.my)

Luk Wai Hong, William (**Chairman / Non-Independent Non-Executive Director**)

Imran Devindran Abdullah (**Independent Non-Executive Director**)

Norazian Ahmad Tajuddin (**Independent Non-Executive Director**)

Datuk Wira Ismitz Matthew De Alwis (**Non-Executive Director**)

Syed Umar Bin Abdul Rahman Alhadad (**Acting Chief Executive Officer / Executive Director**)

**Company Secretary: Norliza Abd Samad** (MAICSA 7011089)

Level 17, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur, Malaysia.

**Trustee: CIMB Islamic Trustee Berhad** Company No. 198801000556 (167913-M)

**Registered Office**

Level 13, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50490 Kuala Lumpur.  
Tel: 03-2261 8888  
Fax: 03-2261 9894  
Website: [www.cimb.com](http://www.cimb.com)

**Business Office**

Level 21, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50490 Kuala Lumpur.  
Tel: 03-2261 8888  
Fax: 03-2261 9894

**Auditor: Ernst & Young PLT** Company No. 202006000003 (LLP0022760-LCA) & AF 0039

Level 23A, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, 50490 Kuala Lumpur.  
Tel: 03-7495 8000 Fax: 03-2095 5332

**Tax Adviser: PricewaterhouseCoopers Taxation Services Sdn Bhd**

Company No. 199801008604 (464731-M)

Level 15, 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, 50706 Kuala Lumpur, Malaysia.  
Tel: 03-2173 1188 Fax: 03-2173 1288

**Participating Dealer: CGS-CIMB Securities Sdn Bhd** Company No. 197901004504 (48703-W)

Level 12, Menara Bumiputra-Commerce, No. 11, Jalan Raja Laut, 50350 Kuala Lumpur.  
Tel: 03-2635 8893 Fax: 03-2602 9783

**Shariah Adviser: Amanie Advisors Sdn Bhd** Company No. 200501007003 (684050-H)

Level 13A-2, Menara Tokio Marine Life, 189, Jalan Tun Razak, 50400 Kuala Lumpur.  
Tel: 03-2161 0260 Fax: 03-2161 0262

**Custodian:** CIMB Islamic Bank Berhad Company No. 200401032872 (671380-H)  
(Trustee's Delegate) (Please refer to page 35 for Trustee's Delegate Information)

**Registered Address**

Level 13, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50490 Kuala Lumpur.  
Tel: 03-2261 8888  
Fax: 03-2261 9894

**Business Office**

Level 21, Menara CIMB  
Jalan Stesen Sentral 2  
Kuala Lumpur Sentral  
50490 Kuala Lumpur.

**Fund Accountant:** Citibank N.A. Singapore Branch

8, Marina View, Asia Square, Tower 1, Singapore 018960.  
Tel: (+65) 6225 5225 Email: APAC.FA.MYS.FUNDACCT@citi.com  
Website: www.citibank.com.sg

**Index Licensor:** S&P Opcp, LLC

55 Water Street, New York, New York 10041, United States of America.  
Tel: (+1) 212 438 3544 Fax: (+1) 212 438 3523

**Share Registrar:** Boardroom Share Registrars Sdn Bhd

Company No. 199601006647 (378993-D)  
(formerly known as Symphony Share Registrars Sdn Bhd)

11th Floor, Menara Symphony, No. 5, Jalan Semangat (Jalan Professor Khoo Kay Kim)  
Seksyen 13, 46200 Petaling Jaya, Selangor.  
Helpdesk: 03-7849 0777 Fax: 03-7841 8151 / 8152  
Email: bsr.helpdesk@boardroomlimited.com Website: www.boardroomlimited.com

# 1. FUND INFORMATION

## 1.1 Fund Name

MyETF Dow Jones U.S. Titans 50 ("**MyETF-US50**" or "**the Fund**")

## 1.2 Fund Category / Type

Shariah-Compliant Equity exchange-traded fund / Index tracking fund

## 1.3 Investment Objective

The Fund aims to provide investment results that closely correspond to the performance of the Benchmark Index.

## 1.4 Investment Strategy

The Manager will generally adopt a replication strategy to manage the Fund. The Manager may use techniques including indexing via full or partial replication in seeking to achieve the investment objective of the Fund, subject to conformity with Shariah Investment Guidelines.

## 1.5 Benchmark Index

Dow Jones Islamic Market U.S. Titans 50 Index ("**DJUS50 Index**" or "**Benchmark Index**")

DJUS50 Index is a float-adjusted market capitalisation weighted, price return index calculated, maintained and published by S&P Dow Jones Indices.

The Benchmark Index was created with a base date of 29 December 1995 by S&P Dow Jones Indices and was constructed based on a reference value of 1000. The Benchmark Index is designed as a performance benchmark of blue-chip companies that are listed on primary stock exchanges in the U.S. The Benchmark Index consists of the 50 largest companies by float-adjusted market capitalisation listed on the Relevant Exchanges which have passed rules-based screens for Shariah compliance.

During the reporting period, the constituent securities of the Benchmark Index are listed on the New York Stock Exchange ("NYSE") and National Association of Securities Dealers Automated Quotation System ("Nasdaq").

The universe for selection of the constituents of the Benchmark Index is the constituents of the Parent Index. The Parent Index, namely the Dow Jones Islamic Market World Index, is a float-adjusted market capitalisation weighted index that is designed to measure performance of the global universe of investable equities that pass screens for Shariah compliance.

The Benchmark Index employs a modified market capitalization weighting scheme\*. The weight of each individual constituent is capped at 10% of the Benchmark Index. The Parent Index and Benchmark Index consist only of companies that passed the Shariah Compliance Screens published under the Dow Jones Islamic Market Indices Methodology. The Shariah Compliance Screens has been approved by the Shariah Supervisory Board of S&P Dow Jones Indices which consists of experienced Shariah scholars from around the world. The Shariah Supervisory Board determines the Shariah compliance framework of the Benchmark Index and shall review, propose or advise S&P Dow Jones Indices on matters relating to the said Shariah compliance framework.

\* Maximum weights on the effective rebalancing dates are equal to the lesser of the companies' float-adjusted market capitalization weight or 10% of the Benchmark Index.

## 1.6 Distribution Policy

The Fund may distribute to the Unit Holders all or a substantial portion of the Fund's Distributable Income, pro-rated based on the number of Units held by each Unit Holder as at the entitlement date of the income distribution.

Income distributions (if any) are expected to be made annually. The amount to be distributed will be at the discretion of the Manager. However, if the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution.

## 1.7 Commencement Date & Listing Date

20 February 2018 & 28 February 2018

## 1.8 Breakdown of unit holdings of the Fund as at 31 December 2023

Size of holdings	No. of unit holders	No. of units held
Less than 100	3	100
100 - 1,000	211	66,500
1,001 - 10,000	48	164,900
10,001 - 100,000	3	144,800
100,001 - <5%*	2	443,500
>=5%*	1	9,192,500
<b>Total</b>	<b>268</b>	<b>10,012,300</b>

5%\* - 5% of the units in circulation



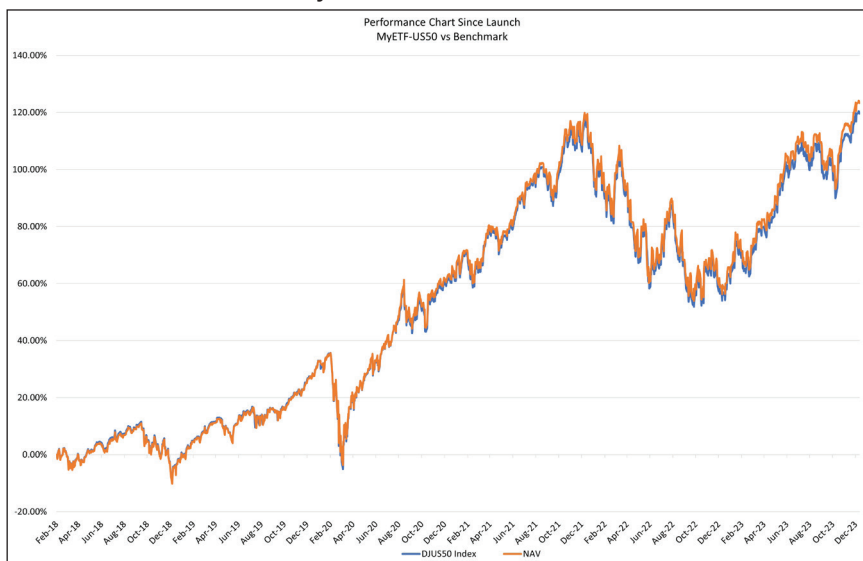
## 2. MANAGER'S REPORT

### 2.1 Explanation on whether the Fund has achieved its investment objective

MyETF-US50 aims to provide investment results that closely correspond to the performance of the Benchmark Index. For the financial period under review, the Fund achieved its investment objective to closely track the performance of the underlying benchmark, i.e. DJUS50 Index. As at 31 December 2023, the 3-year rolling tracking errors between the NAV per unit of the Fund and the Benchmark Index on Price Return and Total Return basis were both at 0.38%.

### 2.2 Comparison between the Fund's performance and performance of the Benchmark Index

**Performance Chart Since Launch  
MyETF-US50 vs Benchmark**



Source: Bloomberg, i-VCAP

### 2.3 Investment strategies and policies employed during the financial period under review

The Manager adopted a replication strategy to manage the Fund. The Manager used techniques including indexing via full or partial replication in seeking to achieve the investment objective of the Fund, subject to conformity with Shariah Investment Guidelines.

During the financial period under review, the Manager tracked the performance of the Benchmark Index by investing all, or substantially all, of the Fund's assets in the constituents of the Benchmark Index in largely the same weightings as they appear in the Benchmark Index.

## 2.4 The Fund's asset allocation as at 31 December 2023 and comparison with the previous financial period

Asset	31 Dec 2023	31 Dec 2022
Listed Shariah-compliant investment securities	99.7%	99.8%
Cash	0.3%	0.2%

## 2.5 Fund performance analysis based on NAV per unit (adjusted for income distribution; if any) since last review period

Asset	Period under review
MyETF-US50 - NAV Price Return <sup>(a)</sup>	8.30%
DJUS50- Price Return Index	8.20%
MyETF-US50- NAV Total Return <sup>(a)</sup>	8.30%
DJUS50- Total Return Index	8.65%

Sources: Bloomberg, i-VCAP

(a) Independently sourced from Novagni Analytics and Advisory.

The Fund's NAV per unit increased by 8.30% to USD2.2327 from USD2.0616 for the financial period under review, reflecting the positive performance of the broader US equity markets. The Fund started on a downtrend, reaching its lowest at USD1.9308 on 26 October 2023. The market subsequently rebounded, leading to the Fund's NAV reaching its peak of USD2.2415 on 27 December 2023, before closing the financial period at USD2.2327. Similarly, the both the Benchmark Index and Benchmark's Total Return Index (DJUS50 Total Return Index) increased by 8.20% and 8.65% respectively. The variance in performance between the Fund and its Benchmark Index can largely be attributed to the Fund's operational costs.

## 2.6 Market review and outlook

### Market review

In July 2023, global equity markets experienced growth, with the US Dow Jones, S&P 500, and Nasdaq gaining 3.4%, 3.1%, and 4.1% month-on-month (MoM) respectively. The US Consumer Price Index (CPI) further moderated to 3% year-on-year (YoY) in June, down from 4% in May. Core CPI, excluding food and energy, climbed 4.8% in June, marking its lowest rate since October 2021. At the July Federal Open Market Committee (FOMC) meeting, the US Federal Reserve (Fed) raised interest rates by 25 basis points to 5.25-5.50%, reaching its highest level in 22 years. Additionally, US Gross Domestic Product (GDP) grew faster than expected at 2.4% quarter-on-quarter (QoQ) on an annualized basis (1Q2023: +2% QoQ). Meanwhile, the Euro STOXX 50 rose 1.6% MoM in July, supported by a fall in inflation and positive economic growth data. Inflation in the eurozone dropped to 5.3% in July, marked the lowest level of inflation registered since January 2022.

Global equity markets retraced in August with US S&P500, Nasdaq and Dow Jones ended lower month-on-month (MoM). US CPI rose 3.2% YoY in July, slightly below expectations, while core CPI, excluding food and energy, increased by 4.7%. Fitch Ratings downgraded the US debt rating from the highest AAA rating to AA+, while Moody's downgraded several small to mid-sized US banks. The labor market softened as job openings fell to the lowest since March 2021. Chinese equities experienced sharp declines due to weaker economic activities, including retail sales, industrial output and investment. Heavily indebted Country Garden Holdings defaulted on bond coupon payments and was removed from the Hang Seng Stock Exchange. Meanwhile, Evergrande, another Chinese real estate giant, filed for bankruptcy protection in the US.

## 2.6 Market review and outlook (contd.)

### Market review (contd.)

Global equity markets continue to retrace in September, with notable declines in the US indices as the S&P 500, Nasdaq, and Dow Jones registered drops of 4.9%, 5.1%, and 3.5% MoM, respectively. The market correction followed the Federal Open Market Committee's (FOMC) decision to maintain the Federal Funds Rate (FFR) target range at 5.25% to 5.5%. US CPI in August recorded a 0.6% MoM increase, primarily attributable to rising energy prices. In greater China, the HSI and SHSZ300 indices fell by 3.1% and 2.0% MoM, respectively, due to the Fed's hawkish stance. While China's macro data was viewed positively by investors, concerns lingered regarding domestic economic prospects, particularly in the property sector.

In October 2023, global equities, represented by the MSCI World index, experienced a 3.0% MoM decline, primarily driven by significant drops in key US indices. The S&P 500, Nasdaq, and Dow Jones fell by 2.2%, 2.1%, and 1.4%, respectively. The decline marked the first three-month losing streak for Dow Jones and S&P 500 since 2020. This decline was exacerbated by escalating geopolitical tensions and concerns that US policymakers might maintain high interest rates to curb inflation, potentially hindering economic growth. Meanwhile, China's National People's Congress (NPC) Standing Committee passed a decision on the 24th of October to allow the State Council to issue a CNY 1 trillion central government bond (GCB) in 4Q202 to support the rebuilding of disaster-hit areas and raise disaster relief capabilities. The HSI and SHSZ300 indices fell by 3.9% MoM and 3.2% MoM, respectively.

Global markets ended on a positive note in November, driven by promising indications of economic moderation in the US and a decline in inflation across developed markets. The MSCI World index closed the month 9.2% higher MoM. The sustained economic momentum in the US, coupled with resilient labor markets, instilled confidence in a seamless economic transition. This optimistic outlook provided strong support to equity markets throughout the month, with the S&P 500, Nasdaq, and Dow Jones indices rising by 8.9%, 10.7%, and 8.8% MoM, respectively. Despite the prevailing belief in the market that peak policy rates had been reached, the minutes from the November FOMC underscored the Fed's commitment to maintaining policy rates at elevated levels for an extended period. In contrast, China's performance lagged behind as various factors related to the country failed to sustain upward momentum in equities.

Global equities concluded the year on a high note, achieving their most significant annual surge since 2019 with S&P 500, Nasdaq and Dow Jones gaining 24.2%, 53.8% and 13.7%, respectively. The surge in worldwide stock markets during the last two months of 2023 was driven by expectation of central bank interest rate reductions in the upcoming year. As widely anticipated, the Fed kept the overnight federal funds rate at the range of 5.25% to 5.5% during its latest policy meeting in December 2023, marking its third consecutive meeting where the central bank opted for stability, refraining from making any changes to monetary policy. In November, US consumer inflation slightly decreased to 3.1% YoY. Real wages outpace inflation, offering mitigation, but Fed Chair Powell recognized the ongoing impact of inflation on individuals, emphasizing the continued effort to bring the target rate down to 2%.

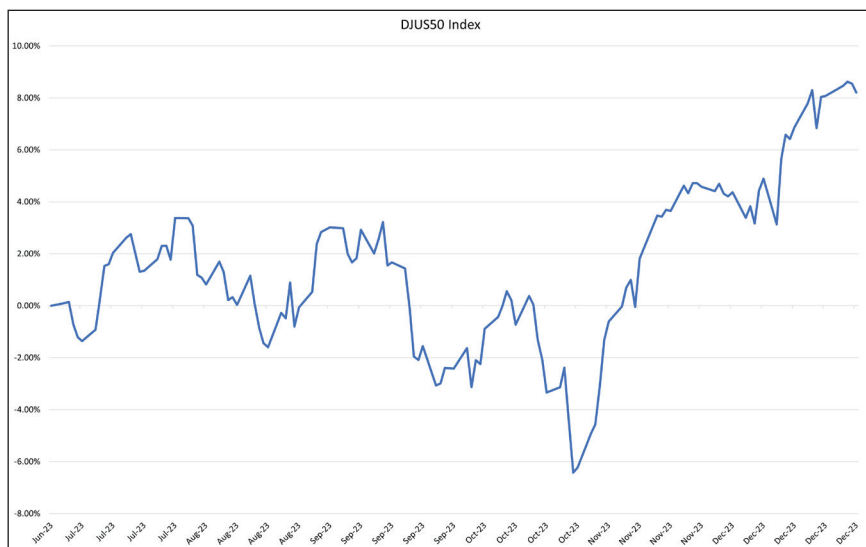
Summing up, the second half of 2023 recorded improve performance, following the strong performance in the first half of 2023. The Dow Jones and S&P 500 gained 9.54% and 7.18% respectively, while the tech-heavy Nasdaq Composite increased by 8.87% during in the second half of the year.

In line with the broader US equity market, the DJUS50 Index closed at 10,508 points on 31 December 2023, marking an increase of 8.20% over the second half of 2023. Furthermore, on a YoY comparison, the index displayed a significant upswing of 39.92%, as it stood at 7,510 points by the end of December 2022.

## 2.6 Market review and outlook (contd.)

### Market review (contd.)

**Chart 1: DJUS50 Index Performance for 2H2023**



Sources: Bloomberg, i-VCAP

### Market outlook

Globally, the market expects that the Fed is on hold and will possibly shift to cut rates in the second quarter of 2024, with a similar pattern expected in the Eurozone. Easier monetary conditions globally are expected to support growth and liquidity, thus improving the outlook for equities. However, markets could remain volatile as the growth slowdown takes hold in major regions such as the US, Europe and China.

The Manager intends to continue adopting a replication strategy to track the performance of the Benchmark Index, which provides investors exposure to the broad US Shariah equity market.

## 2.7 Distributions

For the financial period under review, the Fund did not declare any income distribution.

## 2.8 Details of any unit split exercise

The Fund did not carry out any unit split exercise during the financial period under review.

## 2.9 Significant changes in the state of affairs of the Fund during the financial period

There were no significant changes in the state of affairs of the Fund during the financial period and up until the date of the manager's report, not otherwise disclosed in the financial statements.

## **2.10 Circumstances that materially affect any interests of the unit holders**

There were no circumstances that materially affected any interests of the unit holders during the financial period under review.

## **2.11 Rebates and soft commissions**

It is the policy of the Manager to credit any rebates received into the account of the Fund. Any soft commissions received by investment manager on behalf of the Fund are in the form of research and advisory services that assist in the decision making process relating to the investment of the Fund which are of demonstrable benefit to unit holders of the Fund. Any dealing with the broker or dealer is executed on terms which are the most favourable for the Fund. Nevertheless, the Manager did not receive any rebates or soft commissions from its stockbrokers during the financial period under review.

## **2.12 Cross-trade**

During the financial period under review, no cross-trade transactions were undertaken by the Manager for the Fund.

## **2.13 Securities financing transactions**

Securities financing transactions are transactions consisting of securities financing or repurchase. During the financial period under review, the Fund had not undertaken any securities financing transactions.

### 3. FUND PERFORMANCE

#### 3.1 Details of portfolio composition of the Fund as at 31 December 2023 against the last three financial years as at 30 June are as follows:

Based on the Fund's quoted Investments as at 31 December 2023, the sector allocation of DJUS50 Index based on S&P Dow Jones sector classifications are as follows:

	As of 31.12.2023 %	FY 2023 %	FY 2022 %	FY 2021 %
Technology	35.1	22.9	44.8	51.6
Health Care	30.4	21.5	16.7	14.8
Consumer Services	7.4	8.2	11.7	6.8
Consumer Goods	5.8	12.7	11.4	10.7
Oil & Gas	5.4	7.1	4.6	3.2
Financials	3.2	11.8	5.1	5.6
Industrials	11.3	8.1	4.5	5.2
Basic Materials	1.2	7.5	1.0	1.1
Cash	0.3	0.3	0.2	0.2

S&P Dow Jones performed four quarterly reviews in a year (in March, June, September and December) and rebalanced the composition of the Benchmark Index in accordance with its index methodology.

The quarterly review during the financial period in September and December had resulted in changes to the weightings of the component stocks and stock constituents in the Benchmark Index. The summary of the changes that took place in the reporting period is as follows:

**Table 1: List of Stock Inclusion and Exclusion**

	Stock Inclusions	Stock Exclusions
<b>1Q2024</b>	General Electric Company Prologis Inc.	3M Company Target Corporation
<b>2Q2024</b>	-	-

Sources: S&P Dow Jones, i-VCAP

**3.1 Details of portfolio composition of the Fund as at 31 December 2023 against the last three financial years as at 30 June are as follows: (contd.)**

Details of the top 10 holdings as well as Fund's sector exposure as at 31 December 2023 are as follows:

**Table 2: Top Ten Holdings of the Fund as at 31 December 2023**

<b>Stock</b>	<b>% of NAV</b>
1. Microsoft Corporation	9.7
2. Apple Inc.	9.5
3. Amazon.com Inc.	7.5
4. Nvidia Corporation	6.6
5. Alphabet Inc. - Class A	4.5
6. Meta Platforms Inc. - Class A	4.2
7. Alphabet Inc. - Class C	3.8
8. Tesla Inc.	3.7
9. Broadcom Inc.	2.6
10. Eli Lilly and Company	2.5
<b>Total</b>	<b>54.6</b>

**Table 3: Fund's Sector Allocation\***

	<b>As at 31-Dec-23 (%)</b>	<b>As at 30-Jun-23 (%)</b>	<b>Change (%)</b>
Technology	35.0	44.7	-9.7
Health Care	30.4	16.7	13.7
Consumer Services	7.4	11.7	-4.3
Consumer Goods	5.8	11.4	-5.6
Oil & Gas	5.4	4.6	0.8
Financials	3.2	5.1	-1.9
Industrials	11.3	4.5	6.8
Basic Materials	1.2	1.0	0.2
Cash	0.3	0.2	-

\* Based on S&P Dow Jones classification

In terms of sectoral weightings, notable changes to the Fund's sector composition, as compared to the previous financial period, include an increase in Health Care from 16.7% to 30.4% given the surge in technology stocks. On the other hand, Technology recorded a decrease from 44.7% to 35.1%. Meanwhile, the weightings of other sectors have changed during the financial period.

Details of the Fund's listed investments as at 31 December 2023 are disclosed under Note 4 of the financial statements.

**3.2 Performance details of the Fund for the financial period ended 31 December 2023 against the last five financial years ended 30 June are as follows:**

	<b>Period from 1.7.2023 to 31.12.2023</b>	<b>FY 2023</b>	<b>FY 2022</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2019</b>
Net asset value ("NAV") (USD Million)	22.35	27.86	25.45	8.05	9.77	14.61
Market Capitalisation (USD Million)	22.42	27.49	29.28	8.19	9.73	14.70
Units in circulation (Million)	10.01	13.51	15.41	4.31	7.31	13.01
NAV per unit (USD)	2.2327	2.0616	1.6511	1.8678	1.3355	1.1226
Highest NAV per unit (USD)	2.2415	2.0616	2.1985	1.8694	1.3562	1.1358
Lowest NAV per unit (USD)	1.9308	1.5392	1.6023	1.3442	0.9636	0.8980
Price per unit (USD)	2.2400	2.0350	1.9000	1.9000	1.3300	1.1300
Highest price per unit (USD)	2.2400	2.0550	2.2500	1.9000	1.5500	1.1500
Lowest price per unit (USD)	1.6050	1.6000	1.7000	1.2900	1.0400	0.9000
DJUS50 Index	10,507.87	9,711.23	7,809.76	8,883.71	6,381.07	5,385.51
DJUS50T index	15,554.24	14,315.88	11,403.89	12,867.84	9,154.29	7,629.73
Tracking Error vs. Price Return DJUS50 Index (%)*	0.43	0.22	0.49	0.29	0.13	0.23
Tracking Error vs. Total Return DJUS50 Index (%)*	0.43	0.22	0.49	0.29	0.13	0.23
Total expense ratio ("TER")	0.7	0.59	0.62	0.99	0.75	0.64
Portfolio turnover ratio ("PTR") (times)	0.18	0.10	0.68	0.92	0.41	0.16

\* The tracking error were calculated on daily basis between the NAV per unit of the Fund and the Price Return and Gross Return Benchmark Index.

The price of the Fund's units listed on Bursa Malaysia increased from USD2.0616 to USD2.2400 during the financial period under review, in line with the positive performance of the US equity market. Generally, the Fund's unit price is traded at a premium to the Fund's NAV per unit throughout the period.



### 3.3 Average total return for the Fund

	Average Returns			
	YTD (%)	1-year (%)	3-years (%)	5-years (%)
MyETF-US50- NAV Price Return	40.38	40.25	10.97	18.39
DJUS50- Price Return Index	40.03	39.92	11.78	25.46
MyETF-US50- NAV Total Return	40.38	40.25	10.97	18.39
DJUS50- Total Return Index	41.28	41.16	12.98	27.81

Sources: Bloomberg, i-VCAP

(a) Independently sourced from Novagni Analytics and Advisory.

(b) Average returns for both DJUS50 Price Return Index and DJUS50 Total Return Index are annualised figures computed based on the price and total returns for the respective period.

\* Performance from inception date on 20 February 2018.

### 3.4 Annual total return of the Fund

	Period under review 30 Jun 23 - 31 Dec 23 (%)	1 Year				
		2023 (%)	2022 (%)	2021 (%)	2020 (%)	2019 (%)
MyETF-US50- NAV Price Return	40.38	24.86	-11.60	39.86	18.96	10.69
DJUS50- Price Return Index	40.03	24.35	-12.09	39.22	18.49	10.32
MyETF-US50- NAV Total Return	40.38	24.86	-11.60	39.86	18.96	10.69
DJUS50- Total Return Index	41.28	25.54	-11.38	40.57	19.98	11.86

Sources: Bloomberg, i-VCAP

(a) Independently sourced from Novagni Analytics and Advisory.

\* The Fund commencement date on 20 February 2018.

**Investors are reminded that past performance is not necessarily indicative of future performance. Unit prices and investment returns may fluctuate.**

## **MYETF DOW JONES U.S. TITANS 50**

**Unaudited Semi-Annual Financial Statements Together with  
Trustee's Report, Shariah Adviser's Report and  
Statement by the Manager  
31 December 2023**

## **MYETF DOW JONES U.S. TITANS 50**

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**TRUSTEE'S REPORT  
TO THE UNIT HOLDERS OF MYETF DOW JONES U.S. TITANS 50 ("Fund")**

We have acted as Trustee of the Fund for the financial period from 1 July 2023 to 31 December 2023 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, *i*-VCAP Management Sdn Bhd has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

1. Limitations imposed on the investment powers of the management company under the deed, securities laws and the Guidelines on Exchange-traded Funds;
2. Valuation and pricing is carried out in accordance with the deed; and
3. Any creation and cancellation of units are carried out in accordance with the deed and any regulatory requirement.

For and on behalf of  
CIMB Islamic Trustee Berhad

**Datin Ezreen Eliza binti Zulkiplee**  
Chief Executive Officer

Kuala Lumpur, Malaysia

29 February 2024

**SHARIAH ADVISER'S REPORT  
TO THE UNIT HOLDERS OF MYETF DOW JONES U.S. TITANS 50 ("Fund")**

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, *i*-VCAP Management Sdn. Bhd. has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia ("SC") pertaining to Shariah matters; and
2. The assets of the Fund comprises of instruments that have been classified as Shariah compliant.

For Amanie Advisors Sdn Bhd

Tan Sri Dr Mohd Daud Bakar  
Executive Chairman

Kuala Lumpur, Malaysia

29 February 2024

## STATEMENT BY THE MANAGER

I, Syed Umar Bin Abdul Rahman Alhadad, being a director of *i*-VCAP Management Sdn. Bhd., do hereby state that, in the opinion of the Manager, the accompanying statement of financial position as at 31 December 2023 and the related statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial period from 1 July 2023 to 31 December 2023 together with notes thereto, are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of MyETF Dow Jones U.S. Titans 50 as at 31 December 2023 and of its financial performance and cash flows for the financial period from 1 July 2023 to 31 December 2023 then ended and comply with the requirements of the Deed.

For and on behalf of the Manager  
*i*-VCAP MANAGEMENT SDN. BHD.

SYED UMAR BIN ABDUL RAHMAN ALHADAD  
Executive Director/Acting Chief Executive Officer

Kuala Lumpur, Malaysia

29 February 2024

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023** *(unaudited)*

	Note	1.7.2023 to 31.12.2023 USD	1.7.2022 to 31.12.2022 USD
<b>INVESTMENT INCOME</b>			
Dividend income		147,643	179,319
Profit income		5	-
Net gain/(loss) from Shariah-compliant investments:			
- Financial assets at fair value through profit or loss ("FVTPL")	4	1,726,202	(950,564)
Net loss on foreign currency exchange		(509)	(1,161)
		<u>1,873,341</u>	<u>(772,406)</u>
<b>EXPENSES</b>			
Manager's fee	5	50,079	52,275
Trustee's fee	6	4,326	4,482
Index license fee	7	5,548	13,838
Auditors' remuneration		1,383	1,876
Tax agent's fee		1,002	1,038
Other expenses		54,373	63,474
Brokerage and other transaction costs		1,138	3,430
		<u>117,849</u>	<u>140,413</u>
<b>NET INCOME/(LOSS) BEFORE TAX</b>		1,755,492	(912,819)
Income tax	8	-	(282)
<b>NET INCOME/(LOSS) AFTER TAX, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD</b>		<u>1,755,492</u>	<u>(913,101)</u>
Net income/(loss) after tax is made up as follows:			
Realised gain/(loss)		742,406	(52,072)
Unrealised gain/(loss)	4	1,013,086	(861,029)
		<u>1,755,492</u>	<u>(913,101)</u>

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023** *(unaudited)*

	<b>Note</b>	<b>31.12.2023 USD</b>	<b>31.12.2022 USD</b>
<b>ASSETS</b>			
<b>INVESTMENTS</b>			
Financial assets at FVTPL	4	<u>22,292,831</u>	<u>24,486,943</u>
<b>OTHER ASSETS</b>			
Other receivable	9	8,333	11,679
Prepayment		-	-
Cash at banks		<u>103,906</u>	<u>59,399</u>
		<u>112,239</u>	<u>71,078</u>
<b>TOTAL ASSETS</b>		<u>22,405,070</u>	<u>24,558,021</u>
<b>LIABILITIES</b>			
Amount due to Manager		14,779	8,271
Amount due to Trustee		1,300	731
Other payables	10	<u>34,819</u>	<u>14,914</u>
<b>TOTAL LIABILITIES</b>		<u>50,898</u>	<u>23,916</u>
<b>EQUITY</b>			
Unit holders' contribution		12,686,050	23,511,340
Retained earnings		<u>9,668,122</u>	<u>1,022,765</u>
<b>NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS</b>	11	<u>22,354,172</u>	<u>24,534,105</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>22,405,070</u>	<u>24,558,021</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	11(a)	<u>10,012,300</u>	<u>15,412,300</u>
<b>NAV PER UNIT (USD)</b>		<u>2.2327</u>	<u>1.5919</u>

The accompanying notes form an integral part of the financial statements.



**STATEMENT OF CHANGES IN NET ASSET VALUE**  
**FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023** *(unaudited)*

	<b>Note</b>	<b>Unit holders' contribution USD</b>	<b>Retained earnings USD</b>	<b>Total NAV USD</b>
<b>1.7.2023 to 31.12.2023</b>				
At beginning of the financial period		19,943,820	7,912,630	27,856,450
Total comprehensive income		-	1,755,492	1,755,492
Cancellation of units	11(a)	(7,257,770)	-	(7,257,770)
At end of the financial period		<u>12,686,050</u>	<u>9,668,122</u>	<u>22,354,172</u>
<b>1.7.2022 to 31.12.2022</b>				
At beginning of the financial period		23,511,340	1,935,866	25,447,806
Total comprehensive loss		-	(913,101)	(913,101)
At end of the financial period		<u>23,511,340</u>	<u>1,022,765</u>	<u>24,534,105</u>

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023** *(unaudited)*

	<b>1.7.2023 to 31.12.2023 USD</b>	<b>1.7.2022 to 31.12.2022 USD</b>
<b>CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES</b>		
Proceeds from sales of financial assets at FVTPL	8,021,040	480,124
Dividends received	152,315	128,991
Hibah received	5	-
Tax agent's fee paid	-	(1,057)
Auditors' remuneration paid	-	(3,849)
Trustee's fee paid	(3,838)	(6,056)
Manager's fee paid	(44,495)	(52,645)
Payment for other fees and expenses	(52,199)	(16,796)
Purchase of financial asset at FVTPL	(810,989)	(533,710)
Cash generated from/(used in) operating and investing activities	7,261,839	(4,998)
Income tax paid	-	(1,984)
Net cash generated/(used in) operating and investing activities	7,261,839	(6,982)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash paid on units cancelled	(7,257,770)	-
Net cash used from financing activities	(7,257,770)	-
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	4,069	(6,982)
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	(509)	(1,161)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD</b>	100,346	67,542
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD</b>	103,906	59,399
Cash and cash equivalents comprise:		
Cash at banks	103,906	59,399

The accompanying notes form an integral part of the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD FROM 1 JULY 2023 TO 31 DECEMBER 2023** *(unaudited)*

**1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES**

MyETF Dow Jones U.S. Titans 50 ("the Fund") was constituted pursuant to the executed Deed dated 25 September 2017 (collectively, together with deeds supplemental thereto, referred to as "the Deed") between the Manager, *i*-VCAP Management Sdn. Bhd. and CIMB Islamic Trustee Berhad ("the Trustee"). The Fund commenced operations on 15 January 2018 and will continue to be in operation until terminated by the Trustee as provided under Part 26 of the Deed.

The Fund is an exchange-traded fund that is designed to provide investment results that closely correspond to the performance of the Dow Jones Islamic Market U.S. Titans 50 Index ("Benchmark Index"), regardless of its performance. The Benchmark Index shall comprise of the 50 largest companies (by float-adjusted market capitalisation) listed on the relevant exchanges in the United States of America which have passed rules-based screens for Shariah compliance of S&P Dow Jones Indices.

The immediate and ultimate holding companies of the Manager, *i*-VCAP Management Sdn. Bhd. are Kenanga Investors Berhad and Kenanga Investment Bank Berhad respectively, both of which are incorporated in Malaysia. The ultimate holding company is listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal place of business of the Manager is Level 14, Kenanga Tower, 237, Jalan Tun Razak, 50400 Kuala Lumpur.

**2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Fund is exposed to a variety of risks including market risk (which includes interest rate risk and price risk), credit risk, liquidity risk and Shariah status reclassification risk. Whilst these are the most important types of financial risks inherent in each type of financial instruments, the Manager and the Trustee would like to highlight that this list does not purport to constitute an exhaustive list of all the risks inherent in a Shariah-compliant investment in the Fund.

The Fund has an approved set of investment guidelines and policies as well as internal controls which sets out its overall business strategies to manage these risks to optimise returns and preserve capital for the unit holders, consistent with the long term objectives of the Fund.

**a. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk and price risk.

## 2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

### a. Market risk (contd.)

Market risk arises when the value of the Shariah-compliant investments fluctuates in response to the activities of individual companies, general market or economic conditions. It stems from the fact that there are economy-wide perils, which threaten all businesses. Hence, investors are exposed to market uncertainties. Fluctuation in the Shariah-compliant investments' prices caused by uncertainties in the economic, political and social environment will affect the NAV of the Fund.

The Manager manages the risk of unfavourable changes in prices by cautious review of the Shariah-compliant investments and continuous monitoring of their performance and risk profiles.

#### i. Interest rate risk

Interest rate risk refers to how the changes in the interest rate environment would affect the valuation of Shariah-compliant instruments. In the event of a rising interest rate environment, the valuation of Shariah-compliant instruments may decrease, and vice versa. Interest rate, such as the Overnight Policy Rate set by Bank Negara Malaysia, will have an impact on the investment decisions of the Fund regardless of whether it is an Islamic fund or otherwise. It does not in any way suggest that the Fund will invest in conventional financial instruments.

The Fund is not exposed to any interest rate risk as it does not hold any investment in short term Islamic deposits at reporting date.

#### ii. Price risk

Price risk is the risk of unfavourable changes in the fair values of listed Shariah-compliant equity securities and listed Islamic collective investment scheme. The Fund invests in listed Shariah-compliant equity securities and listed Islamic collective investment scheme which are exposed to price fluctuations. This may then affect the NAV of the Fund.

#### Price risk sensitivity

The Manager's best estimate of the effect on the income/(loss) for the financial period due to a reasonably possible change in investments in listed Shariah-compliant equity securities and listed Islamic collective investment scheme with all other variables held constant is indicated in the table below:

	Changes in price Increase/(Decrease) Basis points	Effects on income/(loss) for the financial period Gain/(Loss) USD
<b>31.12.2023</b>		
Financial assets at FVTPL	5/(5)	11,146/(11,146)
<b>31.12.2022</b>		
Financial assets at FVTPL	5/(5)	12,243/(12,243)

## 2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

### a. Market risk (contd.)

#### ii. Price risk (contd.)

##### Price risk sensitivity (contd.)

In practice, the actual trading results may differ from the sensitivity analysis above and the difference could be material.

##### Price risk concentration

The following table sets out the Fund's exposure and concentration to price risk based on its portfolio of Shariah-compliant financial instruments as at the reporting date.

	Fair value		Percentage of NAV	
	31.12.2023 USD	31.12.2022 USD	31.12.2023 %	31.12.2022 %
Financial assets at FVTPL	22,292,831	24,486,943	99.7	99.8

The Fund's concentration of Shariah-compliant investment security price risk from the Fund's listed Shariah-compliant equity securities and listed Islamic collective investment scheme analysed by sector is as follows:

	Fair value		Percentage of NAV	
	31.12.2023 USD	31.12.2022 USD	31.12.2023 %	31.12.2022 %
Technology	11,294,787	10,227,584	50.5	41.7
Health Care	2,931,686	4,332,816	13.1	17.7
Consumer Services	2,638,647	2,854,109	11.8	11.6
Consumer Goods	2,079,064	2,589,853	9.3	10.6
Oil and Gas	960,411	1,672,411	4.3	6.8
Industrials	909,627	1,156,850	4.1	4.7
Financials	1,095,389	1,356,170	4.9	5.5
Basic Materials	237,390	297,150	1.1	1.2
Islamic Real Estate Investment Trust	145,830	-	0.6	-
	22,292,831	24,486,943	99.7	99.8

## **2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)**

### **b. Credit risk**

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge an obligation. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

#### **i. Credit risk exposure**

As at the reporting date, the Fund's maximum exposure to credit risk is represented by the carrying amount of each class of financial asset recognised in the statement of financial position.

#### **ii. Financial assets that are either past due or impaired**

As at the reporting date, there are no financial assets that are either past due or impaired.

#### **iii. Credit quality of financial assets**

The Fund invests in Islamic deposits with financial institutions licensed under the Islamic Financial Services Act 2013. There were no investments in Islamic deposits by the Fund as at 31 December 2023 and 31 December 2022.

### **c. Liquidity risk**

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are to be settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities or cancel its units earlier than expected. The Fund is exposed to cancellation of its units on a regular basis. Units sold to unit holders by the Manager are cancellable at the unit holders' option based on the Fund's NAV per unit at the time of cancellation calculated in accordance with the Deed.

The Islamic liquid assets comprise cash at banks, short term Islamic deposits with licensed financial institutions and other Shariah-compliant instruments, which are capable of being converted into cash within 7 days.

## 2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

### c. Liquidity risk (cond.)

The following table analyses the maturity profile of the Fund's financial assets and financial liabilities in order to provide a complete view of the Fund's contractual commitments and liquidity.

		Up to 1 year	
	Note	31.12.2023 USD	31.12.2022 USD
<b>Assets</b>			
Financial assets at FVTPL		22,292,831	24,486,943
Other financial assets		112,239	71,078
	i.	<u>22,405,070</u>	<u>24,558,021</u>
<b>Liabilities</b>			
Other financial liabilities	ii.	<u>20,141</u>	<u>11,913</u>
Equity	iii.	<u>22,354,172</u>	<u>24,534,105</u>
Liquidity gap		30,757	12,003

#### i. Financial assets

Analysis of financial assets at FVTPL into maturity groupings is based on the expected date on which these assets will be realised. The Fund's investments in listed Shariah-compliant equity securities and listed Islamic collective investment scheme have been included in the "up to 1 year" category on the assumption that these are highly liquid Shariah-compliant investments which can be realised should all of the Fund's unit holders' equity be required to be redeemed. For other financial assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the expected date on which the assets will be realised.

#### ii. Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date or if earlier, the date on which liabilities will be settled. When the counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Fund can be required to pay.

#### iii. Equity

As the unit holders can request for redemption of their units, they have been categorised as having a maturity of "up to 1 year".

## **2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)**

### **d. Shariah status reclassification risk**

Shariah status reclassification risk is the risk that the currently held Shariah-compliant equity securities in the portfolio of the Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Adviser or the Shariah boards of the Benchmark Index. If this occurs, the Manager will take the necessary steps to dispose of such securities.

Opportunity loss could occur due to the restriction on the Fund to retain the excess capital gains derived from the disposal of the reclassified Shariah non-compliant securities. In such an event, the Fund is required:

- i. to dispose of such securities soonest practical if the value of the securities exceeds or is equal to the investment cost on the on the date of review by the Shariah Adviser or the Shariah boards of the Benchmark Index. The Fund is allowed to keep dividends received and capital gains from the disposal of the securities up to the date of review. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the date of review should be channelled to charitable bodies endorsed by the Shariah Adviser;
- ii. to hold such securities if the value of the said securities is below the investment cost on the date of review until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment, which upon to dispose the securities. The excess capital gains (if any) from the disposal of the securities should be channelled to charitable bodies endorsed by the Shariah Adviser; or
- iii. to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Fund's value.

### **e. Regulatory reportings**

It is the Manager's responsibility to ensure full compliance of all requirements under the Guidelines on Exchange-traded Funds issued by the Securities Commission Malaysia. Any breach of any such requirement has been reported in the mandatory reporting to the Securities Commission Malaysia on a quarterly basis.

## **3. MATERIAL ACCOUNTING POLICY INFORMATION**

### **a. Basis of accounting**

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") as issued by the Malaysian Accounting Standards Board ("MASB") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.



### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

#### a. Basis of accounting (contd.)

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the amended MFRS, which became effective for the Fund on 1 July 2023.

Description	Effective for financial periods beginning on or after
MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17: <i>Insurance Contracts</i>	1 January 2023
Amendment to MFRS 17: <i>Initial Application of MFRS 17 and MFRS 9 — Comparative Information</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 108: <i>Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112: <i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
Amendments to MFRS 112: <i>International Tax Reform — Pillar Two Model Rules</i>	1 January 2023

The adoption of the amended MFRS did not have any material impact on the financial position or performance of the Fund.

#### b. Amendments to standards issued but not yet effective

As at the reporting date, the following amendments to standards that have been issued by MASB will be effective for the Fund in future financial periods. The Fund intends to adopt the relevant amendments to standards when they become effective.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangements</i>	1 January 2024
Amendments to MFRS 121: <i>Lack of Exchangeability</i>	1 January 2025
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be announced by MASB

These pronouncements are not expected to have any significant impact to the financial statements of the Fund upon their initial application.

### **3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)**

#### **c. Financial instruments**

Financial assets and liabilities are recognised in the statement of financial position when, and only when, the Fund becomes a party to the contractual provisions of the financial instruments.

##### **i. Initial recognition**

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments, as described in Notes 3(c)(ii) and (iii).

##### **ii. Measurement categories of financial assets and liabilities**

The Fund classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- Amortised cost;
- Fair value through other comprehensive income; and
- Fair value through profit or loss.

The Fund may designate financial instruments at FVTPL, if so doing eliminates or significantly reduces measurement or recognition inconsistencies.

Financial assets are initially measured at their fair values plus, except in the case of financial assets recorded at FVTPL, transaction costs.

The Fund's other financial assets include cash at banks, short term Islamic deposits, trade receivables and other receivables.

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

The Fund's other financial liabilities include trade payables and other payables.

Other financial liabilities are recognised and initially measured at fair values, net of directly attributable transaction costs and subsequently measured at amortised cost using the effective yield rate ("EYR"). Gains or losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

#### c. Financial instruments (contd.)

##### iii. Due from banks, short term Islamic deposits, trade receivables and other receivables at amortised cost

The Fund only measures the cash at banks, short term Islamic deposits, trade receivables and other receivables at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and profit ("SPPP") on the principal amount outstanding.

The details of these conditions are outlined below.

#### **Business model assessment**

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected); and
- The expected frequency, value and timing of sales are also important aspects of the Fund's assessment.

The business model assessment is based on reasonably expected scenarios without taking "worst case" or "stress case" scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward, unless it has been determined that there has been a change in the original business model.

### **3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)**

#### **c. Financial instruments (contd.)**

##### **iii. Due from banks, short term Islamic deposits, trade receivables and other receivables at amortised cost (contd.)**

###### **The SPPP test**

As a second step of its classification process, the Fund assesses the contractual terms of financial assets to identify whether they meet the SPPP test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are payments of principal or amortisation/accretion of the premium/discount).

The most significant elements of profit within a financing arrangement are typically the consideration for the time value of money and credit risk. To make the SPPP assessment, the Fund applies judgment and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the profit rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic financing arrangement do not give rise to contractual cash flows that are solely payments of principal and profit on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

##### **iv. Financial investments**

Financial assets in this category are those that are managed in a fair value business model, or that have been designated by management upon initial recognition, or are mandatorily required to be measured at fair value under MFRS 9. This category includes debt instruments whose cash flow characteristics fail the SPPP criterion or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell.

#### **d. Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Fund also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

#### d. Derecognition of financial assets (contd.)

The Fund has transferred the financial asset if, and only if, either:

- The Fund has transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Fund retains the contractual rights to receive the cash flows of a financial asset (the "original asset"), but assumes a contractual obligation to pay those cash flows to one or more entities (the "eventual recipients"), when all of the following three conditions are met:

- The Fund has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount financed plus accrued profit at market rates;
- The Fund cannot sell or pledge the original asset other than as security to the eventual recipients; and
- The Fund has to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Fund is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including profit earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Fund has transferred substantially all the risks and rewards of the asset; or
- The Fund has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Fund considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Fund has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Fund's continuing involvement, in which case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Fund could be required to pay.

### **3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)**

#### **d. Derecognition of financial assets (contd.)**

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Fund would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

#### **e. Offsetting of financial assets and liabilities**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis and to realise the assets and settle the liabilities simultaneously.

#### **f. Impairment of financial assets**

##### **i. Overview of the expected credit loss ("ECL") principles**

The Fund measures its receivables impairment using the forward-looking ECL approach in accordance with the requirements of MFRS 9.

##### **ii. Write-offs**

Financial assets are written off either partially or in their entirety only when the Fund has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense.

#### **g. Income**

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Profit income is recognised using effective yield method.

Dividend income is recognised on declared basis, when the right to receive the dividend is established. The income is presented gross of withholding tax which is disclosed separately.

The realised gain or loss on sale of Shariah-compliant investments is measured as the difference between the net disposal proceeds and the carrying amount of the Shariah-compliant investments.

### **3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)**

#### **h. Cash and cash equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents include cash at banks and short term Islamic deposits with licensed financial institutions with maturities of three months or less, which have an insignificant risk of changes in value.

#### **i. Income tax**

Income tax on the profit or loss for the financial period comprises current tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial period.

As no temporary differences have been identified, no deferred tax has been recognised.

The Fund may also incur withholding taxes received on financial instruments.

#### **j. Unrealised reserves**

Unrealised reserves represent the net gain or loss arising from carrying Shariah-compliant investments at their fair values and unrealised gain or loss from translating foreign currency monetary items at exchange rates prevailing at reporting date. This reserve is not distributable.

#### **k. Unit holders' contribution – NAV attributable to unit holders**

The unit holders' contribution to the Fund is classified as equity instruments.

### **l. Functional and presentation currency**

#### **i. Functional and presentation currency**

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

#### **ii. Foreign currency transactions**

In preparing the financial statements of the Fund, transactions in currencies other than the Fund's functional currency (foreign currencies) are recorded in the functional currency using exchange rates prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are translated at the rates prevailing on the reporting date. All exchange gain or loss is recognised in profit or loss.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in profit or loss for the financial period.

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

#### i. Functional and presentation currency (contd.)

##### ii. Foreign currency transactions (contd.)

The principal exchange rate for each respective units of foreign currency ruling at reporting date is as follows:

	2023 USD	2022 USD
1 MYR	0.2176	0.2269

#### m. Distributions

Distributions are at the discretion of the Manager. A distribution to the Fund's unit holders is accounted for as a deduction from retained earnings.

#### n. Significant accounting judgments and estimates

The preparation of financial statements requires the use of certain accounting estimates and exercise of judgment. Estimates and judgments are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

##### i. Critical judgments made in applying accounting policies

There are no major judgments made by the Manager in applying the Fund's accounting policies.

##### ii. Key sources of estimation uncertainty

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.



#### 4. FINANCIAL ASSETS AT FVTPL

	31.12.2023 USD	31.12.2022 USD
Financial assets held for trading, at FVTPL:		
Listed Shariah-compliant equity securities	22,147,001	24,486,943
Listed Islamic collective investment scheme	145,830	-
	<u>22,292,831</u>	<u>24,486,943</u>
	<b>1.7.2023 to 31.12.2023 USD</b>	<b>1.7.2022 to 31.12.2022 USD</b>
Net gain/(loss) on financial assets at FVTPL comprised:		
Realised gain/(loss) on disposal	713,116	(89,535)
Unrealised changes in fair values	1,013,086	(861,029)
	<u>1,726,202</u>	<u>(950,564)</u>

#### Details of financial assets at FVTPL as at 31 December 2023:

	Quantity	Aggregate cost USD	Fair value USD	Percentage of NAV %
<b>Listed Shariah-compliant equity securities</b>				
<b>Technology</b>				
Adobe Inc.	549	277,766	327,533	1.5
Advanced Micro Devices Inc.	1,947	212,305	287,007	1.3
Alphabet Inc. - Class A	7,133	871,547	996,409	4.5
Alphabet Inc. - Class C	6,003	737,806	846,003	3.8
Apple Inc.	11,070	1,568,686	2,131,307	9.5
Applied Materials Inc.	994	132,230	161,098	0.7
Broadcom Inc.	529	315,467	590,496	2.6
Cisco Systems Inc.	4,823	260,954	243,658	1.1
Intel Corporation	5,082	260,076	255,371	1.1
Meta Platforms Inc. - Class A	2,675	762,524	946,843	4.2
Microsoft Corporation	5,773	1,563,582	2,170,879	9.7
Nvidia Corporation	2,977	630,613	1,474,270	6.6
Qualcomm Inc.	1,342	191,018	194,093	0.9
Salesforce Inc.	1,173	265,076	308,663	1.4
ServiceNow Inc.	247	140,429	174,503	0.8
Texas Instruments Incorporated	1,095	190,217	186,654	0.8
		<u>8,380,296</u>	<u>11,294,787</u>	<u>50.5</u>

#### 4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 December 2023 (contd.):

	Quantity	Aggregate cost USD	Fair value USD	Percentage of NAV %
<b>Listed Shariah-compliant equity securities (contd.)</b>				
<b>Health Care</b>				
Abbott Laboratories	2,092	243,913	230,266	1.0
Abbvie Inc.	2,128	292,589	329,776	1.5
Bristol-Myers Squibb Company	2,473	188,394	126,890	0.6
Danaher Corporation	793	188,934	183,452	0.8
Eli Lilly and Company	961	227,818	560,186	2.5
Intuitive Surgical Inc.	416	122,587	140,342	0.6
Johnson & Johnson	2,901	474,267	454,703	2.0
Merck & Co. Inc.	3,054	234,467	332,947	1.5
Pfizer Inc.	6,806	311,946	195,945	0.9
Thermo Fisher Scientific Inc.	466	246,325	247,348	1.1
Medtronic PLC	1,576	175,325	129,831	0.6
		<u>2,706,565</u>	<u>2,931,686</u>	<u>13.1</u>
<b>Consumer Services</b>				
Amazon.com Inc.	10,961	1,779,700	1,665,414	7.4
The Home Depot Inc.	1,205	385,120	417,593	1.9
Lowe's Companies Inc.	694	138,434	154,450	0.7
Starbucks Corporation	1,356	134,444	130,190	0.6
Walmart Inc.	1,719	236,702	271,000	1.2
		<u>2,674,400</u>	<u>2,638,647</u>	<u>11.8</u>
<b>Consumer Goods</b>				
The Coca-Cola Company	4,690	262,588	276,382	1.2
Mondelez International Inc.	1,610	97,390	116,612	0.5
Nike Inc.	1,475	205,613	160,141	0.7
PepsiCo Inc.	1,657	256,632	281,425	1.3
The Procter & Gamble Company	2,841	398,172	416,320	1.9
Tesla Inc.	3,333	872,288	828,184	3.7
		<u>2,092,683</u>	<u>2,079,064</u>	<u>9.3</u>
<b>Financials</b>				
Mastercard Inc.	998	336,652	425,657	1.9
S&P Global Inc.	385	156,129	169,600	0.8
Visa Inc.	1,921	403,787	500,132	2.2
		<u>896,568</u>	<u>1,095,389</u>	<u>4.9</u>

#### 4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 December 2023 (contd.):

	Quantity	Aggregate cost USD	Fair value USD	Percentage of NAV %
<b>Listed Shariah-compliant equity securities (contd.)</b>				
<b>Oil and Gas</b>				
Chevron Corporation	2,100	249,360	313,236	1.4
ConocoPhillips Company	1,417	155,586	164,471	0.7
ExxonMobil Corporation	4,828	340,417	482,704	2.2
		<u>745,363</u>	<u>960,411</u>	<u>4.3</u>
<b>Industrials</b>				
Accenture PLC	756	234,491	265,288	1.2
General Electric Company	1,288	149,125	164,387	0.7
Honeywell International Inc.	786	158,918	164,832	0.8
Union Pacific Corporation	735	161,173	180,531	0.8
United Parcel Service	856	160,341	134,589	0.6
		<u>864,048</u>	<u>909,627</u>	<u>4.1</u>
<b>Basic Materials</b>				
Linde PLC	578	<u>168,520</u>	<u>237,390</u>	<u>1.1</u>
<b>Total listed Shariah-compliant equity securities</b>				
		<u>18,528,443</u>	<u>22,147,001</u>	<u>99.1</u>
<b>Listed Shariah-compliant collective investment scheme</b>				
Prologis Inc.	1,094	<u>134,660</u>	<u>145,830</u>	<u>0.6</u>
<b>Total listed Shariah-compliant collective Investment scheme</b>				
		<u>134,660</u>	<u>145,830</u>	<u>0.6</u>
<b>Total financial assets at FVTPL</b>				
		<u>18,663,103</u>	<u>22,292,831</u>	<u>99.7</u>
<b>Unrealised gain on financial assets at FVTPL</b>				
			<u>3,629,728</u>	

## **5. MANAGER'S FEE**

The Manager's fee is calculated on a daily basis at a rate not exceeding 3.00% per annum on the NAV of the Fund as provided under Clause 15.1 of the Deed.

The Manager is currently charging Manager's fee of 0.40% per annum of the NAV of the Fund (financial period from 1 July 2022 to 31 December 2022: 0.40% per annum).

## **6. TRUSTEE'S FEE**

The Trustee's fee is calculated on a daily basis at a rate not exceeding 0.35% per annum on the NAV of the Fund and subject to a minimum fee of RM12,000 per annum as provided under Clause 15.2 of the Deed.

The Trustee's fee is currently calculated at 0.035% per annum of the NAV of the Fund (financial period from 1 July 2022 to 31 December 2022: 0.035% per annum).

## **7. INDEX LICENSE FEE**

The index licence fee is calculated at 0.04% per annum on the NAV of the Fund and subject to a minimum fee of USD8,000. The index licence fee is payable to S&P Opco, LLC, the Benchmark Index provider.

The index license fee is currently calculated at 0.04% per annual of the NAV of the Fund (financial period from 1 July 2022 to 31 December 2022: 0.04% per annum).

## **8. INCOME TAX**

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable income for the current and previous financial periods.

Income tax is calculated on investment income less partial deduction for permitted expenses as provided for under Section 63B of the Income Tax Act, 1967.

## 8. INCOME TAX (CONTD.)

A reconciliation of income tax expense applicable to net income/(loss) before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Fund is as follows:

	1.7.2023 to 31.12.2023 USD	1.7.2022 to 31.12.2022 USD
Net income/(loss) before tax	1,755,492	(912,819)
Tax at Malaysian statutory tax rate of 24% (financial period from 1 July 2022 to 31 December 2022: 24%)	421,318	(219,077)
Tax effect of:		
Income not subject to tax	(449,602)	(43,208)
Losses not deductible for tax purposes	-	228,586
Expenses not deductible for tax purposes	15,806	20,570
Restriction on tax deductible expenses for exchange-traded fund	12,478	13,129
Under provision for the financial period	-	282
Income tax for the financial period	-	282

## 9. OTHER RECEIVABLE

	31.12.2023 USD	31.12.2022 USD
Dividend Receivables	8,333	11,679

## 10. OTHER PAYABLES

	31.12.2023 USD	31.12.2022 USD
Accrual for auditors' remuneration	4,881	1,740
Accrual for tax agent's fees	5,408	3,357
Amount due to charitable bodies	4,096	3,104
Shariah Adviser's fee payable	4,062	2,911
Sundry payables	16,372	3,802
	34,819	14,914

## 11. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS

NAV attributable to unit holders is represented by:

	Note	31.12.2023 USD	31.12.2022 USD
Unit holders' contribution	(a)	<u>12,686,050</u>	<u>23,511,340</u>
<u>Retained earnings:</u>			
Realised reserves		6,038,392	7,050,877
Unrealised reserves/(deficits)		<u>3,629,729</u>	<u>(6,028,112)</u>
		<u>9,668,121</u>	<u>1,022,765</u>
		<u>22,354,171</u>	<u>24,534,105</u>

### (a) Unit holders' contribution

	1.7.2023 to 31.12.2023		1.7.2022 to 31.12.2022	
	No. of units	USD	No. of units	USD
At beginning of the financial period	13,512,300	19,943,820	15,412,300	23,511,340
Add: Cancellation of units	<u>(3,500,000)</u>	<u>(7,257,770)</u>	<u>-</u>	<u>-</u>
At end of the financial period	<u>10,012,300</u>	<u>12,686,050</u>	<u>15,412,300</u>	<u>23,511,340</u>

The Manager, i-VCAP Management Sdn. Bhd., and other parties related to the Manager did not hold any units in the Fund, either legally or beneficially, as at 31 December 2023 (2022: nil).

## 12. SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investment portfolio of the Fund is Shariah-compliant, which comprises the following:

- Investment in equity securities included in the Benchmark Index have been classified as Shariah-compliant;
- Investment in Islamic collective investment scheme included in the Benchmark Index was classified as Shariah-compliant; and
- Liquid assets have been placed in Shariah-compliant investments and/or instruments.

### 13. PORTFOLIO TURNOVER RATIO (“PTR”)

PTR for the financial period from 1 July 2023 to 31 December 2023 is 0.18 times (financial period from 1 July 2022 to 31 December 2022: 0.02 times).

PTR is the ratio of average sum of acquisitions and disposals of Shariah-compliant investments of the Fund for the financial period to the average NAV of the Fund, calculated on a daily basis.

### 14. TOTAL EXPENSE RATIO (“TER”)

TER for the financial period from 1 July 2023 to 31 December 2023 is 0.70% per annum (financial period from 1 July 2022 to 31 December 2022: 0.58% per annum).

TER is the ratio of total fees and recovered expenses of the Fund expressed as a percentage of the Fund’s average NAV, calculated on a daily basis.

### 15. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS

	Transaction value USD	Percentage of total %	Brokerage, stamp duty and clearing fee USD	Percentage of total %
Maybank Investment Bank Berhad	2,432,314	27.5%	7,652	42.8%
CLSA Securities Malaysia Sdn. Bhd	3,228,794	36.6%	674	3.8%
Macquarie Bank Limited	3,171,750	35.9%	9,541	53.4%
	<u>8,832,858</u>	<u>100.0</u>	<u>17,867</u>	<u>100.0</u>

The above transaction values are in respect of listed Shariah-compliant equity securities and listed Islamic collective investment scheme.

### 16. SEGMENTAL REPORTING

#### a. Business segments

In accordance with the objective of the Fund, the Fund can invest at least 90% of its NAV in listed Shariah-compliant investment securities which correspond to Benchmark Index and not more than 10% of its NAV in Islamic liquid assets.

As at reporting date, the Fund has only invested in listed Shariah-compliant investment securities and listed Islamic collective investment scheme, thus disclosure by business segments is not relevant.

#### b. Geographical segments

As all of the Fund’s investments are located in the United States of America, disclosure by geographical segments is not relevant.

## 17. FINANCIAL INSTRUMENTS

### a. Classification of financial instruments

The Fund's financial assets and financial liabilities are measured on an ongoing basis at either fair value or at amortised cost based on their respective classification. The significant accounting policies in Note 3 describe how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised.

The following table analyses the financial assets and financial liabilities of the Fund in the statement of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis.

	Financial assets at FVTPL USD	Financial assets at amortised cost USD	Other financial liabilities USD	Total USD
<b>31.12.2023</b>				
<b>Assets</b>				
Listed Shariah-compliant equity securities	22,147,001	-	-	22,147,001
Listed Islamic collective investment scheme	145,830	-	-	145,830
Other receivables	-	8,333	-	8,333
Cash at banks	-	103,906	-	103,906
	<u>22,292,831</u>	<u>112,239</u>	<u>-</u>	<u>22,405,070</u>
<b>Liabilities</b>				
Amount due to Manager	-	-	14,779	14,779
Amount due to Trustee	-	-	1,300	1,300
Shariah adviser's fee payable	-	-	4,062	4,062
	<u>-</u>	<u>-</u>	<u>20,141</u>	<u>20,141</u>
<b>31.12.2022</b>				
<b>Assets</b>				
Listed Shariah-compliant equity securities	24,486,943	-	-	24,486,943
Other receivable	-	11,679	-	11,679
Cash at banks	-	59,399	-	59,399
	<u>24,486,943</u>	<u>71,078</u>	<u>-</u>	<u>24,558,021</u>
<b>Liabilities</b>				
Amount due to Manager	-	-	8,271	8,271
Amount due to Trustee	-	-	731	731
Shariah adviser's fee payable	-	-	2,911	2,911
	<u>-</u>	<u>-</u>	<u>11,913</u>	<u>11,913</u>



## 17. FINANCIAL INSTRUMENTS (CONTD.)

### b. Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL are carried at fair value. The fair value of these financial assets were determined using prices in active markets.

The following table shows the fair value measurements by level of the fair value measurement hierarchy:

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>Investments:</b>				
<b>31.12.2023</b>				
Listed Shariah-compliant equity securities	22,147,001	-	-	22,147,001
Listed Islamic collective investment scheme	145,830	-	-	145,830
	<u>22,292,831</u>	<u>-</u>	<u>-</u>	<u>22,292,831</u>
<b>31.12.2022</b>				
Listed Shariah-compliant equity securities	<u>24,486,943</u>	<u>-</u>	<u>-</u>	<u>24,486,943</u>

Level 1: Listed prices in active market

Level 2: Model with all significant inputs which are observable market data

Level 3: Model with inputs not based on observable market data

The fair values of listed Shariah-compliant equity securities and listed Islamic collective investment scheme are determined by reference to the respective stock exchanges in the United States of America's last traded prices at reporting date.

### c. Financial instruments not carried at fair value and for which their carrying amounts are reasonable approximations of fair value

The carrying amounts of the Fund's other financial assets and financial liabilities are not carried at fair value but approximate fair values due to the relatively short term maturity of these financial instruments.

## **18. CAPITAL MANAGEMENT**

The capital of the Fund can vary depending on the demand for creation and cancellation of units to the Fund.

The Fund's objectives for managing capital are:

- a. To invest in Shariah-compliant investments meeting the description, risk exposure and expected return indicated in its prospectus;
- b. To maintain sufficient liquidity to meet the expenses of the Fund, and to meet cancellation requests as they arise; and
- c. To maintain sufficient fund size to make the operations of the Fund cost-efficient.

No changes were made to the capital management objectives, policies or processes during the current and previous financial periods.

## SHARIAH ADVISER'S PROFILE

**Shariah Adviser** : Amanie Advisors Sdn Bhd ("Amanie")  
Incorporated in Kuala Lumpur, Malaysia in 2005 (Co. No. 200501007003 (684050-H)) under the Companies Act, 1965

**Corporate Information** : Principal Activities  
Amanie is a Shariah advisory, consultancy, training and research and development boutique for institutional and corporate clientele focusing on Islamic financial services. Amanie is a registered Shariah adviser with the SC.

Amanie also focuses on organizational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services.

### Shareholding

The authorised & paid-up capital is RM500,000 divided into 500,000 shares of RM1.00 each.

The shareholders of Amanie are Tan Sri Dr Mohd Daud Bakar and En Abdul Aziz Bin Abd Jalal.

**Experience as Adviser** : The company is led by Tan Sri Dr. Mohd Daud Bakar and teamed by an active and established panel of consultants covering every aspect related to the Islamic banking and finance industry, both in Malaysia and the global market. Currently, the team comprises of nine (9) full-time consultants who represent dynamic and experienced professionals with a mixture of corporate finance, accounting, product development, Shariah law and education. As at 30 January 2024, Amanie has acquired over nineteen (19) years of experience in the advisory role in capital market including unit trust funds and funds management with more than 100 funds which Amanie acts as Shariah adviser.

**Designated Person** : The designated person responsible for Shariah advisory matters of the Fund is Tan Sri Dr. Mohd Daud Bakar as the Chairman. Another consultant are:  
(1) Puan Suhaida Mahpot

**Conflict of interest with the Fund** : The Shariah Adviser does not have any conflict of interest with the Fund

**List of convictions for offences within the past 5 years, other than traffic offences and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year** : None

Amanie is backed by its own respective Shariah Team comprises of the following members:

**Tan Sri Dr. Mohd Daud Bakar**

Shariah Adviser / Executive Chairman

Tan Sri Dr. Mohd Daud Bakar is the Founder and Executive Chairman of Amanie Group. One of its flagship companies namely Amanie Advisors, is operating in few cities globally. He serves as the Chairman of the Shariah Advisory Council (SAC) at the Central Bank of Malaysia, the Securities Commission of Malaysia, the Labuan Financial Services Authority, the Astana International Financial Centre (AIFC), Kazakhstan, the First Abu Dhabi Bank, and Permodalan Nasional Berhad (PNB).

Tan Sri Dr Daud is also a Shariah board member of various global financial institutions, including the National Bank of Oman (Oman), Amundi Asset Management (France), Bank of London and Middle East (London), BNP Paribas Najma (Bahrain), Natixis Bank (Dubai), Morgan Stanley (Dubai), Sedco Capital (Saudi and Luxembourg), and Dow Jones Islamic Market Index (New York) amongst many others.

Currently, Tan Sri serves as the Chairman of Federal Territory Islamic Religious Department [Majlis Agama Islam Persekutuan (MAIWP)]. In the corporate world, he is currently a member of the PNB Investment Committee. Previously, he served as a Board Director at Sime Darby Property Berhad and Chairman to Malaysia Islamic Economic Development Foundation (YaPEIM). In addition, he is the co-founder of Experts Analytics Centre Sdn Bhd and MyFinB Sdn. Bhd. He also serve as the Chairman of Berry Pay Sdn. Bhd., Data Sukan Consulting Sdn. Bhd., Bio Fluid Sdn. Bhd., KAB Gold Dynamics Sdn. Bhd., Bio-Angle Vacs Sdn. Bhd., Tulus Digital Sdn. Bhd., and Amanie-Afra Halal Capital Co (Bangkok). He is currently the 8th President of the International Islamic University of Malaysia (IIUM).

In 2014, he received the **"Most Outstanding Individual"** award by His Majesty, the King of Malaysia, in conjunction with the national-level Prophet Muhammad's birthday. Under his leadership, Amanie Advisors received the **"Islamic Economy Knowledge Infrastructure Award"** at the Global Islamic Economy Summit, Dubai 2015, by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, Oct 2015. On 13 November 2021, he was conferred the Darjah Kebesaran Panglima Setia Mahkota (P.S.M.) which carries the title of **"Tan Sri"**.

He received his first degree in Shariah from University of Kuwait in 1988 and obtained his PhD from University of St. Andrews, United Kingdom in 1993. In 2002, he completed his external Bachelor of Jurisprudence at University of Malaya.

Tan Sri's first book entitled **"Shariah Minds in Islamic Finance: An Inside Story of A Shariah Scholar"** has won the **"Islamic Finance Book of the Year 2016"** by the Global Islamic Finance Award (GIFA) 2016. Then, his book on sukuk entitled **"An Insightful Journey to Emirates Airline Sukuk: Pushing The Boundaries of Islamic Finance"** has also won the **"Best Islamic Finance Case 2017"** by the GIFA 2017 in Kazakhstan. To date, Tan Sri has been authoring 28 books with different genre.

His latest books include **Insyirah: Kelapangan Hati dan Minda** (Feb 2021) novel, **Kembara Ilmu Dari Sg Korok ke St Andrews** (Jan 2021), **Covid 25: Kapsul Kehidupan dan Makhluq Mistik** (2020) novel, **Dhuha: Cahaya Pagi Yang Terang** (2020) novel, **Mindset Is Everything** (2019), **The Hard Truth Of Islamic Finance** (2019), **Ratiocination In Islamic Legal Theory** (2019), and **Corporate Matrimony** (2019), **Dukun Kegagalan** (2019), **Engsel Kehidupan** (2019) and **Sosialisasi Fekah Dalam Struktur Masyarakat** (2019).

His other books include **I Have 25 Hours A Day: The Smart Way to Create More Time** (2016), **Mainstreaming Islamic Finance: Unveiling The Critical Success and Failure Factors An Insider And Global Perspective** (2018), **Saya Ada 25 Jam Sehari** (2016), **Be The Eagle Amongst The Birds** (2018), **Shariah is Life** (2018), **PULUN** (2018), **Anak Desa ke Persada Antarabangsa** (2018), and **Membumikan Syariah: Menjelajahi Dimensi Syariah Secara 360 Darjah** (2018).

### **Suhaida Mahpot**

Chief Executive Officer

Suhaida Mahpot is the Chief Executive Officer for Amanie Advisors in Kuala Lumpur office. She joined Amanie in 2008 and was amongst the pioneers in the company. She is a specialist in sukuk advisory and has been partnering with Tan Sri Dr Mohd Daud Bakar for the last 10 years to advise numerous sukuk locally and internationally.

One of the sukuk advised by her has been awarded as Best Securitisation Sukuk at The Asset Triple A Islamic Finance Award (2017). Apart from sukuk advisory, her primary focus is on Shariah governance, structuring, enhancement and conversion exercises, establishment of Islamic financial entities as well as development of Islamic products. She holds a Bachelor of Economics (Islamic Economic & Finance) from International Islamic University Malaysia, and currently pursuing MSc in Islamic Finance with INCEIF. Her career in banking & financial industry started as a trainee under Capital Market Graduated Trainee Scheme organized by the SC.

Prior to joining Amanie, she worked with Affin Investment Bank Bhd since 2006 as an executive for debt & capital markets department. She completed various project financing deals using private debt securities instruments ranging from infrastructure & utilities, real estate, plantation and many others.

## TRUSTEE'S DELEGATE

CIMB Islamic Trustee Berhad has delegated its custodial function to CIMB Islamic Bank Berhad ("CIMB Islamic Bank"). CIMB Islamic Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company on Bursa Malaysia. CIMB Islamic Bank provides full-fledged custodial services, typically clearing settlement and safekeeping of all types of investment assets and classes, to a cross section of investors and intermediaries client base, both locally and overseas.

For the local Ringgit assets, they are held through its wholly owned nominee subsidiary, CIMB Islamic Nominees (Tempatan) Sdn Bhd. For foreign non-Ringgit assets, CIMB Islamic Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Islamic Bank acts only in accordance with instructions from the Trustee.



**Investor Services Center**

Toll Free Line: 1 800 88 3737

Fax: +603 2172 3133

Email: [myetf@kenanga.com.my](mailto:myetf@kenanga.com.my)

**Head Office, Kuala Lumpur**

Level 14, Kenanga Tower, 237 Jalan Tun Razak,  
50400 Kuala Lumpur, Malaysia.

Tel: 03-2172 3000      Fax: 03-2172 3080