

MYETF MSCI SEA ISLAMIC DIVIDEND

ANNUAL REPORT

For the Financial Year Ended 31 December 2022



i-VCAP Management Sdn Bhd
Company No.: 200701034939

(a wholly owned subsidiary of Kenanga Investors Berhad)

MYETF MSCI SEA ISLAMIC DIVIDEND

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INTRODUCTION

MyETF MSCI SEA Islamic Dividend or MyETF-MSEAD is i-VCAP's second style-based Shariah exchange traded fund ("ETF") introduced globally that aims to capture market alpha via investment in dividend yielding Shariah-compliant companies listed on the stock exchanges in Southeast Asia ("SEA"). As of the date of this annual report, the relevant stock exchanges are Bursa Securities, Singapore Exchange, The Stock Exchange of Thailand, Indonesia Stock Exchange and The Philippine Stock Exchange Inc. MyETF-MSEAD is designed to provide investment results that closely correspond to the performance of its Benchmark Index i.e. MSCI AC ASEAN IMI Islamic High Dividend Yield 10/40 Index ("MIISOD40 Index").

Structured as an ETF, MyETF-MSEAD is a liquid and cost efficient financial instrument for investors who wish to get potential periodic income and capital gain from the vast universe of companies of the SEA countries. MyETF-MSEAD was listed on the Main Market of Bursa Securities on 7 May 2015. The short name and stock number for MyETF-MSEAD are "METFSID" and "0825EA" respectively.

The Benchmark Index, MIISOD40 Index, is a free-float adjusted, market capitalisation weighted index, maintained and published by MSCI Inc. It may comprise of Shariah-compliant companies listed on the relevant stock exchanges in Southeast Asia countries with dividend yields that are at least 30% higher than average dividend yield of the SEA equity universe that are deemed sustainable and persistent by MSCI. The Benchmark Index is reviewed and rebalanced periodically by MSCI's Shariah Supervisory Committee and review committees to ensure the investability, Shariah-compliance and continuous representation of the dividend yielding opportunity set of the index are maintained.

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

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Tel: 03-2172 3000
Fax: 03-2172 3080
E-mail: ivcap@kenanga.com.my
Website: www.ivcap.com.my

Luk Wai Hong, William (**Chairman**)
Imran Devindran Abdullah (**Independent Director**)
Norazian Ahmad Tajuddin (**Independent Director**)
Datuk Wira Ismitz Matthew De Alwis (**Non-Independent Director**)
Syed Umar Bin Abdul Rahman Alhadad (**Executive Director**)

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

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

Trustee: **Deutsche Trustees Malaysia Berhad** Company No. 20070005591 (763590-H)

Registered/Business Address

Level 20, Menara IMC, 8, Jalan Sultan Ismail, 50250 Kuala Lumpur.
Tel: 03-2053 7522 Fax: 03-2053 7526

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

Participating Dealer: **RHB Investment Bank Berhad** Company No. 197401002639 (19663-P)

Level 3A, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur.
Tel: 03-2635 6666 Fax: 03-7710 0121

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: Deutsche Bank (Malaysia) Berhad Company No. 199401026871 (312552-W)
(Trustee's Delegate) (Please refer to page 79 for Trustee's Delegate Information)

Level 18, Menara IMC, 8, Jalan Sultan Ismail, 50250 Kuala Lumpur.
Tel: 03-2053 6788 Website: www.db.com Email: dbmb-dcs.cs@db.com

Fund Accountant: Deutsche Trustees Malaysia Berhad
Company No. 200701005591 (763590-H)

Level 20, Menara IMC, 8, Jalan Sultan Ismail, 50250 Kuala Lumpur.
Tel: 03-2053 6788 Fax: 03-2031 8710 Email: Malaysia.team@list.db.com
Website: www.db.com

Index Licensor: MSCI Inc.

One Chase Manhattan Plaza, 44th Floor New York, NY 10005 United States of America.
Tel: (+1) 212 804 3901 Fax: (+1) 212 809 1213

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 MSCI SEA Islamic Dividend (“**MyETF-MSEAD**” or “**the Fund**”)

1.2 Fund Category / Type

Shariah-Compliant Equity / Exchange-traded fund

1.3 Investment Objective

MyETF-MSEAD aims to provide investment results that closely correspond to the performance of the Benchmark Index regardless of its performance.

1.4 Investment Strategy

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

1.5 Benchmark Index

MSCI AC ASEAN IMI Islamic High Dividend Yield 10/40 Index (“**MIISOD40 Index**” or “**the Benchmark**”)

The Benchmark Index, namely the MSCI AC ASEAN Asia IMI Islamic High Dividend Yield 10/40 Index is a free-float adjusted, market capitalisation weighted, price return index calculated, maintained and published by MSCI. The Benchmark Index is designed as a performance benchmark for the high dividend-yielding segment of its Parent Index, the MSCI AC ASEAN IMI Islamic Index. The Parent Index is a free-float adjusted market capitalisation weighted index that is designed to measure the equity market performance of selected South East Asia countries.

The Benchmark Index shall comprise of Shariah-compliant companies listed on the stock exchanges in South East Asia countries with dividend yields that are at least 30% higher than the Parent Index yield that are deemed both sustainable and persistent by MSCI.

The weight of any single group entity in the Benchmark Index is capped at 10% of the Benchmark Index weight and the sum of the weights of all group entities representing more than 5% is capped at 40% of the Benchmark Index weight. The Benchmark Index is calculated and published in Ringgit Malaysia.

The Parent Index and Benchmark Index consist only of Shariah-compliant securities which are approved by the MSCI Shariah Supervisory Committee based on the MSCI Islamic Index Series Methodology. The MSCI Shariah Supervisory Committee will review and audit the Benchmark Index, the Parent Index as well as the MSCI Islamic Index Series Methodology on a regular basis to ensure compliance with Shariah.

1.6 Distribution Policy

Annual, subject to the discretion of the Manager

1.7 Commencement Date & Listing Date

2 April 2015 and 7 May 2015

1.8 Breakdown of unit holdings of the Fund as at 31 December 2022

Size of holdings	No. of unit holders	No. of units held
Less than 100	7	200
100 - 1,000	248	134,300
1,001 - 10,000	194	921,300
10,001 - 100,000	47	1,305,900
100,001 and above	6	1,107,100
> = 5%*	2	55,531,200
Total	504	59,000,000

5%* - 5% of the units in circulation

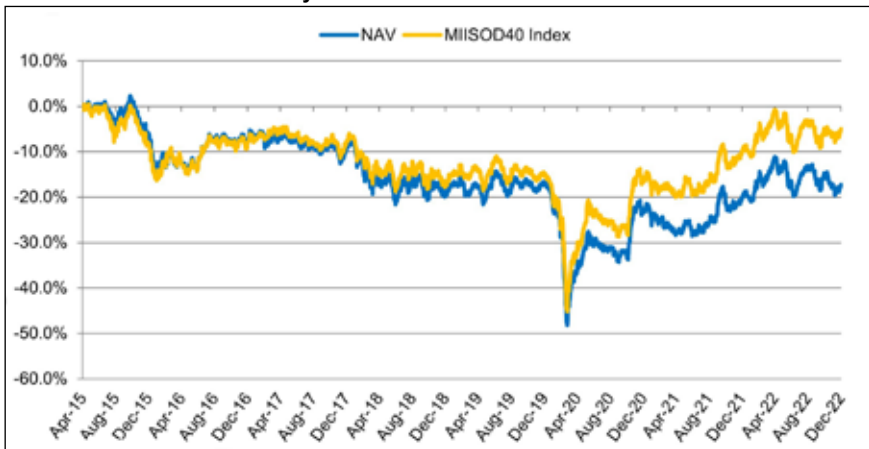
2. MANAGER'S REPORT

2.1 Explanation on whether the Fund has achieved its investment objective

For the financial year under review, the Fund achieved its investment objective to track closely the underlying benchmark index, i.e. MIISOD40 Index. As at 31 December 2022, 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 at 0.22% and 0.23% respectively.

2.2 Comparison between the Fund's performance and performance of the benchmark

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



Source: Bloomberg, i-VCAP

2.3 Investment strategies and policies employed during the financial year under review

The Manager adopted a replication strategy to manage the Fund. The Manager used techniques including indexing by way of full or partial replication and/or investing in certain authorised investments, in seeking to achieve the investment objective of the Fund, subject to conformity to the Shariah.

During the financial year 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 Fund performance analysis based on NAV per unit (adjusted for income distribution; if any) since last review year

	Cumulative Returns ^(b)			
	1-Year (%)	3-Year (%)	5-Year (%)	Since inception (%)
MyETF-MSEAD-NAV Price Return ^(a)	3.16	-0.15	-9.22	-17.33
MIISOD40-Price Return Index	4.96	11.98	2.59	-5.05
MyETF-MSEAD-NAV Total Return ^(a)	4.74	7.25	1.62	-2.81
MIISOD40-Total Return Index	9.57	26.61	26.09	29.78

Sources: Bloomberg, i-VCAP

(a) Independently sourced from Novagmi Analytics and Advisory Sdn. Bhd.

(b) Cumulative returns are up to 31 December 2022.

The Fund's NAV per unit increased by 3.16% to RM0.8252 from RM0.7999 in FY2022. The Fund had a weak start to the year as the Fund's NAV reached its low of RM0.7905 on 31 January 2022. The NAV trend higher to its high of RM0.8889 on 29 April 2022. The fund was volatile afterwards before closing the year at RM0.8252. The Benchmark Index (MIISOD40 Index) and Benchmark's Total Return Index (MIISOD40 Total Return Index) increased by 4.96% and 9.57% respectively, tracking the performance of the general ASEAN equity markets. The difference between the performance of the Fund and its Benchmark Index can largely be attributed to the Fund's operational costs.

2.5 Review of the market

Market review

The momentum that ended 2021's global equity markets on a high note was halted in January 2022 as the year started with sell-offs in most major markets as the concerns on the high inflationary environment and the ensuing monetary policy normalisation mounted over investors. US consumer inflation jumped to 7.0% year-on-year (YoY) in December 2021 despite the omicron threat, which fuelled speculations that the economy was overheating. The US Federal Reserve (Fed) signaled a hawkish interest rate policy to the market at the conclusion of the first Federal Open Market Committee (FOMC) of 2022. While the MSCI Asia ex-Japan fell 3.1%, ASEAN was relatively resilient, with MSCI ASEAN fell 0.5% in January. Outperformers in the region were Singapore (STI +4.0%), Philippines (PCOMP +3.4%) and Indonesia (JCI +0.8%) while underperformers were Malaysia (KLCI -3.5%) and Thailand (SET -0.5%).

The weak run of the global market continued throughout February on the back of the geopolitical conflicts that escalated between Russia and Ukraine, ending the month in a full-scale invasion. The conflicts between the two nations have a far-reaching impact across global commodity markets, with Russia a key exporter of oil & gas, aluminum, palladium and fertilisers, while Ukraine ranks among the top exporters of wheat, barley, corn and sunflower oil. ASEAN was the outperformer, with MSCI ASEAN up 2.6% in February. Outperformers in the region were Malaysia (+6.1%), Thailand (+4.0%) and Indonesia (+3.9%), which supported by commodities-related sectors such as Metals, Oil & Gas and Plantation, on the back of higher commodity prices.

2.5 Review of the market (contd.)

Market review (contd.)

The global equity markets fared better in March despite the sell-off on the Russia-Ukraine war. US equities ended the month higher, with S&P and Nasdaq rose 3.6% and 3.4%, respectively. The Fed raised interest rates by 25bps for the first time since 2018 after slashing them to near-zero during the COVID-19 pandemic. Russia's invasion on Ukraine continued despite many peace talks held during the month, impacting global commodity prices. Meanwhile, China rolled out the country's biggest COVID-19 lockdown to control the spread of the Omicron outbreak even after the nation's "zero-COVID" strategy was questioned. ASEAN performance were mixed for the month dragged by Malaysia (-1.3%) and Philippines (-0.9%) whilst the outperformers were Singapore (+5.1%), Indonesia (+2.7%), and Thailand (+0.6%).

The market retraced in April in anticipation of the aggressive Fed's tightening policy for the next few months with a series of 50bps hike, taking the Fed Fund Rate towards the Fed's expected neutral rate of 2.5%-3.0% by year-end. Supply constraints and high commodity price has pushed the US CPI inflation to 8.5% YoY, pushing the 10-year treasury yield to 2.9%. The Dow and S&P 500 was down 8.7% and 4.9%, while Europe STOXX 50 closed 2.6% lower as concerns surrounding energy supply from Russia deepens. The MSCI ASEAN fell 4.4% dragged by Philippines (-6.6%) and Thailand (-1.6%) whilst the outperformers were Indonesia (+2.2%) and Malaysia (+0.8%).

US market were flattish in May after rebounding from a 52-week lows during the month as China's prolonged lockdown, ongoing Russia-Ukraine war and concerns over inflations continued to weigh on investor sentiment. The Fed announced its second-rate hike of the year at 50bps and would begin shrinking its USD8.9 trillion balance sheet in June. On the other hand, Chinese equities rallied after Beijing unveiled a raft of support measures to cushion an economic slowdown triggered by the country's COVID-19 zero-tolerance approach. Back in ASEAN, equities performance were skewed more towards negative for the month. The MSCI ASEAN fell by 1.85% dragged by Thailand (-0.24%), Indonesia (-1.11%), Malaysia (-1.9%) and Singapore (-3.71%). The only outperformed were Philippines with the PCOMP rising 0.65% for the month.

Global market was badly impacted by Fed's 75bps interest rate hike in June 2022, the biggest increase since 1994. Soaring energy costs from the prolonged Russia-Ukraine war crisis accelerated the US CPI inflation rate to 8.6% YoY in May, the highest since 1981. US equities fell to close its worst first half in 52 years, with S&P 500 down by 20.6% in 1H2022, the Dow Jones fell by 15.3% in 1H2022, its worst first-half performance since 1962 while Nasdaq fell 29.5%, its worst first half record. Europe STOXX 50 closed 7.7% lower in June and -19.6% year-to-date (YTD). ASEAN equities declined in tandem with global peers on concerns over weaker global growth, lasting inflation and rate hikes. MSCI ASEAN fell 8.8% in June with all ASEAN markets posting negative return: Philippines (-9.14%), Malaysia (-8.02%), Thailand (-5.72%), Singapore (-4.03%) and Indonesia (-3.32%).

After a sharp drop in June, US equities rebounded and rallied in July. The S&P 500 rose 9.1% month-on-month (MoM), the Nasdaq posted a 12.4% gain, while the Dow Jones was up 6.7% MoM, fuelled by better-than-expected earnings from some of the biggest US companies and investors' expectations that the Fed could be looking to slow its pace of interest rate hikes, after a 75bps hike for the second straight month. Equities fell in China following signs of a renewed regulatory crackdown, escalation of the property sector woes, rebound in COVID-19 cases and lack of major stimulus from the Politburo meeting. ASEAN equities rose along with global peers on expectation that the Fed may slow down the pace of interest rate hikes. MSCI ASEAN was up 2.8% in July with all ASEAN markets posting positive returns; outperformers were Singapore (+3.5), Malaysia (+3.3%) and Philippines (+2.6%).

2.5 Review of the market (contd.)

Market review (contd.)

Global equities were mixed in August, with most markets sliding towards the end of the month after a hawkish signal from the Fed at the Jackson Hole conference. US equities were among the hardest hit, with the S&P 500 ending 4.1% lower and Nasdaq dipped 4.6%. Over in Europe, the Euro STOXX 50 fell 5.1% MoM, as Eurozone inflation was at a new record high of 9.1% given the burgeoning energy crisis in the region. On the other hand, Asian markets posted positive returns in local currency terms such as India (Sensex +3.4%), Korea (KOSPI +0.8%), and Taiwan (TWSE +0.6%). ASEAN proved resilient with the MSCI ASEAN rising 1.3%, with leaders being Philippines (PCOMP +4.2%) and Thailand (SET +4%).

The equities market remained weaker in September. Wall Street suffered its three consecutive quarterly decline as investors' sentiment was impacted by the Fed's prolonged hawkish stance as they signaled the intention to continue raising rates to reach a terminal rate of 4.60% in 2023. The Fed raised interest rate by 75bps to between 3.00-3.25% in September's FOMC meeting, as expected. MSCI ASEAN was down 6.6% in September with all ASEAN markets posting negative returns. In local currency; outperformers were Indonesia (-1.9%), Singapore (-2.8%) and Thailand (-3.0%).

US equities rebounded strongly in October with the Dow Jones Index, S&P500 and Nasdaq increasing by 14.0%, 8.0% and 3.9%, respectively. Market surged despite a weak third-quarter earnings season, showing a slowing growth and major disappointments from large tech companies such as Meta and Amazon. Over in China, President Xi Jinping was re-elected as General Secretary of the 20th Central Committee of the Communist Party of China and Chairman of the Central Military Commission. The MSCI Asia Ex-Japan fell by 6.1% while the MSCI ASEAN was up 1.4%. Majority of the ASEAN markets posted positive. The outperformers were Philippines (+7.2%), Thailand (+1.2%), and Indonesia (+0.8%).

US equities continued their momentum in November, mainly driven by the easing CPI data release on 10th November and market optimism on a slower pace of rate hikes in the coming months. Although the Fed raised interest rates by 75 basis points to between 3.75-4.00% in the November FOMC meeting, Fed's Chairman signaled a downshift hike in the coming FOMC. Meanwhile, the government of China issued sweeping directives to rescue the property sector. The ASEAN Index performed relatively better within Asia region as Philippines (+7.18%), Malaysia (+4.71%), Thailand (+1.21%) and Indonesia (+0.83%)

The fear of recession and Fed holding on to higher interest rate for a longer period loomed over the market as US equities fell in December. As expected, the Fed hiked the rate by 50bps in December's FOMC meeting as November CPI slid to 7.7% YoY. In Europe, the European Central Bank (ECB) signalled another 50bps hike following a 50bps rate hike. Meanwhile, in China, the government started to relax COVID restrictions as they downgraded COVID management from the top level to the second highest and unexpectedly announced a plan to end quarantine requirements for inbound travellers effective 8th January 2023. ASEAN equities were flattish with MSCI ASEAN (-0.4%), largely in line with the MSCI Asia Ex-Japan (-0.4%). The only outperformers were Thailand (+2.0%) and Malaysia (+0.5%). The rest of ASEAN disappointed with Singapore (-1.2%), Philippines (-3.2%), Indonesia (-3.3%).

Overall, the ASEAN equity markets were mixed in 2022. The issues stalling economic growth across the globe – inflation, supply chain bottlenecks and high commodity prices stemming from Russia's ongoing invasion of Ukraine – had impacted the region economies. Nonetheless, the lifting of travel ban by China was expected to have a positive impact on ASEAN region. Outperformers in 2022 were Singapore (+4.1%), Indonesia (+4.1%) and Thailand (+0.67%). Meanwhile, underperformers were Malaysia (-4.6%) and Philippines (-7.81%).

2.5 Review of the market (contd.)

Market review (contd.)

The MIISOD40 Index started off weaker, dropping to its lowest point at 2,145.76 on 31 January 2022, before reaching its peak on 29 April 2022 at 2,394.98. The second half performance were volatile before the index closed at 2,284.62 point on 31 December 2022, translating to an increase of 4.96%.

Chart: MIISOD40 Index Performance in FY2022



Sources: Bloomberg, i-VCAP

Market outlook

Global equities are expected to remain volatile with mixed growth data and economic outlook in the developed market. However, the Fed could signal a pause or a more accommodative stance, should inflation continue to decline, which would be positive for market sentiment.

Countries across the ASEAN region continue to expect robust domestic economic activity but remains sensitive to global growth. The lifting of the travel ban by the government of China is also looking to impact positively, especially in Thailand, Singapore, Indonesia as well as Malaysia. Indonesia is expected to continue to have a positive consumption and FDI stories while the conclusion of GE15 in Malaysia has remove some political uncertainty and is expected to improve investors sentiments towards the market.

2.6 Distributions

For the financial year under review, the Fund has declared the following income distribution:

	Gross/Net distribution per unit (sen)	Ex-NAV per unit (RM)
11 November 2022	1.30	0.8362

2.7 Details of any unit split exercise

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

2.8 Significant changes in the state of affairs of the Fund during the financial year

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

2.9 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 year under review.

2.10 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 received soft commissions from its stockbrokers during the financial year under review.

2.11 Cross-trade

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

2.12 Securities financing transactions

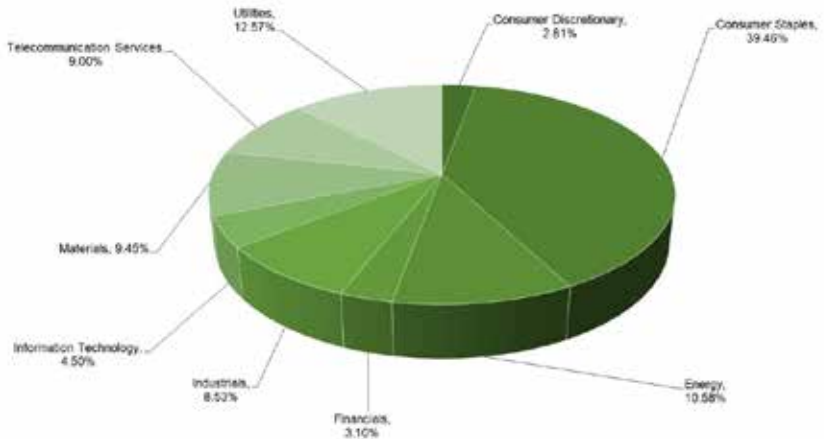
Securities financing transactions are transactions consisting of securities financing or repurchase. During the financial year under review, the Fund had not undertaken any securities financing transactions.

3. FUND PERFORMANCE

3.1 Details of portfolio composition of the Fund for the financial year ended 31 December 2022 is as follows:

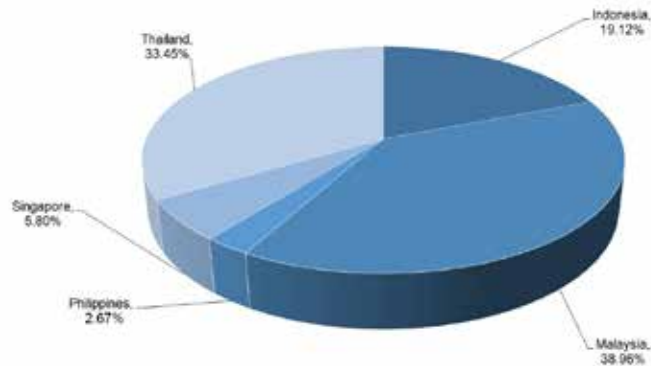
Based on Fund's quoted investments as at 31 December 2022, the sector allocation of MIISOD40 Index based on MSCI sector classifications are as follows:

Chart 1(a): Sector Classification – MSCI



Source: MSCI

Chart 1(b): Country Exposure - MSCI



Source: MSCI

3.1 Details of portfolio composition of the Fund for the financial year ended 31 December 2022 is as follows: (contd.)

During the financial year under review, MSCI performed quarterly review and rebalanced the composition of the Benchmark Index in accordance with its index methodology. The quarterly review had resulted in changes to the weightings of the component stocks in the Fund. The Manager had undertaken the rebalancing exercise in accordance to the respective quarterly review to ensure that the Fund's investments closely tracking the Benchmark Index.

In terms of sectoral weightings, notable changes to the Fund's sector composition as compared to end-December 2021 were the decrease in Energy by 5.75% and increase in Consumer Staples by 15.15%. Meanwhile the weighting of other sectors have changed during the period. As for country allocation, country weightings for Indonesia decreased by 12.93% while Thailand increased by 19.64%.

Details of the changes for the reporting period as follows:

Table 1: List of Inclusions and Exclusions

	Stock Inclusions	Country	Stock Exclusions	Country
1Q22	-	-	Duopharma Biotech Berhad	Malaysia
	-	-	TIME dotCom Berhad	Malaysia
2Q22	PPB Group Berhad	Malaysia	PT Bukit Asam Tbk	Indonesia
	KCE Electronics PCL	Thailand	SPCG PCL	Thailand
	Intouch Holdings PCL	Thailand	PT Puradelta Lestari Tbk	Indonesia
	PT Charoen Pokphand Indonesia Tbk	Indonesia	Banpu Power PCL	Thailand
	Tipco Asphalt PCL	Thailand	-	-
	PTT Exploration & Production PCL	Thailand	-	-
	PT Unilever Indonesia Tbk	Indonesia	-	-
	Dynasty Ceramic PCL	Thailand	-	-
	Supalai PCL	Thailand	-	-
	Fraser & Neave Holdings Bhd	Malaysia	-	-
	Dhipaya Group Holdings PCL	Thailand	-	-
	Thai Vegetable Oil PCL	Thailand	-	-
	First Resources Limited	Singapore	-	-
	PT Industri Jamu Dan Farmasi Sido Muncul Tbk	Indonesia	-	-

3.1 Details of portfolio composition of the Fund for the financial year ended 31 December 2022 is as follows: (contd.)

Table 1: List of Inclusions and Exclusions (contd.)

	Stock Inclusions	Country	Stock Exclusions	Country
3Q22	-	-	Tipco Asphalt Public Co Ltd	Thailand
	-	-	Semirara Mining and Power Corporation	Philippines
	-	-	PT AKR Corporindo Tbk	Indonesia
	-	-	PT Indofood CBP Sukses Makmur Tbk	Indonesia
4Q22	PT Aneka Tambang Tbk	Indonesia	PT Telkom Indonesia (Persero) Tbk	Indonesia
	PT PP London Sumatra Indonesia Tbk	Indonesia	PT Unilever Indonesia Tbk	Indonesia
	Ta Ann Holdings Berhad	Malaysia	Haw Par Corporation Limited	Singapore
	TTW PCL	Thailand	Supalai PCL	Thailand
	The Hour Glass Limited	Singapore	Dhipaya Group Holdings PCL	Thailand
	Hibiscus Petroleum Berhad	Malaysia	PT Adaro Energy TBK	Indonesia
	Bumitama Agri Ltd	Singapore	Matrix Concepts Holdings Berhad	Malaysia
	PT Bank BTPN Syariah Tbk	Indonesia	-	-

Details of the top 10 holdings as well as Fund's sector exposure as at 31 December 2022 are as follows:

Table 2: Top Ten Holdings of the Fund as at 31 December 2022

Stock	% of NAV
1. Intouch Holdings PCL	9.4
2. Petronas Gas Berhad	9.0
3. PTT Exploration & Production PCL	8.5
4. PT Charoen Pokphand Indonesia Tbk	8.5
5. PPB Group Berhad	4.9
6. Sime Darby Berhad	4.7
7. Kuala Lumpur Kepong Berhad	4.7
8. Osotspa PCL	4.5
9. IOI Corporation Berhad	4.5
10. PT Aneka Tambang Tbk	4.5
Total	63.2

3.1 Details of portfolio composition of the Fund for the financial year ended 31 December 2022 is as follows: (contd.)

Table 3: Fund's Sector Allocation

	As at 31-Dec-22	As at 31-Dec-21	Change (%)
Consumer Discretionary	2.6%	-	2.6%
Consumer Staples	39.1%	23.9%	15.2%
Energy	10.2%	16.0%	-5.8%
Financials	2.8%	1.6%	1.2%
Health Care	-	5.3%	-5.3%
Industrials	9.5%	7.2%	2.3%
Information Technology	4.1%	2.5%	1.6%
Materials	9.4%	8.5%	0.9%
Real Estate	-	2.8%	-2.8%
Telecommunication Services	9.4%	13.5%	-4.1%
Utilities	12.6%	18.1%	-5.5%
Cash and Others	0.3%	0.6%	-0.3%

Sources: MSCI, i-VCAP

* Based on MSCI classification.

Table 4: Fund's Country Exposure

Country	As at 31-Dec-22	As at 31-Dec-21	Change (%)
Indonesia	18.1%	31.0%	-12.9%
Malaysia	39.9%	46.8%	-6.9%
Philippines	3.4%	4.1%	-0.7%
Singapore	5.3%	4.1%	1.2%
Thailand	33.0%	13.3%	19.7%

Details of the Fund's listed investments as at 31 December 2022 are disclosed under Note 4 of the financial statements.

3.2 Performance details of the Fund for the financial year ended 31 December 2022 is as follows:

The key statistics and comparative performance of the Fund for the financial year ended 31 December 2022 are summarised as follows:

	01.01.2022 - 31.12.2022	01.01.2021 - 31.12.2021	01.01.2020 - 31.12.2020	01.01.2019 - 31.12.2019	01.01.2018 - 31.12.2018
NAV per unit (RM)	0.8252	0.7999	0.7654	0.8264	0.8050
NAV per unit (RM) (before distribution)	0.8492	0.7543	0.6830	0.8229	0.8761
NAV per unit (RM) (after distribution)	0.8362	0.7357	0.6613	0.8030	0.8593
- Highest	0.8889 (29 Apr)	0.8233 (18 Oct)	0.8313 (03 Jan)	0.8568 (05 Jul)	0.9269 (08 Jan)
- Lowest	0.7905 (31 Jan)	0.7149 (28 Jun)	0.5181 (23 Mar)	0.7837 (17 May)	0.7839 (28 Jun)
Price per unit (RM)	0.8200	0.8200	0.7800	0.8350	0.8090
- Highest	0.8450 (12 Aug)	0.8300 (25 Mar)	0.8350 (02 Jan)	1.0000 (05 Jul)	0.9220 (10 Jan)
- Lowest	0.7750 (06 Jul)	0.7250 (02 Jun)	0.3750 (21 Apr)	0.7950 (03 Jun)	0.7950 (22 Jun)
Units in Circulation	59,000,000	59,000,000	60,000,000	88,000,000	88,000,000
Total NAV (RM)	48,684,653	47,196,876	45,925,851	72,725,799	88,000,000
Total NAV (RM) (before distribution)	50,100,645	45,256,845	42,345,347	72,413,367	46,343,572
Total NAV (RM) (after distribution)	49,333,645	44,140,845	40,999,947	70,662,167	45,543,272
Market Capitalisation (RM)	48,380,000	48,380,000	46,800,000	73,480,000	71,192,000
MIISOD40 Index	2,284.62	2,176.70	2,012.66	2,040.17	1,993.13
MIISOD40 Total Return Index	4,776.86	4,359.83	3,895.79	3,772.96	3,536.45
Tracking Error vs. Price Return MIISOD40 Index (%)*	0.22	0.24	0.19	0.14	0.12
Tracking Error vs. Total Return MIISOD40 Index (%)*	0.23	0.25	0.20	0.14	0.12
Total Expense Ratio (%)	1.31	1.12	0.93	0.63	0.89

Sources: Bloomberg, i-VCAP

* The 3-year rolling tracking error between the NAV per unit of the Fund and the Price Return and Total Return Benchmark Index. The calculation was independently sourced from Novagni Analytics and Advisory Sdn. Bhd.

3.3 Average total return for the Fund

	Average Returns ^(b)			
	1-Year (%)	3-Year (%)	5-Year (%)	Since Inception (%)
MyETF- MSEAD - NAV Price Return ^(a)	3.16	-0.05	-1.91	-2.45
MIISOD40 - Price Return Index	4.96	3.99	0.52	-0.66
MyETF- MSEAD - NAV Total Return ^(a)	4.74	2.36	0.32	-0.37
MIISOD40 - Total Return Index	9.57	8.85	5.21	3.88

Sources: Bloomberg, i-VCAP

(a) Independently sourced from Novagni Analytics and Advisory Sdn. Bhd.

(b) Average returns for MIISOD40 Price Return Index and MIISOD40 Total Return Index are annualized figures computed based on the price and total returns for the respective period.

3.4 Annual total return of the Fund

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)
MyETF- MSEAD - NAV Price Return ^(a)	3.16	4.51	-7.38	2.66	-11.44
MIISOD40 - Price Return Index	4.96	8.15	-1.35	2.36	-10.52
MyETF- MSEAD - NAV Total Return ^(a)	4.74	7.15	-4.16	5.20	-9.88
MIISOD40 - Total Return Index	9.57	11.91	3.26	6.69	-6.66

Sources: Bloomberg, i-VCAP

(a) Independently sourced from Novagni Analytics and Advisory Sdn. Bhd.

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

4. TRUSTEE'S REPORT TO THE UNIT HOLDERS OF MYETF MSCI SEA ISLAMIC DIVIDEND ("FUND")

We have acted as Trustee of the Fund for the financial year ended 31 December 2022 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 year 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.

We are of the opinion that the distribution of income by the Fund is appropriate and reflects the investment objective of the Fund.

For Deutsche Trustees Malaysia Berhad

Soon Lai Ching
Senior Manager, Trustee Operations

Jiva Munusamy
Head, Client Management

Kuala Lumpur
28 February 2023

5. SHARIAH ADVISER'S REPORT TO THE UNIT HOLDERS OF MYETF MSCI SEA ISLAMIC DIVIDEND ("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 asset of the Fund comprises instruments that have been classified as Shariah compliant.

For Amanie Advisors Sdn Bhd

Tan Sri Dr. Mohd Daud Bakar
Executive Chairman

Date: 28 February 2023

6. INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MYETF MSCI SEA ISLAMIC DIVIDEND

Report on the audit of the financial statements

Opinion

We have audited the financial statements of MyETF MSCI SEA Islamic Dividend ("the Fund"), which comprise the statement of financial position as at 31 December 2022, and the statement of comprehensive income, statement of changes in net asset value and statement of cash flows of the Fund for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 24 to 59.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 31 December 2022 and of its financial performance and cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Fund for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Fund as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

6. INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MYETF MSCI SEA ISLAMIC DIVIDEND (CONTD.)

Key audit matters (contd.)

Financial assets at fair value through profit or loss

Description

The financial assets at fair value through profit or loss ("FVTPL") of the Fund comprise only of listed Shariah-compliant equity securities and are valued at RM48,516,244 as at 31 December 2022.

The valuation and existence of the financial assets at FVTPL is the key driver of the Fund's net asset value. Incorrect pricing of financial assets at FVTPL could have a significant impact on its net asset value and, therefore, the return generated for unit holders.

The Fund's accounting policy on the financial assets at FVTPL is included in Note 3(c), and its disclosures about the fair values of the investments held at the reporting date are included in Notes 4 and 19 to the financial statements.

Our responses

Our audit work to address valuation and existence of the financial assets at FVTPL includes the following:

- Understanding processes and controls put in place by the Manager of the Fund ("the Manager") and the third party service provider, performing walkthrough procedures and testing the operating effectiveness of relevant controls over the financial assets at FVTPL on a sampling basis to assess compliance with relevant accounting standards;
- Testing the valuation of the financial assets at FVTPL as at reporting date by independently agreeing the price used in the valuation to the published prices by the relevant stock exchange;
- Obtaining confirmation of the existence of the financial assets at FVTPL as at the reporting date directly from the Fund's custodian; and
- Reviewing the adequacy of the disclosures on the financial assets at FVTPL in the Fund's financial statements.

Information other than the financial statements and auditors' report thereon

The Manager of the Fund ("the Manager") is responsible for the other information. The other information comprises the information included in the annual report of the Fund, but does not include the financial statements of the Fund and our auditors' report thereon.

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

6. INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MYETF MSCI SEA ISLAMIC DIVIDEND (CONTD.)

Information other than the financial statements and auditors' report thereon (contd.)

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

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

Responsibilities of the Manager and the Trustee for the financial statements

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

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

The Trustee is responsible for overseeing the Fund's financial reporting process. The Trustee is also responsible for ensuring that the Manager maintains proper accounting and other records as are necessary to enable true and fair presentation of these financial statements.

Auditors' responsibilities for the audit of the financial statements

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

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

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

6. INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MYETF MSCI SEA ISLAMIC DIVIDEND (CONTD.)

Auditors' responsibilities for the audit of the financial statements (contd.)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements of the Fund represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other matters

This report is made solely to the unit holders of the Fund, as a body, in accordance with the Guidelines on Exchange-traded Funds issued by the Securities Commission Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Ng Sue Ean
No. 03276/07/2024 J
Chartered Accountant

Kuala Lumpur, Malaysia

28 February 2023

7. 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 2022 and the related statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial year ended 31 December 2022 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 MSCI SEA Islamic Dividend as at 31 December 2022 and of its financial performance and cash flows for the financial year 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

28 February 2023

8. FINANCIAL STATEMENTS

8.1 STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 RM	2021 RM
INVESTMENT INCOME			
Dividend income		2,184,789	1,726,535
Profit income		11,834	2,802
Net gain from Shariah-compliant investments:			
- Financial assets at fair value through profit or loss ("FVTPL")	4	2,077,682	2,822,052
Net loss on foreign currency exchange		(695,248)	(605,756)
		<u>3,579,057</u>	<u>3,945,633</u>
EXPENSES			
Manager's fee	5	320,559	290,647
Trustee's fee	6	22,193	20,122
Index license fee	7	29,591	87,314
Auditors' remuneration		15,369	16,350
Tax agent's fee		9,723	9,750
Other expenses		484,554	297,227
Brokerage and other transaction costs		<u>142,291</u>	<u>113,398</u>
		<u>1,024,280</u>	<u>834,808</u>
NET INCOME BEFORE TAX		2,554,777	3,110,825
Income tax	8	(300,000)	-
NET INCOME AFTER TAX, REPRESENTING TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u>2,254,777</u>	<u>3,110,825</u>
Net income after tax is made up as follows:			
Realised gain		6,152,710	987,136
Unrealised (loss)/gain		(3,897,933)	2,123,689
		<u>2,254,777</u>	<u>3,110,825</u>
Distribution for the year:			
Net distribution (RM)	9	<u>767,000</u>	<u>1,116,000</u>
Gross/Net distribution per unit (sen)	9	<u>1.30</u>	<u>1.86</u>

8.2 STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 RM	2021 RM
ASSETS			
INVESTMENTS			
Financial assets at FVTPL	4	48,516,244	46,919,029
Short term Islamic deposits	10	<u>320,000</u>	<u>240,000</u>
		<u>48,836,244</u>	<u>47,159,029</u>
OTHER ASSETS			
Other receivables	11	43,740	36,477
Prepayments		6,907	-
Cash at bank		<u>2,531</u>	<u>90,968</u>
		<u>53,178</u>	<u>127,445</u>
TOTAL ASSETS		<u>48,889,422</u>	<u>47,286,474</u>
LIABILITIES			
Amount due to Manager		25,782	25,654
Amount due to Trustee		1,785	1,776
Amount due to Index Provider		-	4,396
Provision for taxation		75,000	-
Other payables	12	<u>102,202</u>	<u>57,772</u>
TOTAL LIABILITIES		<u>204,769</u>	<u>89,598</u>
EQUITY			
Unit holders' contribution		57,557,300	57,557,300
Accumulated losses		<u>(8,872,647)</u>	<u>(10,360,424)</u>
NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS	13	<u>48,684,653</u>	<u>47,196,876</u>
TOTAL LIABILITIES AND EQUITY		<u>48,889,422</u>	<u>47,286,474</u>
NUMBER OF UNITS IN CIRCULATION	13(a)	<u>59,000,000</u>	<u>59,000,000</u>
NAV PER UNIT (RM)		<u>0.8252</u>	<u>0.7999</u>

**8.3 STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	Unit holders' contribution RM	Accumulated losses RM	Total NAV RM
2022				
At beginning of the financial year		57,557,300	(10,360,424)	47,196,876
Total comprehensive income		-	2,254,777	2,254,777
Distribution	9	-	(767,000)	(767,000)
At end of the financial year		<u>57,557,300</u>	<u>(8,872,647)</u>	<u>48,684,653</u>
2021				
At beginning of the financial year		58,281,100	(12,355,249)	45,925,851
Total comprehensive income		-	3,110,825	3,110,825
Cancellation of units	13(a)	(723,800)	-	(723,800)
Distribution	9	-	(1,116,000)	(1,116,000)
At end of the financial year		<u>57,557,300</u>	<u>(10,360,424)</u>	<u>47,196,876</u>

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

**8.4 STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	RM	RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of financial assets at FVTPL	46,475,858	39,408,989
Dividends received	2,177,722	1,778,485
Profit from short term Islamic deposits received	11,638	2,781
Tax agent's fee paid	(5,750)	(4,800)
Auditors' remuneration paid	(14,000)	(16,365)
Trustee's fee paid	(22,184)	(20,121)
Index license fee paid	(39,454)	(89,514)
Payment for other fees and expenses	(446,906)	(316,350)
Manager's fee paid	(320,431)	(290,629)
Purchase of financial assets at FVTPL	<u>(46,137,682)</u>	<u>(37,715,793)</u>
Cash generated from operating and investing activities	1,678,811	2,736,683
Income tax paid	<u>(225,000)</u>	<u>-</u>
Net cash generated from operating and investing activities	<u>1,453,811</u>	<u>2,736,683</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash paid on units cancelled	-	(723,800)
Income distribution paid	<u>(767,000)</u>	<u>(1,116,000)</u>
Net cash used in financing activities	<u>(767,000)</u>	<u>(1,839,800)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	686,811	896,883
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	(695,248)	(605,756)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	<u>330,968</u>	<u>39,841</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	<u>322,531</u>	<u>330,968</u>
Cash and cash equivalents comprise:		
Cash at bank	2,531	90,968
Short term Islamic deposits	<u>320,000</u>	<u>240,000</u>
	<u>322,531</u>	<u>330,968</u>

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

8.5 NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

MyETF MSCI SEA Islamic Dividend ("the Fund") was constituted pursuant to the executed Deed dated 6 February 2015 (collectively, together with deeds supplemental thereto, referred to as "the Deed") between the Manager, *i*-VCAP Management Sdn. Bhd. and Deutsche Trustees Malaysia Berhad ("the Trustee"). The Fund commenced operations on 8 April 2015 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 aims to provide investment results that closely correspond to the performance of the MSCI AC ASEAN IMI Islamic High Dividend Yield 10/40 Index ("Benchmark Index"), regardless of its performance. The Benchmark Index is a free-float adjusted, market capitalisation weighted, price return index representing securities of 30 leading Shariah-compliant companies listed in the stock exchanges in South East Asia countries as determined by MSCI Inc.

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.

The financial statements were authorised for issue by the Executive Director of the Manager on 28 February 2023.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks including market risk (which includes interest rate risk, price risk and currency 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 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.

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

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

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, price risk and currency risk.

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 performance 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 significant interest rate risk as its Islamic deposits are short term in nature and have fixed profit rates.

Interest rate risk exposure

The following table analyses the Fund's interest rate risk exposure. The Fund's financial assets and financial liabilities are disclosed at fair value and categorised by the earlier of contractual re-pricing or maturity dates.

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

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

a. Market risk (contd.)

i. Interest rate risk (contd.)

Interest rate risk exposure (contd.)

	Up to 1 year RM	Non- exposure to interest rate movement RM	Total RM	Weighted average effective rate of return* %
2022				
Assets				
Financial assets at FVTPL	-	48,516,244	48,516,244	
Short term Islamic deposits	320,000	-	320,000	2.8
Other financial assets	-	46,271	46,271	
	<u>320,000</u>	<u>48,562,515</u>	<u>48,882,515</u>	
Liabilities				
Other financial liabilities	-	27,567	27,567	
Total interest rate sensitivity gap	<u>320,000</u>	<u>48,534,948</u>	<u>48,854,948</u>	
2021				
Assets				
Financial assets at FVTPL	-	46,919,029	46,919,029	
Short term Islamic deposits	240,000	-	240,000	1.6
Other financial assets	-	127,445	127,445	
	<u>240,000</u>	<u>47,046,474</u>	<u>47,286,474</u>	
Liabilities				
Other financial liabilities	-	31,826	31,826	
Total interest rate sensitivity gap	<u>240,000</u>	<u>47,014,648</u>	<u>47,254,648</u>	

* Calculated based on Shariah-compliant assets with exposure to interest rate movement only.

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

a. Market risk (contd.)

ii. Price risk

Price risk is the risk of unfavourable changes in the fair values of listed Shariah-compliant equity securities. The Fund invests in listed Shariah-compliant equity securities 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 for the financial year due to a reasonably possible change in investments in listed Shariah-compliant equity securities with all other variables held constant is indicated in the table below:

	Changes in price Increase/(Decrease) Basis points	Effects on income for the financial year Gain/(Loss) RM
2022		
Financial assets at FVTPL	<u>5/(5)</u>	<u>24,258/(24,258)</u>
2021		
Financial assets at FVTPL	<u>5/(5)</u>	<u>23,460/(23,460)</u>

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	
	2022	2021	2022	2021
	RM	RM	%	%
Financial assets at FVTPL	<u>48,516,244</u>	<u>46,919,029</u>	<u>99.7</u>	<u>99.4</u>

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

a. Market risk (contd.)

ii. Price risk (contd.)

Price risk concentration (contd.)

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

	Fair value		Percentage of NAV	
	2022 RM	2021 RM	2022 %	2021 %
Consumer Product and Services	16,858,337	6,258,466	34.6	13.3
Industrial Products and Services	6,552,162	3,392,298	13.6	7.2
Utilities	6,154,899	8,527,412	12.6	18.1
Plantation	5,589,353	7,189,036	11.5	15.2
Energy	4,974,887	7,538,757	10.2	16.0
Telecommunications and Media	4,555,884	7,543,716	9.4	16.0
Technology	2,443,434	-	5.0	-
Financial Services	1,387,288	761,830	2.8	1.6
Health Care	-	2,512,480	-	5.3
Materials	-	1,870,342	-	3.9
Property	-	1,324,692	-	2.8
	<u>48,516,244</u>	<u>46,919,029</u>	<u>99.7</u>	<u>99.4</u>

iii. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

When the foreign currencies fluctuate in an unfavourable movement against Ringgit Malaysia, the investment face currency loss in addition to capital gain/(loss). This will lead to lower NAV of the Fund.

The Manager may consider managing the currency risk using currency hedging. However, this would be subject to the current market outlook on the currency exposure risk as well.

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

a. Market risk (contd.)

iii. Currency risk (contd.)

Currency risk sensitivity

The Fund did not have any financial liabilities denominated in foreign currencies as at the reporting date. The following table indicates the currencies to which the Fund had significant exposure at the reporting date on its financial assets. The analysis calculates the effect of a reasonably possible movement of the currency rate against Ringgit Malaysia on income with all other variables held constant.

	Changes in currency rate Increase/(Decrease) Basis points	Effects on income for the financial year Gain/(Loss) RM
2022		
IDR	5/(5)	4,403/(4,403)
PHP	5/(5)	816/(816)
SGD	5/(5)	1,298/(1,298)
THB	5/(5)	8,025/(8,025)
2021		
IDR	5/(5)	7,321/(7,321)
PHP	5/(5)	981/(981)
SGD	5/(5)	967/(967)
THB	5/(5)	3,146/(3,146)

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

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

a. Market risk (contd.)

iii. Currency risk (contd.)

Currency risk concentration

The following table sets out the Fund's exposure to foreign currency exchange rates on its financial assets as at reporting date.

	Fair value		Percentage of NAV	
	2022 RM	2021 RM	2022 %	2021 %
IDR	8,805,293	14,641,404	18.0	31.0
PHP	1,631,600	1,962,646	3.4	4.2
SGD	2,595,355	1,933,441	5.3	4.1
THB	16,049,476	6,292,887	33.0	13.3
	<u>29,081,724</u>	<u>24,830,378</u>	<u>59.7</u>	<u>52.6</u>

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. The following table analyses the licensed financial institutions by rating category:

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

b. Credit risk (contd.)

iii. Credit quality of financial assets (contd.)

Short term Islamic deposits

Rating	Percentage of total short term Islamic deposits		Percentage of NAV	
	2022	2021	2022	2021
	%	%	%	%
P1/MARC-1	100.0	100.0	0.7	0.5

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 bank, short term Islamic deposits with licensed financial institutions and other Shariah-compliant instruments, which are capable of being converted into cash within 7 days.

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	2022	2021
		RM	RM
Assets			
Financial assets at FVTPL		48,516,244	46,919,029
Short term Islamic deposits		320,000	240,000
Other financial assets		46,271	127,445
	i.	<u>48,882,515</u>	<u>47,286,474</u>
Liabilities			
Other financial liabilities	ii.	<u>27,567</u>	<u>31,826</u>
Equity	iii.	<u>48,684,653</u>	<u>47,196,876</u>
Liquidity gap		170,295	57,772

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

c. Liquidity risk (contd.)

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 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".

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 Advisory Council of the Securities Commission Malaysia ("SACSC"), 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 with immediate effect or within one calendar month if the value of the securities exceeds or is equal to the investment cost on the effective date of reclassification of the list of Shariah-compliant securities ("Reclassification") by the SACSC or date of review ("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 effective date of Reclassification or Review. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the effective date of Reclassification or Review should be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser;

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

d. Shariah status reclassification risk (contd.)

- ii. to hold such securities if the value of the said securities is below the investment cost on the effective date of Reclassification or Review until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one calendar month, excess capital gains (if any) from the disposal of the securities should be channelled to *baitulmal* and/or charitable bodies as advised 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

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 January 2022.

Description	Effective for financial periods beginning on or after
Amendments to MFRS 16: <i>Covid-19 – Related Rent Concessions beyond 30 June 2021</i>	1 April 2021
Amendments to MFRS contained in the document entitled " <i>Annual Improvements to MFRS Standards 2018 - 2020</i> "	1 January 2022
Amendments to MFRS 1: <i>Subsidiary as a First-time Adopter contained in the document entitled "Annual Improvements to MFRS Standards 2018 - 2020"</i>	1 January 2022

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

a. Basis of accounting (contd.)

Description	Effective for financial periods beginning on or after
Amendments to MFRS 9: <i>Fees in the '10 per cent' Test for Derecognition of Financial Liabilities contained in the document entitled "Annual Improvements to MFRS Standards 2018 - 2020"</i>	1 January 2022
Amendments to Illustrative Examples accompanying MFRS 16: <i>Lease Incentives contained in the document entitled "Annual Improvements to MFRS Standards 2018 - 2020"</i>	1 January 2022
Amendments to MFRS 141: <i>Taxation in Fair Value Measurements contained in the document entitled "Annual Improvements to MFRS Standards 2018 - 2020"</i>	1 January 2022
Amendments to MFRS 3: <i>Reference to the Conceptual Framework</i>	1 January 2022
Amendments to MFRS 116: <i>Property, Plant and Equipment – Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137: <i>Onerous Contracts – Cost of Fulfilling a Contract</i>	1 January 2022

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

b. Standards and amendments issued but not yet effective

As at the reporting date, the following new standard and 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 standard and amendments to standards when they become effective.

Description	Effective for financial periods beginning on or after
<i>MFRS 17: 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>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

b. Standards and amendments issued but not yet effective (contd.)

Description	Effective for financial periods beginning on or after
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 16: <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i>	1 January 2024
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.

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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

c. Financial instruments (contd.)

ii. Measurement categories of financial assets and liabilities (contd.)

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.

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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

c. Financial instruments (contd.)

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

Business model assessment (contd.)

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.

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 repayments 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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

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.

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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 the 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.

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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

i. Income tax

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

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

The Fund may also incur withholding taxes on income received on the 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 Ringgit Malaysia ("RM"), which is also the Fund's functional currency.

ii. Foreign currency transaction

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 year.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD.)

I. Functional and presentation currency (contd.)

ii. Foreign currency transaction (contd.)

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

	2022 RM	2021 RM
1,000 IDR	0.2826	0.2921
1 PHP	0.0791	0.0817
1 SGD	3.2784	3.0860
100 THB	12.7021	12.5573

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 year.

4. FINANCIAL ASSETS AT FVTPL

	2022 RM	2021 RM
Financial assets held for trading, at FVTPL:		
Listed Shariah-compliant equity securities in Malaysia	19,434,520	22,088,651
Listed Shariah-compliant equity securities in Indonesia	8,805,293	14,641,404
Listed Shariah-compliant equity security in Philippines	1,631,600	1,962,646
Listed Shariah-compliant equity securities in Singapore	2,595,355	1,933,441
Listed Shariah-compliant equity securities in Thailand	16,049,476	6,292,887
	<u>48,516,244</u>	<u>46,919,029</u>
Net gain on financial assets at FVTPL comprised:		
Realised gain on disposals	5,975,892	698,241
Unrealised changes in fair values	(3,898,210)	2,123,811
	<u>2,077,682</u>	<u>2,822,052</u>

Details of financial assets at FVTPL as at 31 December 2022:

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed Shariah-compliant equity securities in Malaysia				
Consumer Products and Services				
Fraser & Neave Holdings Berhad	66,300	1,350,175	1,430,755	2.9
PPB Group Berhad	135,300	2,255,640	2,359,632	4.9
Sime Darby Berhad	995,500	<u>2,266,150</u>	<u>2,289,650</u>	<u>4.7</u>
		<u>5,871,965</u>	<u>6,080,037</u>	<u>12.5</u>
Plantation				
IOI Corporation Berhad	538,500	2,089,562	2,180,925	4.5
Kuala Lumpur Kepong Berhad	102,200	2,365,369	2,285,192	4.7
Ta Ann Holdings Berhad	80,200	312,315	303,156	0.6
United Plantations Berhad	53,600	<u>770,388</u>	<u>820,080</u>	<u>1.7</u>
		<u>5,537,634</u>	<u>5,589,353</u>	<u>11.5</u>

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 December 2022: (contd.)

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed Shariah-compliant equity securities in Malaysia (contd.)				
Utilities				
Mega First Corporation Berhad	280,400	998,384	930,928	1.9
Petronas Gas Berhad	256,800	4,405,069	4,396,416	9.0
		<u>5,403,453</u>	<u>5,327,344</u>	<u>10.9</u>
Industrial Products and Services				
Scientex Berhad	360,400	<u>1,261,564</u>	<u>1,160,488</u>	<u>2.4</u>
Energy				
Hibiscus Petroleum Berhad	777,400	<u>878,462</u>	<u>831,818</u>	<u>1.7</u>
Financial Services				
Syarikat Takaful Malaysia Keluarga Berhad	129,500	<u>516,749</u>	<u>445,480</u>	<u>0.9</u>
Total listed Shariah-compliant equity securities in Malaysia		<u>19,469,827</u>	<u>19,434,520</u>	<u>39.9</u>
Listed Shariah-compliant equity securities in Indonesia				
Consumer Products and Services				
PT Charoen Pokphand Indonesia Tbk	2,584,900	4,187,500	4,127,284	8.5
PT Perusahaan Perkebunan London Sumatra Indonesia Tbk	1,583,400	490,957	454,181	0.9

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 December 2022: (contd.)

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed Shariah-compliant equity securities in Indonesia (contd.)				
Consumer Products and Services (contd.)				
PT Industri Jamu dan Farmasi Sido Muncul Tbk	3,100,500	832,907	661,532	1.4
		<u>5,511,364</u>	<u>5,242,997</u>	<u>10.8</u>
Industrial Products and Services				
PT Aneka Tambang Tbk	3,856,600	<u>2,212,223</u>	<u>2,163,402</u>	<u>4.5</u>
Financial Services				
PT Bank BTPN Syariah Tbk	1,194,500	<u>1,045,756</u>	<u>941,808</u>	<u>1.9</u>
Technology				
PT Erajaya Swasembada Tbk	4,126,100	<u>658,642</u>	<u>457,086</u>	<u>0.9</u>
Total listed Shariah-compliant equity securities in Indonesia		<u>9,427,985</u>	<u>8,805,293</u>	<u>18.1</u>
Listed Shariah-compliant equity security in Philippines				
Industrial Products and Services				
DMCI Holdings Inc.	1,718,400	<u>1,010,058</u>	<u>1,631,600</u>	<u>3.4</u>
Total listed Shariah-compliant equity security in Philippines		<u>1,010,058</u>	<u>1,631,600</u>	<u>3.4</u>

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 December 2022: (contd.)

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed Shariah-compliant equity securities in Singapore				
Consumer Products and Services				
Bumitama Agri Ltd	182,700	363,868	353,389	0.7
First Resources Limited	286,600	1,630,153	1,390,592	2.9
The Hour Glass Limited	127,300	874,997	851,374	1.7
		<u>2,869,018</u>	<u>2,595,355</u>	<u>5.3</u>
Total listed Shariah-compliant equity securities in Singapore				
		<u>2,869,018</u>	<u>2,595,355</u>	<u>5.3</u>
Listed Shariah-compliant equity securities in Thailand				
Telecommunications and Media				
Intouch Holdings Public Company Limited	464,300	<u>4,269,902</u>	<u>4,555,884</u>	<u>9.4</u>
Energy				
PTT Exploration and Production Public Company Limited	184,800	<u>3,957,607</u>	<u>4,143,069</u>	<u>8.5</u>
Consumer Products and Services				
Osotspa Public Company Limited	610,100	2,784,331	2,189,248	4.5
Thai Vegetable Oil Public Company Limited	207,370	<u>760,077</u>	<u>750,700</u>	<u>1.5</u>
		<u>3,544,408</u>	<u>2,939,948</u>	<u>6.0</u>

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 31 December 2022: (contd.)

	Quantity	Aggregate cost RM	Fair value RM	Percentage of NAV %
Listed Shariah-compliant equity securities in Thailand (contd.)				
Technology				
KCE Electronics Public Company Limited	336,300	<u>2,627,047</u>	<u>1,986,348</u>	<u>4.1</u>
Industrial Products and Services				
Dynasty Ceramic Public Company Limited	1,892,700	661,981	677,964	1.4
Eastern Polymer Group Public Company Limited	433,700	537,293	545,381	1.1
Polyplex (Thailand) Public Company Limited	116,400	<u>352,513</u>	<u>373,327</u>	<u>0.8</u>
		<u>1,551,787</u>	<u>1,596,672</u>	<u>3.3</u>
Utilities				
TTW Public Company Limited	723,900	<u>810,325</u>	<u>827,555</u>	<u>1.7</u>
Total listed Shariah-compliant equity securities in Thailand		<u>16,761,076</u>	<u>16,049,476</u>	<u>33.0</u>
Total financial assets at FVTPL		<u>49,537,964</u>	<u>48,516,244</u>	<u>99.7</u>
Unrealised loss on financial assets at FVTPL			<u>(1,021,720)</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(b) of the Deed.

The Manager is currently charging Manager's fee of 0.65% per annum of the NAV of the Fund (2021: 0.65% per annum).

6. TRUSTEE'S FEE

The Trustee's fee is calculated on a daily basis at a rate not exceeding 0.20% 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(b) of the Deed.

The Trustee's fee is currently calculated at 0.045% per annum of the NAV of the Fund (2021: 0.045% per annum).

7. INDEX LICENSE FEE

Index license fee is payable to MSCI Inc., the benchmark Index Provider.

The index license fee is currently calculated at 0.06% per annum of the NAV of the Fund (2021: 0.06% 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 years.

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.

Pursuant to the Finance Act 2021, income derived by a resident person from sources outside Malaysia and received in Malaysia from 1 January 2022 will no longer be exempt from tax. Foreign-sourced income ("FSI") received in Malaysia during the transitional period from 1 January 2022 to 30 June 2022 will be taxed at 3% of gross amount received. From 1 July 2022 onwards, FSI received in Malaysia will be taxed at the prevailing tax rate(s) of the taxpayer and based on applicable tax rules. Bilateral or unilateral tax credits may be allowed if the same income has suffered foreign tax, and where relevant conditions are met.

8. INCOME TAX (CONTD.)

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

	2022 RM	2021 RM
Net income before tax	<u>2,554,777</u>	<u>3,110,825</u>
Tax at Malaysian statutory tax rate of 24% (2021: 24%)	613,146	746,598
Tax effect of:		
Income not subject to tax	(1,961,404)	(1,092,333)
Losses not deductible for tax purposes	1,102,430	145,381
Expenses not deductible for tax purposes	128,858	77,736
Restriction on tax deductible expenses for exchange traded fund	116,970	122,618
Tax on FSI	<u>300,000</u>	<u>-</u>
Income tax for the financial year	<u>300,000</u>	<u>-</u>

9. DISTRIBUTION

Distribution to unit holders was made on the following date:

	2022 RM	2021 RM
11 November 2022/12 March 2021	<u>767,000</u>	<u>1,116,000</u>
Gross/Net distribution per unit (sen)	<u>1.30</u>	<u>1.86</u>

10. SHORT TERM ISLAMIC DEPOSITS

Short term Islamic deposits are held with licensed financial institutions in Malaysia at the prevailing profit rates.

11. OTHER RECEIVABLES

	2022 RM	2021 RM
Dividend receivable	43,523	36,456
Profit receivable from short term Islamic deposits	<u>217</u>	<u>21</u>
	<u>43,740</u>	<u>36,477</u>

12. OTHER PAYABLES

	2022 RM	2021 RM
Accrual for auditors' remuneration	16,000	16,000
Accrual for tax agent's fees	20,348	16,375
Sundry payables	65,854	25,397
	<u>102,202</u>	<u>57,772</u>

13. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS

NAV attributable to unit holders is represented by:

	Note	2022 RM	2021 RM
Unit holders' contribution	(a)	<u>57,557,300</u>	<u>57,557,300</u>
<u>Accumulated losses</u>			
Realised deficits		(7,851,082)	(13,236,792)
Unrealised deficits/reserves		<u>(1,021,565)</u>	<u>2,876,368</u>
		<u>(8,872,647)</u>	<u>(10,360,424)</u>
		<u>48,684,653</u>	<u>47,196,876</u>

(a) Unit holders' contribution

	2022		2021	
	No. of units	RM	No. of units	RM
At beginning of the financial year	59,000,000	57,557,300	60,000,000	58,281,100
Less: Cancellation of units	<u>-</u>	<u>-</u>	<u>(1,000,000)</u>	<u>(723,800)</u>
At end of the financial year	<u>59,000,000</u>	<u>57,557,300</u>	<u>59,000,000</u>	<u>57,557,300</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 2022 (2021: nil).

14. SHARIAH INFORMATION OF THE FUND

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

- i. Investment in equity securities listed on Bursa Malaysia have been classified as Shariah-compliant and as per the list of Shariah-compliant securities by the SACSC;
- ii. Investment in equity securities included in MSCI AC ASEAN IMI Islamic High Dividend Yield 10/40 Index have been classified as Shariah-compliant; and
- iii. Liquid assets in the local market, which have been placed in Shariah-compliant investments and/or instruments.

15. PORTFOLIO TURNOVER RATIO ("PTR")

PTR for the financial year is 0.94 times (2021: 0.86 times).

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

16. TOTAL EXPENSE RATIO ("TER")

TER for the financial year is 1.31% per annum (2021: 1.12% 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.

17. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS

	Transaction value RM	Percentage of total %	Brokerage, stamp duty and clearing fee RM	Percentage of total %
Maybank Investment Bank Berhad	27,889,097	30.1	40,243	28.3
CGS-CIMB Securities Sdn Bhd	26,689,628	28.8	38,039	26.7
CLSA Securities Malaysia Sdn Bhd	23,918,036	25.8	29,476	20.7
RHB Investment Bank Berhad	11,168,345	12.1	27,128	19.1
Affin Hwang Investment Bank Berhad	<u>2,947,528</u>	<u>3.2</u>	<u>7,405</u>	<u>5.2</u>
	<u>92,612,634</u>	<u>100.0</u>	<u>142,291</u>	<u>100.0</u>

The above transaction values are in respect of listed Shariah-compliant equity securities.

18. 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. The following table provides an analysis of the Fund's revenue, results, assets and liabilities by business segments:

	Listed Shariah- compliant investment securities RM	Other Shariah- compliant investments RM	Total RM
2022			
Revenue			
Segment income	4,262,471	11,834	
Segment expenses	<u>(142,291)</u>	<u>-</u>	
Net segment income representing segment results	<u>4,120,180</u>	<u>11,834</u>	4,132,014
Unallocated loss on foreign currency exchange			<u>(695,248)</u>
			3,436,766
Unallocated expenditure			<u>(881,989)</u>
Income before tax			2,554,777
Income tax			<u>(300,000)</u>
Net income after tax			<u>2,254,777</u>
Assets			
Financial assets at FVTPL	48,516,244	-	
Short term Islamic deposits	-	320,000	
Other segment assets	<u>43,523</u>	<u>217</u>	
Total segment assets	<u>48,559,767</u>	<u>320,217</u>	48,879,984
Unallocated assets			<u>9,438</u>
			<u>48,889,422</u>
Liabilities			
Unallocated liabilities			<u>204,769</u>

18. SEGMENTAL REPORTING (CONTD.)

a. Business segments (contd.)

	Listed Shariah- compliant investment securities RM	Other Shariah- compliant investments RM	Total RM
2021			
Revenue			
Segment income	4,548,587	2,802	
Segment expenses	<u>(113,398)</u>	<u>-</u>	
Net segment income representing segment results	<u>4,435,189</u>	<u>2,802</u>	4,437,991
Unallocated loss on foreign currency exchange			<u>(605,756)</u>
			3,832,235
Unallocated expenditure			<u>(721,410)</u>
Income before tax			3,110,825
Income tax			<u>-</u>
Net income after tax			<u>3,110,825</u>
Assets			
Financial assets at FVTPL	46,919,029	-	
Short term Islamic deposits	-	240,000	
Other segment assets	<u>36,456</u>	<u>21</u>	
Total segment assets	<u>46,955,485</u>	<u>240,021</u>	47,195,506
Unallocated assets			<u>90,968</u>
			<u>47,286,474</u>
Liabilities			
Unallocated liabilities			<u>89,598</u>

18. SEGMENTAL REPORTING (CONTD.)

b. Geographical segments

The Fund seeks to achieve its investment objective by investing in a diversified portfolio of Shariah compliant equities of the countries of South East Asian region.

The following table provide an analysis of the Fund's revenue, results, assets and liabilities by geographical segments:

	Local investments RM	Foreign investments RM	Total RM
2022			
Revenue			
Segment income	241,007	4,033,298	
Segment expenses	<u>(59,547)</u>	<u>(319,137)</u>	
Net segment income representing segment results	<u>181,460</u>	<u>3,714,161</u>	3,895,621
Unallocated loss on foreign currency exchange			<u>(695,248)</u>
			3,200,373
Unallocated expenditure			<u>(645,596)</u>
Income before tax			2,554,777
Income tax			<u>(300,000)</u>
Net income after tax			<u>2,254,777</u>
Assets			
Financial assets at FVTPL	19,434,520	29,081,724	
Short term Islamic deposits	320,000	-	
Other segment assets	<u>43,740</u>	<u>-</u>	
Total segment assets	<u>19,798,260</u>	<u>29,081,724</u>	48,879,984
Unallocated assets			<u>9,438</u>
			<u>48,889,422</u>
Liabilities			
Unallocated liabilities			204,769

18. SEGMENTAL REPORTING (CONTD.)

b. Geographical segments (contd.)

	Local investments RM	Foreign investments RM	Total RM
2021			
Revenue			
Segment income	444,472	4,106,917	
Segment expenses	<u>(45,762)</u>	<u>(67,636)</u>	
Net segment income representing segment results	<u>398,710</u>	<u>4,039,281</u>	4,437,991
Unallocated income on foreign currency exchange			<u>(605,756)</u>
			3,832,235
Unallocated expenditure			<u>(721,410)</u>
Income before tax			3,110,825
Income tax			-
Net income after tax			<u>3,110,825</u>
Assets			
Financial assets at FVTPL	22,088,651	24,830,378	
Other segment assets	<u>36,456</u>	<u>-</u>	
Total segment assets	<u>22,125,107</u>	<u>24,830,378</u>	46,955,485
Unallocated assets			<u>330,989</u>
			<u>47,286,474</u>
Liabilities			
Unallocated liabilities			<u>89,598</u>

19. 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.

19. FINANCIAL INSTRUMENTS

a. Classification of financial instruments (contd.)

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 RM	Financial assets at amortised cost RM	Other financial liabilities RM	Total RM
2022				
Assets				
Listed Shariah- compliant equity securities	48,516,244	-	-	48,516,244
Short term Islamic deposits	-	320,000	-	320,000
Other receivables	-	43,740	-	43,740
Cash at bank	-	2,531	-	2,531
	<u>48,516,244</u>	<u>366,271</u>	<u>-</u>	<u>48,882,515</u>
Liabilities				
Amount due to Manager	-	-	25,782	25,782
Amount due to Trustee	-	-	1,785	1,785
	<u>-</u>	<u>-</u>	<u>27,567</u>	<u>27,567</u>
2021				
Assets				
Listed Shariah- compliant equity securities	46,919,029	-	-	46,919,029
Short term Islamic deposits	-	240,000	-	240,000
Other receivables	-	36,477	-	36,477
Cash at bank	-	90,968	-	90,968
	<u>46,919,029</u>	<u>367,445</u>	<u>-</u>	<u>47,286,474</u>
Liabilities				
Amount due to Manager	-	-	25,654	25,654
Amount due to Trustee	-	-	1,776	1,776
Amount due to Index Provider	-	-	4,396	4,396
	<u>-</u>	<u>-</u>	<u>31,826</u>	<u>31,826</u>

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

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM
Investments:				
2022				
Listed Shariah-compliant equity securities	<u>48,516,244</u>	<u>-</u>	<u>-</u>	<u>48,516,244</u>
2021				
Listed Shariah-compliant equity securities	<u>46,919,029</u>	<u>-</u>	<u>-</u>	<u>46,919,029</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 warrants are determined by reference to Bursa Malaysia and respective foreign stock exchanges of the respective countries' 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.

20. 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 years.

9. DIRECTORS' PROFILE

Name	Luk Wai Hong, William
Age	58
Gender	Male
Nationality	Hong Kong
Position	Chairman/ Non-Independent Non-Executive Director
Date of Appointment	<ul style="list-style-type: none"> • 12 April 2021 (Chairman/ Independent Non-Executive Director) • 1 November 2022 (Re-Designated as a Non-Independent Non-Executive Director)
Membership of Board Committee(s)	Nil
Directorship of Other Public Companies	<ul style="list-style-type: none"> • Kenanga Investment Bank Berhad • Kenanga Investors Berhad • Cotton Tree Capital Ltd.
Length of Tenure as Director (As at 31 December 2022)	One (1) Year and Eight (8) Months
Number of Board Meetings Attended in the Financial Year (1 January 2022 to 31 December 2022)	Five (5)/ Five (5) (100%)
Academic Qualifications	<ul style="list-style-type: none"> • Executive Fellowship awarded by the State of Washington, United States of America ("USA") • Master of Urban Planning from University of Michigan, USA • Bachelor of Arts (Honors) from Concordia University, Canada
Present Appointments	<ul style="list-style-type: none"> • Non-Independent Non-Executive Director ("NINED") of Kenanga Investment Bank Berhad ("KIBB") (Re-Designated from Independent Non-Executive Director ("INED") to NINED on 1 November 2022) • Member of the Group Board Risk Committee, KIBB (Ceased to be the Chairman on 1 November 2022) • Member of the Group Board Digital Innovation & Technology Committee, KIBB • NINED of Kenanga Investors Berhad ("KIB") (Re-designated from INED to NINED on 1 November 2022) • Member of the Audit and Risk Committee of KIB • Chairman of the Investment Committee of KIB • Non-Executive Director of 1.57 Pte Ltd • Director of Investment of Cotton Tree Capital Ltd • Non-Executive Director of Far East Mining Pte Ltd • Non-Executive Director of the Rare Whisky Fund Pte Ltd • Non-Executive Director of The Whisky Capital Pte Ltd • Non-Executive Director of The Whisky Distillery Pte Ltd

Name	Luk Wai Hong, William
Past Relevant Experiences	<ul style="list-style-type: none"> • Member of the Employees' Share Scheme Committee, KIBB • Member of the Group Governance, Nomination & Compensation Committee, KIBB • Member of the Audit Committee, KIBB • Independent Non- Executive Director, K & N Kenanga Holdings Berhad • Non-Executive Director of Rakuten Trade Singapore Pte Ltd (Formerly known as Kenanga Singapore Pte Ltd) • Principal and Portfolio Manager of Pacific Advantage Capital, Hong Kong and Singapore • Managing Director and Co-Head of Saba Proprietary Trading Group Asia, Deutsche Bank AG, Hong Kong • Managing Director and Co-Head of Global Trading and Principal Finance Asia, Deutsche Bank AG, Singapore • Director and Head of Structured Credit Trading and Principal Finance Asia, Deutsche Bank AG, Singapore • Senior Associate Director and Senior Credit and Derivatives Trader, Deutsche Bank AG, Singapore • Senior Fixed Income Trader, HSBC Markets, Hong Kong • Fixed Income and Credit Trader, Lehman Brothers Asia, Hong Kong and Japan • Executive Fellow and Transportation Finance Specialist, Office of Financial Management, State of Washington, USA
Family relationship with any Director and/or major shareholder	Nil
Conflict of interest with the Fund	Nil
List of convictions for offences within the last five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies, other than traffic offences	Nil

Name	Imran Devindran Abdullah
Age	56
Gender	Male
Nationality	Malaysian
Position	Independent Non-Executive Director
Date of Appointment	19 February 2021
Membership of Board Committee(s)	Nil
Directorship of Other Public Companies	Kenanga Investors Berhad
Length of Tenure as Director (As at 31 December 2022)	One (1) Year and Ten (10) Months
Number of Board Meetings Attended in the Financial Year (1 January 2022 to 31 December 2022)	Five (5)/ Five (5) (100%)
Academic Qualifications	<ul style="list-style-type: none"> • Admitted to the Malaysian Bar, High Court Malaya • Certificate of Legal Practice, University of Malaya • Honours Bachelor of Law (1988), University of Buckingham, England • GCE A-Levels, Raffles Junior College, Singapore
Present Appointments	<ul style="list-style-type: none"> • Independent Non-Executive Director of Kenanga Investors Berhad ("KIB") • Chairman of the Audit and Risk Committee of KIB • Member of the Investment Committee of KIB • Senior Associate of BH Lawrence & Co, Advocates and Solicitors
Past Relevant Experiences	<ul style="list-style-type: none"> • Independent Non-Executive Director of Libra Invest Berhad ("LIB") • Member of the Investment Committee of LIB • Partner in Imran Shahareen & Co. • Legal Assistant of Messrs. Miranda & Co. • Legal Assistant of Dass, Jainab & Associate • Legal Assistant of Messrs. Riza, Leong & Partners
Family relationship with any Director and/or major shareholder	Nil
Conflict of interest with the Fund	Nil
List of convictions for offences within the last five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies, other than traffic offences	Nil

Name	Norazian Binti Ahmad Tajuddin
Age	62
Gender	Female
Nationality	Malaysian
Position	Independent Non-Executive Director
Date of Appointment	1 November 2022
Membership of Board Committee(s)	Nil
Directorship of Other Public Companies	<ul style="list-style-type: none"> • Kenanga Investment Bank Berhad • Kenanga Investors Berhad • Kenanga Islamic Investors Berhad
Length of Tenure as Director (As at 31 December 2022)	Two (2) Months
Number of Board Meetings Attended in the Financial Year (1 January 2022 to 31 December 2022)	One (1)/ One (1) (100%)
Academic Qualifications	<ul style="list-style-type: none"> • Bachelor of Science (Honours) in Mathematics from the University of Leeds, United Kingdom • Master of Business Administration (Finance) from the Edith Cowan University, Australia
Present Appointments	<ul style="list-style-type: none"> • Independent Non-Executive Director of Kenanga Investment Bank Berhad ("KIBB") • Member of the Audit Committee of KIBB • Member of the Group Governance, Nomination & Compensation Committee, KIBB (Ceased to be the Chairman to Member on 1 November 2022) • Member of the Employees' Share Scheme Committee, KIBB (Ceased to be the Chairman on 1 November 2022) • Chairman of the Group Board Risk Committee, KIBB (Appointed as the Chairman on 1 November 2022) • Chairman/ Independent Non-Executive Director of Kenanga Investors Berhad ("KIB") • Independent Non-Executive Director of Kenanga Islamic Investors Berhad • Member of the Investment Committee, KIB • Member of the Audit and Risk Committee, KIB
Past Relevant Experiences	<ul style="list-style-type: none"> • Member of the Group Board Digital Innovation & Technology Committee, KIBB • Independent Non-Executive Director of Pacific & Orient Insurance Co. Berhad ("POI"), a subsidiary of Pacific & Orient Berhad • Member of the Nomination Committee, Remuneration Committee, as well as the Audit Committee and Risk Management Committee of POI

Name	Norazian Binti Ahmad Tajuddin
Past Relevant Experiences (contd.)	<ul style="list-style-type: none"> • Non-Independent Non-Executive Director and Member of the Risk Management Committee and Nomination & Remuneration Committee of Prudential BSN Takaful Bhd • Deputy Chief Executive Officer of Bank Simpanan Nasional Berhad • Manager, Treasury of Daimlerchrysler (M) Sdn Bhd • Assistant General Manager, Treasury of KAF Discount Bhd • Deputy Chief Operating Officer, Group Treasury & International Banking of EON Bank Berhad Group • Senior Dealer, Treasury of Bank Bumiputra (M) Bhd
Family relationship with any Director and/or major shareholder	Nil
Conflict of interest with the Fund	Nil
List of convictions for offences within the last five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies, other than traffic offences	Nil

Name	Datuk Wira Ismitz Matthew De Alwis
Age	48
Gender	Male
Nationality	Malaysian
Position	Non-Executive Director
Date of Appointment	19 February 2021
Membership of Board Committee(s)	Nil
Directorship of Other Public Companies	<ul style="list-style-type: none"> • Kenanga Investors Berhad • Kenanga Islamic Investors Berhad • Kenanga Funds Berhad • Federation of Investment Managers Malaysia
Length of Tenure as Director (As at 31 December 2022)	One (1) Year and Ten (10) Months
Number of Board Meetings Attended in the Financial Year (1 January 2022 to 31 December 2022)	Five (5)/ Five (5) (100%)

Name	Datuk Wira Ismitz Matthew De Alwis
Academic Qualifications	<ul style="list-style-type: none"> • Islamic Financial Planner, Islamic Business & Finance Institute Malaysia • Cambridge Summer School Programme-Executive Programme, Asian Banking School, University of Cambridge • Advanced Business Management Program, International Institute of Management Development, Lausanne, Switzerland • Capital Markets Services Representative's Licence for Fund Management, Securities Commission Malaysia • Certified Financial Planner, U.S. • Person Dealing Unit Trust, Federation of Malaysian Unit Trust Manager • Master in Business Administration with Distinction, Southern Cross University Australia • Graduate Diploma in Marketing (UK), Chartered Institute of Marketing, United Kingdom
Present Appointments	<ul style="list-style-type: none"> • Chief Executive Officer/ Executive Director of Kenanga Investors Berhad ("KIB") • Member of the Investment Committee of KIB • Non-Executive Director of Kenanga Islamic Investors Berhad • Non-Executive Director of Kenanga Funds Berhad • Non-Executive Director of KUT Nominees (Asing) Sdn Bhd • Non-Executive Director of KUT Nominees (Tempatan) Sdn Bhd • Board Member of the Federation of Investment Managers Malaysia • Chairperson of the Malaysia Association of Asset Managers • Member of the Licensing Examinations Review Committee for the Securities Commission Malaysia's Licensing Examination Module 10: Asset & Funds Management • Member of the Industry Competency Framework Advisory Panel for the Malaysian Capital Market, Security Industry Development Corporation • Member of the FTSE Bursa Malaysia Index Advisory Committee • Member of the Joint Committee (Bank Negara Malaysia and Securities Commission Malaysia) on Climate Change (JC3) • Investment Adviser for the Olympic Council of Malaysia's Trust Management Committee • Investment Adviser to KDYTM TMP Children Trust (Current KDYMM YDP Agung) • Chairman of the Investment Advisory Committee for Ericsenz Capital Pte Ltd (Singapore) on Ericsenz-K2 Global Unicorn Fund II

Name	Datuk Wira Ismitz Matthew De Alwis
Present Appointments (contd.)	<ul style="list-style-type: none"> Chairman of the Investment Advisory Committee for Ericsenz Capital Pte Ltd (Singapore) on Ericsenz Frontier Fund Member of the Sustainable Investment Platform Steering Committee – Malaysia Sustainable Investment Initiative Council Member of the Institutional Investors Council Malaysia
Past Relevant Experiences	<ul style="list-style-type: none"> President of the Board of Governors for the Financial Planning Association of Malaysia Non-Executive Director of Libra Invest Berhad Member of the Investment Committee of Libra Invest Berhad Deputy Chief Executive Officer of KIB Executive Director/Country Head of ING Investment Management Malaysia/ ING Funds Berhad Senior Vice President, Head, Business Development of ING Funds Berhad Vice President-Head, Retail Distribution of ING Funds Berhad Assistant Vice President – Head, Agency Channel of ING Funds Berhad Senior Manager – Marketing and Business Development of ING Insurance Berhad/ING Funds Berhad Head Sales & Marketing of MBF Unit Trust Management Berhad Senior Manager, Investment Services of MBF Cap/ MBF Asset Management Asia Pacific Relationship Manager/ Account Director of ARA (Asia Research & Consultancy) Consultancy Ltd.
Family relationship with any Director and/or major shareholder	Nil
Conflict of interest with the Fund	Nil
List of convictions for offences within the last five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies, other than traffic offences	Nil

Name	Syed Umar Bin Abdul Rahman Alhadad
Age	42
Gender	Male
Nationality	Malaysian
Position	Acting Chief Executive Officer/ Executive Director
Date of Appointment	19 February 2021
Membership of Board Committee(s)	Nil
Directorship of Other Public Companies	Nil
Length of Tenure as Director (As at 31 December 2022)	One (1) Year and ten (10) Months
Number of Board Meetings Attended in the Financial Year (1 January 2022 to 31 December 2022)	Four (4)/ Five (5) (80%)
Academic Qualifications	<ul style="list-style-type: none"> • Capital Markets Services Representative's Licence for Fund Management, Securities Commission Malaysia • Certified Financial Planner, Financial Planning Association of Malaysia • Bachelor of Engineering (Hons) Electronics Majoring in Telecommunication from Multimedia University
Present Appointments	<ul style="list-style-type: none"> • Non-Executive Director, Global Turbine Asia Sdn Bhd
Past Relevant Experiences	<ul style="list-style-type: none"> • Head, Strategic Planning & Risk, Kenanga Investors Berhad • Senior Vice President, Group Transformation & Group Corporate Planning, Kenanga Investment Bank Berhad • Media Director, Spafax Airline Network • Operations Executive, Ramtronics Technology (M) Sdn Bhd
Family relationship with any Director and/or major shareholder	Nil
Conflict of interest with the Fund	Nil
List of convictions for offences within the last five (5) years and particulars of any public sanction or penalty imposed by the relevant regulatory bodies, other than traffic offences	Nil

10. DIRECTORS' TRAINING

Director	Program Title and Organiser	Date
Luk Wai Hong, William	BNM-FIDE Forum MyFintech Week Masterclasses	27 January 2022
	Introductory Session by UN Global Compact ("UNGC") on: 1) Brief Introduction on Board Leadership & Sustainability; and 2) KIBB-UNGC Collaboration Plans	11 March 2022
	Bursa 2022 Market Intermediaries and Advocacy Programmes - Addressing and Responding to Growing and More Complex Threat of Cyber Security by Asia School of Business	28 June 2022
	Singapore Fintech Festival 2022	2 - 4 November 2022
	MACC ACT Section 17A: The Impact of the Technology & the Newly Enhanced Sustainability Reporting by Dr. Mark Lovatt - ICDM	12 December 2022
	Contemporary Issues In Anti-Money Laundering by Nature of Life	1 - 31 December 2022
	Board of Directors Cybersecurity Awareness by EC-Council	14 - 31 December 2022
Imran Devindran Abdullah	Introductory Session by UN Global Compact ("UNGC") on: 1) Brief Introduction on Board Leadership & Sustainability; and 2) KIBB-UNGC Collaboration Plans	11 March 2022
	MACC ACT Section 17A: The Impact of the Technology & the Newly Enhanced Sustainability Reporting by Dr. Mark Lovatt - ICDM	12 December 2022
	Contemporary Issues In Anti-Money Laundering by Nature of Life	1 - 31 December 2022
	Board of Directors Cybersecurity Awareness by EC-Council	14 - 31 December 2022

Director	Program Title and Organiser	Date
Norazian Binti Ahmad Tajuddin	BNM-FIDE Forum MyFintech Week Masterclasses	27 January 2022
	Islamic Wealth Management from Shariah Perspective by Shariah Adviser of Kenanga Investment Bank Berhad ("KIBB")	9 February 2022
	Task Force on Climate Related Financial Disclosure ("TCFD") - Climate Disclosure Training by Bursa - TCFD 101	2 March 2022
	BNM-FIDE Forum Dialogue: Climate Risk Management and Scenario Analysis	8 March 2022
	Task Force on Climate Related Financial Disclosure ("TCFD") - Climate Disclosure Training by Bursa - TCFD 102	9 March 2022
	Introductory Session by UN Global Compact ("UNGC") on: 1) Brief Introduction on Board Leadership & Sustainability; and 2) KIBB-UNGC Collaboration Plans	11 March 2022
	Nomination and Remuneration Committee ("NRC") Dialogue & Networking - Session #1 by Institute of Corporate Directors Malaysia ("ICDM")	15 April 2022
	MetaFinance: The Next Frontier of the Global Economy by FIDE FORUM	23 May 2022
	International Sustainability Standards Board's ("ISSB") Briefing Workshop and Q&As for Emerging Markets by United Nations SSE Initiative	16 June 2022
	FIDE FORUM Leadership Perspectives Forum on Board Effectiveness in conjunction with the Launch of FIDE FORUM Board Effectiveness Evaluation Guidebook.	14 July 2022
	Setting Science-based Targets by UN Global Compact Academy ("UNGC")	15 August 2022
	How To Understand And Take Action On The Global Goals by UNGC	15 August 2022
	Singapore Fintech Festival 2022	2 - 4 November 2022

Director	Program Title and Organiser	Date
Norazian Binti Ahmad Tajuddin (contd.)	Conversations with Audit Committee - Session 1 by Securities Commission Malaysia	17 November 2022
	MACC ACT Section 17A: The Impact of the Technology & the Newly Enhanced Sustainability Reporting by Dr. Mark Lovatt - ICDM	9 December 2022
	Contemporary Issues In Anti-Money Laundering by Nature of Life	1 - 31 December 2022
	Advocacy Dialogue on the Enhanced Sustainability Reporting Framework by Bursa Malaysia	12 December 2022
	Board of Directors Cybersecurity Awareness by EC-Council	14 - 31 December 2022
Datuk Wira Ismitz Matthew De Alwis	Cybersecurity Awareness Training Part 2 - 2022 By Sophos	17 - 26 February 2022
	IMAS - Bloomberg Investment Conference By Investment Management Association of Singapore	9 March 2022
	IMAS Digital Summit 2022 - Digitalisation In Asset Management: How Far Have We Come? By Investment Management Association of Singapore	20 April 2022
	Cybersecurity Awareness Training Part 4 - 2022 By Sophos	19 - 27 May 2022
	How To Understand And Take Action On The Global Goals By United Nations Global Compact Learning Platform	1 - 30 May 2022
	Cybersecurity Awareness Training Part 5 - 2022 By Sophos	22 - 30 June 2022
	Cybersecurity Awareness Training Part 7 - 2022 (2Fa Bots) by Sophos	21 July 2022
	Cybersecurity Awareness Training Part 10- 2022 (Call Center Scams) by Sophos	19 October 2022
	Cybersecurity Awareness Training Part 11 - 2022 (Cybersecurity Culture) by Sophos	17 November 2022

Director	Program Title and Organiser	Date
Datuk Wira Ismitz Matthew De Alwis (contd.)	Translating Human Rights Commitment Into Business Practice by United Nations Global Compact (UNGC) Learning Platform	17 October 2022
	7th Annual Regulatory Seminar (ARS) by Group Regulatory & Corporate Services	14 November 2022
	Business Continuity Management Awareness 2022 by Group Risk Management	30 November 2022
Syed Umar Bin Abdul Rahman Alhadad	Leading Organisations and Change by MIT Management Executive Education	2 February - 2 April 2022
	Capital Market Development Program: Module 1 Directors As Gatekeepers of Market Participants By Securities Industry Development Corporation	23 May 2022
	Capital Market Development Program: Module 2A Business Challenges And Regulatory Expectations – What Directors Need To Know (Equities & Futures Broking) By Securities Industry Development Corporation	24 May 2022
	Capital Market Development Program: Module 3 Risk Oversight And Compliance – Action Plan For Board of Directors By Securities Industry By Securities Industry Development Corporation Development Corporation	26 May 2022
	Capital Market Development Program: Module 4 Emerging And Current Regulatory Issues In The Capital Market By Securities Industry Development Corporation	27 May 2022
	BCM Business Impact Analysis (BIA) And Risk Assessment (RA) 2022/23 - Awareness Briefing (Session 2) by Group Risk Management	11 August 2022
	Introducing Kenanga Wealth Superapp by Group Marketing, Communications & Sustainability	5 September 2022

Director	Program Title and Organiser	Date
Syed Umar Bin Abdul Rahman Alhadad (contd.)	SIDC Business Foresight Forum (Bff) 2022 by Securities Industry Development Corporation	19 October 2022
	Cybersecurity Awareness Training Part 10- 2022 (Call Center Scams) by Sophos	19 October 2022
	7th Annual Regulatory Seminar (ARS) by Group Regulatory & Corporate Services	14 November 2022
	Cybersecurity Awareness Training Part 11- 2022 (Cybersecurity Culture) by Sophos	17 November 2022
	Business Continuity Management Awareness 2022 by Group Risk Management	30 November 2022
	Team Emotional Well-Being Workshop by Dr Shawn, Naluri Hidup Sdn Bhd	5 December 2022
	The Agile Design Thinking Experience - Working Together Better by Tertiary Infotech Sdn Bhd	8 December 2022

11. 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	: <u>Principal Activities</u> 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. <u>Shareholding</u> The authorised & paid-up capital is RM500,000 divided into 500,000 shares of RM1.00 each. The shareholders of Amanie are Datuk 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 eight (8) 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 April 2021, Amanie has acquired over sixteen (16) 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 is: (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 (UAE), 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 Makhluk 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.

12. TRUSTEE'S DELEGATE

The trustee has appointed Deutsche Bank (Malaysia) Berhad ("DBMB") as the custodian of the Fund assets. DBMB is a wholly-owned subsidiary of Deutsche Bank AG. DBMB offers its clients access to a growing domestic custody network that covers over 30 markets globally and a unique combination of local expertise backed by the resources of a global bank. In its capacity as the appointed custodian, DBMB's roles encompass safekeeping of the Fund assets, trade settlement management, corporate actions notification and processing, securities holding and cash flow reporting, and income collection and processing. All investments of the Fund are registered in the name of the Trustee for the Fund, or where the custodial function is delegated, in the name of the custodian to the order of the Trustee for the Fund. As custodian, DBMB shall act only in accordance with instructions from the Trustee.

Investor Services Center

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