

# MYETF DOW JONES U.S TITANS 50

## ANNUAL REPORT

For the Financial Period From 1 July 2020 to 30 June 2021



**i-VCAP Management Sdn Bhd**  
**Company No.: 200701034939**

*(a wholly owned subsidiary of Kenanga Investors Berhad)*



# MYETF DOW JONES U.S. TITANS 50

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## **INTRODUCTION**

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

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

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

## CORPORATE DIRECTORY

**Manager:** **i-VCAP Management Sdn Bhd** Company No. 200701034939

**Registered Office**

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

**Business Office**

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

Luk Wai Hong, William (**Chairman**)

Syed Zafilen Syed Alwee (**Independent Director**)

Imran Devindran Abdullah (**Independent Director**)

Ismitz Matthew De Alwis (**Non-Independent**)

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

**Registered Office**

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

**Business Office**

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

**Auditor:** **PricewaterhouseCoopers PLT** (LLP0014401-LCA) & AF 1146

Level 10, 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, 50470 Kuala Lumpur.  
Tel: 03-2173 1188 Fax: 03-2173 1288

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

Company No. 199801008604 (464731-M)

Level 10, 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, 50470 Kuala Lumpur.  
Tel: 03-2173 1188 Fax: 03-2173 1288

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

Level G, 1,2,3 and 6, Tropicana City Office Tower, No.3, Jalan SS20/27, 47400 Petaling Jaya, Selangor.  
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

# 1. FUND INFORMATION

## 1.1 Fund Name

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

## 1.2 Fund Category / Type

Shariah-Compliant Equity / Exchange-traded fund

## 1.3 Investment Objective

The Fund aims to provide investment results that closely correspond to the performance of the Benchmark, 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 via full or partial replication in seeking to achieve the investment objective of the Fund, subject to conformity with Shariah Investment Guidelines.

## 1.5 Benchmark Index

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

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

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

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

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

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

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

## 1.6 Distribution Policy

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

Income distributions (if any) are expected to be made annually. The amount to be distributed will be at the discretion of the Manager. However, if the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. During the quarter, there was no income distribution being declared.

## 1.7 Commencement Date & Listing Date

20 February 2018 & 28 February 2018

## 1.8 Breakdown of unit holdings of the Fund as at 30 June 2021

<b>Size of holdings</b>	<b>No. of unit holders</b>	<b>No. of units held</b>
Less than 100	76	7,500
100 - 1,000	134	64,900
1,001 - 10,000	44	143,900
10,001 - 100,000	5	106,000
100,001 and above	1	3,990,000
<b>Total</b>	<b>260</b>	<b>4,312,300</b>

## 2. MANAGER'S REPORT

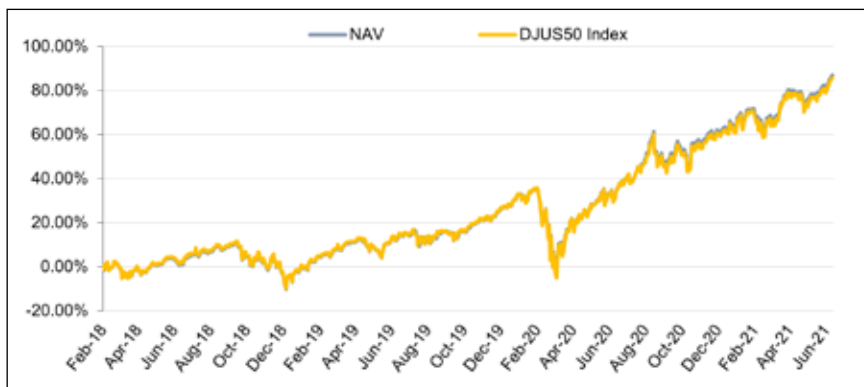
### 2.1 Explanation on whether the Fund has achieved its investment objective

MyETF-US50 aims to provide investment results that closely correspond to the performance of the Benchmark Index.

For the financial year under review, the Fund achieved its investment objective to closely track the performance of the underlying benchmark, i.e. DJUS50 Index. As at 30 June 2021 the 3-year rolling tracking error of the Fund and the Benchmark Index on both Price Return and Total Return basis were 0.26%.

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

Performance Chart Since Launch  
MyETF-US50 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 via full or partial replication in seeking to achieve the investment objective of the Fund, subject to conformity with Shariah Investment Guidelines.

During the financial 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)

Asset	Cumulative Returns <sup>(b)</sup>		
	1 Year (%)	3 Years (%)	Since inception * (%)
MyETF-US50 - NAV Price Return <sup>(a)</sup>	39.86	84.16	85.65
DJUS50 - Price Return Index	39.22	81.98	84.12
MyETF-US50 - NAV Total Return <sup>(a)</sup>	39.86	84.16	85.65
DJUS50 - Total Return Index	40.57	88.65	91.68

Sources: Bloomberg, i-VCAP

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

(b) Cumulative returns are up to 30 June 2021.

\* The Fund commencement date on 20 February 2018

The Fund's NAV per unit increased by 39.86% to USD1.8678 from USD1.3355 for the financial year ended 30 June 2021. Comparatively, the Benchmark Index and Benchmark's Total Return Index (DJUS50 Total Return Index) increased by 39.22% and 40.57% respectively. The difference between the performance of the Fund and its Benchmark Index can largely be attributed to the Fund's operational costs. The increased in the Fund's NAV during the financial year was in line with the strong performance of the broader US equity market.

## 2.5 Market review and outlook

Global equity markets continued to move higher in July 2020 despite continued increase in daily new Covid-19 cases globally. In the US, S&P 500 registered gains of 5.5% in July and entered positive territory for the year despite a pick-up in Covid-19 cases post economic re-opening. The dollar went weaker due to various factors such as lower growth outlook, low interest rates in the US and a rise in quantitative easing by the Fed. On the economic front, US manufacturing and service PMIs had beaten expectations with IHS market readings of 53.1 and 54.8 respectively in August. In terms of monetary policy, the Fed announced a shift to average inflation targeting confirming that monetary policy will remain supportive for the foreseeable future. Market cheered the news and drove the S&P 500 and the NASDAQ to new highs exceeding pre Covid-19 levels by rising 7.2% and 9.7% respectively over the month.

Global equity markets lost momentum and ended in negative territories in September. The decline in US equities was led by a correction in the technology sector and concerns over economy recovery without further stimulus. The negative sentiment extended to the following month. The S&P 500 Index declined, 2.8% in October and the Dow's 4.6% monthly loss took its year-to-date decline to 7.1%. Even the Nasdaq Composite Index, the persistent outperformer among the three, lost 2.3% and saw its gains for the year reduced to a still respectable 22%. All three indexes closed the month with their worst weekly decline (5%-7%) since March. New Covid-19 cases were surging to new highs across the globe. Friday, October 30th was the worst day of the pandemic, with new cases growing by 569,000 worldwide, including more than 99,000 in the U.S. Many European governments were implementing fresh lockdown measures in response.

After 2 months of volatility, global markets went into risk-on mode in November as investors reversed their cautious positioning heading into the US presidential election. US equities welcomed the prospect of a Biden presidency with a divided congress, while incremental newsflow on Covid-19 vaccine breakthroughs added fuel to the bullish sentiment. The US equities continued to gain momentum in December as investor looked through the current surging Covid-19 cases in anticipation of an available vaccine next year and U.S. fiscal stimulus package was passed. The Dow and S&P 500 Index ended the year at all-time high, gained 6.9% and 18.4% respectively. The tech-heavy Nasdaq finished the year up 43.6%.

## 2.5 Market review and outlook (contd.)

The risk on rally from December 2020 continued into the start of 2021, bolstered by vaccination rollouts, optimism on the new Biden administration's proposed stimulus plans as well as China's stronger than expected recovery. The improved global demand outlook fuelled further rallies in oil, which also benefitted from Saudi Arabia's plans to cut production this year. The vaccination roll-outs, flattening of epidemiological curves in plenty parts of the world, and fiscal support by governments have spurred a pick-up in demand recovery and risk assets in February. However, global markets sold off at month end due to rising US bond yields as markets' fear for sharper inflation ahead and an earlier than expected timeline in normalizing monetary policies. Despite volatility in mid-March due to the rise in 10 year treasury yield crossing 1.75% and the Fed allowing long term inflation targets above 2%, equity markets were supported by two key themes: greater than expected stimulus and vaccine progress. The stimulus package of US\$90 billion and Covid Budget package signed early March of US\$1.9t equated to nearly 14% of US GDP. The Fed's accommodative fiscal policy left its benchmark rate unchanged in the range of 0% to 0.25% mid-March, with Fed likely to hold rates near zero through 2023. Additionally, the Biden's Infrastructure bill of \$2 trillion supports job creation and new sectors in clean energy and EV to be billed by increasing corporate tax rate to 28% from 21%. Worldwide vaccination administered were more than 590 million doses, Bloomberg estimates more than 150 million doses in the USA. All three major indices ended higher in the first quarter of 2021.

The US markets continued to scale higher in April on the back of stronger economy outlook for 2021 and Biden's proposed US\$2 trillion infrastructure bill. Sentiment on equity markets also improved following the retreat of 10 year treasury yield to 1.628% by end April compared to 1.742% by end March. US recorded strong 1Q21 GDP growth of 6.4% qoq, supported by economy reopening and robust fiscal stimulus, thanks to two rounds of stimulus checks (\$600 in January and \$1,400 in March). Meanwhile, the Federal Reserve kept rate unchanged and reiterated that it will maintain rate until conditions have reached levels of maximum employment and inflation. The US markets marked their fourth straight monthly advance in May as economic data such as lower unemployment claims signalled a sustained rebound, outweighing inflation worries. President Joe Biden issued his first full budget proposal, detailing his ambitions to expand the size and scope of the federal government with more than USD6 trillion in spending over the coming fiscal year.

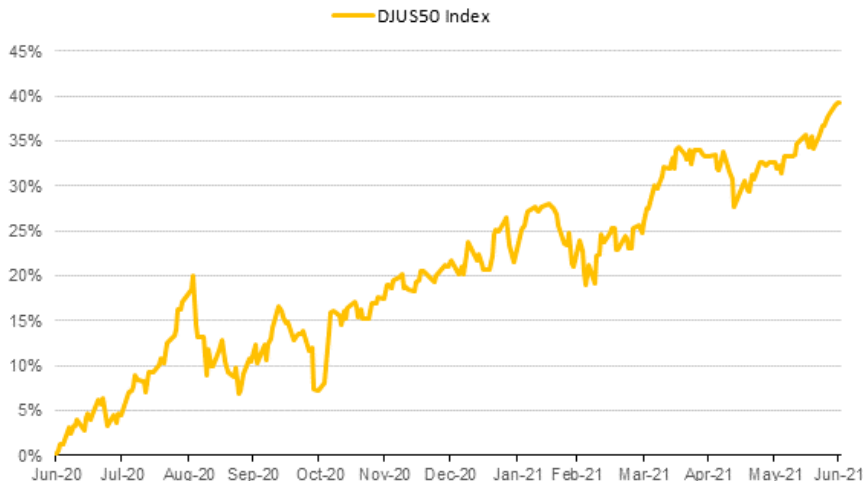
Moving into June, the US equity market took a dip mid-June from initial inflation fears and the Federal Reserve's hawkish announcement during the US FOMC meeting, before recouping its losses at the end of the month, closing higher as compared to May. The upward trajectory was mainly buoyed by the announcement by US President Joe Biden on a new infrastructure deal, which fueled the rally among major indices worldwide. The US Federal Reserve has announced that interest rates will be maintained close to zero at 0-0.25% for now. However, they expect to raise interest rates from rock bottom sooner than expected, with rates expecting to increase as soon as late 2022 or early 2023, and baby steps taken toward reducing emergency support for the economy, which includes cutting back on their vast bond purchases. Amidst the on-going global roll-out of vaccine administration, Covid-19 cases in the US have begun to plateau at 33.7 million cases.

Overall, the first half of 2021 was strong for US equities with almost all sectors made gains. All three major US indices closed at or near record highs on 30 June 2021.

Similarly, the DJUS50 Index closed at 8,883.71 on 30 June 2021, just shy of its all-time high of 8,888.94. The Index recorded a strong performance of 39.22% for the financial year.

## 2.5 Market review and outlook (contd.)

**Chart 1: DJUS50 Index Performance for FY2021**



Sources: Bloomberg, i-VCAP

### Outlook

While the global economy continues on its recovery path led by developed markets, the risk of a significant pickup in inflation and Covid-19 flareups in some parts of the world could create some volatility and risk of downgrades to growth. Nonetheless, accommodative monetary policies by global central banks and strong fiscal stimulus are overall supportive for global equities.

MyETF-US50 is closely correlated to the performance of the Benchmark Index that is highly correlated with US broader market performance. The Benchmark Index comprises the 50 Shariah-compliant largest companies listed in the US. As such, investment in MyETF-US50 allows investors to benefit from the potential earnings growth in the S&P 500 companies on the back of recovery in the global economy.

## 2.6 Distributions

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

## 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**

The Securities Commission Malaysia had on 29 January 2021 approved the acquisition of i-VCAP Management Sdn Bhd (“i-VCAP”) by Kenanga Investors Berhad (“KIB”). Following this, the completion of the acquisition of i-VCAP became effective on 19 February 2021.

Further to this, a First Supplementary Prospectus was issued on 13 April 2021. Please refer to the First Supplementary Prospectus for further details.

## **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 receive any rebates or soft commissions from its stockbrokers during the financial year under review.

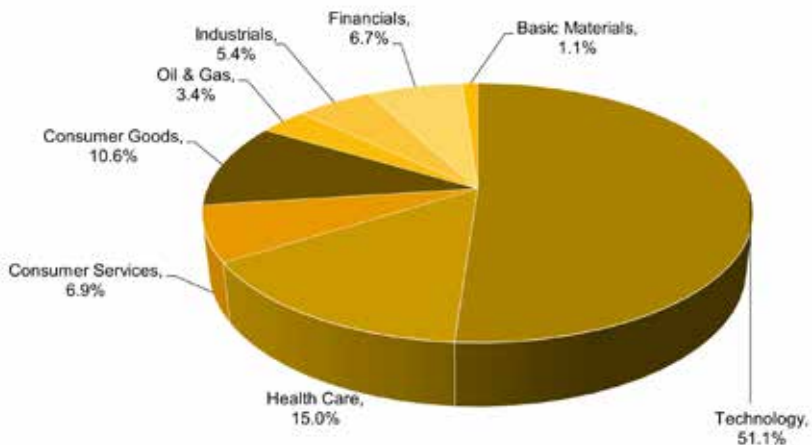
## **2.11 Cross-trade**

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

### 3. FUND PERFORMANCE

#### 3.1 Details of portfolio composition of the Fund for the financial year as at 30 June 2021 is as follows:

Based on the Fund's quoted Investments as at 30 June 2021, the sector allocation of DJUS50 Index based on S&P Dow Jones sector classifications are as follows:



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

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

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

	Stock Inclusions	Stock Exclusions
<b>1QFY21</b>	Advanced Micro Devices	Oracle Corp
	ServiceNow Inc.	Automatic Data Processing
	Intuitive Surgical Inc	Stryker Corp
<b>3QFY21</b>	Applied Materials Inc	Gilead Sciences Inc

Sources: S&P Dow Jones, i-VCAP

**3.1 Details of portfolio composition of the Fund for the financial year as at 30 June 2021 is as follows: (contd.)**

Details of the top 10 holdings as well as Fund's sector exposure as at 30 June 2021 are as follows:

**Table 2: Top Ten Holdings of the Fund as at 30 June 2021**

	<b>Stock</b>	<b>% of NAV</b>
1.	APPLE INC	10.34
2.	MICROSOFT CORP	10.23
3.	FACEBOOK INC-CLASS A	5.72
4.	ALPHABET INC-CL A	4.88
5.	ALPHABET INC-CL C	4.76
6.	TESLA INC	3.63
7.	NVIDIA CORP	3.45
8.	JOHNSON & JOHNSON	2.96
9.	VISA INC-CLASS A SHARES	2.71
10.	HOME DEPOT INC	2.38
	<b>Total</b>	<b>51.06</b>

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

	<b>As at 30-Jun-21</b>	<b>As at 30-Jun-20</b>	<b>Change (%)</b>
Technology	51.64%	47.76%	3.88%
Health Care	14.79%	17.53%	-2.74%
Consumer Services	6.80%	7.21%	-0.41%
Consumer Goods	10.70%	9.48%	1.22%
Oil & Gas	3.21%	3.36%	-0.15%
Industrials	5.18%	5.52%	-0.34%
Financials	6.43%	7.31%	-0.88%
Basic Materials	1.07%	1.05%	0.02%
Cash & Others	0.18%	0.78%	-0.60%

\* Based on S&P Dow Jones classification

**3.1 Details of portfolio composition of the Fund for the financial year as at 30 June 2021 is as follows: (contd.)**

Details of the Fund's quoted Investments as at 30 June 2021 are as follows:

**Table 4: MyETF-US50's Investment in Listed Equities**

	Quantity (Units)	Market Value (RM)	Market Value as a percentage of Net Asset Value (%)
<b><u>Basic Materials</u></b>			
Linde PLC	297	85,863	1.07
		<b>85,863</b>	<b>1.07</b>
<b><u>Consumer Goods</u></b>			
TESLA INC	430	292,271	3.63
PROCTER & GAMBLE CO/THE	1,364	184,045	2.28
COCA-COLA CO/THE	2,146	116,120	1.44
PEPSICO INC	768	113,795	1.41
NIKE INC -CL B	692	106,907	1.33
MONDELEZ INTERNATIONAL INC	792	49,452	0.61
		<b>862,590</b>	<b>10.70</b>
<b><u>Consumer Services</u></b>			
HOME DEPOT INC	600	191,334	2.38
WALMART INC	774	109,149	1.36
MCDONALD'S CORP	416	96,092	1.19
LOWE'S COS INC	404	78,364	0.97
STARBUCKS CORP	649	72,565	0.90
		<b>547,504</b>	<b>6.80</b>
<b><u>Financials</u></b>			
VISA INC-CLASS A SHARES	935	218,622	2.71
MASTERCARD INC-CLASS A	487	177,799	2.21
AMERICAN TOWER CORP	247	66,725	0.83
S&P GLOBAL INC	133	54,590	0.68
		<b>517,736</b>	<b>6.43</b>
<b><u>Health Care</u></b>			
JOHNSON & JOHNSON	1,449	238,708	2.96
PFIZER INC	3,100	121,396	1.51
ABBOTT LABORATORIES	983	113,959	1.41
THERMO FISHER SCIENTIFIC INC	219	110,479	1.37
MERCK & CO. INC.	1,406	109,345	1.36
ELI LILLY & CO	443	101,677	1.26
DANAHER CORP	355	95,268	1.18
MEDTRONIC PLC	748	92,849	1.15
AMGEN INC	328	79,950	0.99

3.1 Details of portfolio composition of the Fund for the financial year as at 30 June 2021 is as follows: (contd.)

Table 4: MyETF-US50's Investment in Listed Equities (contd.)

	Quantity (Units)	Market Value (RM)	Market Value as a percentage of Net Asset Value (%)
<b><u>Health Care (contd.)</u></b>			
INTUITIVE SURGICAL INC	66	60,696	0.75
BECTON DICKINSON AND CO	160	38,910	0.48
VERTEX PHARMACEUTICALS INC	146	29,438	0.37
		<b>1,192,675</b>	<b>14.79</b>
<b><u>Industrials</u></b>			
ACCENTURE PLC-CL A	356	104,945	1.30
HONEYWELL INTERNATIONAL INC	389	85,327	1.06
UNION PACIFIC CORP	375	82,474	1.02
UNITED PARCEL SERVICE	393	81,732	1.01
3M CO	320	63,562	0.79
		<b>418,040</b>	<b>5.18</b>
<b><u>Oil &amp; Gas</u></b>			
EXXON MOBIL CORP	2,348	148,112	1.84
CHEVRON CORP	1,050	109,977	1.37
		<b>258,089</b>	<b>3.21</b>
<b><u>Technology</u></b>			
APPLE INC	6,082	832,991	10.34
MICROSOFT CORP	3,042	824,078	10.23
FACEBOOK INC-CLASS A	1,325	460,716	5.72
ALPHABET INC-CL A	161	393,128	4.88
ALPHABET INC-CL C	153	383,467	4.76
NVIDIA CORP	347	277,635	3.45
ADOBE INC	269	157,537	1.96
INTEL CORP	2,257	126,708	1.57
CISCO SYSTEMS INC	2,351	124,603	1.55
SALESFORCE.COM INC	505	123,356	1.53
TEXAS INSTRUMENTS INC	513	98,650	1.22
QUALCOMM INC	629	89,903	1.12
APPLIED MATERIALS INC	507	72,197	0.90
INTUIT INC	146	71,565	0.89
ADV MICRO DEVICES INC	653	61,336	0.76
SERVICENOW INC	111	61,000	0.76
		<b>4,158,870</b>	<b>51.64</b>
		<b>8,041,367</b>	<b>99.82</b>

Sources: S&P Dow Jones, I-VCAP



### 3.2 Performance details of the Fund for financial year ended 30 June 2021 is as follows:

The key statistics and comparative performance of the Fund for the financial year ended 30 June 2021 are summarised as follows:

	As at 30-Jun-21	As at 30-Jun-20	As at 30-Jun-19	YoY change
NAV per unit (USD)	1.8678	1.3355	1.1226	39.86%
- Highest	1.8694 (29-Jun-21)	1.3562 (19 Feb)	1.1358 (21 Jun)	
- Lowest	1.3442 (01-Jul-20)	0.9636 (23 Mar)	0.8980 (24 Dec)	
<i>(During the period)</i>				
Price per unit (USD)	1.9000	1.3300	1.1300	42.86%
- Highest	1.9000 (30-Jun-21)	1.5500 (12 May)	1.1500 (25 Jun'19)	
- Lowest	1.2900 (14-Jul-21)	1.0400 (26 Mar)	0.9000 (26 Dec'18)	
<i>(During the period)</i>				
Units in Circulation	4,312,300	7,312,300	13,012,300	-41.03%
Total NAV (USD)	8,054,598	9,765,313	14,607,839	-17.52%
Market Capitalisation (USD)	8,193,370	9,725,359	14,703,899	-15.75%
DJUS50 Index	8,883.71	6,381.07	5,385.51	39.22%
DJUS50T Index	12,867.84	9,154.29	7,629.73	40.57%
Tracking Error vs. Price Return DJUS50 Index (%)*	0.29	0.13	0.23	
Tracking Error vs. Total Return DJUS50 Index (%)*	0.29	0.13	0.23	
Management Expense Ratio (%)	0.99	0.75	0.64	

Sources: Bloomberg, i-VCAP

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

**3.2 Performance details of the Fund for financial period ended 30 June 2021 is as follows: (contd.)**

The price of the Fund's units that are listed on Bursa Malaysia increased by 42.86% for the financial year 2021 ("FY2021"). The Fund's price per unit were generally traded at premium to the Fund's NAV per unit during the year.

Total units in circulation for the Fund decrease to 4.3 million from 7.3 million on a net redemption of 3 million units for FY2021.

**3.3 Average total return for the Fund**

	Average Returns <sup>(b)</sup>		
	1-year (%)	3-years (%)	Since Inception * (%)
MyETF-US50 - NAV Price Return <sup>(a)</sup>	39.86	22.55	20.35
DJUS50 - Price Return Index	39.22	27.23	25.12
MyETF-US50 - NAV Total Return <sup>(a)</sup>	39.86	22.55	20.35
DJUS50 - Total Return Index	40.57	29.44	27.36

Sources: Bloomberg, i-VCAP

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

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

\* Performance from inception date on 20 February 2018.

**3.4 Annual total return of the Fund**

	2021 (%)	2020 (%)	2019 (%)	2018* (%)
MyETF-US50 - NAV Price Return <sup>(a)</sup>	39.86	18.96	10.69	1.42
DJUS50 - Price Return Index	39.22	18.49	10.32	2.01
MyETF-US50 - NAV Total Return <sup>(a)</sup>	39.86	18.96	10.69	1.42
DJUS50 - Total Return Index	40.57	19.98	11.86	2.48

Sources: Bloomberg, i-VCAP

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

\* The Fund commencement date on 20 February 2018

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

#### **4. TRUSTEE'S REPORT TO THE UNIT HOLDERS OF MYETF DOW JONES U.S. TITANS 50**

We, CIMB Islamic Trustee Berhad being the trustee of MyETF Dow Jones U.S. Titans 50 (“the Fund”) are of the opinion that *i*-VCAP Management Sdn Bhd (“the Manager”), acting in the capacity as Manager of the Fund, has fulfilled its duties in the following manner for the financial year ended 30 June 2021.

- a) The Fund has been managed in accordance with the limitations imposed on the investment powers of the Manager under the Deed, the Securities Commission Malaysia’s Guidelines on Exchange-Traded Funds, the Capital Markets and Services Act 2007 (as amended from time to time) and other applicable laws;
- b) Valuation and pricing for the Fund has been carried out in accordance with the Deed and relevant regulatory requirements; and
- c) Creation and redemption of units have been carried out in accordance with the Deed and relevant regulatory requirements.

For and on behalf of  
CIMB Islamic Trustee Berhad

Ng Lai Peng  
Authorised Signatory

Kuala Lumpur, Malaysia

30 September 2021

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

We hereby confirm the following:

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

For Amanie Advisors Sdn Bhd

Datuk Dr. Mohd Daud Bakar  
Executive Chairman

Date: 30 September 2021

## **6. INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MYETF DOW JONES U.S. TITANS 50**

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

#### *Our opinion*

In our opinion, the financial statements of MyETF Dow Jones U.S. Titans 50 (“the Fund”) give a true and fair view of the financial position of the Fund as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

#### *What we have audited*

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 June 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 21 to 50.

#### *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 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 Ethics Standards Board for Accountants’ 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.

#### *Our audit approach*

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Fund. In particular, we considered where the Manager made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Fund, the accounting processes and controls, and the industry in which the Fund operates.

## 6. INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MYETF DOW JONES U.S. TITANS 50 (CONTD.)

### *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 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.

Key audit matters	How our audit addressed the key audit matters
<p><b>Valuation and existence of financial assets at fair value through profit or loss</b></p> <p>Refer to Note F (Summary of significant accounting policies), Note 9 and Note 21 (Notes to the financial statements).</p> <p>The investment portfolio at the year-end comprised listed equity investments valued at USD8,041,367.</p> <p>We focused on the valuation and existence of investments because investments represent the most significant element of the net asset value in the financial statements.</p>	<p>We have tested the valuation of the listed equity investments by agreeing the prices used in the valuation to independent third party sources. No misstatements were identified from our testing.</p> <p>We have tested the existence of the investment portfolio by agreeing the holdings for investments to an independent custodian confirmation.</p>

### *Information other than the financial statements and auditors' report thereon*

The Manager of the Fund is responsible for the other information. The other information comprises Manager's report 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.

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.

## **6. INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MYETF DOW JONES U.S. TITANS 50 (CONTD.)**

### *Responsibilities of the Manager for the financial statements*

The Manager of the Fund is responsible for the preparation of the 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.

### *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 judgement and maintain professional scepticism throughout the audit. We also:

- (a) 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.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) 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 Company'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.

## **6. INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MYETF DOW JONES U.S. TITANS 50 (CONTD.)**

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

- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements 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.

We also provide the Manager with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Manager, we determine those matters that were of most significance in the audit of the financial statements of the Fund for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **OTHER MATTERS**

This report is made solely to the unit holders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

Kuala Lumpur

30 September 2021



## **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 30 June 2021 and the related statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year ended 30 June 2021 together with notes thereto, are drawn up in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards so as to give a true and fair view of the financial position of MyETF Dow Jones U.S. Titans 50 as at 30 June 2021 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

Kuala Lumpur, Malaysia

30 September 2021

## 8. FINANCIAL STATEMENTS

### 8.1 STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Note	2021 USD	2020 USD
<b>INCOME</b>			
Gross dividend income		98,340	228,063
Net gain on financial assets at fair value through profit or loss	9	2,777,027	2,415,338
Net gain on forward foreign currency contracts at fair value through profit or loss		-	47
Net foreign exchange loss		<u>(519)</u>	<u>(1,263)</u>
		2,874,848	2,642,185
<b>EXPENSES</b>			
Management fee	4	(29,809)	(52,055)
Trustee's fee	5	(3,036)	(4,559)
License fee	6	(8,977)	(5,211)
Transaction cost		(9,499)	(12,067)
Audit fee		(3,863)	(5,252)
Tax agent's fee		(2,643)	(1,139)
Shariah Adviser's fee		(2,011)	(2,160)
Purification of Shariah non-compliant income		(760)	(14,560)
Other expenses	7	<u>(51,845)</u>	<u>(78,778)</u>
		<u>(112,443)</u>	<u>(175,781)</u>
<b>PROFIT BEFORE TAXATION</b>		2,762,405	2,466,404
Taxation	8	<u>-</u>	<u>-</u>
<b>PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>		<u>2,762,405</u>	<u>2,466,404</u>
Profit after taxation is made up as follows:			
Realised amount		2,810,938	2,009,464
Unrealised amount		<u>(48,533)</u>	<u>456,940</u>
		<u>2,762,405</u>	<u>2,466,404</u>

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

**8.2 STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2021**

	Note	30.06.2021 USD	30.06.2020 USD
<b>ASSETS</b>			
Cash and cash equivalents	11	18,370	80,179
Financial assets at fair value through profit or loss	9	8,041,367	9,689,122
Dividends receivable	10	2,906	4,951
Prepayments		6,340	1,509
<b>TOTAL ASSETS</b>		<u>8,068,983</u>	<u>9,775,761</u>
<b>LIABILITIES</b>			
Amount due to Manager		2,436	3,389
Amount due to Trustee		239	296
Audit fee payable		3,798	3,731
Tax agent's fee payable		2,273	-
Shariah Adviser's fee payable		1,634	1,192
Other payables and accruals	12	<u>4,005</u>	<u>1,840</u>
<b>TOTAL LIABILITIES</b>		<u>14,385</u>	<u>10,448</u>
<b>NET ASSET VALUE OF THE FUND</b>		<u>8,054,598</u>	<u>9,765,313</u>
<b>EQUITIES</b>			
Unit holders' capital		1,299,400	5,772,520
Retained earnings		<u>6,755,198</u>	<u>3,992,793</u>
<b>NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS</b>	14	<u>8,054,598</u>	<u>9,765,313</u>
<b>NUMBER OF UNITS IN CIRCULATION</b>	14	<u>4,312,300</u>	<u>7,312,300</u>
<b>NET ASSET VALUE PER UNIT (USD)</b>		<u>1.8678</u>	<u>1.3355</u>

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

**8.3 STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	Note	Unit holders' capital USD	Retained earnings USD	Total USD
Balance as at 1 July 2020		5,772,520	3,992,793	9,765,313
Creation of units	14	5,496,240	-	5,496,240
Cancellation of units	14	(9,969,360)	-	(9,969,360)
Total comprehensive income for the financial year		<u>-</u>	<u>2,762,405</u>	<u>2,762,405</u>
Balance as at 30 June 2021		<u>1,299,400</u>	<u>6,755,198</u>	<u>8,054,598</u>
Balance as at 1 July 2019		13,081,450	1,526,389	14,607,839
Creation of units	14	1,151,850	-	1,151,850
Cancellation of units	14	(8,460,780)	-	(8,460,780)
Total comprehensive income for the financial year		<u>-</u>	<u>2,466,404</u>	<u>2,466,404</u>
Balance as at 30 June 2020		<u>5,772,520</u>	<u>3,992,793</u>	<u>9,765,313</u>

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

**8.4 STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021**

	Note	2021 USD	2020 USD
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash used in purchase of Shariah-compliant investments		(6,039,176)	(2,732,434)
Proceeds from sales of Shariah-compliant investments		10,454,460	9,941,414
Dividends received		71,396	164,300
Net gain on forward foreign currency contracts		-	47
Management fee paid		(30,762)	(53,077)
Trustee fee paid		(3,093)	(5,069)
Payment for other fees and expenses		(40,995)	(39,784)
Realised foreign currency exchange loss		(519)	(1,263)
Net cash generated from operating activities		<u>4,411,311</u>	<u>7,274,134</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from creation of units	20	5,496,240	1,151,850
Payments for cancellation of units	20	<u>(9,969,360)</u>	<u>(8,460,780)</u>
Net cash used in financing activities		<u>(4,473,120)</u>	<u>(7,308,930)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		(61,809)	(34,796)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>		<u>80,179</u>	<u>114,975</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	11	<u>18,730</u>	<u>80,179</u>

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

## 8.5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

Unless otherwise stated, the following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

### A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the MyETF Dow Jones U.S. Titans 50 (“the Fund”) have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”) and International Financial Reporting Standards (“IFRS”).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, except as disclosed in the summary of significant accounting policies.

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Managers’ best knowledge of current events and actions, actual results may differ.

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

(a) The Fund has applied the following amendments and interpretations for the first time for the financial year beginning on 1 July 2020:

- The Conceptual Framework for Financial Reporting (“Framework”) (effective 1 January 2020)

The Framework was revised with the primary purpose to assist the International Accounting Standards Board (“IASB”) to develop IFRS that are based on consistent concepts and enable preparers to develop consistent accounting policies where an issue is not addressed by an IFRS.

Key changes include:

- increasing the prominence of stewardship in the objective of financial reporting
- reinstating prudence as a component of neutrality
- defining a reporting entity, which may be a legal entity, or a portion of an entity
- revising the definitions of an asset and a liability
- removing the probability threshold for recognition and adding guidance on derecognition
- adding guidance on difference measurement basis, and
- stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

No changes are made to any of the current accounting standards. However, entities that rely on the Framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards have to apply the revised Framework from 1 July 2020.

## **A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTD.)**

(a) The Fund has applied the following amendments and interpretations for the first time for the financial year beginning on 1 July 2020: (contd.)

- Amendments to MFRS 101 and MFRS 108 'Definition of Material' (effective 1 January 2020) clarify the definition of materiality and use a consistent definition throughout MFRSs and the Conceptual Framework for Financial Reporting.

The revised Framework and adoption of the amendments to published standards did not have any impact on the current year or any prior period and is not likely to affect future periods.

(b) A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2020, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

## **B. INCOME FROM SHARIAH-COMPLIANT FINANCIAL INSTRUMENTS**

### Realised gains and losses

Realised gain or loss on disposal of quoted securities is accounted for as the difference between the net disposal proceeds and the carrying amount of quoted securities, determined on a weighted average cost basis.

### Dividend income

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of comprehensive income as part of gross dividend income when the Fund's right to receive payments is established.

## **C. SHARIAH NON-COMPLIANT INCOME**

Any income or distribution received by the Fund from its investment portfolio which relates to profit income or dividend income from fortuitous activities (does not comply with the Shariah principles) of the underlying companies is considered Shariah non-compliant income.

This Shariah non-compliant income is subject to an income purification process as determined by the Index Provider from time to time and without limitation based on the impure ratio for each component stock as determined by S&P Dow Jones Indices. The Shariah non-compliant income may be distributed to baitulmal or any other organisations considered beneficial to the public at large which are endorsed by the Shariah Adviser and approved by the Trustee. The amount is recognised as an expense in profit or loss.

## **D. TAXATION**

Current tax expense is determined according to the Malaysian tax laws and includes all taxes based upon the taxable profits.

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

## **E. CASH AND CASH EQUIVALENTS**

For the purpose of the cash flow statement, cash and cash equivalents comprise cash and bank balances and Islamic deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## **F. FINANCIAL ASSETS AND LIABILITIES**

### **(i) Classification**

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

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

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

The Fund classifies cash and cash equivalents and dividends receivable as financial assets measured at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding, which are solely payments of principal and interest.

The Fund classifies amount due to Manager, amount due to Trustee, audit fee payable, tax agent's fee payable, Shariah Adviser's fee payable and other payables and accruals as financial liabilities recognised initially at fair value and subsequently measured at amortised cost using the effective profit rate method.

### **(ii) Recognition and measurement**

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss are expensed in the statement of comprehensive income.

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

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

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



## F. FINANCIAL ASSETS AND LIABILITIES (CONTD.)

### (ii) Recognition and measurement (contd.)

The Fund measures all Shariah-compliant equity investments at fair value. Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within 'net gain/(loss) on financial assets at fair value through profit and loss' in the period in which they arise.

Investments principally consist of Shariah-compliant quoted investments which are initially recognised at fair value and subsequently re-measured at fair value based on the market price quoted on the relevant stock exchanges at the close of the business on the valuation day, where the close price falls within the bid-ask spread. In circumstances where the close price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value. Purchases and sales of Shariah-compliant investments are accounted for on the trade date.

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

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

### (iii) Impairment of financial assets

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

#### Significant increase in credit risk

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

#### Definition of default and credit-impaired financial assets

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

## **F. FINANCIAL ASSETS AND LIABILITIES (CONTD.)**

### (iii) Impairment of financial assets (contd.)

#### Write-off

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

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

## **G. UNIT HOLDERS' CAPITAL**

The unit holders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the redemption of units; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units. In accordance with the Securities Commission's ("SC") Guidelines on Exchange-Traded Funds, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per unit for creations and cancellations.

## **H. PRESENTATION AND FUNCTIONAL CURRENCY**

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

## **I. SEGMENT REPORTING**

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer ("CEO") of the Fund's manager that undertakes strategic decisions for the Fund.

**J. NET GAINS/(LOSSES)**

The analysis of realised and unrealised net gains/(losses) after tax as disclosed in the statement of comprehensive income is prepared in accordance with the SC's Guidelines on Exchange-Traded Funds.

**K. TRANSACTION COSTS**

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

**L. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES**

The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Funds' results and financial position are tested for sensitivity to changes in the underlying parameters.

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

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

However, the Manager is of the opinion that in applying these accounting policies, no significant judgment was required.

## 8.6 NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

### 1. INFORMATION ON THE FUND

The Exchange-Traded Fund (the “Fund”) was constituted under the name MyETF Dow Jones U.S. Titans 50 pursuant to the execution of a Trust Deed dated 25 September 2017 (the “Deed”) entered into between i-VCAP Management Sdn. Bhd. (the “Manager”) and CIMB Islamic Trustee Berhad (the “Trustee”).

The Fund was launched on 15 January 2018 and will continue its operations until terminated in accordance with Part 26 of the Deed.

The Fund is an exchange-traded fund which is designed to provide investment results that closely correspond to the performance of the Dow Jones Islamic Market U.S. Titans 50 Index (“Benchmark Index”). The Benchmark Index shall comprise of the 50 largest companies (by float-adjusted market capitalisation) listed on the Relevant Exchanges in the U.S. which have passed rules-based screens for Shariah compliance of S&P Dow Jones Indices. All investments will be subjected to the SC Guidelines on Exchange-Traded Funds, the Deed and the objective of the Fund.

The Manager is a company incorporated in Malaysia. The principal activity of the Manager is the provision of Shariah-compliant investment management services.

These financial statements were authorised for issue by the Manager on 30 September 2021.

### 2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk, price risk, currency risk, credit/default risk and reclassification of Shariah-compliant securities risk from the following financial instruments:

	Note	Financial assets at amortised cost USD	Financial assets at fair value through profit or loss USD	Total USD
<b>2021</b>				
Cash and cash equivalents	11	18,370	-	18,370
Financial assets at fair value through profit or loss	9	-	8,041,367	8,041,367
Dividends receivable		2,906	-	2,906
Total		<u>21,276</u>	<u>8,041,367</u>	<u>8,062,643</u>
<b>2020</b>				
Cash and cash equivalents	11	80,179	-	80,179
Financial assets at fair value through profit or loss	9	-	9,689,122	9,689,122
Dividends receivable		4,951	-	4,951
Total		<u>85,130</u>	<u>9,689,122</u>	<u>9,774,252</u>

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

All current liabilities are financial liabilities which are carried at amortised cost.

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

### Market risk

Market risk is a risk that arises when the prices of investments in the market place are affected by circumstances such as general market or economic events. These circumstances, which may be a local or global event, can affect a local market or global markets where the equities are invested in.

### Price Risk

The Fund is exposed to Shariah-compliant equity securities price risk arising from investments held by the Fund for which prices in the future are uncertain. The very nature of an exchange-traded fund, however, helps mitigate this risk because a fund would generally hold a well-diversified portfolio of Shariah-compliant securities from different market sectors so that the collapse of any one Shariah-compliant security or any one market sector would not impact too greatly on the value of the fund.

At 30 June, the fair value of Shariah-compliant equities exposed to price risk was as follows:

	<b>2021</b> <b>USD</b>	<b>2020</b> <b>USD</b>
Financial assets at fair value through profit or loss	<u>8,041,367</u>	<u>9,689,122</u>

The table below summarises the sensitivity of the Fund's unrealised income or loss to equity price movements as at 30 June. The analysis is based on the assumptions that the Dow Jones Islamic U.S Titans 50 Index ("the Index") increased by 10% and decreased by 10%, with all other variables held constant, and that the fair value of the Fund's portfolio of Shariah-compliant equity securities moved in correlation with the Index.

<b>% Change in benchmark index</b>	<b>Benchmark index</b>	<b>Market value USD</b>	<b>Impact to profit after tax/NAV USD</b>
<b>2021</b>			
-10%	7,995.34	7,944,377	(96,990)
0%	8,883.71	8,041,367	-
10%	9,772.08	8,138,357	96,990
<b>2020</b>			
-10%	5,743	8,733,447	(955,675)
0%	6,381	9,689,122	-
10%	7,019	10,644,797	955,675

The Index is used as a benchmark as the Fund is designed to provide investment results that closely correspond to the performance of the Index.

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

### Currency risk

Currency risk is associated with investments that are quoted and/or priced in foreign currency denomination. Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Manager will evaluate the likely directions of a foreign currency versus USD based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels, and technical chart considerations.

The following table sets out the foreign currency risk concentrations arising from the denomination of the Fund's financial instruments in foreign currencies:

	Cash and cash equivalents USD	Amount due to trustee USD	Audit fee payable USD	Tax agent's fee payable USD	Shariah Adviser's fee payable USD	Total USD
<b>Financial assets and liabilities</b>						
<b>2021</b>						
MYR	<u>566</u>	<u>(239)</u>	<u>(3,798)</u>	<u>(2,273)</u>	<u>(1,634)</u>	<u>(7,378)</u>

	Cash and cash equivalents USD	Amount due to trustee USD	Audit fee payable USD	Tax agent's fee payable USD	Shariah Adviser's fee payable USD	Total USD
<b>Financial assets and liabilities</b>						
<b>2020</b>						
MYR	<u>1,521</u>	<u>(296)</u>	<u>(3,731)</u>	<u>-</u>	<u>(1,192)</u>	<u>(3,698)</u>

The table below summarises the sensitivity of the Fund's profit/(loss) after tax and NAV to changes in foreign exchange movements at the end of each reporting period. The analysis is based on the assumption that the foreign exchange rate fluctuates by 5%, with all other variables remaining constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in foreign exchange rate %	Impact on profit after tax/NAV USD
<b>2021</b>		
MYR	<u>+/-5</u>	<u>+/-369</u>

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

### Currency risk (contd.)

	Change in foreign exchange rate %	Impact on profit after tax/NAV USD
<b>2020</b>		
MYR	+/-5	+/-185

### Credit risk

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The credit risk arising from placements of Islamic deposits in licensed financial institutions is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions. The settlement terms of the proceeds from the creation of units receivable from the Manager are governed by the SC's Guidelines on Exchange-Traded Funds.

The credit risk is minimal as all transactions in quoted investments are settled/paid upon delivery using approved brokers.

The maximum exposure to credit risk before any credit enhancements at 30 June is the carrying amount of the financial assets as set out below.

	Cash and cash equivalents USD	Dividends receivable USD	Total USD
<b>2021</b>			
Financial institutions			
– AAA	18,370	-	18,370
Others	-	2,906	2,906
	<u>18,370</u>	<u>2,906</u>	<u>21,276</u>
<b>2020</b>			
Financial institutions			
– AAA	80,179	-	80,179
Others	-	4,951	4,951
	<u>80,179</u>	<u>4,951</u>	<u>85,130</u>

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

### Reclassification of Shariah-compliant securities risk

The reclassification of Shariah-compliant securities risk may occur if the Shariah-compliant securities invested by the fund are reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah boards of the relevant Islamic indices. If this occurs, the Manager will have to take the necessary steps to dispose of such securities. There may be opportunity loss to the fund due to the fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. The value of the fund may also be adversely affected in the event of a disposal of Shariah non-compliant equities at a price lower than the investment cost.

## 3. CAPITAL AND LIQUIDITY RISK MANAGEMENT

The capital of the Fund is represented by the net assets attributable to unit holders. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily creations and cancellations of units at the discretion of unit holders. The Manager will provide a perfect basket which comprises of a portfolio of the Benchmark Index shares in substantially the same composition and weighting as the Benchmark Index and cash component to be delivered by the investors in the case of creations and to be transferred to the unit holders in the case of cancellations. The Fund maintains sufficient quantity of shares and cash in proportion to the perfect basket.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts in the table below are the contractual undiscounted cash flows:

	<b>Within one month USD</b>	<b>One month to one year USD</b>	<b>Total USD</b>
<b>2021</b>			
Amount due to Manager	2,436	-	2,436
Amount due to Trustee	239	-	239
Auditors' remuneration	-	3,798	3,798
Tax agent's fee	-	2,273	2,273
Shariah Adviser's fee	-	1,634	1,634
Other payables and accruals	-	4,005	4,005
	<u>2,675</u>	<u>11,710</u>	<u>14,385</u>
<b>2020</b>			
Amount due to Manager	3,389	-	3,389
Amount due to Trustee	296	-	296
Auditors' remuneration	-	3,731	3,731
Tax agent's fee	-	-	-
Shariah Adviser's fee	-	1,192	1,192
Other payables and accruals	-	1,840	1,840
	<u>3,685</u>	<u>6,763</u>	<u>10,448</u>



#### 4. MANAGEMENT FEE

The Manager is entitled to a management fee at a rate not exceeding 3.00% per annum on the Net Asset Value (“NAV”) of the Fund calculated on a daily basis, as provided under Clause 15.1 of the Deed.

For the financial year ended 30 June 2021, the Management fee was recognised at a rate of 0.40% (2021: 0.40%) per annum on the NAV of the Fund, calculated on a daily basis.

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

#### 5. TRUSTEE’S FEE

The Trustee is entitled to an annual fee at a rate not exceeding 0.35% per annum on the Net Asset Value (“NAV”) of the Fund, as provided under Clause 15.2 of the Deed.

For the financial year ended 30 June 2021, the Trustee’s fee was recognised at a rate of 0.035% (2020: 0.035%) per annum on the NAV of the Fund, subject to a minimum of RM12,000 per annum (excluding foreign sub-custodian fees and charges), calculated on a daily basis.

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

#### 6. LICENSE FEE

License fee is payable to S&P Dow Jones Indices LLC, the Benchmark Index provider.

For the financial year ended 30 June 2021, the License fee was recognised at a rate of 0.04% (2020: 0.04%) per annum, subject to an annual minimum fee of USD8,000 per annum, calculated on a daily basis.

There will be no further liability to S&P Dow Jones Indices LLC in respect of license fee other than the amounts recognised above.

#### 7. OTHER EXPENSES

	<b>2021 USD</b>	<b>2020 USD</b>
Other expenses	22,856	11,835
Withholding taxes	<u>28,989</u>	<u>66,943</u>
	<u>51,845</u>	<u>78,778</u>

## 8. TAXATION

	2021 USD	2020 USD
Current taxation	<u>-</u>	<u>-</u>

The explanation of the relationship between taxation and profit before taxation of the Fund is as follows:

	2021 USD	2020 USD
Profit before taxation	<u>2,762,405</u>	<u>2,466,404</u>
Tax at Malaysian statutory rate of 24% (2020: 24%)	662,977	591,937
Tax effect of:		
- Investment income not subject to tax	(689,964)	(634,124)
- Restriction on tax deductible expenses for exchange-traded funds	8,082	13,754
- Expenses not deductible for tax purposes	<u>18,905</u>	<u>28,433</u>
Taxation	<u>-</u>	<u>-</u>

## 9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2021 USD	2020 USD
Financial assets at fair value through profit or loss		
- Quoted Shariah-compliant securities	<u>8,041,367</u>	<u>9,689,122</u>
Net gain on financial assets at fair value through profit or loss		
- Realised gain	2,825,560	1,958,398
- Unrealised (loss)/gain on changes in fair value	<u>(48,533)</u>	<u>456,940</u>
	<u>(2,777,027)</u>	<u>2,415,338</u>

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
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**2021**

### SHARIAH-COMPLIANT QUOTED SECURITIES

#### Basic Materials

Linde PLC	<u>297</u>	<u>67,869</u>	<u>85,863</u>	<u>1.07</u>
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## 9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTD.)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>Consumer Goods</b>				
Coca-Cola Co/The	2,146	105,330	116,120	1.44
Mondelez International Inc.	792	41,877	49,452	0.61
NIKE Inc - CL B	692	74,953	106,907	1.33
Pepsico Inc.	768	99,075	113,795	1.41
Procter & Gamble Co/The	1,364	153,542	184,045	2.28
Tesla Inc.	430	195,715	292,271	3.63
	<u>6,192</u>	<u>670,492</u>	<u>862,590</u>	<u>10.70</u>
<b>Consumer Services</b>				
Home Depot Inc	600	148,680	191,334	2.38
Lowe's Cos Inc.	404	57,203	78,364	0.97
Mcdonald's Corp	416	82,097	96,092	1.19
Starbucks Corp	649	55,812	72,565	0.90
Walmart Inc.	774	92,995	109,149	1.36
	<u>2,843</u>	<u>436,787</u>	<u>547,504</u>	<u>6.80</u>
<b>Financials</b>				
American Tower Corp	247	58,214	66,725	0.83
Mastercard Inc - class A	487	139,018	177,799	2.21
S&P Global Inc.	133	46,040	54,590	0.68
Visa Inc-class A shares	935	169,668	218,622	2.71
	<u>1,802</u>	<u>412,940</u>	<u>517,735</u>	<u>6.43</u>
<b>Health Care</b>				
Abbott laboratories	983	94,199	113,959	1.41
Amgen Inc.	328	73,852	79,950	0.99
Becton Dickinson and Co.	160	40,558	38,910	0.48
Danaher Corp	355	67,333	95,268	1.18
Eli Lilly & Co.	443	65,293	101,677	1.26
Intuitive Surgical Inc	66	48,072	60,696	0.75
Johnson & Johnson	1,449	214,595	238,708	2.96
Medtronic PLC	748	78,168	92,849	1.15
Merck & Co. Inc.	1,406	93,813	109,345	1.36
Pfizer Inc.	3,100	110,849	121,396	1.51
Thermo fisher scientific Inc.	219	81,034	110,479	1.37
Vertex pharmaceuticals Inc.	146	36,272	29,438	0.37
	<u>9,403</u>	<u>1,004,038</u>	<u>1,192,675</u>	<u>14.79</u>

## 9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTD.)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>Industrials</b>				
3M Co.	320	63,766	63,562	0.79
Accenture PLC - CLA	356	79,167	104,945	1.30
Honeywell International Inc	389	71,089	85,327	1.06
Union Pacific Corp	375	66,799	82,474	1.02
United Parcel Service	393	57,514	81,732	1.01
	<u>356</u>	<u>338,335</u>	<u>104,945</u>	<u>1.30</u>
<b>Oil &amp; Gas</b>				
Chevron Corp.	1,050	107,921	109,977	1.37
Exxon Mobil Corp.	2,348	141,896	148,112	1.84
	<u>3,398</u>	<u>249,817</u>	<u>258,089</u>	<u>3.21</u>
<b>Technology</b>				
Adobe Inc.	269	103,902	157,537	1.96
ADV Micro Devices Inc.	653	51,992	61,336	0.76
Alphabet Inc. - Class A	161	270,150	393,128	4.88
Alphabet Inc. - Class C	153	258,557	383,467	4.76
Apple Inc.	6,082	570,041	832,991	10.34
Applied Materials Inc.	507	61,746	72,197	0.90
Cisco Systems Inc.	2,351	112,190	124,603	1.55
Facebook Inc. - Class A	1,325	325,769	460,716	5.72
Intel Corp.	2,257	119,882	126,708	1.57
Intuit Inc.	146	49,778	71,565	0.89
Microsoft Corp	3,042	551,818	824,078	10.23
Nvidia Corp.	347	152,474	277,635	3.45
Qualcomm Inc.	629	68,873	89,903	1.12
Salesforce.com Inc.	505	96,594	123,356	1.53
Servicenow Inc.	111	54,093	61,000	0.76
Texas Instruments Inc.	513	74,293	98,650	1.22
	<u>19,051</u>	<u>2,922,152</u>	<u>4,158,870</u>	<u>51.64</u>

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTD.)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>TOTAL SHARIAH-COMPLIANT QUOTED SECURITIES</b>	<u>44,819</u>	<u>6,102,430</u>	<u>8,041,367</u>	<u>99.82</u>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>1,938,937</u>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>8,041,367</u>		
<b>2020</b>				
<b>SHARIAH-COMPLIANT QUOTED SECURITIES</b>				
<b>Basic Materials</b>				
Linde PLC	<u>484</u>	<u>87,246</u>	<u>102,661</u>	<u>1.05</u>
<b>Consumer Goods</b>				
Coca-Cola Co.	3,561	160,753	159,105	1.63
Mondelez International Inc.	1,315	60,052	67,236	0.69
NIKE Inc. - Class B	1,143	83,393	112,071	1.15
PepsiCo Inc.	1,279	145,516	169,161	1.73
Procter & Gamble Co.	<u>2,281</u>	<u>202,448</u>	<u>272,739</u>	<u>2.79</u>
	<u>9,579</u>	<u>652,162</u>	<u>780,312</u>	<u>7.99</u>
<b>Consumer Services</b>				
Home Depot Inc.	991	193,773	248,255	2.54
Lowe's Cos Inc.	696	69,268	94,044	0.96
McDonald's Corp.	685	114,156	126,362	1.29
Starbucks Corp.	1,077	65,491	79,256	0.81
Tesla Inc.	135	134,993	145,774	1.49
Walmart Inc.	<u>1,305</u>	<u>126,590</u>	<u>156,313</u>	<u>1.60</u>
	<u>4,889</u>	<u>704,271</u>	<u>850,003</u>	<u>8.69</u>

## 9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTD.)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
<b>Financials</b>				
American Tower Corp. - Class A	409	94,501	105,743	1.08
Mastercard Inc. - Class A	815	162,818	240,996	2.47
S&P Global Inc.	202	66,569	66,555	0.68
Visa Inc. - Class A	1,555	210,033	300,379	3.08
	<u>2,981</u>	<u>533,921</u>	<u>713,673</u>	<u>7.31</u>
<b>Health Care</b>				
Abbott Laboratories	1,630	119,171	149,031	1.53
Amgen Inc.	542	113,889	127,836	1.31
Becton Dickinson & Co.	272	72,478	65,081	0.67
Danaher Corp.	580	78,580	102,561	1.05
Eli Lilly & Co.	776	73,413	127,404	1.30
Gilead Sciences Inc.	1,156	91,123	88,943	0.91
Johnson & Johnson	2,427	324,224	341,309	3.50
Medtronic PLC	1,236	106,278	113,341	1.16
Merck & Co. Inc.	2,326	140,780	179,870	1.84
Pfizer Inc.	5,117	186,038	167,326	1.71
Stryker Corp.	297	63,926	53,516	0.55
Thermo Fisher Scientific Inc.	364	94,715	131,892	1.35
Vertex Pharmaceuticals Inc.	219	64,399	63,578	0.65
	<u>16,942</u>	<u>1,529,014</u>	<u>1,711,688</u>	<u>17.53</u>
<b>Industrials</b>				
3M Co.	530	115,602	82,675	0.85
Accenture PLC - Class A	587	99,693	126,041	1.29
Automatic Data Processing	396	65,887	58,960	0.60
Honeywell International Inc.	647	97,133	93,550	0.96
Union Pacific Corp.	626	86,446	105,838	1.08
United Parcel Service Inc. - Class B	649	69,377	72,156	0.74
	<u>3,435</u>	<u>534,138</u>	<u>539,220</u>	<u>5.52</u>

**9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTD.)**

<b>Name of counter</b>	<b>Quantity Units</b>	<b>Aggregate cost USD</b>	<b>Market value USD</b>	<b>Percentage of NAV %</b>
<b>Oil &amp; Gas</b>				
Chevron Corp.	1,720	190,419	153,476	1.57
Exxon Mobil Corp.	3,895	281,408	174,184	1.78
	<u>5,615</u>	<u>471,827</u>	<u>327,660</u>	<u>3.35</u>
<b>Technology</b>				
Adobe Inc.	444	109,160	193,278	1.98
Alphabet Inc. - Class A	277	325,953	392,800	4.02
Alphabet Inc. - Class C	270	315,178	381,675	3.91
Apple Inc.	2,781	533,866	1,014,509	10.39
Cisco Systems Inc.	3,907	185,977	182,222	1.87
Facebook Inc. - Class A	2,215	413,730	502,960	5.15
Intel Corp.	3,901	190,176	233,397	2.39
Intuit Inc.	241	65,428	71,382	0.73
Microsoft Corp.	4,982	520,246	1,013,887	10.38
Nvidia Corp.	567	145,271	215,409	2.21
Oracle Corp.	1,898	100,555	104,902	1.07
QUALCOMM Inc.	1,037	77,320	94,584	0.97
Salesforce.com	830	114,451	155,484	1.59
Texas Instruments Inc.	846	91,762	107,416	1.10
	<u>24,196</u>	<u>3,189,073</u>	<u>4,663,905</u>	<u>47.76</u>
<b>TOTAL SHARIAH-COMPLIANT QUOTED SECURITIES</b>	<u>68,121</u>	<u>7,701,652</u>	<u>9,689,122</u>	<u>99.20</u>
<b>ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>1,987,470</u>		
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		<u>9,689,122</u>		

## 10. DIVIDENDS RECEIVABLE

Dividends receivable represents dividends declared on the Fund's component Shariah-compliant securities at the ex-date and not yet received at the end of the financial period.

Dividends declared are recognised on the ex-date and are reversed out from the receivables upon receipt by the Fund.

## 11. CASH AND CASH EQUIVALENTS

	<b>2021 USD</b>	<b>2020 USD</b>
Cash at bank – From Shariah-compliant income	16,747	80,144
Cash at bank – From Shariah non-compliant income	<u>1,623</u>	<u>35</u>
	<u>18,370</u>	<u>80,179</u>

## 12. OTHER PAYABLES AND ACCRUALS

	<b>2021 USD</b>	<b>2020 USD</b>
Amount due to beneficial organisations (Note 13)	1,840	1,080
Other payables and accruals	<u>2,165</u>	<u>760</u>
	<u>4,005</u>	<u>1,840</u>

## 13. AMOUNT DUE TO BENEFICIAL ORGANISATIONS

Amount due to beneficial organisations is the Shariah non-compliant income portion of profits and dividends received and receivable as at 30 June. It comprises the following amounts:

	<b>2021 USD</b>	<b>2020 USD</b>
Cash at bank – Shariah non-compliant income	1,623	35
Dividends receivable – Shariah non-compliant income	<u>217</u>	<u>1,045</u>
	<u>1,840</u>	<u>1,080</u>

Cash at bank – Shariah non-compliant income represents the portion of profits and dividends already received during the financial period which relates to income that does not comply with Shariah principles.

Dividends receivable – Shariah non-compliant income represents the portion of the dividends receivable which relates to income that does not comply with Shariah principles. The level of Shariah non-compliant income is based on the impure ratio for each Shariah-compliant component security as determined by S&P Dow Jones Indices.



#### 14. NUMBER OF UNITS IN CIRCULATION AND NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Net asset value attributable to unit holders is represented by:

	Note	2021 USD	2020 USD
Unit holders' capital	(a)	1,299,400	5,772,520
Retained earnings		6,755,198	3,992,793
		<u>8,054,598</u>	<u>9,765,313</u>

#### (a) UNIT HOLDERS' CONTRIBUTION/UNITS IN CIRCULATION

	2021		2020	
	No. of Units	USD	No. of Units	USD
At beginning of the financial year	7,312,300	5,772,520	13,012,300	13,081,450
Creation during the financial year	3,300,000	5,496,240	900,000	1,151,850
Cancellation during the financial year	<u>(6,300,000)</u>	<u>(9,969,360)</u>	<u>(6,600,000)</u>	<u>(8,460,780)</u>
At the end of the financial year	<u>4,312,300</u>	<u>(1,299,400)</u>	<u>7,312,300</u>	<u>5,772,520</u>

#### 15. TRANSACTIONS WITH BROKERS

Details of transactions with the brokers for the financial year ended 30 June 2021 are as follows:

Name of broker	Value of trade USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage %
CGS-CIMB Securities Sdn. Bhd.	4,899,190	29.68	15,008	29.84
Maybank Investment Bank Bhd.	5,479,649	33.19	16,893	33.59
RHB Investment Bank Bhd.	<u>6,130,373</u>	<u>37.13</u>	<u>18,391</u>	<u>36.57</u>
	<u>16,509,212</u>	<u>100.00</u>	<u>50,292</u>	<u>100.00</u>

## 15. TRANSACTIONS WITH BROKERS (CONTINUED)

Details of transactions with the brokers for the financial year ended 30 June 2020 are as follows:

Name of broker	Value of trade USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage %
CGS-CIMB Securities Sdn. Bhd.	6,025,776	47.73	18,223	47.74
Maybank Investment Bank Bhd.	5,775,955	45.76	17,442	45.69
RHB Investment Bank Bhd.	819,931	6.51	2,507	6.57
	<u>12,621,662</u>	<u>100.00</u>	<u>38,172</u>	<u>100.00</u>

## 16. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

<u>Related parties</u>	<u>Relationship</u>
i-VCAP Management Sdn. Bhd.	The Manager ("i-VCAP") (Acquired by KIB on 19 February 2021)
Valuecap Sdn. Bhd. ("Valuecap")	Holding company of the Manager (Disposed i-VCAP on 19 February 2021 and subsequently wound up on 2 September 2021)
Shareholders of Valuecap with significant influence on Valuecap	Shareholders of Valuecap
Kenanga Investment Bank Berhad ("KIBB")	Ultimate holding company of the Manager
Kenanga Investors Berhad ("KIB")	Immediate holding company of the Manager (Acquired i-VCAP on 19 February 2021)
Subsidiaries and associates of KIBB as disclosed in its financial statements	Subsidiaries and associates of ultimate holding company
Subsidiaries and associates of KIB as disclosed in its financial statements	Subsidiaries and associates of ultimate holding company

## 16. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER (CONTD.)

### (a) Units held by the Manager and parties related to the Manager

	2021		2020	
	No. of Units	USD	No. of Units	USD
Shareholders of Valuecap	-	-	5,990,200	7,999,912
	<u>-</u>	<u>-</u>	<u>5,990,200</u>	<u>7,999,912</u>

The units are held beneficially by the Manager for booking purposes. The Manager is of the opinion that all transactions with the related parties have been entered into in the normal course of business at agreed terms between the related parties. Other than the above, there were no units held by the Manager and parties related to the Manager.

## 17. MANAGEMENT EXPENSE RATIO (“MER”)

	2021	2020
	%	%
MER	<u>0.99</u>	<u>0.75</u>

MER is derived from the following calculation:

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

- A = Management fee
- B = Trustee's fee
- C = License fee
- D = Auditors' remuneration
- E = Tax agent's fee
- F = Shariah Adviser's fee
- G = Other expenses, excluding Withholding Taxes
- H = Average net asset value of Fund calculated on daily basis

The average net asset value of the Fund for the financial year calculated on a daily basis is USD7,434,244 (2020: USD12,909,860).

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

	<b>2021</b>	<b>2020</b>
PTR (times)	<u>0.92</u>	<u>0.41</u>

PTR is derived from the following calculation:

$$\text{PTR} = \frac{(\text{Total acquisition for the financial year/period} + \text{total disposal for the financial year/period}) \div 2}{\text{Average net asset value of the Fund for the financial year/period calculated on daily basis}}$$

where:

total acquisition for the financial year/period = USD6,039,176 (2020: USD2,724,032)

total disposal for the financial year/period = USD7,648,918 (2020: USD7,939,230)

## 19. SEGMENT REPORTING

The internal reporting provided to the CEO for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS. The CEO is responsible for the performance of the fund and considers the business to have a single operating segment located in Malaysia. There were no changes in the reportable segments during the financial period.

As at 30 June 2021, there were 1 unit holder (2020: 2 unit holders) who held more than 10% of the Fund's NAV. The unit holders' holding were 92.53% (2020: 34.10% and 27.18% respectively).

## 20. NON CASH TRANSACTIONS

Creations and cancellations are done by transferring the perfect basket from and to the unit holders respectively. A reconciliation of the cash flows used in creation and cancellation and the total creation and cancellation as presented in the statement of changes in equity is presented below:

	<b>2021</b>	<b>2020</b>
	<b>USD</b>	<b>USD</b>
Creation		
- Cash component	<u>5,496,240</u>	<u>1,151,850</u>
	<u>5,496,240</u>	<u>1,151,850</u>
Cancellation		
- Cash component	<u>9,969,360</u>	<u>8,460,780</u>
	<u>9,969,360</u>	<u>8,460,780</u>

There were no non-cash transactions for the financial year ended 30 June 2020 and 30 June 2021.

## 21. FAIR VALUES OF FINANCIAL INSTRUMENTS

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

The fair value of financial assets traded in active markets (such as trading Shariah-compliant securities) is based on quoted market prices at the close of trading on the period end date.

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

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

### (i) Fair value hierarchy

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

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

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

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

The following table analyses within the fair value hierarchy the financial asset measured at fair value at:

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
<b>2021</b>				
Financial assets at fair value through profit or loss				
- Shariah-compliant quoted securities	<u>8,041,367</u>	<u>-</u>	<u>-</u>	<u>8,041,367</u>

## 21. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTD.)

(i) Fair value hierarchy (contd.)

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
<b>2020</b>				
Financial assets at fair value through profit or loss				
- Shariah-compliant quoted securities	<u>9,689,122</u>	<u>-</u>	<u>-</u>	<u>9,689,122</u>

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

(ii) The carrying values of cash and cash equivalents, dividends receivable and all current liabilities are a reasonable approximation of the fair values due to their short term nature.

## 22. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

### Sale of the Manager

On 19 December 2019, Valuecap Sdn. Bhd. (“Valuecap”) announced that it seeks to exit the third-party asset management business. Valuecap was in the process of exploring various strategic options with regard to VCAP Asset Managers Sdn. Bhd. (“VCAM”) and i-VCAP Management Sdn. Bhd. (“i-VCAP”), including divesting or winding up the companies.

On 26 August 2020, Valuecap announced that it has agreed to sell its entire stake in its wholly-owned asset management subsidiary, i-VCAP, to Kenanga Investors Berhad (“KIB”) subject to regulatory approvals.

On 2 February 2021, Valuecap announced that, i-VCAP has received the approval from the Securities Commission Malaysia on 29 January 2021 to divest its shareholding to KIB. The announcement follows the execution of the Share Purchase Agreement (“SPA”) between Valuecap and KIB as per the announcement made on 26 August 2020.

On 19 February 2021, i-VCAP, the Manager of four (4) ETFs which are listed on Bursa Malaysia i.e. MyETF Dow Jones Islamic Market Malaysia Titans 25, MyETF MSCI Malaysia Islamic Dividend, MyETF MSCI SEA Islamic Dividend and MyETF Dow Jones U.S. Titans 50 (collectively referred to as “MyETF Series”), announced that its holding company, Valuecap has completed the sale transaction with KIB, having satisfied all the terms and conditions, and obligations outlined in the Share Purchase Agreement.

Following the completion of the sale, Valuecap has ceased to be the shareholder of the Manager of the ETF Series.

All decisions made on the Fund were subject to the necessary regulatory approval.

## **22. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONTD.)**

### Covid-19

The worsening of the macro-economic outlook as a result of COVID-19, both domestically and globally, has impacted the Fund's performance during the financial year.

The Manager is monitoring the situation closely and will be managing the portfolio to achieve the Fund's objective.

## 9. DIRECTORS' PROFILE

<b>Name</b>	<b>Luk Wai Hong, William</b>
<b>Age</b>	57
<b>Gender</b>	Male
<b>Nationality</b>	Hong Kong
<b>Position</b>	Independent Non-Executive Director
<b>Date of Appointment</b>	12 April 2021
<b>Membership of Board Committee(s)</b>	Nil
<b>Directorship of Other Public Companies</b>	<ul style="list-style-type: none"> <li>• Kenanga Investment Bank Berhad</li> <li>• Kenanga Investors</li> <li>• Cotton Tree Capital Ltd.</li> </ul>
<b>Length of Tenure as Director (As at 30 June 2021)</b>	Two (2) Months
<b>Number of Board Meetings Attended in the Financial Year (February 2021 to June 2021)</b>	One (1)/ (One (1) (100%))
<b>Academic Qualifications</b>	<ul style="list-style-type: none"> <li>• Executive Fellowship from The State of Washington, United States</li> <li>• Master of Urban Planning from University of Michigan, United States</li> <li>• Bachelor of Arts (Honors) from Concordia University, Canada</li> </ul>
<b>Present Appointments</b>	<ul style="list-style-type: none"> <li>• Independent Non-Executive Director of Kenanga Investment Bank Berhad (“KIBB”)</li> <li>• Chairman of the Group Board Risk Committee, KIBB</li> <li>• Member of the Audit Committee, KIBB</li> <li>• Member of the Group Governance, Nomination &amp; Compensation Committee (formerly known as Group Nomination &amp; Remuneration Committee), KIBB</li> <li>• Member of the Employees’ Share Scheme Committee, KIBB</li> <li>• Member of the Group Board Digital Innovation &amp; Technology Committee, KIBB</li> <li>• Independent Non-Executive Director of Kenanga Investors Berhad (“KIB”)</li> <li>• Member of the Audit and Risk Committee of KIB</li> <li>• Member of the Investment Committee of KIB</li> <li>• Non-Executive Director of 1.57 Pte. Ltd.</li> <li>• Director of Investment of Cotton Tree Capital Ltd.</li> <li>• Non-Executive Director of Far East Mining Pte. Ltd.</li> <li>• Non-Executive Director of Kenanga Singapore Pte. Ltd.</li> <li>• Non-Executive Director of The Rare Whisky Fund Pte. Ltd.</li> <li>• Non-Executive Director of The Whisky Capital Pte. Ltd</li> <li>• Non-Executive Director of The Whisky Distillery Pte. Ltd.</li> </ul>



<b>Name</b>	<b>Luk Wai Hong, William</b>
<b>Past Relevant Experiences</b>	<ul style="list-style-type: none"> <li>• Independent Non- Executive Director, K &amp; N Kenanga Holdings Berhad</li> <li>• Fund Manager, Pacific Advantage, Hong Kong</li> <li>• Managing Director and Co-Head of Saba Proprietary Trading Group Asia, Deutsche Bank AG, Hong Kong</li> <li>• Managing Director and Co-Head of Global Trading and Principal Finance Asia, Deutsche Bank AG, Singapore</li> <li>• Director and Head of Structured Credit Trading and Principal Finance Asia, Singapore</li> <li>• Senior Associate Director and Senior Credit and Derivative Trader, Deutsche Bank AG, Singapore</li> <li>• Senior Fixed Income Trader, HSBC Markets, Hong Kong</li> <li>• Fixed Income and Credit Trader, Lehman Brothers Asia, Hong Kong</li> <li>• Executive Fellow and Transportation Finance Specialist, Office of Financial Management, State of Washington, United States</li> </ul>
<b>Family relationship with any Director and/or major shareholder</b>	Nil
<b>Conflict of interest with the Fund</b>	Nil
<b>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</b>	Nil

<b>Name</b>	<b>Syed Zafilen Syed Alwee</b>
<b>Age</b>	54
<b>Gender</b>	Male
<b>Nationality</b>	Malaysian
<b>Position</b>	Independent Non-Executive Director
<b>Date of Appointment</b>	19 February 2021
<b>Membership of Board Committee(s)</b>	Nil
<b>Directorship of Other Public Companies</b>	Kenanga Investors Berhad
<b>Length of Tenure as Director (As at 30 June 2021)</b>	Four (4) Months
<b>Number of Board Meetings Attended in the Financial Year (February 2021 to June 2021)</b>	One (1)/ One (1) (100%)
<b>Academic Qualification</b>	<ul style="list-style-type: none"> <li>• Diploma of Business Administration from Alliance Manchester Business School, The University of Manchester</li> <li>• Diploma in Electrical Engineering, Universiti Teknologi Malaysia</li> </ul>

<b>Name</b>	<b>Syed Zafilen Syed Alwee</b>
<b>Present Appointments</b>	<ul style="list-style-type: none"> <li>• Independent Non-Executive Director of Kenanga Investors Berhad (“KIB”)</li> <li>• Chairman of the Audit and Risk Committee of KIB</li> <li>• Member of the Investment Committee of KIB</li> </ul>
<b>Past Relevant Experiences</b>	<ul style="list-style-type: none"> <li>• Chairman/ Independent Non-Executive Director of Libra Invest Berhad (“LIB”)</li> <li>• Chairman of the Investment Committee of LIB</li> <li>• Executive Director of Grass2Route Sdn Bhd</li> <li>• Executive Director of CBERTEC Systems Sdn Bhd</li> <li>• Group Chief Executive Officer of CMS I-Systems Berhad</li> <li>• Co-Owner and Chief Executive Officer of EST Telecommunication Sdn Bhd</li> <li>• Sales Director of Commverg Solution Ltd</li> <li>• Senior Sales Manager of Lucent Technologies International (Brunei) Ltd</li> <li>• General Manager, Lit Yan Holdings Berhad</li> <li>• Sales Manager, Datasphere (M) Sdn Bhd</li> <li>• Sales Executive of Patimas Computers Berhad</li> <li>• Production Supervisor of Motorola Malaysia Sdn Bhd</li> <li>• Production Supervisor of Capetronic Malaysia Corporation Sdn Bhd</li> <li>• Training Manager of Mobil Malaysia Sdn Bhd</li> <li>• Sales Executive, Transforma Sdn Bhd</li> </ul>
<b>Family relationship with any Director and/or major shareholder</b>	Nil
<b>Conflict of interest with the Fund</b>	Nil
<b>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</b>	Nil

<b>Name</b>	<b>Imran Devindran Abdullah</b>
<b>Age</b>	55
<b>Gender</b>	Male
<b>Nationality</b>	Malaysian
<b>Position</b>	Independent Non-Executive Director
<b>Date of Appointment</b>	19 February 2021
<b>Membership of Board Committee(s)</b>	Nil
<b>Directorship of Other Public Companies</b>	Kenanga Investors Berhad
<b>Length of Tenure as Director (As at 30 June 2021)</b>	Four (4) Months

<b>Name</b>	<b>Imran Devindran Abdullah</b>
<b>Number of Board Meetings Attended in the Financial Year (February 2021 to June 2021)</b>	One (1)/ One (1) (100%)
<b>Academic Qualifications</b>	<ul style="list-style-type: none"> <li>• Admitted to the Malaysian Bar, High Court Malaya</li> <li>• Certificate of Legal Practice, University of Malaya</li> <li>• Honours Bachelor of Law (1988), University of Buckingham, England</li> <li>• GCE A-Levels, Raffles Junior College, Singapore</li> </ul>
<b>Present Appointments</b>	<ul style="list-style-type: none"> <li>• Independent Non-Executive Director of Kenanga Investors Berhad ("KIB")</li> <li>• Member of the Audit and Risk Committee of KIB</li> <li>• Member of the Investment Committee of KIB</li> <li>• Senior Associate of BH Lawrence &amp; Co, Advocates and Solicitor</li> </ul>
<b>Past Relevant Experiences</b>	<ul style="list-style-type: none"> <li>• Independent Non-Executive Director of Libra Invest Berhad ("LIB")</li> <li>• Member of the Investment Committee of LIB</li> <li>• Partner in Imran Shahareen &amp; Co.</li> <li>• Legal Assistant of Messrs. Miranda &amp; Co.</li> <li>• Legal Assistant of Dass, Jainab &amp; Associate</li> <li>• Legal Assistant of Messrs. Riza, Leong &amp; Partners</li> </ul>
<b>Family relationship with any Director and/or major shareholder</b>	Nil
<b>Conflict of interest with the Fund</b>	Nil
<b>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</b>	Nil

<b>Name</b>	<b>Ismitz Matthew De Alwis</b>
<b>Age</b>	47
<b>Gender</b>	Male
<b>Nationality</b>	Malaysian
<b>Position</b>	Non-Executive Director
<b>Date of Appointment</b>	19 February 2021
<b>Membership of Board Committee(s)</b>	Nil
<b>Directorship of Other Public Companies</b>	<ul style="list-style-type: none"> <li>• Kenanga Investors Berhad</li> <li>• Kenanga Islamic Investors Berhad</li> <li>• Kenanga Funds Berhad</li> <li>• Federation of Investment Managers Malaysia</li> </ul>
<b>Length of Tenure as Director (As at 30 June 2021)</b>	Four (4) Months

<b>Name</b>	<b>Ismitz Matthew De Alwis</b>
<b>Number of Board Meetings Attended in the Financial Year (February 2021 to June 2021)</b>	One (1)/ One (1) (100%)
<b>Academic Qualifications</b>	<ul style="list-style-type: none"> <li>• Islamic Financial Planner, Financial Planning Association of Malaysia</li> <li>• Cambridge Summer School Programme-Executive Programme, Asian Banking School, University of Cambridge</li> <li>• Advanced Business Management Program, Securities Industry Development Corporation/International Institute for Management Development, Lausanne, Switzerland</li> <li>• Capital Markets Services Representative's Licence, Securities Commission Malaysia</li> <li>• Certified Financial Planner, USA</li> <li>• Person Dealing Unit Trust, Federation of Malaysian Unit Trust Manager</li> <li>• Master in Business Administration, Southern Cross University Australia</li> <li>• Graduate Diploma in Marketing (UK), Chartered Institute of Marketing, United Kingdom</li> </ul>
<b>Present Appointments</b>	<ul style="list-style-type: none"> <li>• Executive Director/ Chief Executive Officer of Kenanga Investors Berhad ("KIB")</li> <li>• Member of the Investment Committee, KIB</li> <li>• Non-Executive Director, Kenanga Islamic Investors Berhad</li> <li>• Non-Executive Director of Kenanga Funds Berhad</li> <li>• Non-Executive Director of KUT Nominees (Asing) Sdn Bhd</li> <li>• Non-Executive Director of KUT Nominees (Tempatan) Sdn Bhd</li> <li>• Board Member of Federation of Investment Managers Malaysia</li> <li>• Committee Member of Malaysia Asset Management</li> <li>• Member of the Licensing Examinations Review Committee for the Securities Commission Licensing Examination Module 10: Asset &amp; Funds Management</li> <li>• Industry Competency Framework Advisory Panel for the Malaysian Capital Market</li> <li>• Member of the FTSE Bursa Malaysia Index Advisory Committee</li> <li>• Chairman of Investment Advisory Committee for Ericsenz Capital Pte Ltd (Singapore) on Ericsenz-K2 Global Unicorn Fund II</li> <li>• Immediate Past President of the Board of Governors for the Financial Planning Association of Malaysia</li> </ul>

<b>Name</b>	<b>Ismitz Matthew De Alwis</b>
<b>Past Relevant Experiences</b>	<ul style="list-style-type: none"> <li>• Non-Executive Director of Libra Invest Berhad</li> <li>• Member of the Investment Committee of Libra Invest Berhad</li> <li>• Executive Director of ING Funds Berhad</li> <li>• Senior Vice President, Head, Business Development of ING Funds Berhad</li> <li>• Vice President-Head, Retail Distribution of ING Funds Berhad</li> <li>• Assistant Vice President – Head, Agency Channel of ING Funds Berhad</li> <li>• Senior Manager – Business Development of ING Insurance Berhad/ING Funds Berhad</li> <li>• Head Sales &amp; Marketing of MBF Unit Trust Management Berhad</li> <li>• Senior Manager, Investment Services of MBF Cap/MBF Asset Management</li> <li>• Asia Pacific Relationship Manager/ Account Director of ARA (Asia Research &amp; Consultancy) Consultancy Ltd.</li> </ul>
<b>Family relationship with any Director and/or major shareholder</b>	Nil
<b>Conflict of interest with the Fund</b>	Nil
<b>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</b>	Nil

<b>Name</b>	<b>Syed Umar Bin Abdul Rahman Alhadad</b>
<b>Age</b>	40
<b>Gender</b>	Male
<b>Nationality</b>	Malaysian
<b>Position</b>	Executive Director/ Acting Chief Executive Officer
<b>Date of Appointment</b>	19 February 2021
<b>Membership of Board Committee(s)</b>	Nil
<b>Directorship of Other Public Companies</b>	Nil
<b>Length of Tenure as Director (As at 30 June 2021)</b>	Four (4) Months
<b>Number of Board Meetings Attended in the Financial Year (February 2021 to June 2021)</b>	One (1)/ One (1) (100%)

<b>Name</b>	<b>Syed Umar Bin Abdul Rahman Alhadad</b>
<b>Academic Qualifications</b>	<ul style="list-style-type: none"> <li>• Certified Financial Planner, Financial Planning Association of Malaysia</li> <li>• Bachelor of Engineering (Hons) Electronics Majoring in Telecommunication from Multimedia University</li> <li>• Sijil Pelajaran Malaysia from Maktab Rendah Sains Mara Balik Pulau, Pulau Pinang</li> </ul>
<b>Present Appointments</b>	<ul style="list-style-type: none"> <li>• Non-Executive Director, Global Turbine Asia Sdn Bhd</li> </ul>
<b>Past Relevant Experiences</b>	<ul style="list-style-type: none"> <li>• Head, Strategic Planning &amp; Risk, Kenanga Investors Berhad</li> <li>• Senior Vice President, Group Transformation &amp; Group Corporate Planning, Kenanga Investment Bank Berhad</li> <li>• Media Director, Spafax Airline Network</li> <li>• Operations Executive, Ramtronics Technology (M) Sdn Bhd</li> </ul>
<b>Family relationship with any Director and/or major shareholder</b>	Nil
<b>Conflict of interest with the Fund</b>	Nil
<b>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</b>	Nil

## 10. DIRECTORS' TRAINING

Director	Program Title and Organiser	Date
<b>Luk Wai Hong, William</b>	BNM-FIDE FORUM-MASB Dialogue on MFRS17 Insurance Contracts: What Every Director Must Know by FIDE FORUM	20 April 2021
	FIDE Elective Program: Risk Management in Technology (RMiT) & Digital Transformation: What they mean for governance and Strategy of Bank and Insurance Boards by Iclif Executive Education Center ("ICLIF")	20 April 2021
	BNM-FIDE FORUM - MASB Dialogue on MFRS17 Insurance Contracts: What Every Director Must Know	20 April 2021
	Digital Transformation Executive Program at Asian School of Business ("ASB")	21 - 22 June 2021
<b>Syed Zafilen Syed Alwee</b>	Audit Committee Conference 2021 by The Institute of Internal Auditors Malaysia in collaboration with Malaysian Institute of Accountants ("IIAM" & "MIA")	15 - 16 March 2021
	Rethinking Business Sustainability During Pandemic by Securities Industry Development Corporation ("SIDC")	26 April 2021
	Mandatory Accrediation Program ("MAP") by Iclif Executive Education Center ("ICLIF")	31 May - 2 June 2021
<b>Imran Devindran Abdullah</b>	Mandatory Accrediation Program ("MAP") by Iclif Executive Education Center ("ICLIF")	31 May - 2 June 2021

<b>Director</b>	<b>Program Title and Organiser</b>	<b>Date</b>
<b>Ismitz Matthew De Alwis</b>	SIDC Sustainable & Responsible Investment (SR) 2020	25 - 26 August 2020
	Transfer Pricing Awareness Training & Workshop by Deloitte	22 October 2020
	Compliance with Main Market Listing Requirement ("MMLR") - Reporting of Financial Statements by Chee Kai Mun Advisory Sdn Bhd	1 December 2020
	8th MFPC E-Conference on Shariah Wealth Management & Financial Planning by Malaysian Financial Planning Council	20 Apr 2021
	Growth Hack Your PV, PMT & FV of Your Financial Advisory Business by Association of Financial Advisers	28 Apr 2021
	Mandatory Accreditation Program for Directors of Public Listed Companies by Asia School of Business	31 May - 2 Jun 2021
	Paving The Way For Profitability Through Sustainability by Securities Industry Development Corporation	16 – 17 Jun 2021
	JC3 Flagship Conference 2021 Finance For Change By Joint Committee On Climate Change	23 – 25 Jun 2021
MAAM IIS 2021: Sustainability & Technology by Malaysia Association Of Asset Managers	15 Jun 2021	
<b>Syed Umar Bin Abdul Rahman Alhadad</b>	SCLE Revision: Fund Management Regulation: Module 9	10 – 11 April 2021
	SCLE Revision: Asset & Fund Management: Module 10	24 – 25 April 2021
	Mandatory Accreditation Programme for Directors of Public Listed Companies	31 May – 2 June 2021



## 10. SHARIAH ADVISER'S PROFILE

- Shariah Adviser** : Amanie Advisors Sdn Bhd ("Amanie")  
Incorporated in Kuala Lumpur, Malaysia in 2005 (Co. No. 200501007003 (684050-H)) under the Companies Act, 1965
- Corporate Information** : Principal Activities  
Amanie is a Shariah advisory, consultancy, training and research and development boutique for institutional and corporate clientele focusing on Islamic financial services. Amanie is a registered Shariah adviser with the SC.
- Amanie also focuses on organizational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services.
- Shareholding  
The authorised & paid-up capital is RM500,000 divided into 500,000 shares of RM1.00 each.
- The shareholders of Amanie are Datuk Dr Mohd Daud Bakar and En Abdul Aziz Bin Abd Jalal.
- Experience as Adviser** : The company is led by Datuk 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 Datuk Dr. Mohd Daud Bakar as the Chairman. Another consultant are:  
(1) 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:

**Datuk Dr. Mohd Daud Bakar**

Shariah Adviser / Executive Chairman

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

Datuk 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), Oasis Asset Management (South Africa), Noor Islamic Bank (Dubai), Morgan Stanley (Dubai), Sedco Capital (Saudi and Luxembourg), and Dow Jones Islamic Market Index (New York) amongst many others.

In the corporate world, Datuk is currently a member of the PNB Investment Committee. He also served as a Board Director at Sime Darby Property Berhad and Chairman to Malaysia Islamic Economic Development Foundation (YaPEIM). Currently in the academic side, he is the 8th President of the International Islamic University of Malaysia (IIUM) due to his vast skill and experience serving the university. Previously, his last post there was as the Deputy Vice-Chancellor. He was also the third Chair Professor in Islamic Banking and Finance of Yayasan Tun Ismail Mohamed Ali Berdaftar (YTI) PNB at Faculty of Economics and Muamalat, Universiti Sains Islam Malaysia (USIM). In addition, he is the co-founder of Experts Analytics Centre Sdn Bhd and MyFinB.

In 2016, he received the **“Award of Excellence for Outstanding Contribution for Shariah Leadership & Advisory”** at London Sukuk Summit Awards and **“Shariah Adviser Award”** at The Asset Triple A Islamic Finance Award. 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.

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.

His 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.

His latest books include **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)**, **Harapan Buat Pakatan Harapan (2018)**, dan **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 Datuk 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

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

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

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

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