

FTSE BURSA MALAYSIA KLCI etf

**Manager's Report and Financial Statements (unaudited)
For the period from 1 October 2010 to 31 December 2010**

(In Ringgit Malaysia)

Trust Directory

Manager

AmInvestment Services Berhad
9th Floor, Bangunan AmBank Group
55 Jalan Raja Chulan
50200 Kuala Lumpur

Board of Directors

Kok Tuck Cheong
Professor Dr Annuar Md. Nassir
Dato' Dr Mahani Zainal Abidin
Lee Siang Korn @ Lee Siang Chin
Datin Maznah Mahbob
Harinder Pal Singh

Investment Committee

Professor Dr Annuar Md. Nassir
Dato' Dr Mahani Zainal Abidin
Lee Siang Korn @ Lee Siang Chin
Harinder Pal Singh

Investment Manager

AmInvestment Management Sdn Bhd

Trustee

HSBC (Malaysia) Trustees Berhad

Auditors and Reporting Accountants

Ernst & Young

Taxation Adviser

Deloitte KassimChan Tax Services Sdn Bhd

Corporate Directory

AmInvestment Services Bhd

Registered Office

22nd Floor, Bangunan Ambank Group
55, Jalan Raja Chulan, 50200 Kuala Lumpur
Tel:03-2036 2633 Fax: 03-2032 1914

Head Office

9th Floor, Bangunan AmBank Group
55, Jalan Raja Chulan, 50200 Kuala Lumpur
Tel:03-2036 1503 Fax: 03-2026 5630

AmInvestment Management Sdn Bhd

Registered Office

22nd Floor, Bangunan Ambank Group
55, Jalan Raja Chulan, 50200 Kuala Lumpur
Tel:03-2036 2633 Fax: 03-2032 1914

Head Office

9th Floor, Bangunan AmBank Group
55, Jalan Raja Chulan, 50200 Kuala Lumpur
Tel:03-2036 2633 Fax: 03-2026 5630

Secretary

Koid Phaik Gunn
MAICSA 7007433
22nd Floor, Bangunan Ambank Group
55, Jalan Raja Chulan, 50200 Kuala Lumpur

HSBC (Malaysia)Trustee Berhad

Business/Registered Office/Head Office

Suite 901, 9th Floor,
Wisma Hamzah-Kwong Hing
No.1, Leboh Ampang, 50100 Kuala Lumpur
Tel: 03-2074 3200 Fax: 03-2078 0145

Contents	Page(s)
Manager's report	1 – 12
Statement of financial position	13
Statement of comprehensive income	14
Statement of changes in net asset value	15
Statement of cash flows	16
Notes to the financial statements	17 – 33
Additional Information	34 - 41

Manager's Report

Dear Unitholders,

We are pleased to present you the Manager's Report and the unaudited accounts of FTSE Bursa Malaysia KLCI etf ("FBM KLCI etf") Fund ("the Fund") for the financial period ended 1 October 2010 to 31 December 2010.

Salient Information of the Fund

Name FTSE Bursa Malaysia KLCI

Category/Type ETF/ Equity

Objective The objective of the Fund is to achieve a price and yield performance, before fees, expenses and tax, that is generally similar to that of the Benchmark Index, balanced with the need to facilitate liquidity provision.

Index Component Details of the index component as at 31 December 2010 are as follows:

Stock code	Company's name	Percentage weight (%)	Shares in issue ('million units)
1023	CIMB Group Holdings Berhad	9.84	7,432.77
1295	Public Bank Berhad	9.55	3,531.93
1155	Malayan Banking Berhad	9.37	7,077.61
4197	Sime Darby Berhad	8.22	5,997.99
3182	Genting Berhad	6.43	3,694.24
6888	Axiata Group Berhad	6.25	8,445.15
1961	IOI Corporation Berhad	6.03	6,662.35
5347	Tenaga Nasional Berhad	5.64	4,322.56
1015	AMMB Holdings Berhad	3.30	3,014.18
3816	MISC Berhad	3.10	4,463.79
6947	DiGi.Com Berhad	2.98	777.50
5183	PETRONAS Chemicals Group Berhad	2.75	8,000.00
6012	Maxis Berhad	2.48	7,500.00
2445	Kuala Lumpur Kepong Berhad	2.45	1,068.77
4065	PPB Group Berhad	2.13	1,185.50
4715	Genting Malaysia Berhad	2.07	5,872.40
4863	Telekom Malaysia Berhad	1.96	3,577.40

(Forward)

Stock code	Company's name	Percentage weight (%)	Shares in issue ('million units)
5052	PLUS Expressways Berhad	1.88	5,000.00
6033	PETRONAS Gas Berhad	1.82	1,978.73
4677	YTL Corporation Berhad	1.66	1,897.12
5398	Gamuda Berhad	1.62	2,044.52
6742	YTL Power International Berhad	1.46	7,188.72
4162	British American Tobacco (M) Berhad	1.33	285.53
4588	UMW Holdings Berhad	1.25	1,142.68
5819	Hong Leong Bank Berhad	1.21	1,580.11
1066	RHB Capital Berhad	0.78	2,153.48
5681	PETRONAS Dagangan Berhad	0.72	993.45
2194	MMC Corporation Berhad	0.70	3,045.06
1082	Hong Leong Financial Berhad	0.58	1,052.77
3786	Malaysia Airline System Berhad	0.44	3,341.98

Duration

FBM KLCI etf was established on 18 January 2007 and shall exist for as long as it appears to the Manager and the Trustee that it is in the interests of the unitholders for it to continue. In some circumstances, the unitholders can resolve at a meeting to terminate the Fund.

Performance Benchmark

FTSE Bursa Malaysia KLCI (formerly known as FTSE Bursa Malaysia Large 30 Index) ("FBM KLCI")

Income Distribution Policy

Income distribution (if any) will be paid semi annually.

Breakdown of Unit Holdings by Size

For the financial period under review, the size of the Fund stood at 2,508,000 units.

Breakdown of unitholding by size

Size of holding	As at 31 December 2010		As at 30 September 2010	
	Number of units held ('000)	Number of unitholders	Number of units held ('000)	Number of unitholders
Less than 100	1.32	37	1.29	35
100 - 1,000	21.60	37	19.8	31
1,001 - 10,000	355.17	90	377.4	88
10,001 to less than 5% of issue units	809.55	33	1,067.0	39
5% and above of issue units	1,320.36	4	1,878.6	3

Fund Performance Data

Portfolio Composition

Details of portfolio composition of FTSE Bursa Malaysia KLCI etf (“FBM KLCI etf”) (“the Fund”) for the financial periods as at 31 December 2010, 30 September 2010 and three financial years ended 31 December are as follow:

	As at 31-12-2010 %	As at 30-9-2010 %	FY 2010 %	FY 2009 %	FY 2008 %
Construction	3.1	2.7	3.1	1.6	1.6
Consumers	4.6	5.0	4.6	5.6	4.8
Finance	34.8	35.8	34.8	35.1	25.2
Industrial	4.0	1.4	4.0	1.4	1.9
Infrastructure	4.3	4.6	4.3	2.8	3.4
Plantations	8.5	8.2	8.5	9.0	6.5
Trading/Services	39.5	42.3	39.5	42.0	35.1
Options	-	-	-	-	20.3
Cash and others	1.2	-	1.2	2.5	1.2
	100.0	100.0	100.0	100.0	100.0

Note: The abovementioned percentages are based on total investment carrying value plus cash.

**Performance
Details**

Performance details of the Fund for the financial periods as at 31 December 2010, 30 September 2010 and three financial years ended 31 December are as follows:

	3 months ended 31-12-2010	3 months ended 30-9-2010	FY 2010	FY 2009	FY 2008
Net asset value (RM)	3,851,816	4,923,610	3,851,816	4,322,755	3,748,450
Units in circulation (units)	2,508,000 ^(a)	3,344,000 ^(a)	2,508,000 ^(a)	3,344,000 ^(a)	650,000 ^(b)
Net asset value per unit (RM)	1.5358**	1.4724**	1.5358**	1.2927**	5.7668*
Highest net asset per unit (RM)	1.5412**	1.4858**	1.5412**	7.0489**	9.9339*
Lowest net asset per unit (RM)	1.4709**	1.3089**	1.2380**	1.0900**	5.4137*
Closing quoted price (RM/unit)	1.5450**	1.4700**	1.5450**	1.3000**	5.8100*
Highest quoted price (RM/unit)	1.5450**	1.4950**	1.5450**	1.3150**	9.9300*
Lowest quoted price (RM/unit)	1.4600**	1.3250**	1.2400	0.8523**	5.4500*
Total return (%) ⁽¹⁾	4.31	11.54	20.56	46.42	-37.20
- Capital growth (%)	4.31	11.21	19.10	44.86	-39.65
- Income distribution (%)	-	0.33	1.46	1.56	2.45
Gross distribution per unit (sen)	-	0.36	2.13	7.74	21.72
(Forward)					

Net distribution per unit (sen)	-	0.33	1.93	6.60	20.00
Distribution yield (%) ⁽²⁾	-	0.22	1.25	5.08	3.44
Management expense ratio (%) ⁽³⁾	1.20	1.08	1.19	1.18	1.06
Portfolio turnover ratio (times) ⁽⁴⁾	1.20	0.02	1.35	0.08	1.69

* Above price and net asset value per unit are shown as ex-distribution, before unit split exercise.

** Above price and net asset value per unit are shown as ex-distribution, after unit split exercise.

(a) After unit split

(b) Before unit split

Note:

(1) Total return is the actual return of the Fund for the respective financial periods/years, computed based on net asset value per unit and net of all fees.

(2) Distribution yield is calculated based on the total distribution for the period divided by the closing quoted price.

(3) Management expense ratio is calculated based on the total fees and expenses incurred by the Fund divided by the average fund size calculated on a daily basis. The MER increased by 0.12% as compared to 1.08% per annum for the quarter ended 30 September 2010 mainly due to increase in trust expenses.

(4) Portfolio turnover ratio ("PTR") is computed based on the average of the total acquisitions and total disposals of investment securities of the Fund divided by the average fund size calculated on a daily basis. The PTR increased by 1.18 times (>100%) as compared to 0.02 times for the quarter ended 30 September 2010 mainly due to increase in investing activities.

Average Total Return

	FBM KLCI etf ^(a) %	FBM KLCI/ FBM30 Index ^(b) %
One year	20.6	19.3
Three years	3.5	1.9
Since launch of Fund (19 July 2007)	5.3	3.7

Annual Total Return

Financial Years/Period (31 December)	FBM KLCI etf ^(a) %	FBM KLCI/ FBM30 Index ^(b) %
2010	20.6	19.3
2009	46.4	47.1
2008	-37.2	-39.7
2007 ^(c)	7.6	7.1

(a) Independently verified by Perkasa Normandy Advisers Sdn Bhd.

(b) Effective from 6 July 2009, the FTSE Bursa Malaysia Large 30 Index (“FBM30 Index”) has been renamed FTSE Bursa Malaysia KLCI (“FBM KLCI”).

(c) Total actual return for the financial period from 19 July 2007 (date of listed on Bursa Malaysia) to 31 December 2007.

The Fund’s performance above is calculated based on net asset value per unit. Average total returns for both FBM KLCI etf and FTSE Bursa Malaysia KLCI (“FBM KLCI Index”) for a period are computed on the absolute returns for that period annualised over one year.

Note: Past performance is not necessarily indicative of future performance. Unit prices and investment returns may fluctuate.

Has the Fund achieved its objective?

For the financial period under review, the Fund has met its objective to achieve a price and yield performance, before fees, expenses and tax that is generally similar to that of the benchmark index, balanced with the need to facilitate liquidity provision.

Fund Performance

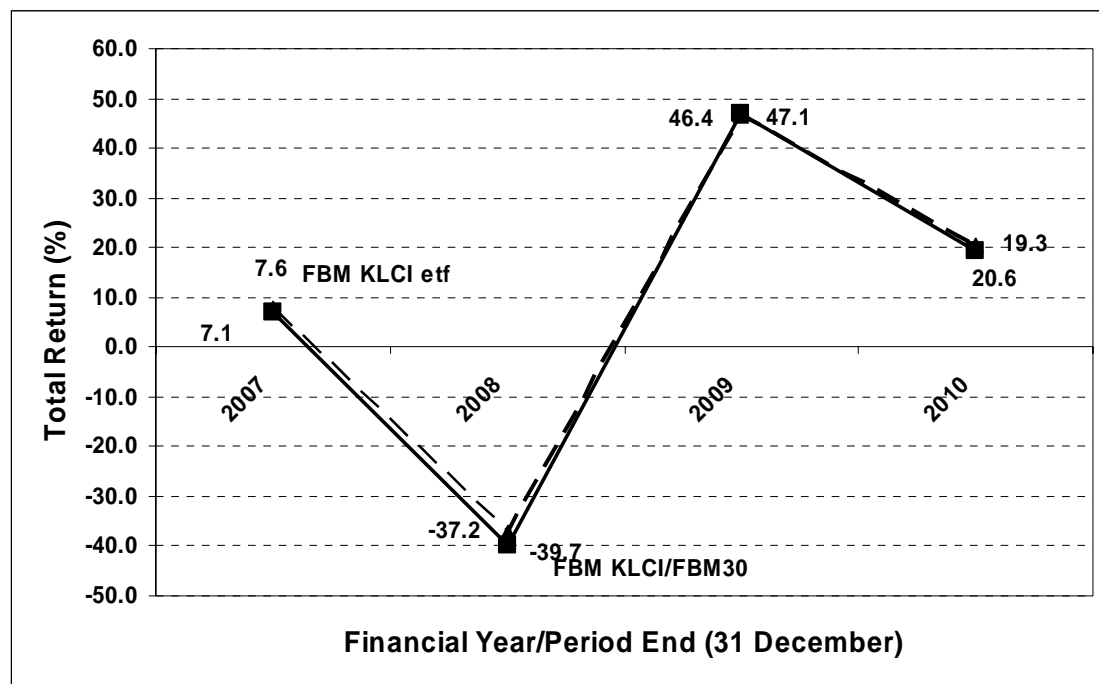
For the financial period under review, the Fund recorded a return of 4.31% comprising of capital growth.

The Fund registered a return of 4.31%, and underperforming the benchmark return of 4.99% by 0.68% as at financial period 31 December 2010.

The NAV of the Fund decreased by 21.77% from RM4,923,610 to RM3,851,816. The NAV per unit of Fund increased by 4.31% from RM1.4724 to RM1.5358 while units in circulations decreased by 25.00% from 3,344,000 units to 2,508,000 units.

The closing price quoted at Bursa Malaysia of the Fund increased by 5.10% from RM1.4700 to RM1.5450

The Line Chart below shows the comparison between the annual performance of FBM KLCI etf and its benchmark for each of the financial years/period ended 31 December.



Past Performance is no indication of the future performance of the Fund.

Strategies and Policies Employed

For the financial period under review, the Manager will be indexing using complete or partial replication. This will generally result in the Fund investing all or substantially all of its assets in the constituents of the benchmark index. In managing the Fund, the Manager aims to achieve performance, over time, with a correlation of 95% or better between the Fund's portfolio NAV and the benchmark index. The Manager will be responsible to monitor the correlation and if, in the Manager's belief, the current portfolio is not tracking the benchmark index and that it will lead to correlation below the objective of 95%, then the Manager may judiciously rebalance the portfolio to improve correlation or to rectify the divergence. Except for index changes, where rebalancing of the portfolio may have to take place prior to, upon or after the index changes, rebalancing of the portfolio will be carried out, no more than once a month. Where the Manager deems appropriate, the Manager may allow a Participating Dealer that has been pre-approved, to tender Zero Strike Call Options equivalent in value to an In-Kind Creation Basket or multiples thereof, in exchange for ETF units, to facilitate the liquidity provision process.

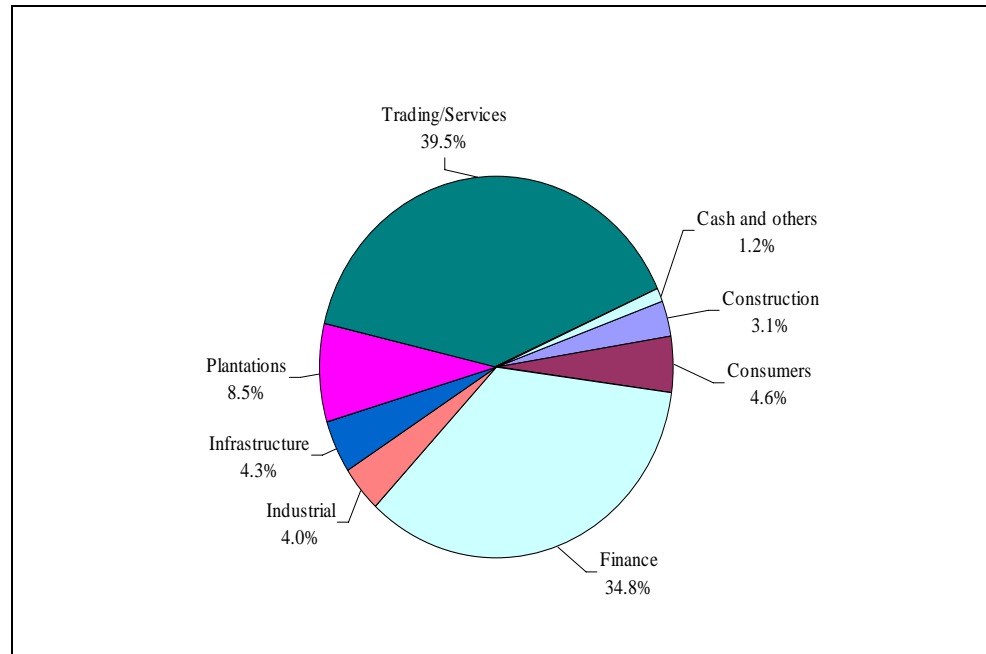
Portfolio Structure

This table below is the asset allocation of the Fund for the financial period under review.

	31 December 2010 (%)	30 September 2010 (%)	Change (%)
Construction	3.1	2.7	0.4
Consumer products	4.6	5.0	-0.4
Finance	34.8	35.8	-1.0
Industrial products	4.0	1.4	2.6
Infrastructure project companies	4.3	4.6	-0.3
Plantations	8.5	8.2	0.3
Trading/Services	39.5	42.3	-2.8
Cash and others	1.2	-	1.2
Total	100.0	100.0	

There were minor changes to two sector weights, industrial products and trading/services, where weighting increased by 2.6 and decreased by 2.8%, respectively. The remaining sectors have no significant changes to the assets allocation since the last report.

This pie chart below shows the sectoral composition of the Fund for the financial period under review.



**Distribution/
unit splits**

There was no income distribution and no unit split was made for the financial period under review.

**State of Affairs
of the Fund**

There has been neither significant change to the state of affairs of the Fund nor any circumstances that materially affect any interests of the unit holders during the financial period under review.

**Rebates and
Soft
Commission**

It is our policy to pay all rebates to the Fund. However, soft commissions received for goods and services such as fundamental database, financial wire services, technical analysis software and stock quotation system incidental to investment management of the Fund are retained by the Manager. For the financial period under review, the Manager has received soft-commissions.

Market Review

It was decent quarter for Malaysia as the KLCI tested the 1,500-point psychological barrier several times before finally breaking through and stayed above 1500 in December. For the quarter the KLCI up 3.76% or 55 points. The buying continued to be driven largely by foreign funds due to the perception of undervalued Ringgit as well as improving domestic economy. The performance of the KLCI was also boosted by the 2011 Budget on Oct 15, which was positive for the construction, property and consumer sectors. However, it was not really a smooth sailing due to concerns about monetary tightening from China, debt woes from Europe and military flare up on the Korean peninsula. . M&A activity in the property sector surged with the proposed UEM Land-Sunrise, MRCB-IJM Land and SunCity-SunHoldings mergers. This helped the property sector re-rate considerably. The results season appeared better than expected as big caps from the gaming and aviation sectors beat expectations. The KLCI continued its consolidation phase in December after the strong August-October rally. In fact, since early November, the KLCI has been trading sideways.

Market Outlook

Last year there were fears of double dip and deflation but the market rallied and proved investors wrong. In a matter of weeks into 2011, there was a 180% swing in investors' perception and the fear is now inflation and excessive growth. Inflation driven tightening is now at the heart of investors concern but would inflation really get out of hand?

There is no doubt that pricing pressure is creeping up but property price inflation is far more serious than consumer price inflation. However, overall inflation is still running below the median rate seen in past recoveries and inflation is to be expected during this recovery phase (Chart 1). We believe by mid 2011, inflation worries will give way to earnings delivery concerns, valuations and corporate reporting will be the main focus. Current inflationary pressure from food is more related to supply (weather related) than demand. Furthermore, for 2011, we believe the Chinese authorities will allow the RMB to strengthen at a faster pace to stem inflation which will be follow by other Asian countries who previously feared a lost in export competitiveness if their currencies had strengthen independently.

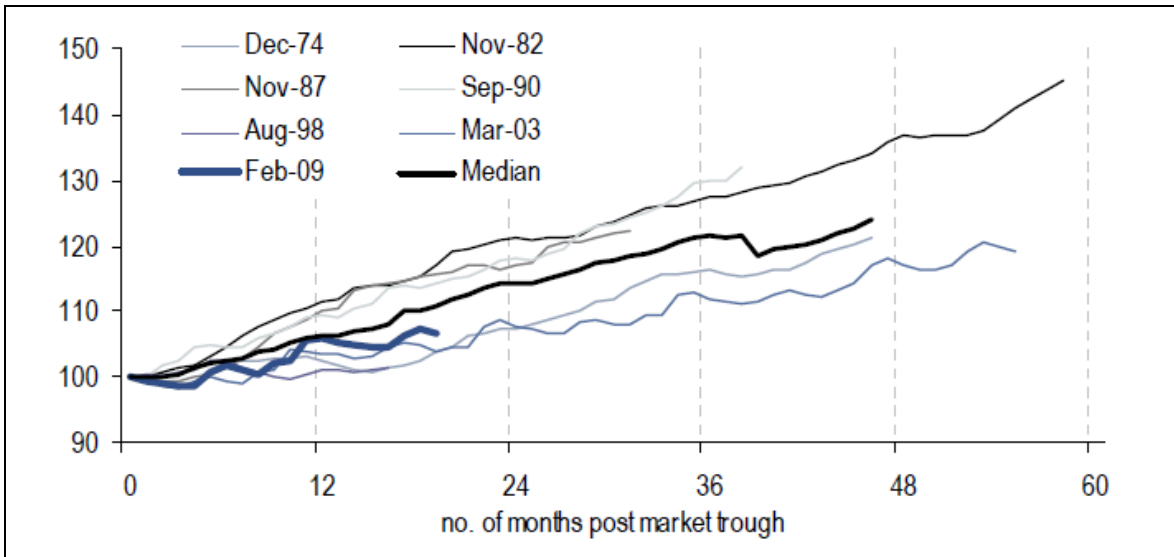


Chart 1: CPI indexed to 100 at market trough (Source: Citigroup)

The US economy has confounded many doom and gloom pundits through 2010. With strong profit recovery, US stock market will lead the world while emerging Asia will likely lag until economic conditions cool. Going forward, the market will still be volatile, not only due to inflationary fears in emerging Asia but also periodic eruptions of the debt crisis within southern Europe. In fact, the strength of the US economic rebound caused S&P 500 to outperform the MSCI Asia ex Japan since Sep 2010 (Chart 2).

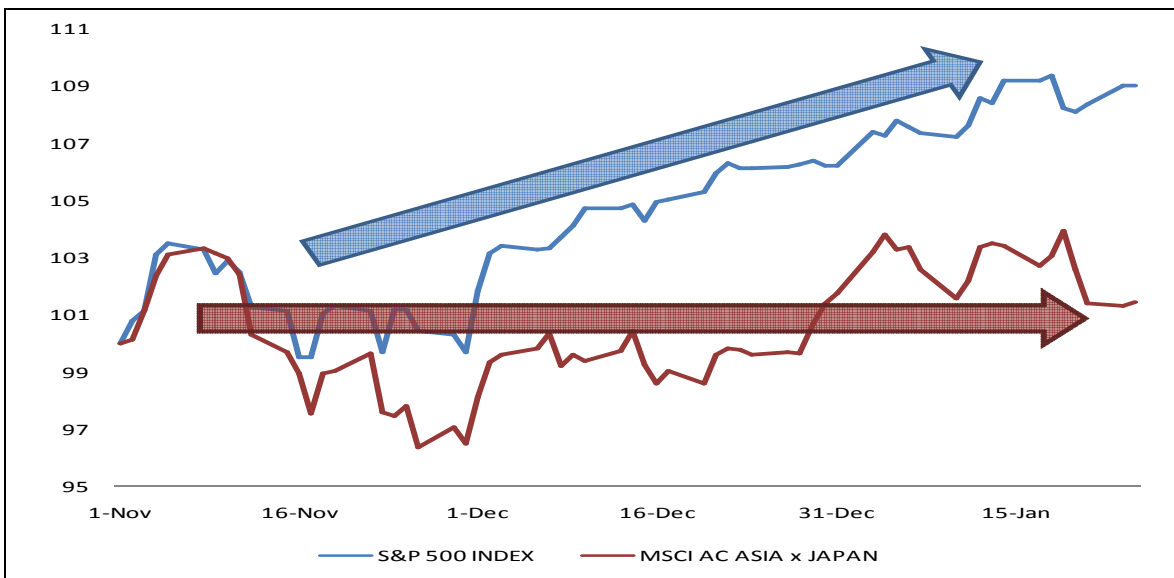


Chart 2: S&P500 versus MSCI Asia ex Japan (Source: Bloomberg)

In the US, exports have rebounded while consumer spending recovery has been better than expected. In fact nominal retail sales have recovered to high single digit growth. While job creation has been slow, the continued drop in unemployment claims (Chart 3) suggests we are probably on the verge of a job recovery cycle but perhaps full employment would not return to the norm and 5.5% (Source: US FOMC Committee) could be full employment because of job losses through overseas outsourcing.

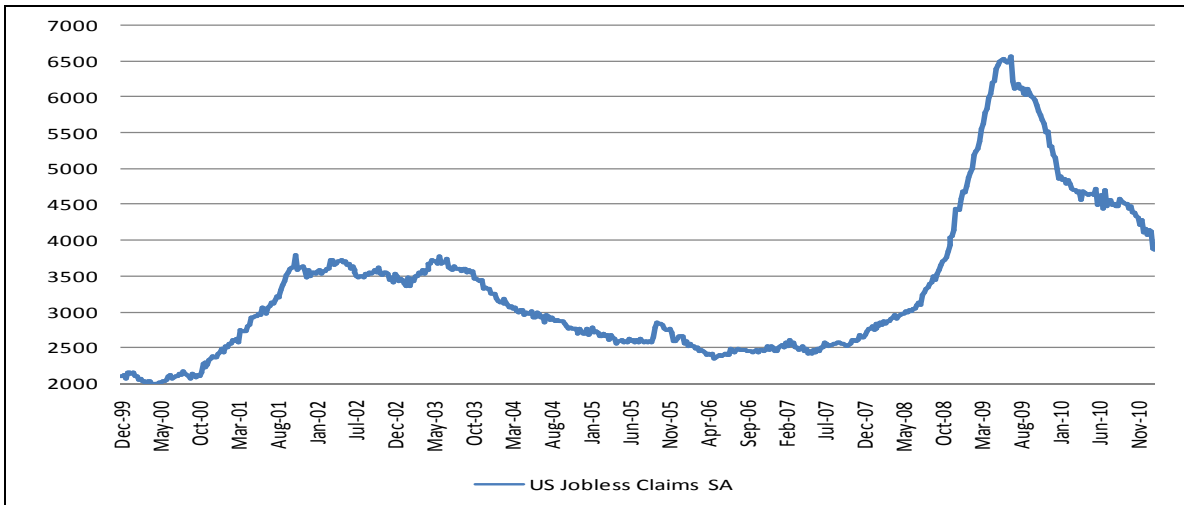


Chart 3: US unemployment claims (Source: Bloomberg)

Yes, we aware that 2011 will be a difficult year with more uncertainties which will also imply opportunities. We need to ride out the tightening effect, rising inflationary pressures and earnings execution risk (Table1). Asean markets have already fallen and will probably range bound for 1H2011 before picking up towards the later half of the year. With regards Malaysia, while we believe that there is upside risk to our index target, we are of the view that the market will be trapped in a tight range (1480 to 1620 during the 1H2011). Our main worry is still capital outflows (Chart 4) back to the US market over the near term. However, as Wall Street continues to show resilient, risk taking appetite will eventually return to emerging Asia and hence on comfort towards 2H 2012.

Country	EPS Growth (%)		P/E (x)		12M Forward P/E (x)	INDEX
	2011	2012	2011	2012	5 Yrs AVG	
Indonesia	22.30	15.90	12.80	11.00	12.30	3346.06
Malaysia	16.70	11.80	15.20	13.60	14.20	1544.08
Singapore	9.40	9.70	14.70	12.90	14.10	3185.76
Thailand	21.10	15.70	11.90	10.30	10.20	963.68

Table 1: ASEAN – EPS growth/forward PER (Source: IBES)

Kuala Lumpur, Malaysia
AmInvestment Services Berhad

31 January 2011

FTSE BURSA MALAYSIA KLCI etf**STATEMENT OF FINANCIAL POSITION (unaudited)
AS AT 31 DECEMBER 2010**

	Note	2010 RM	2009 RM
ASSETS			
Quoted investments	4	3,818,790	4,234,926
Unquoted investments	5	-	108,506
Sundry receivables		18,652	18,527
Tax recoverable		7,771	-
Cash at banks		45,391	521
		<hr/>	<hr/>
Total Assets		3,890,604	4,362,480
LIABILITIES			
Sundry payables and accrued expenses		29,417	30,113
Amount due to Manager	6	7,353	7,225
Amount due to index provider	7	1,784	2,168
Amount due to Trustee	8	234	219
		<hr/>	<hr/>
Total Liabilities excluding Net Asset Value Attributable to Unitholders		38,788	39,725
		<hr/>	<hr/>
NET ASSET VALUE AS AT 31 DECEMBER	9	3,851,816	4,322,755
		<hr/>	<hr/>
UNITS IN CIRCULATION	9(a)	2,508,000	3,344,000
		<hr/>	<hr/>
NET ASSET VALUE PER UNIT – EX DISTRIBUTION	10	153.58 sen	129.27 sen
		<hr/>	<hr/>

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

FTSE BURSA MALAYSIA KLCI etf

**STATEMENT OF COMPREHENSIVE INCOME (unaudited)
FOR THE PERIOD FROM 1 OCTOBER 2010 TO 31 DECEMBER 2010**

	Note	1-10-2010 to 31-12-2010 RM	1-10-2009 to 31-12-2009 RM
INVESTMENT INCOME			
Net realised gain/(loss) on sale of quoted investments		564,531	(10,966)
Dividend income		36,087	28,320
Other income – application fee		1,200	-
Interest income		-	17
Net unrealised (loss)/gain on changes in value of quoted investments		(298,625)	246,182
Gross Income		<u>303,193</u>	<u>263,553</u>
EXPENDITURE			
Manager’s fee	6	6,194	5,373
Trustee’s fee	8	743	645
License fee	7	495	430
Audit fee		410	2,008
Tax agent’s fee		1,676	1,260
Administrative expenses		5,392	2,803
Total Expenditure		<u>14,910</u>	<u>12,519</u>
NET INCOME BEFORE INCOME TAX		288,283	251,034
LESS: INCOME TAX EXPENSE	11	(2,600)	(2,500)
NET INCOME AFTER INCOME TAX		<u>285,683</u>	<u>248,534</u>
Net income after income tax comprises the following:			
Realised income		584,308	2,352
Unrealised (loss)/gain		(298,625)	246,182
		<u>285,683</u>	<u>248,534</u>

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

FTSE BURSA MALAYSIA KLCI etf

**STATEMENT OF CHANGES IN NET ASSET VALUE (unaudited)
FOR THE PERIOD FROM 1 OCTOBER 2010 TO 31 DECEMBER 2010**

	Note	1-10-2010 to 31-10-2010 RM	1-10-2009 to 31-12-2009 RM
Net asset value at beginning of period		4,923,610	4,074,221
Net income for the period		285,683	248,534
Distribution equalisation		(108,134)	-
Amount received from units created net of equalisation	9(a)	4,681,361	-
Amount paid from units redeemed net of equalisation	9(a)	<u>(5,930,704)</u>	<u>-</u>
Net asset value at end of period		<u>3,851,816</u>	<u>4,322,755</u>

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

FTSE BURSA MALAYSIA KLCI etf**CASH FLOWS STATEMENT (unaudited)****FOR THE PERIOD FROM 1 OCTOBER 2010 TO 31 DECEMBER 2010**

	1-10-2010 to 31-12-2010 RM	1-10-2009 to 31-12-2009 RM
CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES		
Proceeds from sale of quoted investments	6,566,974	178,252
Capital repayment	69,760	-
Dividend received	45,434	35,903
Other income – application fee	1,200	-
Interest received	-	18
License fee paid	(505)	(442)
Trustee’s fee paid	(758)	(668)
Payments for other administrative expenses	(3,478)	(2,896)
Tax agent’s fee paid	(5,000)	-
Manager’s fee paid	(6,317)	(5,365)
Purchase of quoted investments	<u>(5,264,949)</u>	<u>(170,419)</u>
Net Cash Generated From Operating And Investing Activities	<u>1,402,361</u>	<u>34,383</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	5,013,846	-
Payments for cancellation of units	<u>(6,371,323)</u>	<u>-</u>
Net Cash Used In Financing Activities	<u>(1,357,477)</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	44,884	34,383
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>507</u>	<u>74,644</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>45,391</u>	<u>109,027</u>
Cash and cash equivalents comprise:		
Deposits with financial institutions (Note 5)	-	521
Cash at banks	<u>45,391</u>	<u>108,506</u>
	<u>45,391</u>	<u>109,027</u>

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

FBM KLCI etf (formerly known as FBM30etf)

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

FBM KLCI etf (formerly known as FBM30etf) (“the Fund”) was established pursuant to a Deed dated 18 January 2007 as amended by the Deeds Supplemental thereto (“the Deed”), between AmInvestment Services Berhad as the Manager, HSBC (Malaysia) Trustee Berhad as the Trustee and all unitholders.

On 6 July 2009, the Fund’s benchmark, FTSE Bursa Malaysia Large 30 Index (“FBM30”) has been renamed FTSE Bursa Malaysia KLCI and concurrent with this change, the Fund also announced the change of name to FTSE Bursa Malaysia KLCI etf (short name: FBM KLCI etf). The Fund changed of its name is pursuant to the Third Supplemental Deed dated 29 June 2009.

The Fund was set up with the objective to achieve a price and yield performance, before fees, expenses and tax, that is generally similar to that of the benchmark index, FTSE Bursa Malaysia KLCI (formerly was FTSE Bursa Malaysia Large 30 Index), balanced with the need to facilitate liquidity provision. As provided in the Deeds, the “accrual period” or financial year shall end on 31 December and the units in the Fund were first offered for sale on 7 June 2007.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under historical cost convention modified by the revaluation of investments in accordance with applicable Financial Reporting Standards and the Securities Commission’s Guidelines on Exchange Traded Funds in Malaysia.

The Fund has adopted FRS 8 Operating Segments for financial period beginning on or after 1 July 2009. The Fund only has one reporting segment as disclosed in Note 15.

The Fund has not adopted the following FRSs, amendments to FRSs, Interpretations of the Issues Committee (“IC Interpretations”), Technical Releases (“TR”) and Statement of Principles (“SOP”) which have effective dates as follows:

		Effective for financial periods beginning on or after
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations (revised)	1 July 2010
FRS 4	Insurance Contracts	1 January 2010

(Forward)

		Effective for financial periods beginning on or after
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 101	Presentation of Financial Statements (revised in 2009)	1 January 2010
FRS 123	FRS 123	FRS 123
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010 and 1 January 2011
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1	Additional Exemption for First-time Adopters	1 January 2011
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010 and 1 July 2010
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 3	Business Combinations	1 January 2011
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010 and 1 July 2010
Amendments to FRS 7	Financial Instruments: Disclosures	1 January 2010 and 1 January 2011
Amendments to FRS 7	Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 8	Operating Segments	1 January 2010
Amendments to FRS 101	Presentation of Financial Statements	1 January 2011
Amendments to FRS 107	Statements of Cash Flows	1 January 2010
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendments to FRS 110	Events After the Reporting Period	1 January 2010
Amendments to FRS 116	Property, Plant and Equipment	1 January 2010
Amendments to FRS 117	Leases	1 January 2010
Amendments to FRS 118	Revenue	1 January 2010

(Forward)

		Effective for financial periods beginning on or after
Amendments to FRS 119	Employee Benefits	1 January 2010
Amendments to FRS 120	Accounting for Government Grants and Disclosures of Government Assistance	1 January 2010
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2011
Amendments to FRS 123	Borrowing Costs	1 January 2010
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010 and 1 July 2010
Amendments to FRS 128	Investments in Associates	1 January 2010 and 1 January 2011
Amendments to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendments to FRS 131	Interests in Joint Ventures	1 January 2010 and 1 January 2011
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010 and 1 January 2011
Amendments to FRS 132	Classification of Rights Issues	1 March 2010
Amendments to FRS 134	Interim Financial Reporting	1 January 2010 and 1 January 2011
Amendments to FRS 136	Impairment of Assets	1 January 2010
Amendments to FRS 138	Intangible Assets	1 January 2010 and 1 July 2010
Amendments to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010, 1 July 2010 and 1 January 2011
Amendments to FRS 140	Investment Property	1 January 2010
IC Interpretation 4	Determining whether an Arrangement Contains a Lease	1 January 2011
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions	1 January 2010

(Forward)

		Effective for financial periods beginning on or after
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 – the Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18	Transfer of Assets from Customers	1 January 2011
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010 and 1 July 2010
Amendments to IC Interpretation 13	Customer Loyalty Programmes	1 January 2011
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement	1 July 2011
TR 3	Guidance on Disclosures of Transition to IFRSs	1 January 2011
		Effective for financial periods beginning on or after
TR i-3	Presentation of Financial Statements of Islamic Financial Institutions	1 January 2010
TR i-4	Shariah Compliant Sale Contracts	1 January 2011
SOP i-1	Financial Reporting from an Islamic Perspective	1 January 2010

Other than FRS 7, FRS 101 (revised in 2009), FRS 132 and FRS 139, the other FRSs, amendments to FRSs, IC Interpretations, TR and SOP are either not applicable or are expected not to have any significant impact on the financial statements of the Fund upon their initial application.

The Fund is exempted from disclosing the possible impact to the financial statements upon the initial application of FRS 7 and FRS 139.

The adoption of FRS 101 (revised in 2009) will have the following impacts to the financial statements of the Fund upon its initial application:

- Entity to present, in a statement of changes in net asset value, all owner changes in equity. All non-owner changes in equity (i.e. comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in net asset value;
- When entity restated its comparative figures in financial statements or retrospectively applies a new accounting policy, a statement of financial position must be presented as at the beginning of the earliest comparative period in a complete set of financial statements;
- Entities must disclose amount reclassified to profit or loss that were previously recognised in other comprehensive income and the income tax relating to each component of other comprehensive income, either in the statement of comprehensive income or in the notes; and
- New terminologies will replace ‘statement of assets and liabilities’ with ‘statement of financial position’, and ‘cash flow statement’ with ‘statement of cash flows’.

Amendments to FRS 132: Financial Instruments: Presentation and FRS 101: Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation:

- These amendments require entities to classify puttable financial instruments as equity, if the instruments have certain particular features and meet certain conditions; and
- The unitholders’ contribution has the features and meets the conditions for classification as equity. Consequently, upon adoption of the Amendments to FRS 132, unitholders’ contribution which is currently classified as financial liabilities will be reclassified as equity.

3. SIGNIFICANT ACCOUNTING POLICIES

Investments

Investments are stated at market value on a portfolio basis in accordance with the provisions of the Deed. For investments in listed securities, market value is determined based on the closing price quoted on Bursa Malaysia Securities Berhad. For investments in options, market value is determined based on the quoted price of the respective issuers and/or financial institutions and for investments in unquoted fixed income securities, market value is determined based on the quoted prices from Bond Pricing Agency Malaysia Sdn Bhd plus accrued interest. The difference between the adjusted cost and market value is treated as unrealised gain or loss and is recognised in the statement of income and expenditure. Adjusted cost of unquoted investments relates to the purchase cost plus accrued interest, adjusted for amortisation of premium and accretion of discount, if any, calculated on the straight-line method over the period from the date of acquisition to the date of maturity of the respective securities as approved by the Manager and the Trustee. Unrealised gains or losses recognised in the statement of income and expenditure is not distributable in nature.

On disposal of investments, the net realised gain or loss on disposal is measured as the difference between the net disposal proceeds and the carrying amount of the investments. The net realised gain or loss is recognised in the statement of income and expenditure.

Income Recognition

Dividend income is recognised based on the date the dividend is declared. Interest on fixed income securities and short-term deposits is recognised on an accrual basis.

Income Tax Expense

Current tax is the expected amount of income tax payable in respect of the taxable income for the financial year/period and is measured using the tax rates that have been enacted at the balance sheet date.

The tax effects of transactions are recognised, using the 'balance sheet' method and all taxable temporary differences are recognised. As at 31 December 2010, there were no significant temporary differences.

Functional and Presentation Currency

Functional currency is the currency of the primary economic environment in which the Fund operates that most faithfully represents the economic effects of the underlying transactions. This is Ringgit Malaysia which reflects the currency of the economy in which the Fund competes for funds and issues and redeems units. The Fund has also adopted Ringgit Malaysia as its presentation currency.

Statement Cash Flows

The Fund adopts the direct method in the preparation of the cash flow statement.

Cash equivalents are short-term, highly liquid investments that are readily convertible to cash with insignificant risk of changes in value.

Payables

The amounts are stated at cost which is the fair value of the consideration to be paid for goods or services received.

Receivables

Sundry receivables are carried at anticipated realisable values.

Unitholders' Contribution

Trust units are classified as unitholders' contribution. Cash distributions on trust units are recognised in net asset value attributable to unitholders in the financial year/period in which they are declared.

Financial Assets And Liabilities

Financial assets and financial liabilities carried on the statement of assets and liabilities include cash at banks, Shariah compliant investments, including Islamic deposits and placements with licensed institutions, payables and net asset value attributable to unitholders. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies.

Financial instruments are classified as assets or liabilities in accordance with the substance of the contractual arrangement. The accounting policies on the recognition of income/profit on Islamic fixed income instruments, dividends, gains and losses relating to financial instruments classified as assets, are disclosed in the respective accounting policies.

4. QUOTED INVESTMENTS

	2010	2009
	RM	RM
At cost:		
Shares quoted in Malaysia	<u>3,525,974</u>	<u>4,203,734</u>
At valuation:		
Shares quoted in Malaysia	<u>3,818,790</u>	<u>4,234,926</u>

Details of quoted investments as at 31 December 2010 are as follows:

Securities quoted in Malaysia	Number of units	Market value RM	Purchase cost RM	Market value as a percentage of net asset value %
Name of Company				
Construction				
Gamuda Berhad	15,500	59,055	57,748	1.53
YTL Corporation Berhad	7,174	60,333	56,934	1.57
	<u>22,674</u>	<u>119,388</u>	<u>114,682</u>	<u>3.10</u>
Consumer Products				
British American Tobacco (M) Berhad	1,100	49,500	47,867	1.29
PPB Group Berhad	4,700	81,122	65,616	2.11
UMW Holdings Berhad	6,500	45,630	44,537	1.18
	<u>12,300</u>	<u>176,252</u>	<u>158,020</u>	<u>4.58</u>
Finance				
AMMB Holdings Berhad	18,100	127,243	95,512	3.30
CIMB Group Holdings Berhad	44,600	379,100	322,645	9.84
Hong Leong Bank Berhad	4,800	44,160	39,322	1.15
Hong Leong Financial Group	2,300	20,447	20,451	0.53
Malayan Banking Berhad	44,867	381,370	344,026	9.90
Public Bank Berhad	28,400	369,768	329,503	9.60
RHB Capital Berhad	2,700	23,544	18,728	0.61
	<u>145,767</u>	<u>1,345,632</u>	<u>1,170,187</u>	<u>34.93</u>

(Forward)

Securities quoted in Malaysia	Number of units	Market value RM	Purchase cost RM	Market value as a percentage of net asset value %
Name of Company				
Industrial Products				
PETRONAS Chemical Group Berhad	18,600	102,672	100,072	2.66
PETRONAS Gas Berhad	4,600	51,060	50,146	1.33
	<u>23,200</u>	<u>153,732</u>	<u>150,218</u>	<u>3.99</u>
Infrastructure				
DiGi.Com Berhad	4,700	115,620	113,742	3.00
YTL Power International Berhad	21,571	52,633	50,840	1.37
	<u>26,271</u>	<u>168,253</u>	<u>164,582</u>	<u>4.37</u>
Plantation				
IOI Corporation Berhad	40,085	232,894	231,318	6.04
Kuala Lumpur Kepong Berhad	4,300	95,030	75,569	2.47
	<u>44,385</u>	<u>327,924</u>	<u>306,887</u>	<u>8.51</u>
Trading/Service				
Axiata Group Berhad	50,800	241,300	219,639	6.26
Genting Berhad	22,200	248,196	206,594	6.44
Genting Malaysia Berhad	22,500	76,275	77,074	1.98
MISC Berhad	14,340	119,883	128,042	3.11
Malaysian Airline System Berhad	6,300	13,167	13,599	0.34
Maxis Berhad	18,000	95,400	96,123	2.48
MMC Corporation Berhad	9,100	25,298	26,534	0.66
PETRONAS Dagangan Berhad	2,300	26,910	23,319	0.70
PLUS Expressways Berhad	15,600	70,512	61,483	1.83

(Forward)

Securities quoted in Malaysia	Number of units	Market value RM	Purchase cost RM	Market value as a percentage of net asset value %
Name of Company				
Sime Darby Berhad	36,089	317,583	307,337	8.25
Telekom Malaysia Berhad	21,500	75,465	61,955	1.96
Tenaga Nasional Berhad	26,000	217,620	239,699	5.65
	<u>244,729</u>	<u>1,527,609</u>	<u>1,461,398</u>	<u>39.66</u>
Total quoted investments	<u>519,326</u>	<u>3,818,790</u>	<u>3,525,974</u>	<u>99.14</u>

5. UNQUOTED INVESTMENTS

	2010 RM	2009 RM
At carrying value:		
Short-term deposits with licensed banks under short-term money market deposits	<u>-</u>	<u>108,506</u>
At nominal value:		
Short-term deposits with licensed banks under short-term money market deposits	<u>-</u>	<u>108,500</u>

6. AMOUNT DUE TO MANAGER

	2010 RM	2009 RM
Manager's fee payable	1,953	1,825
Application fee payable to Manager	<u>5,400</u>	<u>5,400</u>
	<u>7,353</u>	<u>7,225</u>

Manager's fee is computed at a rate not exceeding 1.0% per annum of the net asset value of the Fund, calculated on a daily basis, as provided under Clause 14.1(b) of the Deed.

Manager's fee was charged at a rate of 0.50% per annum of the net asset value of the Fund, calculated on a daily basis, for the financial period from 1 October 2010 to 31 December 2010 (0.50% for the financial period from 1 October 2009 to 31 December 2009).

The normal credit period for manager's fee payable is one month.

7. AMOUNT DUE TO INDEX PROVIDER

Included in amount due to index provider is the license fee payable to FTSE International Limited, the provider of benchmark index.

License's fee was charged at a rate of 0.04% per annum of the net asset value of the Fund, calculated on a daily basis, for the financial period from 1 October 2010 to 31 December 2010 (0.04% for the financial period from 1 October 2009 to 31 December 2009).

8. AMOUNT DUE TO TRUSTEE

Amount due to Trustee represents the trustee's fee payable.

Trustee's fee was charged at a rate of 0.06% per annum of the net asset value of the Fund, calculated on a daily basis, for the financial period from 1 October 2010 to 31 December 2010 (0.06% for the financial period from 1 October 2009 to 31 December 2009).

The normal credit period for trustee's fee payable is one month.

9. NET ASSET VALUE ATTRIBUTABLE TO UNITHOLDERS

Net asset value attributable to unitholders is represented by:

		2010	2009
		RM	RM
Unitholders' contribution	(a)	3,089,957	4,339,300
Accumulated income/(loss)	(b)	<u>761,859</u>	<u>(16,545)</u>
		<u>3,851,816</u>	<u>4,322,755</u>

(a) **UNITHOLDERS' CONTRIBUTION/UNITS IN CIRCULATION**

	1-10-2010 to 31-12-2010		1-10-2009 to 31-12-2009	
	Number of units	RM	Number of units	RM
At beginning of the period	3,344,000	4,339,300	3,344,000	4,339,300
Creation during the period	3,344,000	4,681,361	-	-
Cancellation during the period	<u>(4,180,000)</u>	<u>(5,930,704)</u>	<u>-</u>	<u>-</u>
At end of period	<u>2,508,000</u>	<u>3,089,957</u>	<u>3,344,000</u>	<u>4,339,300</u>

As provided in the Deed, the initial size of the Fund shall not exceed 500 million units.

The Manager, AmInvestment Services Berhad, did not hold any units in the Fund as at 31 December 2010 and 31 December 2009. Holdings by parties related to the Manager as at 31 December 2010 were 755,320 units valued at RM1,160,020 (1,413,354 units valued at RM1,827,043 as at 31 December 2009).

(b) **ACCUMULATED INCOME/(LOSS)**

	Note	1-10-2010 to 31-12-2010 RM	1-10-2009 to 31-12-2009 RM
At beginning of period		584,310	(265,079)
Net income for the period		285,683	248,534
Distribution equalisation	12	<u>(108,134)</u>	<u>-</u>
At end of period		<u>761,859</u>	<u>(16,545)</u>

10. **NET ASSET VALUE PER UNIT – EX DISTRIBUTION**

The net asset value per unit (ex distribution) is calculated by dividing the net assets of RM3,851,816 by 2,508,000 units in issue as at 31 December 2010 (RM4,322,755 by 3,344,000 units as at 31 December 2009).

11. **INCOME TAX EXPENSE**

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

Pursuant to Schedule 6 paragraph 35 of the Income Tax Act, 1967, interest income on short-term deposit with licensed financial institutions derived by the Fund is exempted from tax.

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

	1-10-2010 to 31-12-2010 RM	1-10-2009 to 31-12-2009 RM
Net income before income tax	288,283	251,034
Taxation at Malaysian statutory rate of 25%	72,100	62,700
Tax effect of:		
Income not subject to tax	(72,900)	(63,100)
Permitted expenses not deductible for tax purposes	2,000	2,200
Non-permitted expenses for tax purposes	1,400	700
Tax expense for the financial period	2,600	2,500

12. DISTRIBUTION EQUALISATION

Distribution equalisation represents the average amount of undistributed net income included in the creation or release price of units. This amount is either refunded to unitholders by way of distribution and/or adjusted accordingly when units are released back to the Trustee.

13. INCOME DISTRIBUTION

No income distribution was declared during the financial period from 1 October 2010 to 31 December 2010 and financial period from 1 October 2009 to 31 December 2009.

14. MANAGEMENT EXPENSE RATIO AND PORTFOLIO TURNOVER RATIO

The Fund's management expense ratio ("MER") is as follows:

	1-10-2010 to 31-12-2010 % p.a.	1-10-2009 to 31-12-2009 % p.a.
Manager's fee	0.50	0.50
Trustee's fee	0.06	0.06
License's fee	0.04	0.04
Trust administrative expenses	0.60	0.56
Total MER	1.20	1.16

The portfolio turnover ratio, calculated by dividing the average of total acquisitions and total disposals of investment securities by the average net asset value of the Fund calculated on a daily basis, is 1.20 times for the financial period from 1 October 2010 to 31 December 2010 (0.04 times for the financial period from 1 October 2009 to 31 December 2009).

15. SEGMENTAL REPORTING

(a) Business Segment

In accordance with the objective of the Fund, the Fund has exposures to both quoted securities and unquoted investments. The following table provides an analysis, results, assets and liabilities by business segments:

	Quoted securities RM	Unquoted securities RM	Total RM
1-10-2010 to 31-12-2010			
Revenue			
Segment income representing segment results	303,193	-	303,193
Assets			
Investments	3,818,790	-	3,818,790
Dividend receivables	18,652	-	18,652
	<u>3,837,442</u>	<u>-</u>	<u>3,837,442</u>
1-10-2009 to 31-12-2009			
Revenue			
Segment income representing segment results	263,536	17	263,553
Assets			
Investments	4,234,926	108,506	4,343,432
Dividend receivables	8,789	-	8,789
	<u>4,243,715</u>	<u>108,506</u>	<u>4,352,221</u>

There is no segment liabilities as at 31 December 2010 and 31 December 2009.

16. TRANSACTIONS WITH BROKERS AND FINANCIAL INSTITUTIONS

Details of transactions with brokers and financial institutions for the financial period from 1 October 2010 to 31 December 2010 are as follows:

Brokers/Financial institutions	Transaction value		Brokerage fee, stamp duty and clearing fee paid	
	RM	%	RM	%
AmInvestment Bank Berhad*	<u>467,301</u>	<u>100.00</u>	<u>2,552</u>	<u>100.00</u>

* A financial institution related to the Manager. The Manager and the Trustee are of the opinion that the above transactions have been entered into the normal course of business and have been established under terms that no less favourable than those arranged with independent third parties.

The above transaction values are in respect of listed securities.

17. RISK MANAGEMENT

The Fund is exposed to a variety of risks that included market risk, interest rate risk, credit risk, liquidity risk, single issuer risk, regulatory risk, management risk and stock risk.

Risk management is carried out by closely monitoring, measuring and mitigating the above said risks, careful selection of stocks for investment coupled with stringent compliance to investment restrictions as stipulated by the Capital Market and Services Act 2007, Securities Commission's Guidelines on Exchange Traded Funds and the Deed as the backbone of risk management of the Fund.

Market Risk

Market risk relates to investments in quoted/unquoted securities where movements of share/bond/unit prices can rise or fall for a number of reasons including industry trends, economic factors and changes in the investees' operations, management and financial performance as well as market perceptions on a particular investee.

Market risk is managed through portfolio diversification and asset allocation whereby the securities exposure is monitored/reduced in the event of anticipated market weaknesses.

Interest Rate Risk

Interest rate risk will affect the value of the Fund's investments, given the interest rate movements, which are influenced by regional and local economic developments as well as political developments.

Domestic interest rates on deposits and placements with licensed financial institutions are determined based on prevailing market rates. The Fund has a policy to ensure that the rates obtained are competitive.

Credit Risk

Credit risk applies to debt instruments such as term deposits, bonds and debentures. The issuer of such instruments may not be able to fulfill the required interest payments or repay the principal invested. These risks may cause the Fund's investments to fluctuate in value.

The Fund Manager manages the risk by setting internal counterparty limits and undertaking internal credit evaluation to minimise such risk.

Liquidity Risk

The Fund maintains a sufficient level of liquid assets, after consultation with the Trustee, to meet anticipated payments and cancellation of units by unitholders. Liquid assets comprise deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 5 to 7 days. The Fund's policy is to always maintain a prudent level of liquid assets so as to reduce liquidity risk.

Single Issuer Risk

Internal policy restricts the Fund from investing in securities issued by any issuer of not more than a certain percentage of its net asset value. Under such restriction, the risk exposure to the securities of any single issuer is diversified and managed based on internal/external ratings.

Regulatory Risk

Any changes in national policies and regulations may have an effect on the capital market.

Management Risk

Poor management of the Fund may cause considerable losses to the Fund that in turn may affect the net asset value of the Fund.

Stock Risk

Risk that is specific to a stock and is not correlated with the specific risks of other stocks.

18. **FAIR VALUE OF FINANCIAL INSTRUMENTS**

All assets and liabilities of the Fund are carried at fair values. The accounting policies on recognition and measurement of the fair value for the Fund's investments are disclosed in their respective accounting policies.

The fair values for the amount due to the Manager and Trustee, cash at banks, sundry receivables, and sundry payables and accruals approximate their respective carrying amounts as at the balance sheet date due to the relatively short-term maturity of these financial instruments.

Additional Information

Board of Directors of the Manager

The Board of Directors, of which one-third are independent members, exercise ultimate control over the operations of the Company. For the financial year under review, 1 board meetings were held.

Details of the Directors of the management company are set out as below:

Name: Harinder Pal Singh

Age	:	49
Nationality	:	Malaysia
Qualification	:	Bachelors Degree in Accounting from University Malaya
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Non-Independent of AmInvestment Services Berhad
Working Experience	:	Bank Negara Malaysia Senior Administrative Officer, Insurance Inspection Department (1986 – 1993) Securities Commission Assistant Manager, Market Surveillance Department (1993 – 1995) AmSecurities Sdn Bhd Seconded to PT Arab-Malaysian Capital Indonesia as Director of Operations (1995 – 1998) AmMerchant Bank Berhad Manager, Corporate Services (1998 – 2000) AmInvestment Services Berhad Manager, Client Service & Operations (July 2001 – June 2002) Senior Manager, Client Service & Operation (July 2002 – 2003) Head, Sales Services (2003-Dec 2006) Principal Officer / Director of Operations (present) Director (September 2008 - present)
Occupation	:	Director of Operations and Principal Officer of AmInvestment Services Berhad
Date of appointment	:	8 December 2006
Directorship of other public companies	:	None
Number of board meetings attended in the financial year	:	1

(Forward)

Member of any other board committee	:	Investment Committee of AmInvestment Services Berhad (Non-Independent)
Date of appointment to the investment committee	:	18 January 2007
Number of investment committee meetings attended in the financial year	:	1
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Name: Kok Tuck Cheong

Age	:	60
Nationality	:	Malaysian
Qualification	:	Bachelor of Science (Honours) in Commerce and Accounting and Master of Science in Financial Managerial Control from University of Southampton.
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Non-Independent Director of AmInvestment Services Berhad
Working Experience	:	He started his career with AmMerchant Bank Berhad in the Treasury Department before joining the Banking and Corporate Finance Department and later the Investment Department where he served in various positions. He was appointed as General Manager, Banking in January 1989 and later served as Senior General Manager until his appointment as Executive Director in September 2000.
Occupation	:	Managing Director and Chief Executive Officer of AmInvestment Bank Berhad
Date of appointment	:	9 November 2001
Directorship of other public companies	:	AmInvestment Bank Berhad and AmInvestment Group Berhad
Number of board meetings attended in the financial year	:	1
Member of any other board committee	:	-
Date of appointment to the investment committee	:	-
Number of investment committee meetings attended in the financial year	:	-
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Name: Datin Maznah Mahbob

Age	:	52
Nationality	:	Malaysian
Qualification	:	A graduate of the Institute of Chartered Secretaries and Administrators (UK) and holds the Capital Markets Services Representative License
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Non-Independent Director of AmInvestment Services Berhad
Working Experience	:	Datin Maznah has been in the funds management industry since 1987, in a fund management role, before assuming the CEO responsibility in 2002. Prior to this, she was in the Corporate Finance Department of AmInvestment Bank for 3 years.
Occupation	:	Chief Executive Officer of the Funds Management Division of AmInvestment Bank Group and Chief Executive Officer /Executive Director of AmInvestment Management Sdn Bhd.
Date of appointment	:	29 December 2005
Directorship of other public companies	:	None
Number of board meetings attended in the financial year	:	1
Member of any other board committee	:	-
Date of appointment to the investment committee	:	-
Number of investment committee meetings attended in the financial year	:	-
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Name: Professor Dr. Annuar Md. Nasir

Age	:	53
Nationality	:	Malaysian
Qualification	:	Doctor of Philosophy from University Putra Malaysia
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Independent Director of AmInvestment Services Berhad
Working Experience	:	University Putra Malaysia Serdang Dean (February 2006-Present) Deputy Dean (September 2002 – January 2006) Professor (March 2000-Present) Associate Professor (March 1993 – March 2000) University Pertanian Malaysia Tutor (1981 – 1984)
Occupation	:	Professor and Dean Faculty of Economics and Management of University Putra Malaysia
Date of appointment	:	8 April 2003
Directorship of other public companies	:	None
Number of board meetings attended in the financial year	:	1
Member of any other board committee	:	Investment Committee of AmInvestment Services Berhad (Independent)
Date of appointment to the investment committee	:	18 January 2007
Number of investment committee meetings attended in the financial year	:	1
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Name: Dato' Dr. Mahani Zainal Abidin

Age	: 57
Nationality	: Malaysian
Qualification	: Doctor of Philosophy in Development Economics from University of London.
Executive/Non-Executive Director	: Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	: Independent Director of AmInvestment Services Berhad Independent Director of AmIslamic Bank Berhad
Working Experience	: Prime Minister's Department, Malaysia Head, Special Consultancy Team on Globalisation National Economic Action Council (April 2001 – July 2005) BHLB Unit Trust Member of Investment Panel (April 1999 – June 2004) Employee Provident Fund, Malaya Board Member (June 1998 – 2001)
Occupation	: Chief Executive, Institute of Strategic and International Studies (ISIS) Malaysia.
Date of appointment	: May 2007
Directorship of other public companies	: -
Number of board meetings attended in the financial year	: 1
Member of any other board committee	: Investment Committee of AmInvestment Services Berhad (Independent)
Date of appointment to the investment committee	: 18 January 2007
Number of investment committee meetings attended in the financial year	: 1
Family relationship with any director	: None
Conflict of interest with the Fund	: None
List of convictions for offences within the past 10 years (if any)	: None

Name: Lee Siang Korn @ Lee Siang Chin

Age	:	63
Nationality	:	Malaysian
Qualification	:	Fellow of the Institute of Chartered Accountants in England and Wales (July 1972) Member of the Malaysian Association of Certified Public Accountants (June 1975)
Executive/Non-Executive Director	:	Non-Executive Director of AmInvestment Services Berhad
Independent/Non-Independent Director	:	Independent Director of AmInvestment Services Berhad
Working Experience	:	Surf88.Com Sdn.Bhd Chairman and Founding shareholder (1999-2004) Arab-Malaysian Securities Sdn. Bhd. Managing Director (1986-1999) Arab-Malaysian Merchant Bank Berhad General Manager, Corporate Finance (1983-1986)
Occupation	:	Director AmInvestment Services Berhad
Date of appointment	:	20 December 2006
Directorship of other public companies	:	Star Publication (Malaysia) Berhad UniAsia Life Assurance Berhad
Number of board meetings attended in the financial year	:	1
Member of any other board committee	:	Investment Committee of AmInvestment Services Berhad (Independent)
Date of appointment to the investment committee	:	18 January 2007
Number of investment committee meetings attended in the financial year	:	1
Family relationship with any director	:	None
Conflict of interest with the Fund	:	None
List of convictions for offences within the past 10 years (if any)	:	None

Material Litigation

For the financial year under review, neither the directors of the management company, the Manager of the Fund nor the Fund were engaged in any material litigation and arbitration, including those pending or threatened, and any facts likely to give any proceedings, which might materially affect the business/financial position of the Manager and of its delegates. The Fund also is not engaged in any material litigation and arbitration, including those pending or threatened, and any facts likely to give any proceedings, which might materially affect the Fund.

Investment Manager

We have appointed AmInvestment Management Sdn Bhd, a licensed fund manager approved by SC on 4 March 1997, to implement the Fund's investment strategy on behalf of us to achieve the objectives of the Fund. AmInvestment Management is a wholly owned subsidiary of AmInvestment Group Berhad. AmInvestment Management has been in the fund management industry since 1982.

Investment Committee

The Committee reviews the Fund's investment objective and guidelines, and to ensure that the Fund is invested appropriately. For the financial year under review, 1 meetings were held.

Unitholders

List of the unit holders having the largest number of units:

NAME	Number of Unit Held	Units Held (in %)
AMINVESTMENT BANK BERHAD	724,560.00	28.8900%
A.A. ANTHONY SECURITIES SDN. BHD.	257,200.00	10.2552%
HSBC BANK MALAYSIA BERHAD	210,000.00	8.3732%
KAF-SEAGROATT & CAMPBELL SECURITIES SDN BHD	128,600.00	5.1276%
MALACCA SECURITIES SDN BHD	100,000.00	3.9872%
JF APEX SECURITIES BERHAD	63,000.00	2.5120%
HWANGDBS INVESTMENT BANK BERHAD	51,440.00	2.0510%
CIMB INVESTMENT BANK BERHAD	33,000.00	1.3158%
INNOSABAH SECURITIES BERHAD	32,150.00	1.2819%

(Forward)

INNOSABAH SECURITIES BERHAD	32,150.00	1.2819%
CIMB INVESTMENT BANK BERHAD	32,150.00	1.2819%
HONG LEONG INVESTMENT BANK BERHAD	31,900.00	1.2719%
OSK INVESTMENT BANK BERHAD	30,000.00	1.1962%
PUBLIC INVESTMENT BANK BERHAD	30,000.00	1.1962%
CIMB INVESTMENT BANK BERHAD	29,300.00	1.1683%
ALLIANCE INVESTMENT BANK BERHAD	25,735.00	1.0261%
MAYBANK INVESTMENT BANK BERHAD	25,720.00	1.0255%
MERCURY SECURITIES SDN BHD	25,720.00	1.0255%
KENANGA INVESTMENT BANK BERHAD	25,720.00	1.0255%
AFFIN INVESTMENT BANK BERHAD	25,720.00	1.0255%
HWANGDBS INVESTMENT BANK BERHAD	19,300.00	0.7695%
MAYBANK INVESTMENT BANK BERHAD	19,290.00	0.7691%
MAYBANK INVESTMENT BANK BERHAD	16,075.00	0.6409%
MAYBANK INVESTMENT BANK BERHAD	15,720.00	0.6268%
HONG LEONG INVESTMENT BANK BERHAD	14,432.00	0.5754%
KENANGA INVESTMENT BANK BERHAD	13,503.00	0.5384%
OSK INVESTMENT BANK BERHAD	12,860.00	0.5128%
TA SECURITIES HOLDINGS BERHAD	12,860.00	0.5128%
AMINVESTMENT BANK BERHAD	12,860.00	0.5128%
CIMB INVESTMENT BANK BERHAD	12,860.00	0.5128%
MAYBANK INVESTMENT BANK BERHAD	12,860.00	0.5128%