

EQ8 DOW JONES ISLAMIC MARKET MALAYSIA TITANS 25 ETF

(formerly known as MyETF Dow Jones Islamic Market Malaysia Titans 25)

SEMI-ANNUAL REPORT

For the Financial Period from 1 January 2024 to 30 June 2024



Eq8 Capital Sdn Bhd
(formerly known as i-VCAP Management Sdn Bhd)
Company No. 200701034939 (792968-D)
(a wholly owned subsidiary of Kenanga Investors Berhad)

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(formerly known as MyETF Dow Jones Islamic Market Malaysia Titans 25)

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INTRODUCTION

Eq8 Dow Jones Islamic Market Malaysia Titans 25 ETF (*formerly known as MyETF Dow Jones Islamic Market Malaysia Titans 25*) or EQ8MY25 is the first Shariah Exchange-traded Fund (“ETF”) introduced in Asia and is currently one of the largest Shariah ETF in the world by asset size. It is designed to provide investment results that closely correspond to the performance of its Benchmark Index i.e. Dow Jones Islamic Market Malaysia Titans 25 Index (“DJIM25 Index”).

Structured as an ETF, EQ8MY25 is a liquid and cost efficient financial instrument for investors who wish to get immediate access to the performance of Malaysia’s Shariah equity market. EQ8MY25 was listed on the Main Market of Bursa Securities on 31 January 2008. The stock short name and stock number for EQ8MY25 are “EQ8MY25” and “0821EA” respectively.

The benchmark index, DJIM25 Index, is a market-capitalisation weighted index of 25 largest Shariah-compliant securities listed on Bursa Malaysia Securities Berhad (“Bursa Securities”). 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: **Eq8 Capital Sdn Bhd** Company No. 200701034939 (792968-D)
(formerly known as i-VCAP Management Sdn Bhd)

Registered Office

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

Business Office

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50400 Kuala Lumpur, Malaysia.
Tel: 1-800-88-3737
Fax: 03-2172 3133
E-mail: eq8@kenanga.com.my
Website: www.eq8.com.my

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

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

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

Trustee: **Deutsche Trustees Malaysia Berhad** Company No. 200701005591 (763590-H)

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

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

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

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

Company No. 199801008604 (464731-M)

Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur.
Tel: 03-2173 1188 Fax: 03-2173 1288

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

Level 29, Menara Aras Raya, No. 11, Jalan Raja Laut, 50350 Kuala Lumpur, Wilayah Persekutuan.
Tel: 03-2635 8893 Fax: 03-2602 9783

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

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

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

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

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

11th Floor, Menara Symphony, No. 5, Jalan Semangat (Jalan Professor Khoo Kay Kim),
Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
Tel: 03-7849 0777 Fax No: 03-7841 8151/8152

Custodian: Deutsche Bank (Malaysia) Berhad Company No. 199401026871 (312552-W)
(Trustee's Delegate) (Please refer to page 37 for Trustee's Delegate information)

Level 19, Menara IMC, 8, Jalan Sultan Ismail, 50250 Kuala Lumpur.
Tel: 03-2053 6788 Fax: 03-2031 8710

Index Licensor: S&P Opco, LLC

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

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

Level 20, Menara IMC, 8, Jalan Sultan Ismail, 50250 Kuala Lumpur.
Tel: 03-2053 7522 Fax: 03-2031 7526

1. FUND INFORMATION

1.1 Fund Name

Eq8 Dow Jones Islamic Market Malaysia Titans 25 ETF (“**EQ8MY25**” or “**the Fund**”)

1.2 Fund Category / Type

Shariah-Compliant Equity / Exchange-traded Fund

1.3 Investment Objective

EQ8MY25 is designed to provide investment results that closely correspond to the performance of the Benchmark Index. The Manager attempts to achieve an absolute value of tracking error of less than 3% between the Net Asset Value (“NAV”) of the Fund and the Benchmark Index.

1.4 Investment Strategy

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

1.5 Benchmark Index

Dow Jones Islamic Market Malaysia Titans 25 Index (“**DJIM25 Index**” or “**the Benchmark Index**”)

The Benchmark Index is a market capitalisation weighted and free-float adjusted index provided by S&P Dow Jones Indices (“S&P Dow Jones”).

The Benchmark Index was created on 18 January 2008 and constructed based on a reference value of 1,000 as of 17 January 2008. The Benchmark Index consists of 25 Shariah-Compliant securities of companies listed on Bursa Malaysia Securities Berhad (“Bursa Securities”).

The universe for selection of the DJIM25 Index components includes all equities in the Dow Jones Islamic Market Malaysia Index, an index comprised of Malaysia-based companies that conform to the methodology established by S&P Dow Jones to screen stocks for compliance with the Shariah.

1.6 Distribution Policy

Annual, subject to the discretion of the Manager.

1.7 Commencement Date

22 January 2008

1.8 Breakdown of unit holdings of the Fund as at 30 June 2024

| Size of holdings | No. of unit holders | No. of units held |
|-------------------------|----------------------------|--------------------------|
| Less than 100 | 7 | 161 |
| 100 - 1,000 | 150 | 59,905 |
| 1,001 - 10,000 | 63 | 229,400 |
| 10,001 - 100,000 | 14 | 320,200 |
| 100,001 - < 5%* | 7 | 5,686,800 |
| > = 5%* | 1 | 128,803,534 |
| Total | 242 | 135,100,000 |

5%* - 5% of the units in circulation

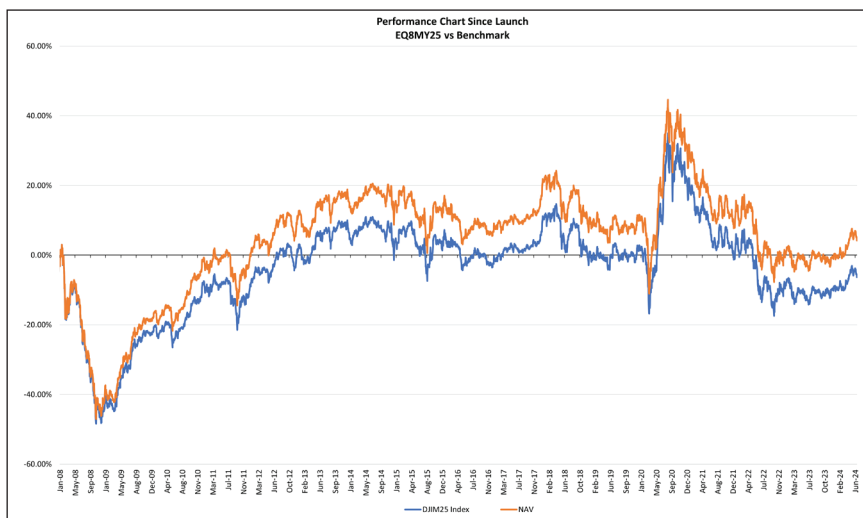
2. MANAGER'S REPORT

2.1 Explanation on whether the Fund has achieved its investment objective

For the financial period under review, the Fund achieved its investment objective to track closely the underlying benchmark index, i.e. DJIM25 Index. As at 30 June 2024, the 3-year rolling tracking error between the NAV per unit of the Fund and the Benchmark Index on Price Return and Total Return basis were 0.08% and 0.11% respectively, well within the 3% limit stipulated under the Fund's investment objective.

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

**Performance Chart Since Launch (22/01/2008 – 30/06/2024)
EQ8MY25 vs Benchmark Index**



Source: Bloomberg, Eq8 Capital

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

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

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

2.4 The Fund's asset allocation as at 30 June 2024 and comparison with the previous financial period

| Asset | 30 Jun 2024 | 30 Jun 2023 |
|--|-------------|-------------|
| Listed Shariah-compliant investment securities | 99.8% | 99.9% |
| Short term Islamic deposits and cash | 0.2% | 0.1% |

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

| | Period under review 1 Jan 2024 – 30 Jun 2024 |
|--------------------------------|---|
| EQ8MY25- NAV Price Return* (a) | 5.84% |
| DJIM25- Price Return Index | 4.79% |
| EQ8MY25- NAV Total Return* (a) | 5.84% |
| DJIM25- Total Return Index | 6.19% |

Sources: Bloomberg, Eq8 Capital

(a) Independently sourced from Novagni Analytics and Advisory.

* MyETF Dow Jones Islamic Market Malaysia Titans 25 has been rebranded to Eq8 Dow Jones Islamic Market Malaysia Titans 25 ETF with effect from 26 March 2024.

The Fund's NAV per unit increased by 5.84% to RM1.0492 from RM0.9913 for the financial period under review, in line with the performance of the general domestic equity market. Similarly, the Benchmark Index (DJIM25 Index) and Benchmark's Total Return Index (DJIM25 Total Return Index) increased by 4.79% and 6.19% respectively. The difference between the performance of the Fund and its Benchmark Index can largely be attributed to the Fund's operational costs.

2.6 Review of the market

Market review

Global equity markets started 2024 on a positive note, continuing the momentum from the previous year. In the US, the S&P 500, Dow Jones, and Nasdaq gained 1.6%, 1.2%, and 1.0% month-on-month (MoM) in January, respectively. The S&P 500 and Dow Jones reached record highs, driven by optimism around a potential 'soft landing' scenario, which sustained the rally in the 'Magnificent Seven' stocks. Several strong economic indicators, including a robust GDP print, solid jobs report, firm wage growth, and steady unemployment, highlighted the ongoing resilience of the US economy. The Federal Open Market Committee (FOMC) kept the policy rate steady at 5.25-5.50% but pushed back against expectations of an imminent rate cut at the upcoming March meeting. Locally, the market responded positively to the signing of the Memorandum of Understanding (MoU) for the Johor-Singapore Special Economic Zone and Bank Negara Malaysia's (BNM) decision to maintain the Overnight Policy Rate (OPR) rate at 3.0%. These developments helped offset concerns over slower-than-expected GDP growth in 4Q2023 and the announcement of increased power and water tariffs. The FBM KLCI (+4.0% MoM) was the best performing market in Asia in January, outperforming both the MSCI Asean (-3.6% MoM) and MSCI Asia ex-Japan (-5.5% MoM). FBM100, FBM Shariah and FBM Small Cap each registered MoM gains of 4.0%, 2.6% and 2.2% respectively.

In February, the Nasdaq, S&P 500, and Dow Jones rose 6.1%, 5.2%, and 2.2% MoM respectively. The US market was bolstered by stronger growth prospects and diminishing tail risks, with 2024 Gross Domestic Product (GDP) now expected to increase by 2.1%. The US services labor market remained robust, with wage growth above trend, leading to a positive surprise in consumer spending. Additionally, the January US Producer Price Index

2.6 Review of the market (contd.)

Market review (contd.)

(PPI) increased by 0.3% MoM, significantly higher than the forecasted 0.1% MoM, driven by strength in the services Purchasing Managers' Index (PMI). As a result, reported 4Q2023 Earnings Per Share (EPS) grew 10.0% year-on-year (YoY), with earnings surpassing expectations by more than 7.0%, mainly due to the Technology sector's performance. On the home front, BNM kept the OPR unchanged at 3% following the March Monetary Policy Committee (MPC) meeting. The FBM KLCI fell by 1.0% MoM, while FBM Small Cap, FBM Shariah, and FBM 100 registered MoM gains of 3.1%, 1.0%, and 0.5% respectively. News flows in the month were centered around infrastructure related to data center.

In March, the S&P 500, Dow Jones, and Nasdaq continued to climb, posting gains of 3.1%, 2.1%, and 1.8% MoM, respectively, driven by ongoing optimism about the economy, potential rate cuts, and emerging business opportunities in the artificial intelligence (AI) space. The consensus anticipated 2024 GDP growth of 2.2%. The Federal Reserve (Fed) maintained interest rates at 5.25%-5.5%, marking the fifth consecutive meeting with no changes. Fed Chair Jerome Powell reiterated the Fed's commitment to bringing inflation down to its 2.0% target. However, with the inflation rate rising to 3.2% YoY in February 2024, the path to achieving the Fed's target may be longer and more challenging than expected, given the strong labor market and economic growth, which continue to put upward pressure on prices. Locally, BNM kept the OPR unchanged at 3.0% following the March Monetary Policy Committee (MPC) meeting. The FBM KLCI fell by 1.0% MoM, while the FBM EMAS Shariah index ended the month 1.0% higher MoM.

US equities fell sharply in April, with the Dow Jones, S&P 500 and Nasdaq falling 5.0%, 4.2% and 4.4% all declining due to a higher-than-expected inflation print, which sparked fears of delays in interest rate cuts. The Consumer Price Index (CPI) rose 0.4% MoM, surpassing the consensus expectation of 0.3%. On a YoY basis, both headline and core CPI rose to 3.5% and 3.8%, respectively, exceeding economists' forecasts. Additionally, March saw the addition of 303,000 jobs, far ahead of the anticipated 200,000. With higher inflation and a strong job market, expectations for rate cuts have been pushed back, making a June cut unlikely, and the total number of expected cuts in 2024 reduced to one or two, down from six at the start of the year. In the local market, the FBM KLCI rallied by 2.6%, reaching a two-year high of 1,576 points, despite the Middle East geopolitical concerns and persistent selling by foreign investors. The FBM EMAS Shariah index increased 3.8% MoM. The market was supported by a net buy of RM5.1 billion worth of equities by local institutional investors.

US equities rebounded in May, driven by better-than-expected corporate earnings, investor optimism about the economic outlook, and the expectation of interest rate cuts later in the year. The Dow Jones, S&P 500, and Nasdaq rose 2.3%, 4.8% and 6.9% MoM respectively. The US announced new tariffs on USD 18.0 billion of goods from China, including a quadruple increase in tariffs on Chinese electric vehicles (from 25.0% to 100%) to protect US manufacturers. The increase is seen as having little impact, as few electric vehicles are imported to the US from China. Tariffs were also increased on medical and solar supplies, as the Biden administration extended the Section 301 Tariffs on Imports from China, which began in 2018 and covers USD 300.0 billion of Chinese products. In Malaysia, BNM kept the OPR at 3.0% during its May MPC meeting. The FBM KLCI and FBM EMAS Shariah indices ended the month 1.3% and 2.5% higher MoM, respectively.

Global equity markets continued to perform well in June 2024, with the US S&P 500, Nasdaq, and Dow Jones increasing by 3.5%, 6.0%, and 1.1% MoM, respectively. The US market finished the first half of 2024 strongly, with the S&P 500, Nasdaq, and Dow Jones up by 14.5%, 18.1%, and 3.8% respectively. The rally was primarily driven by better-than-expected corporate earnings, with Wall Street forecasting steady earnings growth through 2025. Even excluding mega-cap technology stocks, the earnings outlook remains solid. US inflation cooled slightly to 3.3% in May, compared to economists' expectations of 3.4%. The

2.6 Review of the market (contd.)

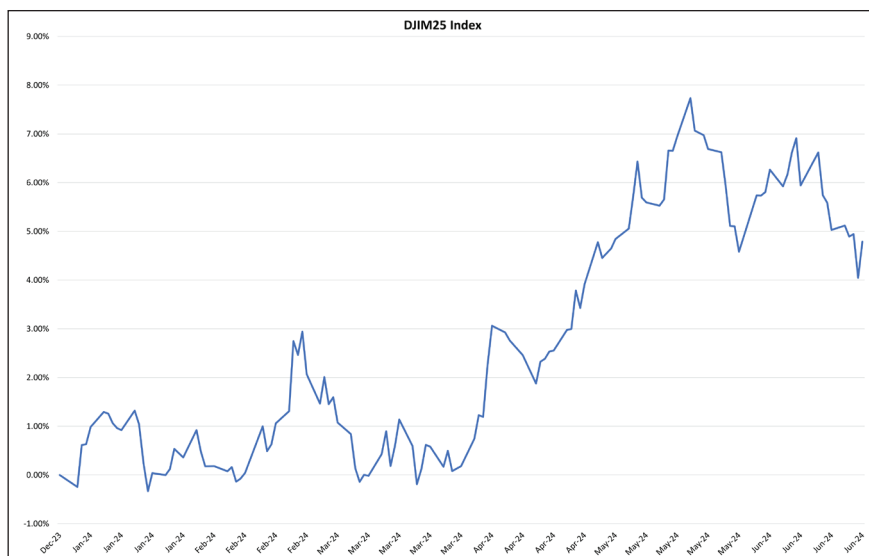
Market review (contd.)

Fed decided to hold interest rates steady after its meeting in June. The Fed expected only one rate cut in 2024 amidst persistent inflation, with economists anticipating the first cut in September 2024. Locally, the FBMKLCI declined slightly by 0.4% MoM in June due to profit taking activities, while the FBM EMAS Shariah index rose 1.3% MoM.

In line with the global equity market, the Malaysian market finished the first half of 2024 strongly, with the FBMKLCI, FBM100, FBM EMAS Shariah, and FBM Small Cap indices up by 9.3%, 12.5%, 14.2%, and 18.0%, respectively. In June, foreign investors became net sellers, offloading RM61.2 million worth of equities, reversing the net buying trend observed in May. Despite this, year-to-date (YTD) foreign net sales stand at RM0.8 billion, with local institutional and retail investors providing robust support.

The DJIM25 Index reached its lowest point of 865 on 18 January 2024 before rising to its highest point of 935 on 20 May 2024. It then ended the first half of the year at 909, marking a 4.79% increase for the financial period under review.

Chart: DJIM25 Index Performance in 1H2024



Sources: Bloomberg, Eq8 Capital

Market outlook

Key indicators for the timing of potential rate cuts include U.S. economic data and guidance from the Fed. The Fed is anticipated to begin reducing rates in the second half of 2024, with the market expecting the first cut in September 2024. Meanwhile, the European Central Bank (ECB) became the second major central bank to lower interest rates in June 2024, following Canada's earlier decision. While China's additional fiscal stimulus has provided some support, further measures are needed to revive the property market and restore market confidence.

2.6 Review of the market (contd.)

Market outlook (contd.)

Locally, we maintain a positive outlook on the Malaysian equity market for 2024 as we expect resilient GDP growth of 4-5%, improving momentum of policy execution on construction and infrastructure projects, rising FDI, while valuation and foreign shareholding remains low.

2.7 Distributions

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

2.8 Details of any unit split exercise

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

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

There were significant changes in the state of affairs of the Fund during the financial period and unit holders have been notified via an announcement to Bursa Malaysia Securities Berhad on 25 March 2024.

The Second Supplementary Prospectus was issued on 26 March 2024. The changes were effective on 26 March 2024.

2.10 Circumstances that materially affect any interests of the unit holders

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

2.11 Rebates and soft commissions

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

2.12 Cross-trade

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

2.13 Securities financing transactions

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

3. FUND PERFORMANCE

3.1 Details of portfolio composition of the Fund as at 30 June 2024 against the last three financial years as at 31 December are as follow:

Based on Fund's quoted investments as at 30 June 2024, the sector allocation of DJIM25 Index based on S&P Dow Jones and Bursa Securities sector classifications are as follows:

| | As at 30.6.2024 % | FY 2023 % | FY 2022 % | FY 2021 % |
|---|----------------------------------|--------------------------|--------------------------|--------------------------|
| Consumer Goods | 24.1 | 22.5 | 24.8 | 20.0 |
| Telecommunications | 16.6 | 14.4 | 17.1 | 13.7 |
| Basic Materials | 16.7 | 4.5 | 19.5 | 17.1 |
| Health Care | 12.7 | 11.7 | 12.3 | 17.8 |
| Oil & Gas | 6.5 | 9.8 | 10.6 | - |
| Industrials | 7.4 | 18.8 | 7.4 | 3.9 |
| Technology | 5.5 | 12.3 | 5.5 | 11.2 |
| Consumer Services | 3.2 | 3.5 | 2.8 | 2.3 |
| Energy | - | - | - | 7.3 |
| Utilities | 7.1 | 2.1 | - | 6.7 |
| Financials | - | - | - | - |
| Short term Islamic deposits and cash | 0.2 | 0.4 | - | - |

Source: S&P Dow Jones

| | As at 30.6.2024 % | FY 2023 % | FY 2022 % | FY 2021 % |
|---|----------------------------------|--------------------------|--------------------------|--------------------------|
| Telecommunications and Media | 16.6 | 17.4 | 16.8 | 13.8 |
| Plantation | 16.1 | 17.8 | 18.5 | 13.6 |
| Industrial Products and Services | 16.7 | 17.0 | 20.3 | 16.9 |
| Health Care | 12.7 | 12.1 | 12.5 | 18.5 |
| Technology | 10.9 | 9.2 | 9.6 | 12.6 |
| Consumer Products and Services | 13.8 | 13.5 | 9.6 | 12.9 |
| Utilities | 7.1 | 7.3 | 6.0 | 6.9 |
| Energy | 3.9 | 3.5 | 4.7 | 4.4 |
| Transportation & Logistics | 2.0 | 1.8 | 1.6 | - |
| Short term Islamic deposits and cash | 0.2 | 0.4 | 0.4 | 0.4 |

Source: Bursa Malaysia, S&P Dow Jones

3.1 Details of portfolio composition of the Fund as at 30 June 2024 against the last three financial years as at 31 December are as follow: (contd.)

S&P Dow Jones performed quarterly review and rebalanced the composition of the Benchmark Index in accordance with its index methodology. The quarterly review had resulted in changes to the component stocks as well as the weightings of the stocks in the Benchmark Index. The Manager had undertaken rebalancing exercise in accordance to the changes by S&P Dow Jones to ensure that the Fund's investment would be reflective of the changes in the Benchmark Index. The stock inclusions and exclusions during the respective quarterly review are summarised in Table 1.

In terms of sectoral weightings, notable changes to the Fund's sector composition as compared to end-December 2023 was the decrease in Plantation from 17.8% to 16.1% attributed to weaker plantation stock prices overall. On the other hand, Technology sector recorded the highest increase in weighting during the period.

Table 1: List of Inclusions and Exclusions

| | Stock Inclusions | Stock Exclusions |
|------|------------------|------------------|
| 1Q24 | - | - |
| 2Q24 | - | - |

Details of the key changes for the financial period under review and the Fund's latest top holdings are as follows:

Table 2: Top Ten Holdings of the Fund as at 30 June 2024

| | Stock | % of NAV |
|-----|---------------------------------------|-------------|
| 1. | Press Metal Aluminium Holdings Berhad | 9.2 |
| 2. | IHH Healthcare Berhad | 8.0 |
| 3. | Petronas Chemicals Group Berhad | 7.5 |
| 4. | Petronas Gas Berhad | 7.1 |
| 5. | Sime Darby Plantation Berhad | 6.5 |
| 6. | Telekom Malaysia Berhad | 5.8 |
| 7. | CelcomDigi Berhad | 5.2 |
| 8. | Inari Amertron Berhad | 5.0 |
| 9. | Kuala Lumpur Kepong Berhad | 4.9 |
| 10. | IOI Corporation Berhad | 4.7 |
| | Total | 63.9 |

Sources: Eq8 Capital

3.1 Details of portfolio composition of the Fund as at 30 June 2024 against the last three financial years as at 31 December are as follow: (contd.)

Table 3: Change in Fund's Sector Allocation

| | As at 30-Jun-24 (%) | As at 31-Dec-23 (%) | Change (%) |
|--------------------------------------|------------------------------------|------------------------------------|-----------------------|
| Consumer Products and Services | 13.8 | 13.5 | 0.3 |
| Energy | 3.9 | 3.5 | 0.4 |
| Health Care | 12.7 | 12.1 | 0.6 |
| Industrial Products and Services | 16.7 | 17.0 | -0.3 |
| Plantation | 16.1 | 17.8 | -1.7 |
| Technology | 10.9 | 9.2 | 1.7 |
| Telecommunications and Media | 16.6 | 17.4 | -0.8 |
| Transportation and Logistics | 2.0 | 1.8 | 0.2 |
| Utilities | 7.1 | 7.3 | -0.2 |
| Short term Islamic deposits and cash | 0.2 | 0.4 | -0.2 |

Sources: Bursa Malaysia, Eq8 Capital

Details of the Fund's quoted Investments as at 30 June 2024 are disclosed under Note 4 of the financial statements.

3.2 Performance details of the Fund for the financial period ended 30 June 2024 against the last five financial years ended 31 December are as follows:

| | Period from 1.1.2024 to 30.6.2024 | FY2023 | FY2022 | FY2021 | FY2020 | FY2019 |
|--|---|-------------|-------------|-------------|-------------|-------------|
| Net asset value ("NAV") (RM) | 141,750,488 | 134,220,814 | 137,451,126 | 159,098,102 | 331,478,307 | 294,127,661 |
| Market Capitalisation (RM) | 141,855,000 | 134,181,400 | 134,046,000 | 156,750,000 | 334,750,000 | 302,727,000 |
| Units in circulation | 135,100,000 | 135,400,000 | 135,400,000 | 137,500,000 | 257,500,000 | 267,900,000 |
| NAV per unit (RM) | 1.0492 | 0.9913 | 1.0151 | 1.1571 | 1.2873 | 1.0979 |
| NAV per unit (RM) (before distribution) | - | 0.9885 | 1.0088 | 1.2192 | 1.0079 | 1.0917 |
| NAV per unit (RM) (after distribution) | - | 0.9715 | 0.9907 | 1.1955 | 0.9898 | 1.0673 |
| Highest NAV per unit (RM) | 1.0762 | 1.0268 | 1.1737 | 1.3177 | 1.4463 | 1.1231 |
| Lowest NAV per unit (RM) | 0.9979 | 0.9527 | 0.9227 | 1.0770 | 0.8893 | 1.0356 |
| Price per unit (RM) | 1.0500 | 0.9910 | 0.9900 | 1.1400 | 1.3000 | 1.1300 |
| Highest price per unit (RM) | 1.1000 | 1.0500 | 1.1700 | 1.4000 | 1.4150 | 1.1500 |
| Lowest price per unit (RM) | 0.9000 | 0.9000 | 0.9300 | 1.0900 | 0.8600 | 1.0400 |
| Income distribution per unit (sen) | - | 1.70 | 1.81 | 2.37 | 1.81 | 1.81 |
| Income distribution yield (%) | - | 1.72 | 1.79 | 1.94 | 1.80 | 1.70 |
| DJIM25 Index | 909.35 | 867.80 | 890.51 | 1,023.10 | 1,150.09 | 975.47 |
| DJIM25 Total Return Index | 1,542.48 | 1,452.63 | 1,453.01 | 1,619.15 | 1,753.13 | 1,452.90 |
| Tracking Error vs. Price Return DJIM25 Index (%)* | 0.03 | 0.10 | 0.10 | 0.11 | 0.14 | 0.12 |
| Tracking Error vs. Total Return DJIM25 Index (%)* | 0.01 | 0.09 | 0.10 | 0.13 | 0.15 | 0.12 |
| Total expense ratio ("TER") | 0.54 | 0.56 | 0.55 | 0.51 | 0.54 | 0.52 |

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

The price of the Fund's units listed on Bursa Malaysia increased from RM0.9910 to RM1.0500 in June 2024, represent a 6.0% increase in line with the positive performance of Malaysian equity market.

3.3 Average total return for the Fund

| | Average Returns | | | |
|-----------------------------|-----------------|------------|-------------|-------------|
| | YTD (%) | 1-Year (%) | 3-Years (%) | 5-Years (%) |
| EQ8MY25 - NAV Price Return* | 12.13 | 9.88 | -2.19 | -0.99 |
| DJIM25 - Price Return Index | 9.66 | 9.89 | -3.18 | -1.57 |
| EQ8MY25 - NAV Total Return* | 12.13 | 11.76 | -1.04 | 0.45 |
| DJIM25 - Total Return Index | 12.48 | 12.56 | -0.43 | 1.19 |

Sources: Bloomberg, Eq8 Capital

(a) Independently sourced from Novagni Analytics and Advisory.

(b) Average returns for both DJIM25 Price Return Index and DJIM25 Total Return Index are annualised figures computed based on the price and total returns for the respective period.

* MyETF Dow Jones Islamic Market Malaysia Titans 25 has been rebranded to Eq8 Dow Jones Islamic Market Malaysia Titans 25 ETF with effect from 26 March 2024.

3.4 Annual total return of the Fund

| | Period under review 31 Dec 23 - 30 Jun 24 (%) | 1 Year | | | | |
|-----------------------------|--|----------|----------|----------|----------|----------|
| | | 2023 (%) | 2022 (%) | 2021 (%) | 2020 (%) | 2019 (%) |
| EQ8MY25 - NAV Price Return* | 12.13 | -2.34 | -12.27 | -10.11 | 17.25 | -0.90 |
| DJIM25 - Price Return Index | 9.66 | -2.55 | -12.96 | -11.04 | 17.90 | 0.14 |
| EQ8MY25 - NAV Total Return* | 12.13 | -0.67 | -10.70 | -8.33 | 19.36 | 1.31 |
| DJIM25 - Total Return Index | 12.48 | -0.03 | -10.26 | -7.64 | 20.66 | 2.41 |

Sources: Bloomberg, Eq8 Capital

(a) Independently sourced from Novagni Analytics and Advisory.

* MyETF Dow Jones Islamic Market Malaysia Titans 25 has been rebranded to Eq8 Dow Jones Islamic Market Malaysia Titans 25 ETF with effect from 26 March 2024.

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

**EQ8 DOW JONES ISLAMIC MARKET MALAYSIA
TITANS 25 ETF (FORMERLY KNOWN AS MYETF
DOW JONES ISLAMIC MARKET MALAYSIA
TITANS 25)**

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

30 June 2024

EQ8 DOW JONES ISLAMIC MARKET MALAYSIA TITANS 25 ETF
(formerly known as MyETF Dow Jones Islamic Market Malaysia Titans 25)

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**TRUSTEE'S REPORT
TO THE UNIT HOLDERS OF EQ8 DOW JONES ISLAMIC MARKET MALAYSIA TITANS 25
ETF (FORMERLY KNOWN AS MYETF DOW JONES ISLAMIC MARKET MALAYSIA
TITANS 25) ("Fund")**

We have acted as Trustee of the Fund for the financial period ended 30 June 2024 and we hereby confirm to the best of our knowledge, after having made all reasonable enquiries, Eq8 Capital Sdn Bhd (formerly known as i-VCAP Management Sdn Bhd) has operated and managed the Fund during the period covered by these financial statements in accordance with the following:

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

For Deutsche Trustees Malaysia Berhad

Soon Lai Ching
Senior Manager, Trustee Operations

Sylvia Beh
Chief Executive Officer

Kuala Lumpur, Malaysia

28 August 2024

**SHARIAH ADVISER'S REPORT FOR ISLAMIC EXCHANGE TRADED FUND
TO THE UNIT HOLDERS OF EQ8 DOW JONES ISLAMIC MARKET MALAYSIA TITANS 25
ETF (FORMERLY KNOWN AS MYETF DOW JONES ISLAMIC MARKET MALAYSIA
TITANS 25) ("Fund")**

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Eq8 Capital Sdn Bhd (formerly known as i-VCAP Management Sdn Bhd) has operated and managed the Fund during the period covered by these financial statements in accordance with the Shariah principles and complied with the applicable guidelines, rulings or decisions issued by the Securities Commission Malaysia ("SC") pertaining to Shariah matters; and
2. The assets of the Fund comprises of instruments that have been classified as Shariah-compliant.

Thank you.

For Amanie Advisors Sdn Bhd

Tan Sri Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur, Malaysia

28 August 2024

STATEMENT BY THE MANAGER

I, Syed Umar Bin Abdul Rahman Alhadad, being a director of Eq8 Capital Sdn Bhd (formerly known as 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 2024 and the related statement of comprehensive income, statement of changes in net asset value and statement of cash flows for the financial period from 1 January 2024 to 30 June 2024 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 Eq8 Dow Jones Islamic Market Malaysia Titans 25 ETF (formerly known as MyETF Dow Jones Islamic Market Malaysia Titans 25) as at 30 June 2024 and of its financial performance and cash flows for the financial period from 1 January 2024 to 30 June 2024 then ended and comply with the requirements of the Deed.

For and on behalf of the Manager
EQ8 CAPITAL SDN BHD
(FORMERLY KNOWN AS I-VCAP MANAGEMENT SDN BHD)

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

Kuala Lumpur, Malaysia

28 August 2024

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2024 *(unaudited)*

| | Note | 1.1.2024 to 30.6.2024 RM | 1.1.2023 to 30.6.2023 RM |
|---|------|--------------------------------|--------------------------------|
| INVESTMENT INCOME | | | |
| Dividend income | | 1,826,848 | 2,513,910 |
| Profit income | | 12,578 | 7,308 |
| Net income/(loss) from Shariah-compliant investments: | | | |
| - Financial assets at fair value through profit or loss ("FVTPL") | 4 | 6,385,861 | (10,301,823) |
| Other income | | 19 | - |
| | | <u>8,225,306</u> | <u>(7,780,605)</u> |
| EXPENSES | | | |
| Manager's fee | 5 | 275,471 | 267,471 |
| Trustee's fee | 6 | 34,434 | 33,434 |
| Index license fee | 7 | 27,547 | 26,747 |
| Auditors' remuneration | | 1,989 | 7,853 |
| Tax agent's fee | | - | 4,961 |
| Administration expenses | | 29,896 | 35,971 |
| Brokerage and other transaction costs | | 3,435 | 7,141 |
| | | <u>372,772</u> | <u>383,578</u> |
| NET INCOME/(LOSS) BEFORE TAX | | 7,852,534 | (8,164,183) |
| Income tax | 8 | - | - |
| NET INCOME/(LOSS) AFTER TAX, REPRESENTING TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE FINANCIAL PERIOD | | <u>7,852,534</u> | <u>(8,164,183)</u> |
| Net gain/(loss) after tax is made up as follows: | | | |
| Realised gain | | 1,466,673 | 2,134,872 |
| Unrealised gain/(loss) | 4 | 6,385,861 | (10,299,055) |
| | | <u>7,852,534</u> | <u>(8,164,183)</u> |

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024 *(unaudited)*

| | Note | 30.6.2024 RM | 30.6.2023 RM |
|---|-------|--------------------|--------------------|
| ASSETS | | | |
| INVESTMENTS | | | |
| Financial assets at FVTPL | 4 | 141,437,984 | 128,806,439 |
| Short term Islamic deposit | 9 | 330,000 | 631,000 |
| | | <u>141,767,984</u> | <u>129,437,439</u> |
| OTHER ASSETS | | | |
| Other receivables | 10 | 43,521 | 38,568 |
| Cash at bank | | 288,272 | 45,341 |
| | | <u>331,793</u> | <u>83,909</u> |
| TOTAL ASSETS | | <u>142,099,777</u> | <u>129,521,348</u> |
| LIABILITIES | | | |
| Amount due to Manager | | 92,300 | 43,274 |
| Amount due to Trustee | | 5,468 | 5,409 |
| Amount due to Index Provider | | 56,148 | 17,144 |
| Other payables | 11 | 195,373 | 168,578 |
| TOTAL LIABILITIES | | <u>349,289</u> | <u>234,405</u> |
| EQUITY | | | |
| Unit holders' contribution | | 120,879,835 | 121,202,694 |
| Retained earnings | | 20,870,653 | 8,084,249 |
| NET ASSET VALUE ("NAV") ATTRIBUTABLE TO UNIT HOLDERS | 12 | <u>141,750,488</u> | <u>129,286,943</u> |
| TOTAL LIABILITIES AND EQUITY | | <u>142,099,777</u> | <u>129,521,348</u> |
| NUMBER OF UNITS IN CIRCULATION | 12(a) | <u>135,100,000</u> | <u>135,400,000</u> |
| NAV PER UNIT (RM) | | <u>1.0492</u> | <u>0.9549</u> |

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

STATEMENT OF CHANGES IN NET ASSET VALUE
FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2024 *(unaudited)*

| | Note | Unit holders' contribution RM | Retained earnings RM | Total NAV RM |
|--------------------------------------|------|-------------------------------------|----------------------------|--------------------|
| 1.1.2024 to 30.6.2024 | | | | |
| At beginning of the financial period | | 121,202,694 | 13,018,120 | 134,220,814 |
| Total comprehensive income | | - | 7,852,534 | 7,852,534 |
| Cancellation of units | | <u>(322,860)</u> | - | <u>(322,860)</u> |
| At end of the financial period | | <u>120,879,834</u> | <u>20,870,654</u> | <u>141,750,488</u> |
| 1.1.2023 to 30.6.2023 | | | | |
| At beginning of the financial period | | 121,202,694 | 16,248,432 | 137,451,126 |
| Total comprehensive loss | | - | <u>(8,164,183)</u> | <u>(8,164,183)</u> |
| At end of the financial period | | <u>121,202,694</u> | <u>8,084,249</u> | <u>129,286,943</u> |

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

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2024 *(unaudited)*

| | 1.1.2024 to 30.6.2024 RM | 1.1.2023 to 30.6.2023 RM |
|---|---|---|
| CASH FLOWS FROM OPERATING AND INVESTING ACTIVITIES | | |
| Dividends received | 1,946,892 | 2,513,508 |
| Proceeds from sales of financial assets at FVTPL | - | 2,121,349 |
| Profit from short term Islamic deposits received | 12,588 | 7,621 |
| Other income | 19 | - |
| Tax agent's fee paid | - | - |
| Auditors' remuneration paid | - | - |
| Payment for other fees and expenses | (10,162) | (6,394) |
| Index license fee paid | - | (29,205) |
| Trustee's fee paid | (34,258) | (33,644) |
| Manager's fee paid | (225,512) | (269,149) |
| Purchase of financial assets at FVTPL | (1,372,198) | (2,284,233) |
| Net cash generated from operating and investing activities | <u>302,494</u> | <u>2,019,853</u> |
| CASH FLOWS FROM FINANCING ACTIVITY | | |
| Cash paid on units cancelled representing net cash used in financing activity | <u>(322,860)</u> | <u>(2,127,090)</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | (20,366) | (107,237) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD | <u>638,638</u> | <u>783,578</u> |
| CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD | <u>618,272</u> | <u>676,341</u> |
| Cash and cash equivalents comprise: | | |
| Cash at bank | 288,272 | 45,341 |
| Short term Islamic deposit | 330,000 | 631,000 |
| | <u>618,272</u> | <u>676,341</u> |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 1 JANUARY 2024 TO 30 JUNE 2024 (unaudited)**

1. THE FUND, THE MANAGER AND THEIR PRINCIPAL ACTIVITIES

Eq8 Dow Jones Islamic Market Malaysia Titans 25 ETF (formerly known as MyETF Dow Jones Islamic Market Malaysia Titans 25) (“the Fund”) was constituted pursuant to the executed Deed dated 17 January 2008 (collectively, together with deeds supplemental thereto, referred to as “the Deed”) between the Manager, Eq8 Capital Sdn Bhd (formerly known as i-VCAP Management Sdn Bhd) and Deutsche Trustees Malaysia Berhad (“the Trustee”). The Fund commenced operations on 21 January 2008 and will continue to be in operation until terminated by the Trustee as provided under Part 25 of the Deed.

The Fund is an exchange-traded fund that is designed to provide investment results that closely correspond to the performance of the Dow Jones Islamic Market Malaysia Titans 25 Index (“Benchmark Index”), regardless of its performance. The Benchmark Index is a free-float adjusted, market capitalisation weighted index representing securities of 25 leading Shariah-compliant Malaysian companies listed on Bursa Malaysia Securities Berhad.

The immediate and ultimate holding companies of the Manager, Eq8 Capital Sdn Bhd (formerly known as i-VCAP Management Sdn Bhd) are Kenanga Investors Berhad and Kenanga Investment Bank Berhad respectively, both of which are incorporated in Malaysia. The ultimate holding company is listed on the Main Market of Bursa Malaysia Securities Berhad.

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

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

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

a. Market risk

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

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

a. Market risk (contd.)

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

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

i. Interest rate risk

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

The Fund is not exposed to significant interest rate risk as its Islamic deposits are short term in nature and have fixed profit rates.

Interest rate risk exposure

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

| | Up to 1 year RM | Non- exposure to interest rate movement RM | Total RM | Weighted average effective rate of return* % |
|--------------------------------|--------------------|--|--------------------|---|
| 30.6.2024 | | | | |
| Assets | | | | |
| Financial assets at | | | | |
| FVTPL | - | 141,437,984 | 141,437,984 | |
| Short term Islamic deposits | 330,000 | - | 330,000 | 3.0 |
| Other financial assets | - | 331,793 | 331,793 | |
| | <u>330,000</u> | <u>141,769,777</u> | <u>142,099,777</u> | |

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

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

a. Market risk (contd.)

i. Interest rate risk (contd.)

Interest rate risk exposure (contd.)

| | Up to 1 year RM | Non- exposure to interest rate movement RM | Total RM | Weighted average effective rate of return* % |
|--|--------------------|--|--------------------|---|
| 30.6.2024 (contd.) | | | | |
| Liabilities | | | | |
| Other financial liabilities | - | 153,916 | 153,916 | |
| Total interest rate sensitivity gap | 330,000 | 141,615,861 | 141,945,861 | |
| 30.6.2023 | | | | |
| Assets | | | | |
| Financial assets at FVTPL | - | 128,806,439 | 128,806,439 | |
| Short term Islamic deposits | 631,000 | - | 631,000 | 2.9 |
| Other financial assets | - | 83,909 | 83,909 | |
| | 631,000 | 128,890,348 | 129,521,348 | |
| Liabilities | | | | |
| Other financial liabilities | - | 65,827 | 65,827 | |
| Total interest rate sensitivity gap | 631,000 | 128,824,521 | 129,455,521 | |

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

ii. Price risk

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

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

a. Market risk (contd.)

ii. Price risk (contd.)

Price risk sensitivity

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

| | Changes in price Increase/(Decrease) Basis points | Effects on income/(loss) for the financial period Gain/(Loss) RM |
|---------------------------|---|---|
| 30.6.2024 | | |
| Financial assets at FVTPL | <u>5/(5)</u> | <u>70,719/(70,719)</u> |
| 30.6.2023 | | |
| Financial assets at FVTPL | <u>5/(5)</u> | <u>64,403/(64,403)</u> |

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

Price risk concentration

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

| | Fair value | | Percentage of NAV | |
|------------------------------|--------------------|--------------------|-------------------|----------------|
| | 30.6.2024 RM | 30.6.2023 RM | 30.6.2024 % | 30.6.2023 % |
| Financial assets at FVTPL | <u>141,437,984</u> | <u>128,806,439</u> | <u>99.8</u> | <u>99.6</u> |

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

a. Market risk (contd.)

iii. Price risk (contd.)

Price risk concentration

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

| | Fair value | | Percentage of NAV | |
|-------------------------------------|--------------------|--------------------|-------------------|----------------|
| | 30.6.2024 RM | 30.6.2023 RM | 30.6.2024 % | 30.6.2023 % |
| Industrial Products and Services | 23,725,493 | 23,191,327 | 16.7 | 17.9 |
| Plantation | 22,790,838 | 24,001,290 | 16.1 | 18.6 |
| Telecommunications and Media | 23,542,585 | 23,902,514 | 16.6 | 18.5 |
| Health Care | 18,094,878 | 16,699,931 | - | 12.9 |
| Technology | 15,362,926 | 12,991,493 | 12.8 | 10.0 |
| Consumer Products and Services | 19,520,612 | 12,098,306 | 24.6 | 9.4 |
| Utilities | 10,136,016 | 8,179,660 | 7.1 | 6.3 |
| Energy | 5,459,477 | 5,537,898 | 3.9 | 4.3 |
| Transportation and Logistics | 2,805,159 | 2,204,020 | 2.0 | 1.7 |
| | <u>141,437,984</u> | <u>128,806,439</u> | <u>99.8</u> | <u>99.6</u> |

b. Credit risk

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

i. Credit risk exposure

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

ii. Financial assets that are either past due or impaired

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

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

b. Credit risk (contd.)

iii. Credit quality of financial assets

The Fund invests in short term Islamic deposits with financial institutions licensed under the Islamic Financial Services Act 2013. The following table analyses the licensed financial institutions by rating category:

Short term Islamic deposit

| Rating | Percentage of total short term Islamic deposits | | Percentage of NAV | |
|-----------|--|-----------|-------------------|-----------|
| | 30.6.2024 | 30.6.2023 | 30.6.2024 | 30.6.2023 |
| | % | % | % | % |
| P1/MARC-1 | 100.0 | 100.0 | 0.2 | 0.5 |

c. Liquidity risk

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

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

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

| Note | 30.6.2024 | | 30.6.2023 | |
|-----------------------------|----------------|--------------------|----------------|--------------------|
| | No | No | No | No |
| | Maturity RM | Up to 1 year RM | Maturity RM | Up to 1 year RM |
| Assets | | | | |
| Financial assets at FVTPL | - | 141,437,984 | - | 128,806,439 |
| Short term Islamic deposits | - | 330,000 | - | 631,000 |
| Cash at bank | 288,272 | - | 45,341 | - |
| Other financial assets | - | 43,521 | - | 38,568 |
| i. | 288,272 | 141,811,505 | 45,341 | 129,476,007 |

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

c. Liquidity risk (contd.)

| | Note | 30.6.2024 | | 30.6.2023 | |
|-----------------------------|------|----------------------|--------------------|----------------------|--------------------|
| | | No Maturity RM | Up to 1 year RM | No Maturity RM | Up to 1 year RM |
| Liabilities | | | | | |
| Other financial liabilities | ii. | - | 153,916 | - | 65,827 |
| Equity | iii. | - | 141,750,488 | - | 129,286,943 |
| Liquidity gap | | <u>288,272</u> | <u>(92,899)</u> | <u>45,341</u> | <u>123,237</u> |

i. Financial assets

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

ii. Financial liabilities

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

iii. Equity

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

d. Shariah status reclassification risk

Shariah status reclassification risk is the risk that the currently held Shariah-compliant equity securities in the portfolio of the Fund may be reclassified as Shariah non-compliant in the periodic review of the securities by the Shariah Advisory Council of the Securities Commission Malaysia ("SACS") or the Shariah Adviser. If this occurs, the Manager will take the necessary steps to dispose of such securities.

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

d. Shariah status reclassification risk (contd.)

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

- i. to dispose of such securities with immediate effect or within one calendar month if the value of the securities exceeds or is equal to the investment cost on the effective date of reclassification of the list of Shariah-compliant securities ("Reclassification") by the SACSC or date of review ("Review") by the Shariah Adviser. The Fund is allowed to keep dividends received and capital gains from the disposal of the securities up to the effective date of Reclassification or Review. However, any dividends received and excess capital gains from the disposal of the Shariah non-compliant securities after the effective date of Reclassification or Review should be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser;
- ii. to hold such securities if the value of the said securities is below the investment cost on the effective date of Reclassification or Review until the total subsequent dividends received (if any) and the market price of the securities is equal to the cost of investment at which time disposal has to take place within one calendar month, excess capital gains (if any) from the disposal of the securities should be channelled to *baitulmal* and/or charitable bodies as advised by the Shariah Adviser; or
- iii. to dispose of such securities at a price lower than the investment cost which will result in a decrease in the Fund's value.

e. Regulatory reportings

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

a. Basis of accounting

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

a. Basis of accounting (contd.)

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the amended MFRS, which became effective for the Fund on 1 January 2024.

| Description | Effective for financial periods beginning on or after |
|--|--|
| Amendments to MFRS 16: <i>Lease Liability in a Sale and Leaseback</i> | 1 January 2024 |
| Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i> | 1 January 2024 |
| Amendments to MFRS 101: <i>Non-current Liabilities with Covenants</i> | 1 January 2024 |
| Amendments to MFRS 107 and MFRS 7: <i>Supplier Finance Arrangements</i> | 1 January 2024 |

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

b. Amendments to standards issued but not yet effective

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

| Description | Effective for financial periods beginning on or after |
|--|--|
| Amendments to MFRS 121: <i>Lack of Exchangeability</i> | 1 January 2025 |
| Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | To be announced by MASB |

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments

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

i. Initial recognition

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

ii. Measurement categories of financial assets and liabilities

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

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

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

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

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

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

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

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

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

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

The details of these conditions are outlined below.

Business model assessment

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

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

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

c. Financial instruments (contd.)

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

The SPPP test

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

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

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

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

iv. Financial investments

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

d. Derecognition of financial assets

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

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

d. Derecognition of financial assets (contd.)

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

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

A transfer only qualifies for derecognition if either:

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

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

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

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

e. Offsetting of financial assets and liabilities

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

f. Impairment of financial assets

i. Overview of the expected credit loss (“ECL”) principles

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

ii. Write-offs

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

g. Income

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

Profit income is recognised using the effective yield method.

Dividend income is recognised on declared basis, when the right to receive the dividend is established.

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

h. Cash and cash equivalents

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

i. Income tax

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

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

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTD.)

j. Unrealised reserves

Unrealised reserves represent the net gain or loss arising from carrying Shariah-compliant investments at their fair values at reporting date. This reserve is not distributable.

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

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

l. Functional and presentation currency

The financial statements of the Fund are measured using the currency of the primary economic environment in which the Fund operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Fund's functional currency.

m. Distributions

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

n. Significant accounting judgement and estimates

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

i. Critical judgments made in applying accounting policies

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

ii. Key sources of estimation uncertainty

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

4. FINANCIAL ASSETS AT FVTPL

| | 30.6.2024 RM | 30.6.2023 RM |
|--|---|---|
| Financial assets held for trading, at FVTPL: | | |
| Listed Shariah-compliant equity securities | 141,437,984 | 128,806,439 |
| | 1.1.2024 to 30.6.2024 RM | 1.1.2023 to 30.6.2023 RM |
| Net gain/(loss) on financial assets at FVTPL comprised: | | |
| Realised loss on disposals | - | (2,768) |
| Unrealised changes in fair values | 6,385,861 | (10,299,055) |
| | <u>6,385,861</u> | <u>(10,301,823)</u> |

Details of financial assets at FVTPL as at 30 June 2024:

| | Quantity | Aggregate cost RM | Fair value RM | Percentage of NAV % |
|---|-----------|-------------------------|-------------------|---------------------------|
| Listed Shariah-compliant equity securities | | | | |
| Industrial Products and Services | | | | |
| PETRONAS Chemicals Group Berhad | 1,688,300 | 12,385,668 | 10,653,173 | 7.5 |
| Press Metal Aluminium Holdings Berhad | 2,269,500 | 6,692,565 | 13,072,320 | 9.2 |
| | | <u>19,078,233</u> | <u>23,725,493</u> | <u>16.7</u> |
| Telecommunications and Media | | | | |
| CelcomDigi Berhad | 1,985,300 | 9,312,238 | 7,305,904 | 5.2 |
| Maxis Berhad | 1,371,100 | 7,484,086 | 4,839,983 | 3.4 |
| Telekom Malaysia Berhad | 1,214,600 | 7,461,132 | 8,210,696 | 5.8 |
| TIME Dotcom Berhad | 633,400 | 3,134,957 | 3,186,002 | 2.2 |
| | | <u>27,392,413</u> | <u>23,542,585</u> | <u>16.6</u> |
| Plantation | | | | |
| IOI Corporation Berhad | 1,797,100 | 7,729,994 | 6,649,270 | 4.7 |
| Kuala Lumpur Kepong Berhad | 334,700 | 7,175,172 | 6,908,208 | 4.9 |
| Sime Darby Plantation Berhad | 2,188,000 | 11,100,647 | 9,233,360 | 6.5 |
| | | <u>26,005,813</u> | <u>22,790,838</u> | <u>16.1</u> |

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 30 June 2024 (contd.):

| | Quantity | Aggregate cost RM | Fair value RM | Percentage of NAV % |
|--|-----------|-------------------------|-------------------|---------------------------|
| Listed Shariah-compliant equity securities (contd.) | | | | |
| Consumer Products and Services | | | | |
| Fraser & Neave Holdings Berhad | 77,600 | 2,142,135 | 2,466,128 | 1.7 |
| MR D.I.Y. Group (M) Berhad | 2,325,500 | 5,350,763 | 4,511,470 | 3.2 |
| Nestle (Malaysia) Berhad | 37,100 | 4,292,473 | 4,507,650 | 3.2 |
| PETRONAS Dagangan Berhad | 210,000 | 4,760,469 | 3,662,400 | 2.6 |
| QL Resources Berhad | 670,700 | 3,128,374 | 4,372,964 | 3.1 |
| | | <u>19,674,214</u> | <u>19,520,612</u> | <u>13.8</u> |
| Health Care | | | | |
| Hartalega Holdings Herhad | 1,055,600 | 4,010,192 | 3,462,368 | 2.5 |
| IHH Healthcare Berhad | 1,807,000 | 9,302,831 | 11,384,100 | 8.0 |
| Top Glove Corporation Berhad | 2,953,100 | 6,120,386 | 3,248,410 | 2.3 |
| | | <u>19,433,409</u> | <u>18,094,878</u> | <u>12.8</u> |
| Technology | | | | |
| CTOS Digital Berhad | 1,136,400 | 1,624,550 | 1,681,872 | 1.2 |
| Dagang NeXchange Berhad | 1,616,600 | 713,114 | 727,470 | 0.5 |
| Frontken Corporation Berhad | 621,700 | 2,297,314 | 2,772,782 | 1.9 |
| Inari Amertron Berhad | 1,919,000 | 4,286,950 | 7,100,300 | 5.0 |
| My E.G. Services Berhad | 3,020,100 | 2,234,067 | 3,080,502 | 2.2 |
| | | <u>11,155,995</u> | <u>15,362,926</u> | <u>10.8</u> |
| Utilities | | | | |
| PETRONAS Gas Berhad | 568,800 | 9,465,418 | 10,136,016 | 7.1 |
| Energy | | | | |
| Dialog Group Berhad | 2,284,300 | 4,731,880 | 5,459,477 | 3.9 |
| Transportation & Logistics | | | | |
| Westports Holdings Berhad | 672,700 | 2,368,813 | 2,805,159 | 2.0 |

4. FINANCIAL ASSETS AT FVTPL (CONTD.)

Details of financial assets at FVTPL as at 30 June 2024 (contd.):

| | Quantity | Aggregate cost RM | Fair value RM | Percentage of NAV % |
|---|----------|-------------------------|--------------------|---------------------------|
| Total listed Shariah compliant equity securities | | <u>139,306,188</u> | <u>141,437,984</u> | <u>99.8</u> |
| Total financial assets at FVTPL | | <u>139,306,188</u> | <u>141,437,984</u> | <u>99.8</u> |
| Unrealised gain on financial assets at FVTPL | | | <u>2,131,796</u> | |

5. MANAGER'S FEE

The Manager's fee is calculated on a daily basis at a rate not exceeding 1.00% per annum on the NAV of the Fund as provided under Clause 14.1 of the Deed.

The Manager is currently charging Manager's fee of 0.40% per annum of the NAV of the Fund (financial period from 1 January 2023 to 30 June 2023: 0.40% per annum).

6. TRUSTEE'S FEE

The Trustee's fee is calculated on a daily basis at a rate not exceeding 0.08% per annum of the NAV of the Fund as provided under Clause 14.2 of the Deed.

The Trustee's fee is currently calculated at 0.05% per annum of the NAV of the Fund (financial period from 1 January 2023 to 30 June 2023: 0.05% per annum).

7. INDEX LICENSE FEE

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

The index license fee is currently calculated at 0.04% per annum of the NAV of the Fund (financial period from 1 January 2023 to 30 June 2023: 0.04% per annum).

8. INCOME TAX

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

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

8. INCOME TAX (CONTD.)

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

| | 1.1.2024 to 30.6.2024 RM | 1.1.2023 to 30.6.2023 RM |
|--|---|---|
| Net income/(loss) before tax | <u>7,852,534</u> | <u>(8,164,183)</u> |
| Tax at Malaysian statutory tax rate of 24% (financial period from 1 January 2023 to 30 June 2023: 24%) | 1,884,608 | (1,959,404) |
| Tax effect of: | | |
| Income not subject to tax | (1,974,073) | (605,092) |
| Losses not deductible for tax purposes | - | 2,472,438 |
| Expenses not deductible for tax purposes | 21,864 | 25,927 |
| Restriction on tax deductible expenses for exchange-traded funds | <u>67,601</u> | <u>66,131</u> |
| Income tax for the financial period | <u>-</u> | <u>-</u> |

9. SHORT TERM ISLAMIC DEPOSIT

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

10. OTHER RECEIVABLES

| | 30.6.2024 RM | 30.6.2023 RM |
|--|-------------------------|-------------------------|
| Dividend receivable | 43,441 | 38,448 |
| Profit receivable from short term Islamic deposits | <u>80</u> | <u>120</u> |
| | <u>43,521</u> | <u>38,568</u> |

11. OTHER PAYABLES

| | 30.6.2024 RM | 30.6.2023 RM |
|------------------------------------|-------------------------|-------------------------|
| Accrual for auditors' remuneration | 9,152 | 23,510 |
| Accrual for tax agent's fees | 26,572 | 26,560 |
| Sundry payables | <u>159,649</u> | <u>118,508</u> |
| | <u>195,373</u> | <u>168,578</u> |

12. NET ASSET VALUE ATTRIBUTABLE TO UNIT HOLDERS

NAV attributable to unit holders is represented by:

| | Note | 30.6.2024 RM | 30.6.2023 RM |
|--------------------------------|------|--------------------|---------------------|
| Unit holders' contribution | (a) | <u>120,879,835</u> | <u>121,202,694</u> |
| Retained earnings: | | | |
| Realised reserves | | 18,738,857 | 20,661,836 |
| Unrealised reserves/(deficits) | | <u>2,131,796</u> | <u>(12,577,587)</u> |
| | | <u>20,870,653</u> | <u>8,084,249</u> |
| | | <u>141,750,488</u> | <u>129,286,943</u> |

(a) Unit holders' contribution

| | 1.1.2024 to 30.6.2024 | | 1.1.2023 to 30.6.2023 | |
|--------------------------------------|-----------------------|--------------------|-----------------------|--------------------|
| | No. of units | RM | No. of units | RM |
| At beginning of the financial period | 135,400,000 | 121,202,695 | 135,400,000 | 121,202,694 |
| Less: Cancellation of units | <u>(300,000)</u> | <u>(322,860)</u> | <u>-</u> | <u>-</u> |
| At end of the financial period | <u>135,100,000</u> | <u>120,879,835</u> | <u>135,400,000</u> | <u>121,202,694</u> |

The Manager, Eq8 Capital Sdn Bhd (formerly known as i-VCAP Management Sdn Bhd), and other parties related to the Manager did not hold any units in the Fund, either legally or beneficially, as at 30 June 2024 (30 June 2023: nil).

13. SHARIAH INFORMATION OF THE FUND

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

- Investment in equity securities listed on Bursa Malaysia Securities Berhad which have been classified as Shariah-compliant by the SACSC for the financial period under review; and
- Liquid assets in the local market, which have been placed in Shariah-compliant investments and/or instruments.

14. PORTFOLIO TURNOVER RATIO ("PTR")

PTR for the financial period from 1 January 2024 to 30 June 2024 is 0.005 times (financial period from 1 January 2023 to 30 June 2023: 0.01 times).

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

15. TOTAL EXPENSE RATIO (“TER”)

TER for the financial period from 1 January 2024 to 30 June 2024 is 0.54% per annum (financial period from 1 January 2023 to 30 June 2023: 0.51% per annum).

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

16. TRANSACTIONS WITH LICENSED FINANCIAL INSTITUTIONS

| | Transaction value RM | Percentage of total % | Brokerage, stamp duty and clearing fee RM | Percentage of total % |
|-----------------------------------|-------------------------------------|--------------------------------------|--|--------------------------------------|
| Affin Investment Berhad | 164,738 | 12.0 | 413 | 12.0 |
| CIMB Group Holdings Berhad | 172,285 | 12.6 | 432 | 12.6 |
| Maybank Investment Bank Berhad | 833,099 | 60.9 | 2,093 | 60.9 |
| RHB Investment Bank Berhad | 198,641 | 14.5 | 497 | 14.5 |
| | <u>1,368,763</u> | <u>100.00</u> | <u>3,435</u> | <u>100.00</u> |

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

17. SEGMENTAL REPORTING

a. Business segments

In accordance with the objective of the Fund, the Fund can invest at least 90% of its NAV in listed Shariah-compliant investment securities which correspond to Benchmark Index and not more than 10% of its NAV in Islamic liquid assets. The following table provides an analysis of the Fund's revenue, results, assets and liabilities by business segments:

| | Listed Shariah- compliant investment securities RM | Other Shariah- compliant investments RM | Total RM |
|--|---|--|---------------------|
| 1.1.2024 to 30.6.2024 | | | |
| Revenue | | | |
| Segment income | 8,212,709 | 12,597 | |
| Segment expenses | (3,435) | - | |
| Net segment income representing segment results | <u>8,209,274</u> | <u>12,597</u> | 8,221,871 |
| Unallocated expenditure | | | (369,337) |
| Income before tax | | | <u>7,852,534</u> |
| Income tax | | | - |
| Net Income after tax | | | <u>7,852,534</u> |
| 30.6.2024 | | | |
| Assets | | | |
| Financial assets at FVTPL | 141,437,984 | - | |
| Short term Islamic deposits | - | 330,000 | |
| Other segment assets | 43,441 | 80 | |
| Total segment assets | <u>141,481,425</u> | <u>330,080</u> | 141,811,505 |
| Unallocated assets | | | 288,272 |
| | | | <u>142,099,777</u> |
| Liabilities | | | |
| Unallocated liabilities | | | <u>349,289</u> |

17. SEGMENTAL REPORTING (CONTD.)

a. Business segments (contd.)

| | Listed Shariah- compliant investment securities RM | Other Shariah- compliant investments RM | Total RM |
|---|---|---|--------------------|
| 1.1.2023 to 30.6.2023 | | | |
| Revenue | | | |
| Segment (loss)/income | (7,787,913) | 7,308 | |
| Segment expenses | (7,141) | - | |
| Net segment (loss)/income representing segment results | <u>(7,795,054)</u> | <u>7,308</u> | (7,787,746) |
| Unallocated expenditure | | | (376,437) |
| Loss before tax | | | (8,164,183) |
| Income tax | | | - |
| Net loss after tax | | | <u>(8,164,183)</u> |
| 30.6.2023 | | | |
| Assets | | | |
| Financial assets at FVTPL | 128,806,439 | - | |
| Short term Islamic deposits | - | 631,000 | |
| Other segment assets | 38,448 | 120 | |
| Total segment assets | <u>128,844,887</u> | <u>631,120</u> | 129,476,007 |
| Unallocated assets | | | 45,341 |
| | | | <u>129,521,348</u> |
| Liabilities | | | |
| Unallocated liabilities | | | <u>234,405</u> |

b. Geographical segments

As all of the Fund's investments are located in Malaysia, disclosure by geographical segments is not relevant.

18. FINANCIAL INSTRUMENTS

a. Classification of financial instruments

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

18. FINANCIAL INSTRUMENTS (CONTD.)

a. Classification of financial instruments (contd.)

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

| | Financial assets at FVTPL RM | Financial assets at amortised cost RM | Other financial liabilities RM | Total RM |
|--|---------------------------------------|---|---|--------------------|
| 30.6.2024 | | | | |
| Assets | | | | |
| Listed Shariah-compliant equity securities | 141,437,984 | - | - | 141,437,984 |
| Short term Islamic deposit | - | 330,000 | - | 330,000 |
| Other receivables | - | 43,521 | - | 43,521 |
| Cash at bank | - | 288,272 | - | 288,272 |
| | <u>141,437,984</u> | <u>661,793</u> | <u>-</u> | <u>142,099,777</u> |
| Liabilities | | | | |
| Amount due to Manager | - | - | 92,300 | 92,300 |
| Amount due to Trustee | - | - | 5,468 | 5,468 |
| Amount due to Index Provider | - | - | 56,148 | 56,148 |
| | <u>-</u> | <u>-</u> | <u>153,916</u> | <u>153,916</u> |
| 30.6.2023 | | | | |
| Assets | | | | |
| Listed Shariah-compliant equity securities | 128,806,439 | - | - | 128,806,439 |
| Short term Islamic deposit | - | 631,000 | - | 631,000 |
| Other receivables | - | 38,568 | - | 38,568 |
| Cash at bank | - | 45,341 | - | 45,341 |
| | <u>128,806,439</u> | <u>714,909</u> | <u>-</u> | <u>129,521,348</u> |
| Liabilities | | | | |
| Amount due to Manager | - | - | 43,274 | 43,274 |
| Amount due to Trustee | - | - | 5,409 | 5,409 |
| Amount due to Index Provider | - | - | 17,144 | 17,144 |
| | <u>-</u> | <u>-</u> | <u>65,827</u> | <u>65,827</u> |

18. FINANCIAL INSTRUMENTS (CONTD.)

b. Financial instruments that are carried at fair value

The Fund's financial assets at FVTPL are carried at fair value.

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

| | Level 1 RM | Level 2 RM | Level 3 RM | Total RM |
|--|---------------|---------------|---------------|-------------|
| Investments: | | | | |
| 30.6.2024 | | | | |
| Listed Shariah-compliant equity securities | 141,437,984 | - | - | 141,437,984 |
| 30.6.2023 | | | | |
| Listed Shariah-compliant equity securities | 128,806,439 | - | - | 128,806,439 |

Level 1: Listed prices in active market

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

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

The fair values of listed Shariah-compliant equity securities are determined by reference to Bursa Malaysia Securities Berhad's last traded prices at reporting date.

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

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

19. CAPITAL MANAGEMENT

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

The Fund's objectives for managing capital are:

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

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

SHARIAH ADVISER'S PROFILE

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

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

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

Shareholding

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

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

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

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

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

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

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

Tan Sri Dr. Mohd Daud Bakar

Shariah Adviser / Executive Chairman

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

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

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

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

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

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

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

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

Suhaida Mahpot

Chief Executive Officer

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

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

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

TRUSTEE'S DELEGATE

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

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