

Aberdeen Standard Islamic World Equity Fund

Interim Report

31 December 2020

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FUND INFORMATION

Name of Fund	Aberdeen Standard Islamic World Equity Fund
Fund Category / Type	Equity (Islamic) / Growth
Fund Objective	The Fund seeks to achieve capital appreciation in the long term through investments in Shariah-compliant equities and equity-related securities.
Fund Benchmark	MSCI ACWI Islamic (Shariah) Index
Fund Income Distribution Policy	As the investment objective of the Fund is to provide capital appreciation, distribution of income, if any, is incidental.

Breakdown of Unitholdings by Size As at 31 December 2020, the size of the Fund stood at 126.85 million units.

BREAKDOWN OF UNITHOLDINGS BY SIZE – CLASS A- MYR

Size of holdings (Units)	No. of Unitholders	No. of Units held ('000)
5,000 and below	1	5
5,001 to 10,000	0	0
10,001 to 50,000	0	0
50,001 to 500,000	2	364
500,001 and above	13	126,480
Total	16	126,849

FUND PERFORMANCE DATA

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020

Sector Allocation	31.12.2020 %	31.12.2019 %	31.12.2018 %
Shariah-Compliant Equities			
Consumer Products	19.1	16.9	8.0
Consumer Discretionary	1.4	4.1	7.7
Consumer Staples	0.0	0.0	9.0
Energy	0.0	12.1	9.7
Healthcare	27.3	22.6	22.5
Industrials	4.8	6.5	4.8
Industrials Products	7.6	3.7	9.9
Information Technology	25.5	18.8	8.6
Materials	4.7	6.0	12.2
Islamic Real Estate	4.4	3.7	1.8
Telecommunication Services	0.0	2.1	3.7
Utilities	0.0	0.0	0.0
Cash	5.2	3.5	2.1
Total	100.0	100.0	100.0

Country Allocation	31.12.2020 %	31.12.2019 %	31.12.2018 %
Australia	13.0	9.4	1.8
Brazil	0.0	0.0	1.3
Canada	0.0	1.9	1.9
China	0.0	0.0	2.2
Denmark	0.0	0.0	1.1
France	5.7	5.0	6.5
Germany	3.6	7.4	7.5
Hong Kong	1.5	5.0	6.4
India	4.2	2.0	0.0
Indonesia	1.4	2.2	3.4
Italy	2.8	2.2	1.7
Japan	2.1	5.6	6.9
Mexico	1.0	0.0	1.6
Netherlands	3.3	0.0	0.0
New Zealand	0.0	0.0	1.1
Singapore	0.0	0.0	2.6
South Africa	0.0	0.0	0.0
South Korea	0.0	0.0	3.0
Spain	1.4	0.0	0.0
Sweden	2.6	0.0	5.1
Switzerland	13.0	9.2	12.0
Taiwan	3.7	0.0	0.0
Turkey	0.0	0.0	1.7
United Kingdom	7.7	9.29	5.2
United States	27.8	37.3	24.9
Cash	5.2	3.5	2.1
Total	100.0	100.0	100.0

FUND PERFORMANCE DATA (CONTINUED)
 FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020

	2020	2019	2018
	A Class- MYR	A Class- MYR	A Class- MYR
Total NAV (RM ¹ million)	259.156	196.396	212.042
NAV per unit (RM)	2.0430	1.7526	1.4158
Unit in Circulation (million)	126.849	112.057	149.772
Highest NAV	2.0533	1.7766	1.6225
Lowest NAV	1.7698	1.5601	1.4017
Return of the Fund (%)	15.6983	7.0029	-9.197
- Capital Return (%)	15.6983	7.0029	-9.197
- Income Return (%)	Nil	Nil	Nil
Gross Distribution per Unit (sen)	Nil	Nil	Nil
Net Distribution per Unit (sen)	Nil	Nil	Nil
Management Expenses Ratio(MER) (%)	0.94	0.95	0.95
Portfolio Turnover Ratio (PTR) (times)	0.17	0.37	0.191

Source: Deutsche Bank (Malaysia) Berhad & Citibank Bhd

Class A- MYR

Average Total Return	6 months	1 years	3 years	5 years
	30.06.2020 to 31.12.2020 (%)	31.12.2019 to 31.12.2020 (%)	(annualised) 31.12.2017 to 31.12.2020 (%)	(annualised) 31.12.2015 to 31.12.2020 (%)
Fund	15.70	16.52	8.84	8.68

Source: Lipper for Investment Management as at 31 Dec 2020

Annual Total Return	1 year	1 year	1 year	1 year	1 year
	31.12.2019 to 31.12..2020 (%)	31.12.2018 to 31.12.2019 (%)	31.12.2017 to 31.12.2018 (%)	31.12.2016 to 31.12.2017 (%)	31.12.2015 to 31.12.2016 (%)
Fund	16.52	23.79	(10.60)	7.39	9.51

Source: Lipper for Investment Management as at 31 Dec 2020

FUND PERFORMANCE DATA (CONTINUED) FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020

Basis of calculation and assumption made in calculating the returns

The performance figures are a comparison of the growth/decline in NAV for the stipulated period, taking into account all the distributions payable (if any) during the stipulated period.

An illustration of the above would be as follows:

Capital Return	=	NAV per Unit End / NAV per Unit Beginning – 1
Income Return	=	Income Distribution per Unit / NAV per Unit Ex-Distribution
Total Return	=	Capital Return x Income Return – 1

Class A- MYR

Capital Return	=	$\{NAV\ per\ Unit\ @\ 31/12/2020 \div NAV\ per\ Unit\ @\ 30/06/2020 - 1\} \times 100$
	=	$\{2.0430 \div 1.7658 - 1\} \times 100$
	=	<u>15.6983%</u>
Income Return	=	$\{Income\ Distribution\ per\ Unit \div NAV\ per\ Unit\ Ex-Distribution\} \times 100$
	=	<u>Nil</u>
Total Return	=	$\{[(1 + Capital\ Return) \times (1 + Income\ Return)] - 1\} \times 100$
	=	$\{[(1 + 15.6983\%) \times (1 + 0\%)] - 1\} \times 100$
	=	<u>15.6983%</u>

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

MANAGER'S REPORT

Fund Performance

The Aberdeen Islamic World Equity Fund increased by 15.70 % in ringgit terms over the six months, compared with the total return of its benchmark, the MSCI AC World Islamic Index, of 14.08 %.

Given the performance during the period under review, we believe the Fund's objective is being met to provide investors with capital appreciation through long term investments in Shariah-compliant equities.

Class A- MYR

In come Return %	Capital Return %	Total Return of Fund %	Total Return of Benchmark %
0.00	15.70	15.70	14.08

Fund Performance (Continued)

FUND RETURN (LAST 5 FINANCIAL PERIOD) VS BENCHMARK



Benchmark: MSCI ACWI Islamic (Shariah) Index

Source: Lipper for Investment Management as at 31 Dec 2020

Note:

This information is prepared by Aberdeen Standard Islamic Investments (Malaysia) Sdn Bhd for information purposes only. Past performance of the Fund is not necessarily indicative of future performance and unit prices and investment returns may go down, as well as up.

MANAGER'S REPORT (CONTINUED)

Analysis of Fund Performance The fund's outperformance was due to positive stock selection in the Asia Pacific and the US.

At the stock level, Australian motor vehicle accessories maker **ARB Corp** rose on a set of good results for the September-quarter. Demand for its four-wheel drive related products continued to recover as many parts of the country eased social-distancing measures amid ebbing Covid-19 infections. Meanwhile, India-based **Asian Paints** advanced after its September-quarter results surpassed expectations due to growing demand after the government eased movement restrictions, alongside lower input costs. Elsewhere, US cloud-based human resources and payroll software company **Paylocity** gained after its September-quarter results beat market forecasts as small-sized companies increasingly adopted its solutions amid the pandemic.

Conversely, shares of Anglo-Swedish drugmaker **AstraZeneca** dropped on concerns over its planned US\$39 billion acquisition of Alexion Pharmaceuticals. Nevertheless, we believe the deal will help diversify its disease treatment portfolio from its core oncology products and provides a platform to pursue more growth in future. Meanwhile, oil and gas company EOG Resources retreated after another loss-making quarter as the pandemic continued to hurt crude demand. We have since exited the holding. Elsewhere, New Zealand-based medical device maker **Fisher & Paykel Healthcare** declined on its expectations of weaker earnings for the second half of its 2021 fiscal year, as demand for its respiratory care products used in hospitals is likely to normalise. However, we believe the company's forecasts are conservative, while demand for its medical-product consumables will be sustained in emerging markets amid the ongoing pandemic.

In portfolio activity, we introduced the following stocks:

- Pharmaceutical contract development and manufacturing business **Lonza**. There are clear opportunities for growth in demand for outsourcing services in the sector, evidenced by the considerable increase of capacity requirements;
- US-listed **Trane Technologies**, a market leader in heating, ventilating and air-conditioning systems with a clear strategic focus on environmental sustainability and innovation;

Against these, aside from EOG Resources mentioned above, we divested the following holdings:

- Japanese pharmacy retail chain operator **Ain Holdings** after its robust share-price performance throughout the pandemic, and due to our lowered longer-term conviction in the stock at its current valuation; and
- Oil and gas companies **Total**, **Chevron** and **Royal Dutch Shell** due to a lack of visibility in commodity prices, which challenges the overall quality aspect of these holdings.

Performance

The Aberdeen Islamic World Equity Fund increased by 15.70% in ringgit terms over the six months, compared with the total return of its benchmark, the MSCI AC World Islamic Index, of 14.08%.

MANAGER'S REPORT (CONTINUED)

Market Review Global equities rose steadily throughout the six months under review, save for a pause in September and October. Then, a resurgence of Covid-19 infections in the US and Europe raised concerns that nations would re-impose lockdowns. That dimmed hopes for a sustained economic recovery. However, markets rebounded thereafter as US health regulators greenlit Covid-19 vaccines from drugmakers Pfizer-BioNTech and Moderna for public use. Subsequently, several countries around the world commenced mass vaccination programmes to slow the spread of the virus.

News of fresh stimulus out of the US and Europe also bolstered sentiment. American lawmakers approved a US\$900 billion coronavirus relief package and US\$1.4 trillion to finance government operations until September 2021. Across the Atlantic, European Union (EU) leaders agreed a US\$2.2 trillion budget and pandemic relief programme to support their beleaguered economies.

On the political front, US Democratic president-elect Joe Biden's wider margin of victory over incumbent Donald Trump after a series of vote recounts proved heartening too. Investors expect Biden to take a more nuanced and less confrontational approach in handling trade disputes with other countries, including China. In addition, the UK and EU agreed on the long-awaited post-Brexit trade and security treaty just days before the UK was scheduled to leave the single market.

Sector-wise, mega-cap technology stocks took a breather after stellar gains earlier in the period. Investors switched to more value-oriented and cyclical plays on rising expectations of an economic recovery. Hence, it was the smaller caps that drove the tech-heavy NASDAQ benchmark to record highs. Stocks that were badly affected by the pandemic, including traditional retailers, banks, travel and leisure advanced as a result.

Investment Strategy As bottom-up stock pickers, our asset allocation is a default and the sum of the individual companies, rather than being driven by top-down allocation. We are looking to manage portfolios that are concentrated, but also diversified in terms of our holdings' businesses. As such, the top-down views from a geographical and sector perspective do not provide a true visibility of the diversification of the portfolio.

Pertaining to our country weightings, our overweight to New Zealand is due to our significant positions in Auckland International Airport and Fisher & Paykel Healthcare. We also have an overweight exposure to Australia, due to our holdings in Altium, ARB Corp and Cochlear. Against this, we are underweight to the US as we continue to find more attractive opportunities in companies listed elsewhere. Having said that, we hold several US stocks, including oilfield services provider Schlumberger and consumer goods giant Procter & Gamble. By sector, we like companies in healthcare, such as Chugai Pharmaceutical in Japan and Novartis in Switzerland, as they generate stable cash flows. Conversely, we are underweight to the materials sector, as there are other more attractive investment ideas in other sectors. That said, we do hold a few materials stocks, such as Asian Paints, Linde and Nutrien.

Outlook Prospects for global equity markets appear to be improving, with at least two Covid-19 vaccines expected to be available globally by the first quarter of 2021. If effective, the treatments could help quell the fresh waves of infections sweeping across the world. However, more countries have re-imposed social-distancing measures to limit contagion, thus stymieing a full-fledged economic recovery. Nevertheless, the continued infusion of massive stimulus into major economies and expectations of a less-volatile Biden administration in the US should support asset prices.

From a portfolio perspective, we are giving serious consideration to two key aspects. Firstly, how normalised earnings will look like amid this crisis. Secondly, whether companies are well-positioned for a post-Covid-19 world. In such times of uncertainty, sound bottom-up analysis and stock-picking strategies are even more crucial. We have the advantage of a world-class proprietary research platform, and an exceptionally well-resourced and experienced team that has navigated many past crises. Amid market volatility, we continue to seek out good quality companies at attractive valuations, while actively engaging with their management to ensure robust corporate governance and high standards of sustainability.

MANAGER'S REPORT (CONTINUED)

Analysis of fund Performance	Share Class A - MYR	31.12.2020	30.06.2020	Change
		%	%	%
	NAV (RM Million)	259.156	201.34	28.86
	NAV/Unit (RM)	2.0430	1.7658	15.70

The fund's NAV increased by 28.86% to 259.156 million as at 31 Dec 2020. While, the NAV per unit increased by 15.70% during the period.

Asset Allocation	As at 31.12.2020	As at 31.12.2019	As at 31.12.2018
	%	%	%
Shariah-Compliant Equities	94.80	96.50	97.90
Cash	5.20	3.50	2.10
Total	100.00	100.00	100.00

Distribution/ Unit Split No distribution or unit split was declared for the financial period ended 31 December 2020.

State of Affairs of the Fund There has been no significant change to the state of affairs of the Fund, nor any circumstances that materially affected any interests of the unitholders during the period under review.

Soft Commissions Soft commissions received from brokers or dealers are retained by the management company only if the goods and services provided are of demonstrable benefit to unitholders of the Fund as per requirements of Clause 11.33 and 11.34 of the Guidelines on Unit Trust Funds.

During the period under review, the Manager and its delegates (if any) did not receive any soft commissions from stockbrokers or dealers.

UNAUDITED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020

		01.07.2020 to 31.12.2020	01.07.2019 to 31.12.2019
	Note	RM	RM
SHARIAH-COMPLIANT NET INVESTMENT INCOME/(LOSS)			
Dividend income		1,329,205	1,578,909
Net gain/(loss) on financial assets at fair value through profit or loss (Shariah-compliant)	6	33,736,058	13,580,229
Net foreign currency exchange (loss)/gain		3,125	(4,094)
		<u>35,068,388</u>	<u>15,155,044</u>
EXPENSES			
Management fee	3	1,976,410	1,714,617
Trustee's fees	4	81,859	78,382
Audit fee		4,285	4,174
Tax agent's fee		4,285	2,041
Transaction costs		60,996	115,466
Custodian's fee		29,891	45,809
Other expenses		17,375	8,579
		<u>2,175,101</u>	<u>1,969,068</u>
CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		32,893,287	13,185,976
Taxation	5	(246,105)	(246,032)
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>32,647,182</u>	<u>12,939,944</u>
Net profit/(loss) after taxation and total comprehensive income/(loss) comprises the following:			
Realised amount		(3,617,507)	18,934,033
Unrealised amount		36,264,689	(5,994,089)
		<u>32,647,182</u>	<u>12,939,944</u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

UNAUDITED INTERIM STATEMENT OF FINANCIAL POSITION
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020

	Note	31/12/2020	30/06/2020
		RM	RM
CURRENT ASSETS			
Cash and cash equivalents	7	12,507,837	5,790,154
Financial assets at fair value through profit or loss (Shariah-compliant)	6	245,508,698	196,614,311
Amount due from stockbrokers		-	5,412,432
Amount due from Manager			
- Creation of units		1,876,352	873,073
Dividends receivable		110,060	273,025
		<u>260,002,947</u>	<u>208,962,995</u>
TOTAL ASSETS			
CURRENT LIABILITIES			
Amount due to stockbroker		22,538	6,081,808
Amount due to Manager			
- Management fee		371,548	288,501
- Cancellation of units		442,798	1,221,493
Amount due to Trustee		8,493	13,188
Other payables and accruals		1,005	17,602
		<u>846,382</u>	<u>7,622,592</u>
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)			
		<u>259,156,565</u>	<u>201,340,403</u>
NET ASSET VALUE OF THE FUND			
		<u>259,156,565</u>	<u>201,340,403</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS REPRESENTED BY:			
FAIR VALUE OF OUTSTANDING UNITS			
- CLASS A - MYR		<u>259,156,565</u>	<u>201,340,403</u>
		<u>259,156,565</u>	<u>201,340,403</u>
NUMBER OF UNITS IN CIRCULATION (UNITS)			
- CLASS A - MYR	9	<u>126,848,761</u>	<u>114,024,865</u>
	Note	31/12/2020	30/06/2020
		RM	RM
NAV PER UNIT (RM)			
- CLASS A - MYR		2.0430	1.7658

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

UNAUDITED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020

	01.07.2020	01.07.2019
	to	to
	31.12.2020	31.12.2019
	RM	RM
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		
AT THE BEGINNING OF THE FINANCIAL PERIOD	201,340,403	204,318,640
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications	81,366,224	24,149,498
Cancellation of units	(56,197,244)	(45,012,497)
	<u>25,168,980</u>	<u>(20,862,999)</u>
Net increase/(decrease) in net assets attributable to unitholders during the financial year:		
Net profit after taxation	<u>32,647,182</u>	<u>12,939,944</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u><u>259,156,565</u></u>	<u><u>196,395,585</u></u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

UNAUDITED INTERIM STATEMENT OF CASH FLOW
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020

	01.07.2020 to 31.12.2020	01.07.2019 to 31.12.2019
Note	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from sale of Shariah-compliant investments	34,495,911	84,124,255
Purchase of Shariah-compliant investments	(50,320,496)	(61,025,549)
Dividends received	1,491,866	1,732,460
Management fee paid	(1,893,363)	(2,038,775)
Trustee's fee paid	(86,554)	(78,879)
Payment for other fees and expenses	(356,996)	(444,236)
Net realised foreign exchange loss	-	(322,636)
Net cash generated from operating activities	<u>(16,669,632)</u>	<u>21,946,640</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from creation of units	80,362,945	23,597,276
Payments for cancellation of units	(56,975,938)	(48,727,575)
Net cash used in financing activities	<u>23,387,007</u>	<u>(25,130,299)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	6,717,375	(3,183,659)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	5,787,998	10,298,813
EFFECT ON FOREIGN CURRENCY EXCHANGE	2,464	(401)
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	7 <u><u>12,507,837</u></u>	7,114,753 <u><u>7,114,753</u></u>
Cash and cash equivalent comprise of:		
Bank balances	7 <u><u>12,507,837</u></u>	<u><u>7,114,753</u></u>

The accompanying summary of significant accounting policies and notes to the financial statements form an integral part of these financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Fund have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost conventions, as modified by the financial assets and financial liabilities at fair value through profit or loss ("FVTPL").

The preparation of financial statements in conformity with MFRS and IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reported financial period. It also requires the Manager to exercise their judgment in the process of applying the Fund's accounting policies. The Manager believes that the underlying assumptions are appropriate and the Fund's financial statements therefore present the financial position results fairly. Although these estimates and judgment are based on the Manager's best knowledge of current events and actions, actual results may differ.

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

(a) Standards, amendments to published standards and interpretations that are effective and relevant

The Fund has applied the following amendments for the first time for the financial year beginning on 1 July 2019:

- Amendments to MFRS 112 'Income Taxes' (effective from 1 January 2019) clarify that where income tax consequences of dividends on financial instruments classified as equity¹ is recognised (either in profit or loss, other comprehensive income or equity) depends on where the past transactions that generated distributable profits were recognised.

Accordingly, the tax consequences are recognised in profit or loss when an entity determines payments on such instruments are distribution of profits (that is, dividends). Tax on dividends should not be recognised in equity merely on the basis that it is related to a distribution to owners.

There are no other standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 July 2019 that have a material effect on the financial statements of the Fund.

(b) Amendments and interpretations which are relevant to the Fund but not yet effective and have not been early adopted are as follows:

(i) Financial year beginning on/after 1 July 2020

- The Conceptual Framework for Financial Reporting ("Framework") (effective 1 January 2020).

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

1. For the purpose of the investments made by the Fund, equity refer to Shariah-compliant equity

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

A. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONTINUED)

(b) Amendments and interpretations which are relevant to the Fund but not yet effective and have not been early adopted are as follows: (continued)

(i) Financial year beginning on/after 1 July 2020 (continued)

- The Conceptual Framework for Financial Reporting ("Framework") (effective 1 January 2020). (continued)
Key changes include:
 - increasing the prominence of stewardship in the objective of financial reporting
 - reinstating prudence as a component of neutrality
 - defining a reporting entity, which may be a legal entity, or a portion of an entity
 - revising the definitions of an asset and a liability
 - removing the probability threshold for recognition and adding guidance on derecognition
 - adding guidance on different measurement basis, and
 - stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

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

B. INCOME RECOGNITION

Profit income from Islamic deposits placed with licensed financial institutions is recognised on a time proportionate basis using the effective profit rate method on an accrual basis.

Profit income is calculated by applying the effective profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective profit rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Dividend income is recognised on the ex-dividend date, when the right to receive the dividend has been established.

Realised gains and losses on sale of quoted Shariah-compliant investments are accounted for as the difference between the net disposal proceeds and the carrying amount of Shariah-compliant investments, determined on a weighted average cost basis.

Shariah non-compliant investments will be disposed-off the soonest practical. In the event the investment resulted in gain (through capital gain and/or dividend), the gain is to be channelled to baitulmal or any other charitable bodies as advised by the Shariah Adviser and approved by the Trustee. If the disposal of the investment resulted in losses to the Funds, the losses are to be borne by the Manager. The amount is recognised as an expense in the statement of comprehensive income.

C TRANSACTION COSTS

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

D. TAXATION

Current tax expense is determined according to the Malaysian tax laws at the current rate based on the taxable profit earned during the financial year.

E. FOREIGN CURRENCY

Functional and presentation currency

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

Due to mixed factors in determining the functional currency of the Fund, the Manager has used its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions and have determined the functional currency to be in RM primarily due to the following factors:

- Part of the Fund's cash is denominated in RM for the purpose of making settlement of the creation and cancellation.
- The Fund's units are denominated in RM.
- The Fund's significant expenses are denominated in RM.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income, except when deferred in other comprehensive income as qualifying cash flow hedges.

F. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(i) Classification

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

- those to be measured subsequently at fair value (either through other comprehensive income ('OCI') or through profit or loss), and
- those to be measured at amortised cost

The Fund classifies its investments based on both the Fund's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Fund has not taken the option to irrevocably designate quoted Shariah-compliant equities as fair value through other comprehensive income. The contractual cash flows of the Fund's sukuk are solely principal and profit. However, these quoted Shariah-compliant equities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Fund's business model's objective. Consequently, all investments are measured at fair value through profit or loss.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

F. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(i) Classification (continued)

The Fund classifies cash and cash equivalents, amount due from stockbrokers, amount due from Manager and dividends receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding.

The Fund classifies amount due to stockbrokers, amount due to Manager, amount due to Trustee and other payables and accruals as other financial liabilities measured at amortised cost.

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-dates, the date on which the Fund commits to purchase or sell the asset. Shariah-compliant investments are initially recognised at fair value. Transaction costs are expensed in the statement of comprehensive income.

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

Financial 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 instrument.

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

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category including the effects of foreign transactions are presented in the statement of comprehensive income within net gain or loss on financial assets at fair value through profit and loss in the period which they arise.

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

Quoted Shariah-compliant securities are valued at the last done market price quoted on Bursa Malaysia Securities Bhd ("Bursa Securities") at the date of the statement of financial position.

Foreign quoted Shariah-compliant securities are valued at the last traded market price quoted on the respective foreign stock exchanges at the close of the business day of the respective foreign stock exchanges.

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

F. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

Islamic deposits with licensed Islamic financial institutions are stated at cost plus accrued profit calculated on the effective profit method over the period from the date of placement to the date of maturity of the respective Islamic deposits.

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

(iii) Impairment

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

(iv) Significant increase in credit risk

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

(v) Definition of default and credit-impaired financial assets

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

(vi) Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

G. AMOUNT DUE FROM/TO STOCKBROKERS

Amount due from and amount due to stockbrokers represent receivables for Shariah-compliant securities sold and payables for Shariah-compliant securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively.

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Fund shall measure the loss allowance on amounts due from the stockbrokers at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Fund shall measure the loss allowance at an amount equal to 12-month expected credit losses.

Significant financial difficulties of the broker, probability that the stockbrokers will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required.

If the credit risk increases to the point that it is considered to be credit impaired, profit income will be calculated based on the gross carrying amount adjusted for the loss allowance. A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

H. CASH AND CASH EQUIVALENTS

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

I. CREATION AND CANCELLATION OF UNITS

The unit holders' capital of the Fund meet the definition of puttable instruments classified as financial liability under MFRS 132 "Financial Instruments: Presentation".

The Fund issues cancellable units, in two classes of units, known respectively as Class A, targeted at retail investors and Class I, targeted at institutional investors, which are cancelled at the unit holder's option and do not have identical features. The units are classified as financial liabilities. Cancellable units can be put back to the Fund at any time for cash equal to a proportionate share of the Fund's net asset value ("NAV") of respective classes. The outstanding units are carried at the redemption amount that is payable at the statement of financial position if the unit holder exercises the right to put back the unit to the Fund.

Each class of units are also offered in different currency denominations, i.e. Ringgit Malaysia, United States Dollars, Singapore Dollars and Australian Dollars. The United States Dollars, Singapore Dollars and Australian Dollars denominated classes are not offered for sale for the financial year ended 30 June 2020.

Units are created and cancelled at the unit holder's option at prices based on the Fund's NAV per unit of respective classes at the close of business on the relevant dealing day. The Fund's NAV per unit of respective classes is calculated by dividing the net assets attributable to unit holders of respective classes with the total number of outstanding units of respective classes.

J. INCREASE/DECREASE IN NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Profit not distributed is included in net assets attributable to unit holders.

K. FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities. Fair value is the amount at which a financial asset could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction. The information presented herein represents the estimates of fair values as at the statement of financial position.

L. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

In undertaking any of the Fund's investment, the Manager will ensure that all assets of the Fund under management will be valued appropriately, that is at fair value and in compliance with the Securities Commission ("SC")'s Guidelines on Unit Trust Funds.

However, the Manager is of the opinion that there are no accounting policies which require significant judgement to be exercised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020

1. INFORMATION ON THE FUND

The Fund was constituted under the name of Aberdeen Standard Islamic World Equity Fund (the "Fund") pursuant to the execution of a Deed dated 10 September 2012 as amended by the Supplemental Deed dated 11 March 2013, Second Supplemental Deed dated 27 March 2015, Third Supplemental Deed dated 16 October 2015, and Fourth Supplemental Deed dated 13 November 2018 between Aberdeen Standard Islamic Investments (Malaysia) Sdn Bhd (the "Manager") and Deutsche Trustees Malaysia Berhad (the "Trustee"). During the period, Fifth Supplemental Deed dated 5 October 2020 (collectively referred to as the "Deeds") was entered into between Aberdeen Standard Islamic Investments (Malaysia) Sdn Bhd (the "Manager") and CIMB Islamic Trustee Berhad (the "Trustee") in relation to the change of trustee.

The Fund seeks to achieve capital appreciation in the long term through investments in Shariah-compliant equities and equity related securities. The Fund is a multi-class Fund which offers Class A, targeted at retail investors and Class I, targeted at institutional investors. Each class of units are also offered in different currency denominations, i.e. Ringgit Malaysia, United States Dollars, Singapore Dollars and Australian Dollars. The United States Dollars, Singapore Dollars and Australian Dollars denominated classes are not offered for sale for the financial year ended 30 June 2020.

All investments will be subjected to the Securities Commission ("SC")'s Guidelines on Unit Trust Funds, SC's requirements, the Deeds approved and the objective of the Fund, except where exemptions or variations have been approved by SC, internal policies and procedures and the Fund's objective.

The Manager is a company incorporated in Malaysia. The principal activities of the Manager are establishment and management of Unit Trust Funds

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk (including price risk and currency risk), credit risk, liquidity risk, non-compliance risk, reclassification of Shariah status risk and capital risk.

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

	Note	Financial assets at fair value through profit or loss		Total
		Receivables		
As at 31 December 2020		RM	RM	RM
Cash and cash equivalents	7	12,507,837	-	12,507,837
Quoted Shariah-compliant securities	6	-	245,508,698	245,508,698
Amount due from Manager		1,876,352	-	1,876,352
Dividends receivable		110,060	-	110,060
		<u>14,494,249</u>	<u>245,508,698</u>	<u>260,002,947</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Financial instruments of the Fund are as follows (continued):

	Note	Receivables	Financial assets at fair value through profit or loss	Total
As at 30 June 2020		RM	RM	RM
Cash and cash equivalents	7	5,790,154	-	5,790,154
Quoted Shariah-compliant securities	6	-	196,614,311	196,614,311
Amount due from Manager		873,073	-	873,073
Dividends receivable		273,025	-	273,025
Amount due from stockbrokers		5,412,432	-	5,412,432
		<u>12,348,684</u>	<u>196,614,311</u>	<u>208,962,995</u>

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

Market risk

(i) Price risk

Price risk arises mainly due to uncertainty on the future prices of Shariah-compliant investments. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Manager manages the risk of unfavourable changes in prices by continuous monitoring of the performance and risk profile of the investment portfolio.

The table below shows the financial instruments of the Fund which are exposed to price risk.

(i) Price risk (continued)

	31/12/2020	30/06/2020
	RM	RM
Quoted Shariah-compliant securities designated at fair value through profit or loss	245,508,698	196,614,311

The following table summarises the sensitivity of the Fund's net asset value (NAV) and profit after taxation to movements in prices of investments at the end of the reporting period. The analysis is based on the assumptions that the market price of investments fluctuates by 5% with all other variables held constant. This represents the Manager's best estimate of a reasonable possible shift in investments, having regard to the historical volatility of the prices.

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(i) Price risk (continued)

% change in price of quoted Shariah-compliant securities	Market value	Impact on profit after tax/NAV
	RM	RM
As at 31 December 2020		
-5%	233,233,263	(12,275,435)
0%	245,508,698	-
+5%	257,784,133	12,275,435

% change in price of quoted Shariah-compliant securities	Market value	Impact on profit after tax/NAV
	RM	RM
As at 30 June 2020		
-5%	186,783,595	(9,830,716)
0%	196,614,311	-
+5%	206,445,027	9,830,716

(ii) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavorable movement against Ringgit Malaysia, the investments will face currency losses in addition to the capital gain/loss. The Manager will evaluate the likely directions of a foreign currency versus Ringgit Malaysia based on considerations of economic fundamentals such as profit rate differentials, balance of payments position, debt levels, and technical chart considerations.

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

(ii) Currency risk (continued)

	Cash and cash equivalents	Quoted shariah- compliant securities	Amount due from Stock brokers	Dividends receivable	Total
As at 31 December 2020		RM	RM	RM	RM
AUD	-	33,593,864	-	6,122	33,655,086
CHF	-	33,695,283	-	-	33,695,283
EUR	-	43,482,258	-	-	43,482,258
GBP	-	19,945,983	-	-	19,945,983
HKD	-	3,815,924	-	-	3,815,924
IDR	-	3,699,562	-	-	3,699,562
INR	-	10,985,881	-	-	10,985,881
JPY	-	5,311,718	-	-	5,311,718
MXN	-	2,710,345	-	-	2,710,345
SEK	-	6,844,083	-	-	6,844,083
USD	26,111	8,142,797	-	48,837	81,498,745
	26,111	245,508,698	-	110,060	245,644,868

	Cash and cash equivalents	Quoted shariah- compliant securities	Amount due from Stock brokers	Dividends receivable	Total
As at 30 June 2020		RM	RM	RM	RM
AUD	-	28,237,070	-	43,333	28,280,403
CHF	-	23,954,751	-	-	23,954,751
EUR	95,957	38,256,335	-	43,902	38,396,194
HKD	-	3,733,890	-	130,527	3,864,417
IDR	-	4,742,001	460,945	-	5,202,946
INR	-	3,702,951	-	-	3,702,951
GBP	-	15,808,331	-	-	15,808,331
JPY	-	4,800,647	-	-	4,800,647
MXN	1,257,995	1,940,021	-	-	3,198,016
SEK	-	6,011,885	-	-	6,011,885
USD	-	65,426,429	4,951,487	55,262	70,433,178
	1,353,952	196,614,311	5,412,432	273,025	203,653,720

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

ii. Currency risk (continued)

The table below summarises the sensitivity of the Fund's investments fair value to changes in foreign exchange movements. The analysis is based on the assumption that the foreign exchange rate changes by 5%, with all other variables remain assumption that the foreign exchange rate changes by 5%, with all other variables remain constants. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Any increase/decrease in foreign exchange rate will result in a corresponding decrease/increase in the net assets attributable to unitholders by approximately 5%. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

As at 31 December 2020	Change in price	Impact on profit
	%	after tax/NAV
		RM
AUD	5	1,682,754.29
CHF	5	1,684,764
EUR	5	2,174,113
GBP	5	997,299
HKD	5	190,796
IDR	5	184,978
INR	5	549,294
JPY	5	265,586
MXN	5	135,517
SEK	5	342,204
USD	5	4,074,937

As at 30 June 2020	Change in price	Impact on profit
	%	after tax/NAV
		RM
AUD	5	1,414,020
CHF	5	1,197,738
EUR	5	1,919,810
HKD	5	193,221
IDR	5	260,147
INR	5	185,148
GBP	5	790,417
JPY	5	240,032
MXN	5	159,901
SEK	5	300,594
USD	5	3,521,659

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

Credit risk refers to the risk that an issuer or counterparty will default on its contractual obligation to make timely payments of profit, principals and proceeds resulting in financial loss to the Fund. The Manager manages the credit risk by undertaking credit evaluation to minimise such risk.

Credit risk arising from cash and cash equivalents is managed by ensuring that the Fund will only place Islamic deposits in reputable licensed financial institutions.

The settlement terms of the proceeds from the creation of units receivable from the Manager and redemption of units payable to the Manager are governed by the SC's Guidelines on Unit Trust Funds.

For amount due from stockbrokers, the settlement terms are governed by the relevant rules and regulations as prescribed by respective stock exchange. The credit risk is minimal as all transactions in Shariah-compliant investments are settled/paid upon delivery using approved stockbrokers.

The following table sets out the credit risk concentration of the Fund:

	Cash and cash equivalents	Amount due from Stockbroker	Amount due from Managers	Dividends receivable	Total
As at 31 December 2020	RM	RM	RM	RM	RM
Finance					
- AA1	12,507,837	-	-	-	12,507,837
- NR	-	-	-	-	-
Healthcare					
- NR	-	-	-	18,361	18,361
Information Technology					
- NR	-	-	-	30,476	30,476
Real Estate					
- NR	-	-	-	6,122	6,122
Others					
- NR	-	1,876,352	-	-	1,876,352
	<u>12,507,837</u>	<u>1,876,352</u>	<u>-</u>	<u>110,060</u>	<u>14,494,249</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

The following table sets out the credit risk concentration of the Fund:

	Cash and cash equivalents	Amount due from Stockbroker	Amount due from Managers	Dividends receivable	Total
As at 30 June 2020		RM	RM	RM	RM
Consumer Products					
- NR	-	-	-	9,106	9,106
Finance					
- AA1	5,790,154	-	-	-	5,790,154
- NR	-	-	-	-	-
Energy					
- NR	-	-	-	43,902	43,902
Healthcare					
- NR	-	2,899,295	-	5,449	2,904,744
Information Technology					
- NR	-	2,052,192	-	40,707	2,092,899
Real Estate					
- NR	-	460,945	-	173,861	634,806
Others					
- NR	-	-	873,073	-	873,073
	<u>5,790,154</u>	<u>5,412,432</u>	<u>873,073</u>	<u>273,025</u>	<u>12,348,684</u>

All financial assets of the Fund as at the end of the financial period are neither past due nor impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk

Liquidity risk is the risk that investments cannot be readily sold at or near its actual value without taking a significant discount. This will result in lower NAV and profit after tax of the Fund. The Manager manages this risk by maintaining sufficient level of Islamic liquid assets to meet anticipated payment and cancellations of units by unitholders. Islamic liquid assets comprise cash, Islamic deposits with licensed financial institutions and other instruments, which are capable of being converted into cash within 7 days.

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

	Less than	Between	Total
	1 month	1 month to 1 year	
As at 31 December 2020	RM	RM	RM
Amount due to stockbroker	22,538	-	22,538
Amount due to the Manager			
- Management fee	371,548	-	371,548
- Cancellation of units	442,798	-	442,798
Amount due to Trustee	8,493	-	8,493
Other payables and accruals	-	1,005	1,005
Net assets attributable to unit holders*	259,156,565		259,156,565
Contractual undiscounted cash outflows	260,001,942	1,005	260,002,947

	Less than	Between	Total
	1 month	1 month to 1 year	
As at 30 June 2020	RM	RM	RM
Amount due to stockbroker	6,081,808	-	6,081,808
Amount due to the Manager			
- Management fee	288,501	-	288,501
- Cancellation of units	1,221,493	-	1,221,493
Amount due to Trustee	13,188	-	13,188
Other payables and accruals	-	17,602	17,602
Net assets attributable to unit holders*	201,340,403		201,340,403
Contractual undiscounted cash outflows	208,945,393	17,602	208,962,995

* Units are deemed on demand at the unit holder's option. However, the Manager does not envisage that the contractual maturity disclosed in the table above will be representative of the actual cash outflows, as unit holders of these instruments typically retain them for the medium to long term.

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED))

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Non-compliance risk

Non-compliance risk arises when the Manager and others associated with the Fund are not in compliance with the rules set out in the Fund's constitution or the law that governs the Fund, applicable internal control procedures, or act fraudulently or dishonestly. It also includes the risk of the Manager not complying with internal control procedures.

The non-compliance may expose the Fund to higher risks which may result in a fall in the value of the Fund which in turn may affect its investment goals. However, the risk can be mitigated by the internal controls and compliance monitoring undertaken by the Manager.

Reclassification of Shariah status risk

This risk refers to the risk that the currently held Shariah-compliant securities in the portfolio of Shariah-compliant funds may be reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah Adviser or the Shariah Boards of the relevant Islamic indices. If this occurs, the Manager will take the necessary steps to dispose of such securities.

There may be opportunity loss to the Fund due to the Fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. The value of the Fund may also be adversely affected in the event of a disposal of Shariah non-compliant equities at a price lower than the investment cost.

Capital risk management

The capital of the Fund is represented by equity consisting of unitholders' capital and retained earnings. The amount of equity can change significantly on a daily basis as the Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the Fund.

Fair value estimation

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The fair value of financial assets traded in active markets (such as trading Shariah-compliant securities) are based on quoted market prices at the close of trading on the financial period end date. The Fund utilises the last traded market price for financial assets where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Manager will determine the point within the bid-ask spread that is most representative of the fair value.

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

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

Fair value hierarchy

- (i) The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:
- Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.
 - Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
 - Level 3: Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value hierarchy (continued)

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

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

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

	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
As at 31 December 2020				
Financial assets at fair value through profit or loss at inception				
- quoted Shariah-compliant securities	245,508,698	-	-	245,508,698
As at 30 June 2020				
Financial assets at fair value through profit or loss at inception				
- quoted Shariah-compliant securities	196,614,311	-	-	196,614,311

Shariah-compliant investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed Shariah-compliant equities. The Fund does not adjust the quoted prices for these instruments. The Fund's policies on valuation of these financial assets are stated in Note F.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

3. MANAGEMENT FEE

In accordance with Clause 13.1.3 of the Deeds, the maximum rate of the annual management fee shall be 2.00% per annum of the net asset value of the Fund.

For the financial period ended 31 December 2020 and 31 December 2019, the management fee for the respective unit classes are as follows:

Class A	Class I
1.75% per annum	1.00% per annum

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

4. TRUSTEE'S AND CUSTODIAN FEES

In accordance with Clause 13.2.2 of the Deeds, the maximum rate of annual Trustee's fee shall be up to 0.08% (30.06.2020 : 0.08% per annum) per annum for each unit class, calculated daily based on the net asset value of the Fund, subject to a minimum fee of RM18,000 per annum (excluding foreign custodian fees and charges) (30.06.2019 : RM18,000).

For the financial period ended 31 December 2020, the Trustee's fee is recognised at a rate of 0.04% (30.06.2019: 0.08%) per annum for each unit class.

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

5. TAXATION

	01.07.2020 to 31.12.2020 RM	01.07.2019 to 31.12.2019 RM
Tax charged for the financial period:		
- Current taxation - foreign	246,105	246,032

The numerical reconciliation between profit before taxation multiplied by the Malaysian statutory tax rate and tax expense of the Fund is as follows:

Net profit before taxation	32,893,287	13,185,976
Tax at Malaysian statutory rate of 24% (2019: 24%)	7,894,389	3,164,634
Tax effects of:		
- Investment income not subject to tax	(9,297,057)	(3,347,455)
- Investment income subject to different tax rates	(53,569)	(43,724)
- Expenses not deductible for tax purposes	1,180,318	60,066
- Restriction on tax deductible expenses for unit trust funds	429,258	412,511
Taxation	246,105	246,032

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31/12/2020	30/06/2020
	RM	RM
Designated at fair value through profit or loss at inception		
- quoted Shariah-compliant securities (Note (a))	245,508,698	196,614,311
Net gain/(loss) on financial assets at fair value through profit or loss		
- Realised	(3,617,507)	21,143,607
- Unrealised	36,264,689	(5,056,451)
	<u>32,647,182</u>	<u>16,087,156</u>

(a) Quoted Shariah-compliant investments

Name of counter	Quantity	Aggregate cost	Fair value as at 31.12.2020	Percentage of NAV
	Units	RM	RM	%
AUSTRALIA				
<u>Consumer Products</u>				
ARB Corporation Limited	40,000	2,146,465	3,820,965	1.48
<u>Health Care</u>				
Cochlear Limited	9,000	4,771,314	5,275,538	2.04
Fisher & Paykel Healthcare Corp Ltd	60,900	3,878,234	5,845,752	2.26
	69,900	8,649,548	11,121,289	4.30
<u>Industrials</u>				
Auckland International Airport Limited	221,936	4,019,376	4,935,252	1.91
<u>Information Technology</u>				
Altium Limited	56,900	5,663,830	5,998,268	2.32
<u>Real Estate</u>				
Goodman Group	131,600	5,663,433	7,718,090	2.98
FRANCE				
<u>Consumer Products</u>				
L'Oreal SA	6,500	5,889,873	9,935,489	3.84
<u>Industrials</u>				
Schneider Electric SA	8,300	3,607,644	4,884,113	1.89
GERMANY				
<u>Information Technology</u>				
Sap Se	6,100	3,275,273	3,216,626	1.24
<u>Materials</u>				
Linde Public Limited Company	5,902	4,985,579	6,182,636	2.39

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Quoted Shariah-compliant investments (Continued)

Name of counter	Quantity Units	Aggregate cost RM	Fair value as at 31.12.2020 RM	Percentage of NAV %
HONG KONG				
<u>Real Estate</u>				
China Resources Land Limited	230,000	4,027,296	3,815,924	1.47
INDIA				
<u>Healthcare</u>				
Syngene International Limited	144,900	3,731,807	5,099,312	1.97
<u>Materials</u>				
Asian Paints Limited	38,700	3,704,045	5,886,569	2.27
INDONESIA				
<u>Consumer Products</u>				
PT Ace Hardware Indonesia Tbk	7,533,500	3,471,179	3,699,562	1.43
ITALY				
<u>Consumer Products</u>				
Brunello Cucinelli S.P.A.	41,700	5,962,374	7,321,485	2.83
JAPAN				
<u>Healthcare</u>				
Sysmex Corp	11,000	2,500,034	5,311,718	2.05
MEXICO				
<u>Industrials</u>				
Grupo Aeroportuario del Sureste SAB de CV	40,800	1,693,885	2,710,345	1.05

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Quoted Shariah-compliant investments (Continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 31.12.2020	Percentage of NAV
	Units	RM	RM	%
NETHERLANDS				
<u>Information Technology</u>				
Asml Holding N.V.	4,300	5,142,677	8,407,272	3.25
SPAIN				
<u>Consumer Discretionary</u>				
Industria De Diseno Textil, S.A.	27,600	3,284,568	3,534,638	1.36
SWEDEN				
<u>Industrials Products</u>				
Assa Abloy Ab	34,500	2,942,078	3,421,060	1.32
Atlas Copco Aktiebolag	16,600	3,021,502	3,423,023	1.32
	51,100	5,963,580	6,844,083	2.64
SWITZERLAND				
<u>Consumer Products</u>				
Nestle Ltd.	15,700	5,449,141	7,446,274	2.87
<u>Health Care</u>				
Lonza Group AG	1,800	4,931,225	4,657,510	1.80
Novartis Inc.	16,100	5,134,059	6,126,515	2.37
Roche Holding Ltd	6,000	7,234,499	8,433,957	3.26
	23,900	17,299,783	19,217,982	7.43
<u>Industrials Products</u>				
Vat Group Ltd	7,000	3,634,721	7,031,027	2.71
TAIWAN				
<u>Information Technology</u>				
Taiwan Semiconductor Manufacturing Co., Ltd.	21,700	4,728,940	9,512,004	3.67
UNITED KINGDOM				
<u>Health Care</u>				
Astrazeneca Plc	11,800	5,195,086	4,748,211	1.83
Dechra Pharmaceuticals Plc	41,240	6,340,061	7,816,951	3.02
	53,040	11,535,147	12,565,162	4.85
<u>Information Technology</u>				
Aveva Group Plc	41,955	6,892,483	7,380,821	2.85

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Quoted Shariah-compliant investments (Continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 31.12.2020	Percentage of NAV
	Units	RM	RM	%
UNITED STATES				
<u>Consumer Products</u>				
Nike, Inc.	13,300	4,948,501	7,563,842	2.92
Procter & Gamble Co	17,300	7,632,636	9,676,639	3.74
	<u>30,600</u>	<u>12,581,138</u>	<u>17,240,481</u>	<u>6.66</u>
<u>Healthcare</u>				
Medtronic Public Limited Comp.	10,500	4,001,162	4,944,484	1.91
Pfizer Inc.	39,800	6,080,706	5,889,458	2.27
Resmed Inc.	7,800	3,771,292	6,665,037	2.57
	<u>58,100</u>	<u>13,853,160</u>	<u>17,498,979</u>	<u>6.75</u>
<u>Industrials Products</u>				
Trane Technologies Plc	9,900	5,112,958	5,777,083	2.23
<u>Information Technology</u>				
Adobe Inc.	3,300	4,031,859	6,634,598	2.56
Intel Corporation	8,800	1,699,917	1,762,432	0.68
Manhattan Associates Ord	7,700	3,059,842	3,255,745	1.26
Paylocity Holding Corporation	10,500	5,245,155	8,691,469	3.36
Salesforce.Com, Inc.	6,800	5,319,285	6,083,085	2.35
Samsung Electronics Co.,Ltd	740	2,357,714	4,967,920	1.92
	<u>37,840</u>	<u>21,713,772</u>	<u>31,395,249</u>	<u>12.13</u>
Total quoted Shariah-compliant investments - foreign	<u>8,970,473</u>	<u>186,183,707</u>	<u>245,508,696</u>	<u>94.82</u>
Accumulated unrealised gain on financial assets at fair value through profit or loss		<u>59,324,988</u>		
Total financial assets at fair value through profit or loss		<u>245,508,696</u>		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Quoted Shariah-compliant investments (Continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.06.2020	Percentage of NAV
	Units	RM	RM	%
AUSTRALIA				
<u>Consumer Products</u>				
ARB Corporation Limited	56,800	3,047,980	3,005,357	1.49
<u>Health Care</u>				
Cochlear Limited	9,000	4,771,314	5,012,181	2.49
<u>Information Technology</u>				
Altium Limited	47,000	4,617,736	4,499,841	2.23
<u>Real Estate</u>				
Goodman Group	115,300	4,763,838	5,047,067	2.51
FRANCE				
<u>Consumer Products</u>				
L'Oreal SA	6,000	5,227,381	8,243,759	4.09
<u>Energy</u>				
Total SA	17,900	2,887,796	2,924,666	1.45
<u>Industrials</u>				
Schneider Electric SA	7,300	3,096,227	3,471,324	1.72
GERMANY				
<u>Information Technology</u>				
Sap Se	7,500	4,026,976	4,484,005	2.23
<u>Materials</u>				
Linde Public Limited Company	5,802	4,709,956	5,230,305	2.60

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Quoted Shariah-compliant investments (Continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.06.2020	Percentage of NAV
	Units	RM	RM	%
HONG KONG				
<u>Real Estate</u>				
China Resources Land Limited	230,000	4,027,296	3,733,890	1.85
INDIA				
<u>Materials</u>				
Asian Paints Limited	38,700	3,704,045	3,702,951	1.84
INDONESIA				
<u>Consumer Products</u>				
Pt Ace Hardware Indonesia Tbk	6,177,600	2,879,854	2,787,259	1.38
<u>Real Estate</u>				
Pt Pakuwon Jati Tbk	15,725,900	3,103,168	1,954,742	0.97
ITALY				
<u>Consumer Products</u>				
Brunello Cucinelli S.P.A.	35,400	5,130,835	4,501,202	2.24
JAPAN				
<u>Healthcare</u>				
Symex Corporation	14,700	3,340,955	4,800,647	2.38
KOREA				
<u>Information Technology</u>				
Samsung Electronics Co.,Ltd	740	2,357,714	3,064,113	1.52
MEXICO				
<u>Industrials</u>				
Grupo Aeroportuario del Sureste SAB de CV	40,800	1,693,885	1,940,021	0.96

NOTES TO THE FINANCIAL STATEMENTS
 FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Quoted Shariah-compliant investments (Continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.06.2020	Percentage of NAV
	Units	RM	RM	%
NETHERLANDS				
<u>Information Technology</u>				
Asml Holding N.V.	4,300	5,142,677	6,760,008	3.36
New Zealand				
<u>Health Care</u>				
Fisher & Paykel Healthcare Corp Ltd	61,400	3,645,026	5,943,672	2.95
<u>Industrials Products</u>				
Auckland International Airport Limited	260,436	4,716,631	4,728,953	2.35
SPAIN				
<u>Consumer Discretionary</u>				
Industria De Diseno Textil, S.A.	23,300	2,787,685	2,641,066	1.31
SWEDEN				
<u>Industrials Products</u>				
Assa Abloy Ab	34,500	2,942,078	3,002,650	1.49
Atlas Copco Aktiebolag	16,600	3,021,502	3,009,235	1.49
	51,100	5,963,580	6,011,885	2.98
SWITZERLAND				
<u>Consumer Products</u>				
Nestle Ltd.	13,100	4,260,295	6,200,218	3.08
<u>Health Care</u>				
Novartis Inc.	16,100	5,134,059	5,996,276	2.98
Roche Holding Ltd	4,500	5,172,051	6,676,866	3.32
	20,600	10,306,110	12,673,142	6.30
<u>Industrials</u>				
Vat Group Ltd	6,500	3,167,048	5,081,391	2.52
TAIWAN				
<u>Information Technology</u>				
Taiwan Semiconductor Manufacturing Co., Ltd.	29,000	6,319,781	7,049,585	3.50
UNITED KINGDOM				
<u>Energy</u>				
Royal Dutch Shell Plc	34,000	3,730,190	2,201,653	1.09

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Quoted Shariah-compliant investments (Continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.06.2020	Percentage of NAV
	Units	RM	RM	%
UNITED KINGDOM (CONTINUED)				
<u>Health Care</u>				
Astrazeneca Plc	9,000	4,011,848	4,009,541	1.99
Dechra Pharmaceuticals Plc	30,240	4,282,846	4,553,079	2.26
	39,240	8,294,694	8,562,620	4.25
<u>Information Technology</u>				
Aveva Group Plc	23,300	4,445,271	5,044,058	2.51
UNITED STATES				
<u>Consumer Products</u>				
Nike, Inc.	12,400	4,453,631	5,206,141	2.59
Procter & Gamble Co	14,100	5,600,934	7,219,182	3.59
	26,500	10,054,565	12,425,323	6.18
<u>Energy</u>				
Chevron Corp	8,000	2,776,057	3,056,663	1.52
EOG Resources Inc	15,500	5,269,135	3,362,355	1.67
	23,500	8,045,192	6,419,018	3.19
<u>Healthcare</u>				
Medtronic Public Limited Company	10,500	4,001,162	4,122,924	2.05
Pfizer Inc.	30,000	4,913,101	4,200,642	2.09
Resmed Inc.	6,400	2,788,126	5,261,722	2.61
	46,900	11,702,389	13,585,288	6.75
<u>Information Technology</u>				
Adobe Inc.	3,300	4,031,858	6,151,191	3.07
Intel Corporation	8,800	1,699,917	2,254,490	1.12
Manhattan Associates Ord	7,700	3,059,841	3,105,906	1.54
Paylocity Holding Corporation	9,600	4,442,724	5,997,129	2.98
Salesforce.Com, Inc.	6,700	4,354,290	5,374,385	2.67
	36,100	17,588,630	22,883,101	11.38

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

(a) Quoted Shariah-compliant investments (Continued)

Name of counter	Quantity	Aggregate cost	Fair value as at 30.06.2020	Percentage of NAV
Total quoted Shariah-compliant securities - foreign	23,235,718	173,556,720	196,614,311	97.65
Accumulated unrealised gain on financial assets at fair value through profit or loss		23,057,591		
Total financial assets at fair value through profit or loss		196,614,311		

7. CASH AND CASH EQUIVALENTS

	31.12.2020 RM	30.06.2020 RM
Bank balances	12,507,837	5,790,154

8. SHARIAH INFORMATION OF THE FUND

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

- (i) Equity securities in foreign markets which have been classified as Shariah-compliant either by the Shariah Supervisory Board of Morgan Stanley Capital International All Country World Islamic (Shariah) Index ("MSCI ACWI Islamic (Shariah) Index") and duly verified by the Shariah Adviser and/or those securities which have been reviewed and classified as Shariah-compliant by the Shariah Adviser; and
- (ii) Liquid assets in local market, which are placed in Shariah-compliant investments and/or instruments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

9. NUMBER OF UNITS IN CIRCULATION

Number of units in circulation is represented by:

	Note	31/12/2020	30/06/2020
		No. of units	No. of units
Class A - MYR	(a)	126,848,761	114,024,865
		<u>126,848,761</u>	<u>114,024,865</u>
(a) Class A - MYR		31/12/2020	30/06/2020
		No. of units	No. of units
At the beginning of the financial period/year		114,024,865	124,759,626
Add: Creation of units arising from applications during the financial period/year		42,566,120	36,822,281
Less: Cancellation of units during the financial period/year		(29,742,224)	(47,557,042)
At the end of the financial period/year		<u>126,848,761</u>	<u>114,024,865</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

10. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the top 10 brokers/dealers for the financial period ended 31 December 2020 are as follows:

Name of broker/dealer	Value of trades	Percentage	Brokerage fees	Percentage of total
		of total trades		of brokerage fees
	RM	%	RM	%
UBS Ag London Branch	13,199,420	21.45	7,373	13.97
Raymond James And Associates	5,323,145	8.65	2,710	5.14
Bank Of America Securities	4,031,381	6.55	7,949	15.07
India Infoline Ltd	3,370,037	5.48	8,142	15.43
Macquarie Bank Limited (Hong Kong)	3,216,404	5.23	2,912	5.52
Liquidnet Europe Limited	3,084,225	5.01	4,077	7.73
Merrill Lynch Int Ltd (London)	2,969,711	4.83	594.00	1.13
William Blair & Co	2,946,449	4.79	1,497	2.84
Cowen And Company, Llc	2,402,485	3.91	1,254	2.38
Ubs Securities Australia Ltd	2,244,423	3.65	449	0.85
Others	18,732,993	30.45	15,798	29.94
	61,520,673	100.00	52,755	100.00

Details of transactions with the top 10 brokers/dealers for the financial period ended 31 December 2019 are as follows:

Name of broker/dealer	Value of trades	Percentage	Brokerage fees	Percentage of total
		of total trades		of brokerage fees
	RM	%	RM	%
Liquidnet Europe Limited	10,558,914	7.38	4,871	4.08
Societe Generale London Branch	10,473,080	7.32	17,790	14.88
RBC Capital Markets Llc	10,244,785	7.16	3,701	3.10
UBS Securities Australia Ltd	7,952,972	5.56	2,497	2.09
Investment Technology Group Ltd.	7,678,979	5.37	5,926	4.96
Credit Suisse Securities (USD) Llc	7,491,380	5.24	3,746	3.13
UBS Ag London Branch	7,122,089	4.98	14,115	11.80
Citigroup Global Markets Limited	6,568,112	4.58	1,334	1.12
Credit Suisse Securities (Europe) London	5,235,473	3.66	1,571	1.31
Macquarie Bank Limited (Hong Kong)	4,926,473	3.44	5,432	4.54
Others	64,845,956	45.31	58,533	48.99
	143,098,213	100.00	119,516	100.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

11. UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

<u>Related parties</u>	<u>Relationship</u>
Aberdeen Standard Islamic Investments (Malaysia) Sdn Bhd	The Manager
Aberdeen Standard Investments (Malaysia) Sdn Bhd	Immediate holding company of the Manager
Aberdeen Asset Management Plc. ("Aberdeen")	Immediate holding company of the Manager
Aberdeen Asset Investments (Asia) Limited	Reklated company of the Manager
Subsidiaries and associates of Aberdeen Group as disclosed in its financial statements	Subsidiary and associated companies of the ultimate holding company of the Manager

Units held by the Manager and parties related to the Manager

There were no units held by the Manager and parties related to the Manager as at the end of the financial period.

Significant related party transactions and balances

In addition to related party disclosure mentioned elsewhere in the financial statements, there were no other significant related party transactions and balances.

12. MANAGEMENT EXPENSE RATIO ("MER")

	31.12.2020	31.12.2019
MER (%)	<u>0.94</u>	<u>0.95</u>

MER is derived from the following calculation:

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

A	=	Management fee
B	=	Trustee's fees
C	=	Auditor's remuneration
D	=	Tax agent's fee
E	=	Other expenses
F	=	Average NAV of the Fund calculated on a daily basis

The average NAV of the Fund for the financial period calculated on a daily basis is RM224,010,449 (2019: RM194,871,958).

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)

13. PORTFOLIO TURNOVER RATIO ("PTR")

	31.12.2019	31.12.2019
PTR (times)	0.17	0.37

PTR is derived from the following calculation:

$$\frac{(\text{Total acquisition for the financial period} + \text{total disposal for the financial period}) \div 2}{\text{Average NAV of the Fund for the financial period calculated on a daily basis}}$$

Where: Total acquisition for the financial period = RM44,548,932 (2020: RM59,445,181)
Total disposal for the financial period = RM29,434,712 (2020: RM83,692,752)

14. SEGMENT INFORMATION

The internal reporting provided to the chief operating decision maker for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS and IFRS. The chief operating decision maker is responsible for the performance of the Fund and considers the business to have a single operating segment.

The reportable operating segment derives its income by seeking investments to achieve targeted returns consummate with an acceptable level of risk within each portfolio. These returns consist of profit, dividend and gains on the appreciation in the value of investments.

There were no changes in the reportable operating segment during the financial period.

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue by the Manager on 05 March 2021.

STATEMENT BY THE MANAGER

TO THE UNITHOLDERS OF ABERDEEN STANDARD ISLAMIC WORLD EQUITY FUND

We, Gerald Michael Ambrose @ Johari Ali Bin Abdullah and Zafir Assad Bin Mohd Shukor, being the Directors of **Aberdeen Standard Islamic Investments (Malaysia) Sdn Bhd** do hereby state that, in our opinion as the Manager, the financial statements set out on pages 10 to 43 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial period of the Fund as at 31 December 2020 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial period ended 31 December 2020 in accordance with Malaysian Financial Reporting Standards in Malaysia and International Financial Reporting Standards.

For and on behalf of the Manager,

ABERDEEN STANDARD ISLAMIC INVESTMENTS (MALAYSIA) SDN BHD

GERALD MICHAEL AMBROSE @ JOHARI ALI BIN AB DULLAH
Chief Executive Officer

ZAFIR ASSAD BIN MOHD SHUKOR
Director

Kuala Lumpur
05 March 2021

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF ABERDEEN STANDARD ISLAMIC WORLD EQUITY FUND

We have acted as Trustee for **Aberdeen Standard Islamic World Equity Fund ("the Fund")** for the financial period **01 July 2020 to 30 November 2020**. To the best of our knowledge, for the financial period under review, **Aberdeen Standard Islamic Investments (Malaysia) Sdn Bhd** ("the Manager") has operated and managed the Fund in accordance with the following:

- (a) limitations imposed on the investment powers of the Manager and the Trustee under the Deed, the Securities Commission's Guidelines on Unit Trust Funds, the Capital Markets and Services Act 2007 and other applicable laws;
- (b) the valuation/pricing for the Fund is carried out in accordance with the Deed of the Fund and any regulatory requirements; and
- (c) creation and cancellation of units for the Fund are carried out in accordance with the Deed of the Fund and any regulatory requirements.

For Deutsche Trustees Malaysia Berhad

NG HON LEONG
Head, Trustee Operations

GERARD ANG
Chief Executive Officer

Kuala Lumpur
26 February 2021

TRUSTEE'S REPORT

TO THE UNITHOLDERS OF ABERDEEN STANDARD ISLAMIC WORLD EQUITY FUND

We, **CIMB Islamic Trustee Berhad** being the trustee for **Aberdeen Standard Islamic World Equity Fund** ("the Fund"), are of the opinion that **Aberdeen Standard Islamic Investment (M) Sdn Bhd** ("the Manager"), acting in the capacity as the Manager of the Fund, has fulfilled its duties in the following manner for the financial period from 01 December 2020 to 31 December 2020.

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

For and on behalf of
CIMB Islamic Trustee Berhad

Lee Kooi Yoke
Chief Executive Officer

Kuala Lumpur, Malaysia
26 February 2021

SHARIAH ADVISER'S REPORT

TO THE UNITHOLDERS OF ABERDEEN STANDARD ISLAMIC WORLD EQUITY FUND

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, Aberdeen Standard Islamic Investments (Malaysia) 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 pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

For **Amanie Advisors Sdn Bhd**

Datuk Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
05 March 2021

DISTRIBUTORS

CIMB BANK BERHAD

ADDRESS : Menara Bumiputra Commerce,
No.11, Jalan Raja Laut,
50350, Kuala Lumpur.
HOTLINE NO. : 1 300 880 900
WEBSITE : www.cimbbank.com.my

FUNDSUPERMART.COM

ADDRESS : Level 29, Menara Standard Chartered,
No. 30, Jalan Sultan Ismail,
50250, Kuala Lumpur.
HOTLINE NO. : (603) 2149 0567
WEBSITE : www.fundsupermart.com.my

HSBC BANK MALAYSIA

ADDRESS : HSBC Bank Malaysia Berhad,
No. 2 Leboh Ampang,
50100 Kuala Lumpur.
HOTLINE NO. : 1300-88-1388
WEBSITE : <https://www.hsbc.com.my>

iFAST CAPITAL SDN BHD

ADDRESS : Level 28, Menara Standard Chartered,
No. 30 Jalan Sultan Ismail
50250 Kuala Lumpur
HOTLINE NO. : (603) 2149 0660
FAX NO. : (603) 2143 1218
WEBSITE : www.ifastcapital.com.my

OCBC BANK (MALAYSIA) BERHAD

ADDRESS : 19th Floor, Menara OCBC,
18 Jalan Tun Perak,
50050, Kuala Lumpur.
HOTLINE NO. : 1300 88 7000
WEBSITE : <https://ocbc.com.my/>

DISTRIBUTORS (CONTINUED)

PHILLIP MUTUAL BERHAD

ADDRESS : B-2-7 Block B Level 2
Megan Avenue II
No. 12 Jalan Yap Kwan Seng
50450 Kuala Lumpur
HOTLINE NO. : (603) 2783 0300
FAX NO. : (603) 2166 6417
WEBSITE : www.phillipmutual.com

STANDARD CHARTERED SAADIQ BERHAD

ADDRESS : Menara Standard Chartered
No. 30 Jalan Sultan Ismail
50250 Kuala Lumpur
HOTLINE NO. : 1300 888 888 / (603) 7711 8888
WEBSITE : <https://www.sc.com/my/>

KENWEALTH BY KENANGA

ADDRESS : Kenanga Wealth Management
Level 13 Kenanga Tower
237 Jalan Tun Razak, 50400 Kuala Lumpur.
HOTLINE NO. : (603) 2332 8810 (ext. 8189)
WEBSITE : <http://www.kenwealth.com/>

AMBANK (M) Berhad

ADDRESS : AmBank (M) Berhad
Level 30 Menara AmBank
No.8 Jalan Yap Kwang Seng, 50450 Kuala Lumpur.
HOTLINE NO. : (603) 2167 3000
WEBSITE :

**For the latest list of our distributors, please refer to our website at
www.aberdeenstandard.com.my/islamic**

DISCLAIMER

The contents of this report is strictly for information purposes only and should not be considered an offer, or solicitation, to deal in any of the mentioned funds.

Aberdeen Standard Islamic Investments (Malaysia) Sdn. Bhd. (the "Manager") does not warrant the accuracy, adequacy or completeness of the information provided and expressly disclaims liability for any errors or omissions. Any projections or other forward-looking statement regarding future events or performance of countries, markets or companies are not necessary indicative of, and may differ from, actual events or results. No regard to the investment objectives, financial situation or particular needs of any specific investor has been taken into account in the preparation of the information provided.

Investors should read and understand the master prospectus dated 1 December 2020 in respect of Aberdeen Standard Islamic World Equity Fund (formerly known as Aberdeen Islamic World Equity Fund) ("ASIWEF") (collectively, "Master Prospectus") as well as the Product Highlights Sheet in respect of ASIWEF which can be obtained at our office or from any of our approved distributors, or seek relevant professional investment advice, before making any investment decision. A copy of the Master Prospectus has been registered with the Securities Commission of Malaysia ("the SC"). Investors should consider the fees and charges involved before investing. Investments in the unit trusts are not deposits in, obligations of, or guaranteed or insured by Aberdeen Standard Islamic Investments (Malaysia) Sdn. Bhd. (the "Manager"), and are subject to investment risks, including the possible loss of the principal amount invested. Unit values and income therefrom may fall or rise. Past performance is not indicative of future performance. Units will only be issued on receipt of the application form referred to in and accompanying the Master Prospectus, subject to the terms and conditions therein. Investors are advised to read and understand the contents of the unit trust loan financing risk statement before deciding to borrow/seek financing facility to purchase units.

The information herein shall not be disclosed, used or disseminated, in whole or part, and shall not be reproduced, copied or made available to others. The Manager reserves the right to make changes and corrections to the information, including any opinions or forecasts expressed herein at any time, without notice.

The registration of the Master Prospectus dated 1 December 2020 with the SC does not indicate that the SC recommended or endorsed the product and service. This document has not been reviewed by the SC.

Aberdeen Standard Investments is a brand of the investment businesses of Aberdeen Asset Management and Standard Life Investments.

Aberdeen Standard Islamic Investments (Malaysia) Sdn. Bhd.
Registration Number: 200801026015 (82734Z-W)

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