



Aberdeen Standard Islamic World Equity Fund

Interim Report

31 December 2021

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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 Unit holdings by Size As at 31 December 2021, the size of the Fund stood at 239.55 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	704
500,001 and above	15	238,884
Total	18	239,553

FUND PERFORMANCE DATA

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

Sector Allocation	31.12.2021	31.12.2020	31.12.2019
	%	%	%
Shariah-Compliant Equities			
Consumer Discretionary	2.9	1.4	4.1
Consumer Products	15.3	19.1	16.9
Consumer Staples	0.0	0.0	0.0
Energy	0.0	0.0	12.1
Healthcare	26.5	27.3	22.6
Industrials	5.1	4.8	6.5
Industrials products	12.4	7.6	3.7
Information Technology	19.5	25.5	18.8
Materials	6.9	4.7	6.0
Telecommunication Services	0.0	0.0	2.1
Real Estate	3.8	4.4	3.7
Others	1.5	0.0	0.0
Cash	6.3	5.2	3.5
Total	100.0	100.0	100.0

Country Allocation	31.12.2021	31.12.2020	31.12.2019
	%	%	%
Australia	7.6	13	9.4
Canada	0.0	0.0	1.9
China	1.5	0.0	0.0
Denmark	3.5	0.0	.0.0
France	5.7	5.7	5.0
Germany	0.0	3.6	7.4
Hong Kong	0.0	1.5	5.0
Indonesia	1.2	1.4	2.2
India	4.1	4.2	2.0
Italy	0.0	2.8	2.2
Japan	1.1	2.1	5.6
Netherlands	5.4	3.3	0.0
New Zealand	3.1	0.0	0.0
Mexico	0.0	1.0	0.0
Spain	0.0	1.4	0.0
Sweden	4.0	2.6	0.0
Switzerland	9.1	13	9.2
Taiwan	3.9	3.7	0.0
United Kingdom	9.4	7.7	9.3
United States	34.2	27.8	37.3
Cash	6.3	5.2	3.5
Total	100.0	100.0	100.0

FUND PERFORMANCE DATA (CONTINUED)

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	2021	2020	2019
	A Class- MYR	A Class- MYR	A Class- MYR
-			
Total NAV (RM' million)	612.24	259.156	196.396
NAV per unit (RM)	2.5558	2.0430	1.7526
Unit in Circulation (million)	239.553	126.849	112.057
Highest NAV	2.6074	2.0533	1.7766
Lowest NAV	2.3386	1.7698	1.5601
Return of the Fund (%)	9.6251	15.6983	7.377
- Capital Return (%)	9.6251	15.6983	7.377
- 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) (%)	0.92	0.94	1.01
Portfolio Turnover Ratio (PTR) (times)	0.35	0.17	0.37

Source: CIMB Bank Berhad & Citibank Bhd

Class A- MYR

Average Total Return	1 year	3 years	5 years
	31.12.2020	(annualised)	(annualised)
	to	31.12.2018	31.12.2016
	31.12.2021	to	to
	(%)	31.12.2021	31.12.2021
		(%)	(%)
Fund	25.10	21.74	11.61

Source: Lipper for Investment Management as at 31 Dec 2021

Annual Total Return	1 year	1 year	1 year	1 year	1 year
	31.12.2020 to	31.12.2019	31.12.2018	31.12.2017	31.12.2016 to
	31.12.2021	to	to	to	31.12.2017
	(%)	31.12.2020	31.12.2019	31.12.2018	(%)
		(%)	(%)	(%)	
Fund	25.10	16.52	23.79	(10.60)	7.39

Source: Lipper for Investment Management as at 31 Dec 2021

FUND PERFORMANCE DATA (CONTINUED)

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

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 @ 31/12/2021 ÷ NAV per Unit @ 30/06/2021- 1} x 100
	=	{2.5558 ÷ 2.3314 - 1} x 100
	=	<u>9.6251%</u>
Income Return	=	{Income Distribution per Unit ÷ NAV per Unit Ex-Distribution} x 100
	=	<u>Nil</u>
Total Return	=	{[(1+Capital Return) x (1+Income Return)] – 1} x 100
	=	{[(1+9.6251%) x (1+ 0%)]-1} x 100
	=	<u>9.6251%</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

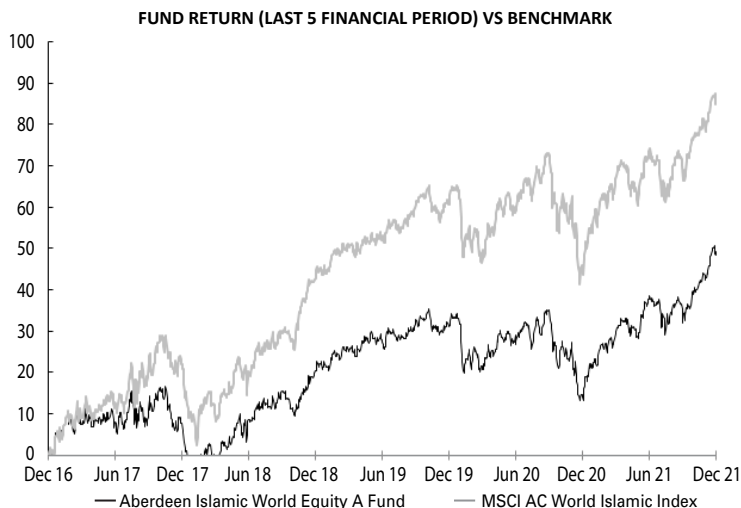
The Aberdeen Islamic World Equity Fund increased by 9.63% in Malaysian Ringgit terms over the six months to the end of December 2021, compared with the 6.95% total return of its benchmark, the MSCI AC World Islamic Index.

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

Income Return %	Capital Return %	Total Return of Fund %	Total Return of Benchmark %
0.00	9.63	9.63	6.95

Fund Performance (Continued)



Benchmark: MSCI ACWI Islamic (Shariah) Index

Source: Lipper for Investment Management as at 31 Dec 2021

Note:

This information is prepared by abrdn Islamic Malaysia Sdn.Bhd (formerly known as 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, primarily in Europe, the US and Asia.

At the stock level, in Europe, VAT Group was the biggest contributor to performance, with its share price climbing on a set of better-than-expected second quarter earnings due to good demand from the semiconductor industry. Dutch semiconductor equipment maker ASML also performed well, after raising earnings forecasts earlier in the period as the global chip shortage led to robust demand for its products. Elsewhere, US cloud-based human resources and payroll software company, Paylocity, enjoyed a strong start to the second half, we sold out of the business in December after it was no longer shariah compliant and as the firm began to struggle amid lower demand and other pandemic-related headwinds given its payroll focus. US wholesale retailer Costco boosted returns after reporting better-than-expected earnings during the period, driven by healthy traffic growth at its stores. In Australia, industrial property company Goodman Group hit new highs in December following strong quarterly results, with the company upgrading fiscal year 2022 earnings growth guidance to over 15% and signaling continued growth in its asset development pipeline. The company is benefiting from supply chain blockages and a scarcity of warehouse space around the world.

On the other hand, shares of Australian hearing solutions company Cochlear were weighed down by a weaker-than-expected profit forecast for the full year. However, we believe the company is the leader in its segment in terms of technology, online connectivity and building awareness in the market. This, coupled with a very long growth runway keeps our longer-term thesis intact. IT consultancy Aveva underperformed after reporting a widening loss in the six-month period to the end of September.

Japanese medical equipment maker Asahi Intecc slid following the release of mixed quarterly results. While sales were robust, margins were lower than expected as the company faced higher costs.

In portfolio activity, we introduced the following stocks: Danaher, a high quality, buy-rated life science and diagnostics company. Japan-based business Asahi Intecc, which manufactures medical and industrial devices. It has a dominant market position and continues to expand this by its offering of high-quality guidewire products. Costco Wholesale, the membership warehouse business has a scalable business model with significant international growth opportunities. Tetra Tech, an engineering consultancy that specialises in water, environmental and infrastructure projects. It is a global leader in its field and should benefit from increased expenditure in its areas of expertise. Life science laboratory automation and diagnostic solutions developer, Tecan. The business is attractively positioned, with a strong brand and reputation that creates a barrier to entry. UK-based industrial engineering firm Spirax-Sarco, which has an attractive business model with long-term structural growth drivers. Additionally, increasing environmental regulations should drive demand for its industrial products, particularly in energy and water efficiency. Integrated circuit designer Analog Devices should deliver margin expansion following their acquisition of Maxim last year in addition to continued strong chip demand.

Against these, we divested the following holdings: Brunello Cucinelli as we believed the stock was beginning to look expensive and had limited upside. Paylocity, Nestle and Inditex, as all are no longer Shariah compliant. Salesforce, Sysmex and Aeroportuario del Sureste as we felt there were better opportunities elsewhere.

MANAGER'S REPORT (CONTINUED)

Performance The Aberdeen Islamic World Equity Fund increased by 9.63% in Malaysian Ringgit terms over the six months to the end of December 2021, compared with the 6.95% total return of its benchmark, the MSCI AC World Islamic Index.

Market Review Global equities rose on aggregate over the second half of 2021, helped by positive earnings releases. Most major world indices looked past worries about the threat posed by the Omicron variant of Covid-19, increasing inflation pressures and expectations of rising interest rates in 2022. Despite the discovery of the highly transmissible variant in November, which shocked investors and sent global markets tumbling, most markets rebounded in December. Governments have taken differing approaches to control the spread, with some reinstating travel bans and social restrictions.

Although economic data remained relatively positive, with strong second-quarter GDP numbers from the US and Eurozone, inflationary concerns became hard to ignore in the second half of the year. In particular, annual inflation in the US, UK and Eurozone in November surged to multi-year highs. As a result, in December, major central banks acted to control inflation by reducing policy support. The US Federal Reserve held interest rates at its December meeting, but policymakers indicated that rates may rise three times in 2022. The Bank of England raised interest rates to 0.25%, while the European Central Bank announced plans to withdraw its pandemic emergency purchase programme by the end of March 2022.

Meanwhile in Asia, worries over the potential ripple effects from mainland Chinese real estate conglomerate Evergrande's debt crisis to the property and financial sectors sapped investors' risk appetite. Concerns that the emergence of the Omicron variant may stop the post-pandemic global economic recovery in its tracks hurt the cyclical Asian markets, although they recovered some ground in December as these fears partially receded. In Japan, the incumbent Liberal Democratic Party comfortably retained power in the October election. But investors grew concerned about new Prime Minister Fumio Kishida's future policies.

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 a result, the top-down views from a geographical and sector perspective do not provide a true visibility of the diversification of the portfolio.

Pertaining to the current country weightings, the overweight to Australia is due to the investments in Cochlear, Goodman Group and Altium. We also have an overweight exposure to the UK, due to the holdings in Dechra Pharmaceuticals, AstraZeneca and Aveva.

Against these, we are underweight to the US, having said that, we hold several US stocks, including sportswear brands Nike and Lululemon as well as engineering consultancy Tetra Tech.

By sector, we like companies in industrials, such as Swiss vacuum valve producer VAT Group and Schneider Electric. Conversely, we are underweight to the materials sector, as there are other more attractive investment ideas in other sectors at. That said, we do hold materials stocks within the specialty chemical and industrial gases space including Asian Paints and Linde. We also have no direct exposure to energy companies in the portfolio.

MANAGER'S REPORT (CONTINUED)

Outlook

January is often marked by outperformance of high-beta stocks and names that have underperformed over the previous year, as investors look for perceived bargains and aim to offset tax liabilities. Given the market concentration at the end of 2021, it is possible that we see the January effect in force at the start of 2022.

Despite the rapid spread of the Omicron variant, initial studies suggest the need for patient hospitalisation is lower, which is aiding reopening efforts. It is hoped that the world can gradually recover and finally emerge from the pandemic this year.

Indeed, many of the variables impacting 2021 are now better understood and efforts are being made to contain these risks: global vaccination rates are approaching 50%; supply chain shortages are easing; and the direction of Chinese policy has become clearer.

Where markets remain sensitive is in relation to interest rates. Changes to policy may provide market flashpoints. Geographically, we see stimulus in the US, specifically relating to infrastructure, supportive of markets. One area worth monitoring is Asia, including Japan, and emerging markets. These markets have significantly underperformed the rest of world during 2021. Notably, China is cutting interest rates; in contrast to western economies, markets are leveraged to reopening and investors are generally underweight the region.

Analysis of fund Performance

Share Class A - MYR	31.12.2021 %	30.06.2021 %	Change %
NAV (RM Million)	612.240	361.422	69.4
NAV/Unit (RM)	2.5558	2.3314	9.63

The fund's NAV increased by 69.40% to 612.240 million as at 31 Dec 2021. While, the NAV per unit increased by 9.63% during the period.

Asset Allocation

	As at 31.12.2021 %	As at 31.12.2020 %	As at 31.12.2019 %
Shariah-Compliant Equities	93.70	94.80	96.50
Cash	6.30	5.20	3.50
Total	100.00	100.00	100.00

Distribution/ Unit Split

No distribution or unit split was declared for the financial period ended 31 December 2021.

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 2021

		01.07.2021 to 31.12.2021	01.07.2020 to 31.12.2020
	Note	RM	RM
SHARIAH-COMPLIANT NET INVESTMENT INCOME/(LOSS)			
Dividend income		1,851,387	1,329,205
Other income		8,081	-
Net gain/(loss) on financial assets at fair value through profit or loss (Shariah-compliant)	6	44,262,401	33,736,058
Net foreign currency exchange (loss)/gain		<u>(2,260,814)</u>	<u>3,125</u>
		<u>43,861,055</u>	<u>35,068,388</u>
EXPENSES			
Management fee	3	4,298,425	1,976,410
Trustee's fees	4	98,250	81,859
Audit fee		4,085	4,285
Tax agent's fee		4,285	4,285
Transaction costs		344,237	60,996
Custodian's fee		32,836	29,891
Other expenses		<u>28,064</u>	<u>17,375</u>
		<u>4,810,182</u>	<u>2,175,101</u>
CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		39,050,873	32,893,287
Taxation	5	(306,651)	(246,105)
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>38,744,222</u>	<u>32,647,182</u>
Net profit/(loss) after taxation and total comprehensive income/(loss) comprises the following:			
Realised amount		58,091,055	(3,617,507)
Unrealised amount		<u>(19,346,833)</u>	<u>36,264,689</u>
		<u>38,744,222</u>	<u>32,647,182</u>

**UNAUDITED INTERIM STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2021**

	Note	31.12.2021	30.06.2021
		RM	RM
CURRENT ASSETS			
Cash and cash equivalents	7	37,167,058	5,203,438
Financial assets at fair value through profit or loss (Shariah-compliant)	6	575,395,426	351,886,372
Amount due from stockbrokers		-	-
Amount due from Manager			
- Creation of units		2,505,662	7,803,949
Dividends receivable		213,441	558,872
		<hr/>	<hr/>
TOTAL ASSETS		615,281,587	365,452,631
		<hr/>	<hr/>
CURRENT LIABILITIES			
Amount due to stockbroker		-	-
Amount due to Manager			
- Management fee		1,665,496	505,854
- Cancellation of units		1,329,424	3,493,070
Amount due to Trustee		19,965	11,563
Other payables and accruals		26,327	20,172
		<hr/>	<hr/>
TOTAL LIABILITIES (EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS)		3,041,212	4,030,659
		<hr/>	<hr/>
NET ASSET VALUE OF THE FUND		612,240,375	361,421,972
		<hr/> <hr/>	<hr/> <hr/>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS REPRESENTED BY:		612,240,375	361,421,972
		<hr/> <hr/>	<hr/> <hr/>
FAIR VALUE OF OUTSTANDING UNITS			
- CLASS A - MYR		612,240,375	361,421,972
		<hr/>	<hr/>
		612,240,375	361,421,972
		<hr/> <hr/>	<hr/> <hr/>
NUMBER OF UNITS IN CIRCULATION (UNITS)	9		
- CLASS A - MYR		239,553,027	155,024,041
		<hr/>	<hr/>

**UNAUDITED INTERIM STATEMENT OF FINANCIAL POSITION
 AS AT 31 DECEMBER 2021 (CONTINUED)**

	Note	31.12.2021	30.06.2021
		RM	RM
NAV PER UNIT (RM)			
– CLASS A - MYR		2.5558	2.3314
NAV PER UNIT (IN RESPECTIVE CURRENCIES)			
– CLASS A - MYR		MYR 2.5558	MYR 2.3314
– CLASS A - USD		-	-
– CLASS A - SGD		-	-
– CLASS A - AUD		-	-
– CLASS I - MYR		-	-

**UNAUDITED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO
 UNIT HOLDERS**

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	01.07.2021	01.07.2020
	to	to
	31.12.2021	31.12.2020
	RM	RM
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		
AT THE BEGINNING OF THE FINANCIAL PERIOD	361,421,972	201,340,403
Movement due to units created and cancelled during the financial period:		
Creation of units arising from applications	283,830,640	81,366,224
Cancellation of units	(71,756,459)	(56,197,244)
	<u>212,074,181</u>	<u>25,168,980</u>
Net increase/(decrease) in net assets attributable to unitholders during the financial year:		
Net profit after taxation	<u>38,744,222</u>	<u>32,647,182</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS AT THE END OF THE FINANCIAL PERIOD	<u><u>612,240,375</u></u>	<u><u>259,156,565</u></u>

UNAUDITED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

	Note	01.07.2021 to 31.12.2021 RM	01.07.2020 to 31.12.2020 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Proceeds from sale of Shariah-compliant investments		82,389,022	34,495,911
Purchase of Shariah-compliant investments		(261,635,675)	(50,320,496)
Other income received		8,081	
Dividends received		2,196,818	1,491,866
Management fee paid		(3,138,783)	(1,893,363)
Trustee's fee paid		(89,848)	(86,554)
Payment for other fees and expenses		(714,003)	(356,996)
Net realised foreign exchange loss		(2,319,116)	-
Net cash generated from operating activities		<u>(183,303,504)</u>	<u>(16,669,632)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units		289,128,927	80,362,945
Payments for cancellation of units		(73,920,104)	(56,975,938)
Net cash used in financing activities		<u>215,208,823</u>	<u>23,387,007</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		31,905,319	6,717,375
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD		5,203,438	5,787,998
EFFECT ON FOREIGN CURRENCY EXCHANGE		<u>58,302</u>	<u>2,464</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	7	<u>37,167,058</u>	<u>12,507,837</u>
Cash and cash equivalent comprise of:			
Bank balances	7	<u>37,167,058</u>	<u>12,507,837</u>

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021

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 financial year beginning on 1 July 2020:

Revised Conceptual Framework for Financial Reporting - The IASB has issued a revised Conceptual Framework which will be used in standard-setting decisions with immediate effect. Key changes include:

- (a) increasing the prominence of stewardship in the objective of financial reporting;
- (b) reinstating prudence as a component of neutrality;
- (c) defining a reporting entity, which may be a legal entity, or a portion of an entity;
- (d) revising the definitions of an asset and a liability;
- (e) removing the probability threshold for recognition and adding guidance on derecognition;
- (f) adding guidance on different measurement basis, and;
- (g) 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 January 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised Framework.

The MASB also issued Amendments to References to the Conceptual Framework in MFRS Standards ('Amendments'), to update references and quotations to fourteen (14) Standards so as to clarify the version of Conceptual Framework these Standards refer to, for which the effective date above applies. The amendments should be applied retrospectively in accordance with MFRS 108 unless retrospective application would be impracticable or involve undue cost or effort.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

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

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

The Fund has applied the following amendments for the financial year beginning on 1 July 2020:

- Definition of Material – Amendments to MFRS 101 and MFRS 108 - Amendments were made to MFRS 101 Presentation of Financial Statements and MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors which use a consistent definition of materiality throughout International Financial Reporting Standards and the Conceptual Framework for Financial Reporting, clarify when information is material and incorporate some of the guidance in MFRS 101 about immaterial information.

In particular, the amendments clarify:

- (a) that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and
- (b) the meaning of 'primary users of general purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

The adoption of interpretation to the existing standard and amendments to published standard did not have any impact on the current year or any prior year and is not likely to affect future periods.

- (b) The standards, amendments to published standards and interpretations to existing standards that are applicable to the Fund but not yet effective and have not been early adopted are as follows:

- (i) Financial year beginning on/after 1 July 2022

- Reference to the Conceptual Framework – Amendments to MFRS 3 Minor amendments were made to MFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of MFRS 137 Provisions, Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date.
- Annual Improvements to MFRS 9 "Fees in the '10 per cent' test for Derecognition of Financial Liabilities. When entities restructure their loans with the existing lenders, MFRS 9 requires management to quantitatively assess the significance of the difference between cash flows of the existing and new loans (commonly known as the '10% test'). This amendment to MFRS 9 clarifies that only fees paid or received between the borrower and the lender are included in the 10% test. Any fees paid to third parties should be excluded. This amendment will impact the result of the 10% test and accordingly affect the amount of gain or loss recognised in the profit or loss. An entity shall apply the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.
- Onerous Contracts – Cost of Fulfilling a Contract Amendments to MFRS 137. The amendments clarify that direct cost of fulfilling a contract include both the incremental cost of fulfilling the contract as well as an allocation of other costs directly related to fulfilling contracts. The amendments also clarify that before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract. The amendments shall be applied to contracts for which the entity has yet to fulfil all its obligations at the beginning of annual reporting period in which the amendments are first applied. Comparative information is not restated.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

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

b) The standards, amendments to published standards and interpretations to existing standards that are applicable to the Fund but not yet effective and have not been early adopted (Continued)

(i) Financial year beginning on/after 1 July 2023.

- Classification of Liabilities as Current or Non-current - Amendments to MFRS 101 - The narrow-scope amendments to MFRS 101 Presentation of Financial Statements clarify that liabilities are classified as either current or noncurrent, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (eg the receipt of a waiver or a breach of covenant). The amendments also clarify what MFRS 101 means when it refers to the 'settlement' of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors.

In May 2020, the IASB issued an Exposure Draft proposing to defer the effective date of the amendments to 1 January 2023.

The Fund will apply these standards when effective. These standards are not expected to have a significant impact on the Fund's financial statements.

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 2021 (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 any 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 2021 (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 receivable 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.

Unrealised 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 financial year 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.

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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

F. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(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 consider 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 write 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 2021 (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 2021.

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's ("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 2021

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 abrdn Islamic Malaysia Sdn. Bhd. (formerly known as 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 abrdn Islamic Malaysia Sdn. Bhd. (formerly known as 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 2021.

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 the 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.

Financial instruments of the Fund are as follows:

	Note	Receivables	Financial assets at fair value through profit or loss	Total
		RM	RM	RM
As at 31 December 2021				
Cash and cash equivalents	7	37,167,058	-	37,167,058
Quoted Shariah-compliant securities	6	-	575,395,426	575,395,426
Amount due from Manager		2,505,662	-	2,505,662
Dividends receivable		213,441	-	213,441
		<u>39,886,161</u>	<u>575,395,426</u>	<u>615,281,587</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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 2021		RM	RM	RM
Cash and cash equivalents	7	5,203,438	-	5,203,438
Quoted Shariah-compliant securities	6	-	351,886,372	351,886,372
Amount due from Manager		7,803,949	-	7,803,949
Dividends receivable		558,872	-	558,872
Amount due from stockbrokers		-	-	-
		<u>13,566,259</u>	<u>351,886,372</u>	<u>365,452,631</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.

	31.12.2021	30.06.2021
	RM	RM
Quoted Shariah-compliant securities designated at fair value through profit or loss	<u>575,395,426</u>	<u>351,886,372</u>

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 2021 (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 2021		
-5%	546,625,655	(28,769,771)
0%	575,395,426	-
+5%	369,480,691	28,769,771

% change in price of quoted Shariah-compliant securities	Market value	Impact on profit after tax/NAV
	RM	RM
As at 30 June 2021		
-5%	334,292,053	(17,594,319)
0%	351,886,372	-
+5%	369,480,691	(17,594,319)

(ii) Currency risk

Currency risk is associated with investments denominated in foreign currencies. When the foreign currencies fluctuate in an unfavourable 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 2021 (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 2021		RM	RM	RM	RM
AUD	-	65,957,379	-	81,735	66,039,114
CHF	114	55,600,136	-	-	55,600,250
DKK	-	21,292,682	-	-	21,292,682
EUR	-	82,939,170	-	-	82,939,170
GBP	-	57,703,810	-	-	57,703,810
HKD	-	8,903,671	-	-	8,903,671
IDR	-	7,356,767	-	-	7,356,767
INR	-	24,988,706	-	-	24,988,706
JPY	-	6,776,092	-	-	6,776,092
SEK	-	24,728,684	-	-	24,728,684
USD	34,577	219,148,330	-	131,707	219,314,614
	34,691	575,395,426	-	213,442	575,643,559

	Cash and cash equivalents	Quoted shariah- compliant securities	Amount due from Stock brokers	Dividends receivable	Total
As at 30 June 2021		RM	RM	RM	RM
AUD	-	43,069,827	-	135,241	43,205,068
CHF	-	42,003,278	-	-	42,003,278
DKK	-	11,480,290	-	-	11,480,290
EUR	-	58,588,954	-	-	58,588,954
HKD	-	5,480,930	-	228,648	5,709,578
IDR	-	4,118,230	-	84,737	4,202,967
INR	-	14,451,032	-	32,719	14,483,751
GBP	-	28,420,509	-	-	28,420,509
JPY	1,654,392	3,703,019	-	-	5,357,411
MXN	-	4,617,842	-	-	4,617,842
SEK	-	13,042,314	-	-	13,042,314
USD	24,776	122,910,147	-	77,527	123,012,450
	1,679,168	351,886,372	-	558,872	354,124,412

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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.

	Change in price	Impact on profit after tax/NAV
As at 31 December 2021	%	RM
AUD	5	3,301,955.68
BRL	5	-
CAD	5	-
CHF	5	2,780,012
DKK	5	1,064,634.10
EUR	5	4,146,958
GBP	5	2,885,191
HKD	5	445,184
IDR	5	367,838
INR	5	1,249,435
JPY	5	338,805
MXN	5	-
SEK	5	1,236,434
USD	5	10,965,731

	Change in price	Impact on profit after tax/NAV
As at 30 June 2020	%	RM
AUD	5	2,160,253
BRL	5	-
CAD	5	-
CHF	5	2,100,164
DKK	5	574,015
EUR	5	2,929,448
HKD	5	285,479
IDR	5	210,148
INR	5	724,188
GBP	5	1,421,025
JPY	5	267,871
KRW	5	-
MXN	5	230,892
SEK	5	652,116
SGD	5	-
USD	5	6,150,623

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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 2021	RM	RM	RM	RM	RM
Finance					
- AA1	37,167,058	-	-	-	37,167,058
- NR	-	-	-	-	-
Energy					
-NR	-	-	-	-	-
Healthcare					
- NR	-	-	-	77,667	77,667
Industrial Products					
-NR	-	-	-	-	-
Information Technology					
- NR	-	-	-	54,040	54,040
Materials					
-NR	-	-	-	-	-
Real Estate					
- NR	-	-	-	81,735	81,735
Others					
- NR	-	-	2,505,662	-	2,505,662
	37,167,058	-	2,505,662	213,441	39,886,161

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

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

As at 30 June 2021	Cash and cash equivalents	Amount due from Stockbroker	Amount due from Managers	Dividends receivable	Total
	RM	RM	RM	RM	RM
Consumer Products					
- NR	-	-	-	98,895	98,895
Finance					
- AA1	5,203,438	-	-	-	5,203,438
- NR	-	-	-	-	-
Energy					
- NR	-	-	-	-	-
Healthcare					
- NR	-	-	-	84,543	84,543
Industrial Products					
-NR	-	-	-	-	-
Information Technology					
- NR	-	-	-	32,719	32,719
Materials					
-NR	-	-	-	42,772	42,772
Real Estate					
- NR	-	-	-	299,943	299,943
Others					
- NR	-	-	7,803,949	-	7,803,949
	<u>5,203,438</u>	<u>-</u>	<u>7,803,949</u>	<u>558,872</u>	<u>13,566,259</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 2021 (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.

	Between		Total
	Less than 1 month	1 month to 1 year	
As at 31 December 2021	RM	RM	RM
Amount due to stockbroker	-	-	-
Amount due to the Manager			
- Management fee	1,665,496	-	1,665,496
- Cancellation of units	1,329,424	-	1,329,424
Amount due to Trustee	19,965	-	19,965
Other payables and accruals	-	26,327	26,327
Net assets attributable to unit holders*	612,240,375		612,240,375
Contractual undiscounted cash outflows	615,255,260	26,327	615,281,587

	Between		Total
	Less than 1 month	1 month to 1 year	
As at 30 June 2021	RM	RM	RM
Amount due to stockbroker	-	-	-
Amount due to the Manager			
- Management fee	505,854	-	505,854
- Cancellation of units	3,493,070	-	3,493,070
Amount due to Trustee	11,563	-	11,563
Other payables and accruals	-	20,172	20,172
Net assets attributable to unit holders*	361,421,972		361,421,972
Contractual undiscounted cash outflows	365,432,459	20,172	365,452,631

* 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 2021 (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 Advisory Council of the Securities Commission, 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.

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 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 2021 (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
As at 31 December 2021	RM	RM	RM	RM
Financial assets at fair value through profit or loss at inception				
- quoted Shariah-compliant securities	575,395,426	-	-	575,395,426

As at 30 June 2021

Financial assets at fair value through profit or loss at inception				
- quoted Shariah-compliant securities	351,886,372	-	-	351,886,372

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 G.

- (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 2021 (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 2021 and 31 December 2020, 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 0.04% per annum (30.06.2021: 0.08% per annum) for each unit class, calculated daily based on the net asset value of the Fund, subject to a minimum fee of RM15,000 per annum (excluding foreign custodian fees and charges) (30.06.2021: RM18,000).

For the financial period ended 31 December 2021, the Trustee's fee is recognised at a rate of 0.04% (30.06.20: 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

	01.07.2021 to 31.12.2021	01.07.2020 to 31.12.2020
	RM	RM
Tax charged for the financial period:		
- Current taxation - foreign	306,651	246,105

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/ (loss) before taxation	39,050,873	32,893,287
Tax at Malaysian statutory rate of 24% (2020: 24%)	9,372,210	7,894,389
Tax effects of:		
- Investment income not subject to tax	(10,624,915)	(9,297,057)
- Investment income subject to different tax rates	(137,682)	(53,569)
- Expenses not deductible for tax purposes	542,595	1,180,318
- Restriction on tax deductible expenses for unit trust funds	929,342	429,258
- Non-permitted expenses for tax purposes	121,841	45,071
- Permitted expenses not used not available for future years	103,260	47,695
Taxation	306,651	246,105

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

6. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31.12.2021	30.06.2021
	RM	RM
Designated at fair value through profit or loss at inception		
- quoted Shariah-compliant securities (Note (a))	575,395,426	351,886,372
Net gain/(loss) on financial assets at fair value through profit or loss		
- Realised	58,091,055	525,019
- Unrealised	(19,346,833)	73,425,196
	38,744,222	73,950,215

(a) Quoted Shariah-compliant investments

Name of counter	Quantity	Aggregate cost	Fair value as at 31.12.2021	Percentage of NAV
	Units	RM	RM	%
AUSTRALIA				
<u>Consumer Products</u>				
ARB Corporation Limited	52,700	4,038,241	8,381,791	1.37
<u>Health Care</u>				
Cochlear Limited	21,900	13,508,495	14,335,845	2.34
<u>Information Technology</u>				
Altium Limited	70,900	7,052,569	9,704,492	1.59
<u>Real Estate</u>				
Goodman Group	179,900	8,704,482	14,439,803	2.36
DENMARK				
<u>Industrials</u>				
DSV Panalpina A/S	12,750	12,640,164	12,405,551	2.03
<u>Utilities</u>				
Orsted A/S Denerg	16,705	9,877,658	8,887,132	1.45
FRANCE				
<u>Consumer Products</u>				
L'Oreal SA	10,180	12,450,477	20,108,913	3.28
<u>Industrials</u>				
Schneider Electric SA	18,350	10,835,778	14,992,749	2.45
GERMANY				
<u>Materials</u>				
Linde Public Limited Company	10,242	10,823,555	14,847,831	2.43

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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 31.12.2021	Percentage of NAV
	Units	RM	RM	%
HONG KONG				
<u>Real Estate</u>				
China Resources Land Limited	508,000	8,363,403	8,903,671	1.45
INDIA				
<u>Healthcare</u>				
Syngene International Limited	267,350	7,692,254	9,287,711	1.52
<u>Materials</u>				
Asian Paints Limited	82,818	11,236,535	15,700,995	2.56
INDONESIA				
<u>Consumer Products</u>				
PT Ace Hardware Indonesia Tbk	19,663,800	8,401,724	7,356,767	1.20
IRELAND				
<u>Industrial Products</u>				
Trane Technologies Plc	17,587	10,652,104	14,802,246	2.42
JAPAN				
<u>Healthcare</u>				
Asahi Intecc Co	75,800	8,134,747	6,776,092	1.11
NETHERLANDS				
<u>Information Technology</u>				
Asml Holding N.V.	6,340	12,411,865	21,226,636	3.47
<u>Health Care</u>				
DSM N. V.	12,540	9,899,133	11,763,040	1.92
NEW ZEALAND				
<u>Health Care</u>				
Fisher & Paykel Healthcare Corporation Limited.	125,600	9,604,064	11,614,504	1.90
<u>Industrials Products</u>				
Auckland International Airport Limited	343,036	6,584,020	7,480,944	1.22

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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 31.12.2021	Percentage of NAV
	Units	RM	RM	%
SWEDEN				
<u>Industrials Products</u>				
Assa Abloy Ab	72,000	7,803,177	9,150,438	1.49
Atlas Copco Aktiebolag	54,100	12,877,104	15,578,246	2.54
	126,100	20,680,282	24,728,684	4.03
SWITZERLAND				
<u>Health Care</u>				
Lonza Group AG	3,300	9,307,674	11,491,347	1.88
Novartis Inc.	22,900	7,790,603	8,405,681	1.37
Roche Holding Ltd	8,400	11,739,883	14,506,059	2.38
Tecan Group	3,580	8,015,942	9,092,790	1.49
	38,180	36,854,102	43,549,877	7.12
<u>Industrials Products</u>				
Vat Group Ltd	5,800	2,956,478	12,050,259	1.97
TAIWAN				
<u>Information Technology</u>				
Taiwan Semiconductor Manufacturing Co., Ltd.	47,580	18,200,049	23,847,682	3.90
<u>Industrials Products</u>				
Spirax-Sarco Engineering PLC	10,410	8,900,141	9,427,764	1.54
UNITED KINGDOM				
<u>Health Care</u>				
Astrazeneca Plc	31,700	14,547,294	15,522,507	2.54
Dechra Pharmaceuticals Plc	59,750	11,529,853	17,953,143	2.93
	91,450	26,077,148	33,475,650	5.47
<u>Information Technology</u>				
Aveva Group Plc	77,055	14,192,136	14,800,396	2.42

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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 31.12.2021	Percentage of NAV
	Units	RM	RM	%
UNITED STATES				
<u>Consumer Products</u>				
Costco Wholesale Crop	3,800	6,551,687	8,987,160	1.47
Lululemon Athletica Inc	9,306	13,699,930	15,176,071	2.48
Nike, Inc.	26,416	13,240,058	18,341,907	3.00
Procter & Gamble Co	35,677	18,399,872	24,312,999	3.97
Target Corp	8,900	9,188,797	8,581,208	1.40
	84,099	61,080,345	75,399,345	12.32
<u>Healthcare</u>				
Danaher Crop	6,600	8,888,196	9,046,343	1.48
Medtronic Plc	27,800	12,160,353	11,981,061	1.96
Pfizer Inc.	56,600	8,688,962	13,923,754	2.27
Resmed Inc.	7,800	3,771,292	8,464,260	1.38
	98,800	33,508,803	43,415,418	7.09
<u>Information Technology</u>				
Adobe Inc.	6,290	13,084,045	14,859,345	2.43
Analog Devices	15,500	12,219,207	11,350,015	1.85
Ansys Inc Com	7,150	10,138,657	11,948,142	1.95
Manhattan Associates Ord	18,300	9,140,196	11,854,236	1.94
Tetra Tech Inc	16,500	9,626,073	11,671,902	1.91
	63,740	54,208,178	61,683,639	10.08
Total quoted Shariah-compliant investments - foreign	22,139,712	459,568,931	575,395,426	94
Accumulated unrealised gain on financial assets at fair value through profit or loss		115,826,495		
Total financial assets at fair value through profit or loss		575,395,426		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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 30.06.2021	Percentage of NAV
	Units	RM	RM	%
AUSTRALIA				
<u>Consumer Products</u>				
ARB Corporation Limited	40,000	2,146,465	5,384,473	1.49
<u>Health Care</u>				
Cochlear Limited	11,300	6,090,135	8,863,595	2.45
<u>Information Technology</u>				
Altium Limited	44,100	4,303,145	5,042,969	1.40
<u>Real Estate</u>				
Goodman Group	152,500	6,854,890	10,062,148	2.78
DENMARK				
<u>Industrials</u>				
DSV Panalpina A/S	7,100	7,058,714	6,874,708	1.90
<u>Utilities</u>				
Orsted A/S Denerg	7,905	4,757,985	4,605,582	1.27
FRANCE				
<u>Consumer Products</u>				
L'Oreal SA	7,500	7,440,007	13,876,208	3.84
<u>Industrials</u>				
Schneider Electric SA	9,200	4,166,307	6,009,607	1.66
GERMANY				
<u>Materials</u>				
Linde Public Limited Company	5,902	4,985,579	7,071,041	1.96

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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 30.06.2021	Percentage of NAV
	Units	RM	RM	%
HONG KONG				
<u>Real Estate</u>				
China Resources Land Limited	326,000	5,562,345	5,480,930	1.52
INDIA				
<u>Health Care</u>				
Syngene International Ltd	174,200	4,695,145	5,675,397	1.57
<u>Materials</u>				
Asian Paints Limited	52,500	5,953,283	8,775,636	2.43
INDONESIA				
<u>Consumer Products</u>				
Pt Ace Hardware Indonesia Tbk	11,506,300	5,153,184	4,118,230	1.14
IRELAND				
<u>Industrials Products</u>				
Trane Technologies Plc	13,487	7,505,617	10,310,225	2.85
ITALY				
<u>Consumer Products</u>				
Brunello Cucinelli S.P.A.	41,700	5,962,374	10,125,393	2.80
JAPAN				
<u>Healthcare</u>				
Sysmex Corporation	7,500	1,704,569	3,703,019	1.02
KOREA				
<u>Information Technology</u>				
Samsung Electronics Co.,Ltd	952	3,799,938	6,434,222	1.78
MEXICO				
<u>Industrials</u>				
Grupo Aeroportuario del Sureste SAB de CV	60,200	3,030,246	4,617,842	1.28

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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 30.06.2021	Percentage of NAV
	Units	RM	RM	%
NETHERLANDS				
<u>Information Technology</u>				
Asml Holding N.V.	4,100	5,116,670	11,695,401	3.24
<u>Materials</u>				
Koninklijke DSM NV	6,300	4,523,144	4,882,003	1.35
New Zealand				
<u>Health Care</u>				
Fisher & Paykel Healthcare Corp Ltd	100,300	7,293,904	9,040,641	2.50
<u>Industrials Products</u>				
Auckland International Airport Limited	221,936	4,019,376	4,676,000	1.29
SPAIN				
<u>Consumer Discretionary</u>				
Industria De Diseño Textil, S.A.	33,700	4,051,207	4,929,301	1.36
SWEDEN				
<u>Industrials Products</u>				
Assa Abloy Ab	34,500	2,942,077	4,317,503	1.20
Atlas Copco Aktiebolag	34,300	7,516,733	8,724,811	2.41
	68,800	10,458,810	13,042,314	3.61
SWITZERLAND				
<u>Consumer Products</u>				
Nestle Ltd.	19,400	7,088,666	10,039,168	2.78
<u>Health Care</u>				
Lonza Group	2,500	6,648,824	7,363,419	2.04
Novartis Inc.	19,000	6,213,974	7,195,356	1.99
Roche Holding Ltd	6,000	7,234,499	9,392,570	2.60
	27,500	20,097,297	23,951,345	6.63
<u>Industrials</u>				
Vat Group Ltd	5,800	2,956,478	8,012,765	2.22
TAIWAN				
<u>Information Technology</u>				
Taiwan Semiconductor Manufacturing Co., Ltd.	28,900	9,058,722	14,416,586	3.99

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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 30.06.2021	Percentage of NAV
	Units	RM	RM	%
UNITED KINGDOM				
<u>Health Care</u>				
Astrazeneca Plc	18,400	7,975,851	9,162,785	2.54
Dechra Pharmaceuticals Plc	41,240	6,340,061	10,335,701	2.86
	59,640	14,315,912	19,498,486	5.40
<u>Information Technology</u>				
Aveva Group Plc	41,955	6,892,483	8,922,022	2.47
UNITED STATES				
<u>Consumer Products</u>				
Lululemon Athletica Inc	5,856	7,932,270	8,872,845	2.45
Nike, Inc.	17,716	7,426,001	11,362,417	3.14
Procter & Gamble Co	23,277	10,820,483	13,038,877	3.61
	46,849	26,178,754	33,274,139	9.20
<u>Healthcare</u>				
Medtronic Public Limited Company	10,500	4,001,162	5,410,915	1.50
Pfizer Inc.	50,700	7,608,373	8,242,431	2.28
Resmed Inc.	7,800	3,771,292	7,982,730	2.21
	69,000	15,380,827	21,636,076	5.99
<u>Information Technology</u>				
Adobe Inc.	2,200	2,687,906	5,348,821	1.48
Ansys Inc Com	4,345	5,786,881	6,260,356	1.73
Manhattan Associates Ord	12,100	4,989,132	7,275,763	2.01
Paylocity Holding Corporation	11,400	6,146,959	9,030,003	2.50
Salesforce.Com, Inc.	8,800	7,193,654	8,923,957	2.47
	38,845	26,804,532	36,838,900	10.19

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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 30.06.2021	Percentage of NAV
Total quoted Shariah-compliant securities - foreign	13,241,371	255,406,710	351,886,372	97.36
Accumulated unrealised gain on financial assets at fair value through profit or loss		<u>96,479,662</u>		
Total financial assets at fair value through profit or loss		<u>351,886,372</u>		

7. CASH AND CASH EQUIVALENTS

	31.12.2021	30.06.2021
	RM	RM
Bank balances	<u>37,167,058</u>	<u>5,203,438</u>

8. SHARIAH INFORMATION OF THE FUND

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

1. Transactions and investment holdings were within the Morgan Stanley Capital International All Country World ("MSCI ACWI") Islamic (Shariah) Index ("the Index"); 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 2021 (CONTINUED)

9. NUMBER OF UNITS IN CIRCULATION

Number of units in circulation is represented by:

	Note	31.12.2021	30.06.2021
		No. of units	No. of units
Class A - MYR	(a)	239,553,027	155,024,041
Class A - USD	(b)	-	-
Class A – SGD	(c)	-	-
Class A – AUD	(d)	-	-
Class I – MYR	(e)	-	-
		<u>239,553,027</u>	<u>155,024,041</u>

(a) Class A - MYR

	31.12.2021	30.06.2021
	No. of units	No. of units
At the beginning of the financial period/year	155,024,041	114,024,865
Add: Creation of units arising from applications during the financial period/year	113,268,672	100,417,743
Less: Cancellation of units during the financial period/year	(28,739,685)	(59,418,567)
At the end of the financial period/year	<u>239,553,027</u>	<u>155,024,041</u>

(b) Class A - USD

	31.12.2021	30.06.2021
	No. of units	No. of units
At the beginning of the financial period/year	-	-
Less: Cancellation of units during the financial period/year	-	-
At the end of the financial period/year	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

9. NUMBER OF UNITS IN CIRCULATION (CONTINUED)

(c) Class A - SGD

	31.12.2021	30.06.2021
	No. of units	No. of units
At the beginning of the financial period/year	-	-
Add: Creation of units arising from applications during the financial period/year	-	-
Less: Cancellation of units during the financial period/year	-	-
At the end of the financial period/year	<u>-</u>	<u>-</u>

(d) Class A - AUD

	31.12.2021	30.06.2021
	No. of units	No. of units
At the beginning of the financial period/year	-	-
Add: Creation of units arising from applications during the financial period/year	-	-
Less: Cancellation of units during the financial period/year	-	-
At the end of the financial period/year	<u>-</u>	<u>-</u>

(e) Class I - MYR

	31.12.2021	30.06.2021
	No. of units	No. of units
At the beginning of the financial period/year	-	-
Add: Creation of units arising from applications during the financial period/year	-	-
Less: Cancellation of units during the financial period/year	-	-
At the end of the financial period/year	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (CONTINUED)

10. TRANSACTIONS WITH BROKERS/DEALERS

Details of transactions with the top 10 brokers/dealers for the financial period ended 31 December 2021 are as follows:

Name of broker/dealer	Value of trades	Percentage of total trades	Brokerage fees	Percentage of
				of total brokerage fees
	RM	%	RM	%
Citibank N.A.	77,655,554	22.57	15,984	26.64
Goldman Sachs Ion	50,585,803	14.70	19,273	11.44
Merrill Lynch Lon	24,180,818	7.03	13,233	13.79
Liquidnet NYC	20,431,616	5.94	6,129	9.47
Barclays Bank Dub	19,587,377	5.69	12,138	4.39
RBC Dexia Investor Services	18,740,402	5.45	6,203	8.69
Baird Robert W NYC	17,714,854	5.15	8,857.46	4.44
Nordea Bank Finland Plc NYC	16,532,123	4.81	9,646	6.34
ITG SYD	16,245,644	4.72	4,874	6.90
Citibank Malaysia	12,382,972	3.60	6,191	3.49
Others	69,967,535	20.34	37,225	4.43
	344,024,697	100.00	139,754	100.00

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 of total trades	Brokerage fees	Percentage of
				of total 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	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	2.83
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

NOTES TO THE FINANCIAL STATEMENTS FOR THE SIX MONTHS FINANCIAL PERIOD ENDED 31 DECEMBER 2021 (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:

Related parties	Relationship
abrdrn Islamic Malaysia Sdn. Bhd. (formerly known as Aberdeen Standard Islamic Investments (Malaysia) Sdn. Bhd.)	The Manager
abrdrn Malaysia Sdn Bhd (formerly known as Aberdeen Standard Investments (Malaysia) Sdn Bhd)	Immediate holding company of the Manager
Aberdeen Asset Management Plc. (“Aberdeen”)	Ultimate holding 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”)

	31.12.2021	31.12.2020
MER (%)	0.92	0.94

MER is derived from the following calculation:

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 excluding Goods & Services Tax (“GST”) on transaction costs
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 2021 (CONTINUED)

13. PORTFOLIO TURNOVER RATIO ("PTR")

	31.12.2021	31.12.2020
PTR (times)	0.35	0.17

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 = RM261,635,675 (2020: RM44,548,932)
Total disposal for the financial period = RM82,389,022 (2020: RM29,434,712)

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 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.

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 [28 February 2022].

STATEMENT BY THE MANAGER

TO THE UNITHOLDERS OF ABERDEEN STANDARD ISLAMIC WORLD EQUITY FUND

We, Gerald Michael Ambrose @ Johari Ali Bin Abdullah and Galvin Wong, being the Directors of abrdn Islamic Malaysia Sdn. Bhd. (formerly known as 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 45 are drawn up in accordance with the provisions of the Deeds and give a true and fair view of the financial position of the Fund as at 31 December 2021 and of its financial performance, changes in net assets attributable to unitholders and cash flows for the financial year ended 31 December 2021 in accordance with Malaysian Financial Reporting Standards in Malaysia and International Financial Reporting Standards..

For and on behalf of the Manager,

abrdn Islamic Malaysia Sdn. Bhd.

(formerly known as Aberdeen Standard Islamic Investments (Malaysia) Sdn. Bhd.)

GERALD MICHAEL AMBROSE @ JOHARI ALI BIN ABDULLAH

Chief Executive Officer

GALVIN WONG

Director

Kuala Lumpur

28 February 2022

TRUSTEE'S REPORT

TO THE UNIT HOLDERS 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 **abrdn Islamic Malaysia Sdn. Bhd. (formerly known as Aberdeen Standard Islamic Investments (Malaysia) Sdn. Bhd.)** ("the Manager"), acting in the capacity as the Manager of the Fund, has fulfilled its duties in the following manner for the six months financial period ended 31 December 2021.

- 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

Ezreen Eliza Zulkiplee
Chief Executive Officer

Kuala Lumpur
28 February 2022

SHARIAH ADVISER'S REPORT

TO THE UNIT HOLDERS OF ABERDEEN STANDARD ISLAMIC WORLD EQUITY FUND ("FUND")

We hereby confirm the following:

1. To the best of our knowledge, after having made all reasonable enquiries, abrdn Islamic Malaysia Sdn. Bhd. (formerly known as 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 ("SC") pertaining to Shariah matters; and
2. The asset of the Fund comprises of instruments that have been classified as Shariah compliant.

For **Amanie Advisors Sdn Bhd**

Tan Sri Dr Mohd Daud Bakar
Executive Chairman

Kuala Lumpur
28 February 2022

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

FUNDUPERMART.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 : Menara IQ, Lingkaran TRX,
Tun Razak Exchange,
55188 Kuala Lumpur, Malaysia.

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/>

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

DISTRIBUTORS (CONTINUED)

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 :

AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BERHAD

ADDRESS : Al Rajhi Banking & Investment Corporation (Malaysia)
Ground Floor, East Block, Wisma Golden Eagle Realty,
142-B Jalan Ampang, 50450 Kuala Lumpur, Malaysia.

HOTLINE NO. : (603) 2332 6000

WEBSITE : <https://www.alrajhibank.com.my/>

RAIZ MALAYSIA SDN BHD

ADDRESS : Jalan Tun Razak
Pekeliling, Federal Territory of Kuala Lumpur
50400, MY

HOTLINE NO. : (603) 2714 6114

WEBSITE : <https://www.raiz.com.my/>

UOB KAY HIAN WEALTH ADVISORS

ADDRESS : B-8-3A, Block B West, Menara PJ8,
Jalan Barat, Sek. 8,
46050 Petaling Jaya, Selangor

HOTLINE NO. : (603) 7954 5486

WEBSITE : <https://www.uwealth.com.my/>

For the latest list of our distributors, please refer to our website at
www.abrdn.com/en/malaysia/investor/how-to-invest

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.

abrdn Islamic Malaysia Sdn. Bhd. (formerly known as 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 any, 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 abrdn Islamic Malaysia Sdn. Bhd. (formerly known as 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.

abrdn Islamic Malaysia Sdn. Bhd.
(formerly known as Aberdeen Standard Islamic Investments (Malaysia) Sdn. Bhd.)
Registration Number: 200801026015 (827342-W)

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