Chimera Umbrella Fund

Annual Report & Audited Financial Statements

For the financial period from 20 July 2020 (date of launch) to 31 December 2021

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Contents

	Page
Directory, Administration and Management	1
Investment Manager's Report	2
Independent Auditor's Report	4
Statement of Financial Position	8
Statement of Comprehensive Income	9
Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units	10
Statement of Cash Flows	11
Notes to the Financial Statements	12
Schedule of Investments	25

Directory, Administration and Management

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Chimera Capital L.L.C
Office 615, 4th Floor
Royal Group Headquarters Building
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United Arab Emirates

Investment Manager and Administrator
Chimera Capital L.L.C
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Abu Dhabi
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Legal Advisers
(up to 30 August 2021)
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PO Box 506631
Dubai
United Arab Emirates

(effective 31 August 2021)
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(Middle East) LLP
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United Arab Emirates

Independent Auditors
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United Arab Emirates

Shariah Advisor
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PO Box 12988, Dubai
United Arab Emirates

Global Custodian
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Sub-Custodian (Local UAE)
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Authorised Participants
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PO Box 120111
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BHM Capital Financial Services PrJSC (formerly BH Mubasher Financial Services PSC)
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International Securities LLC
1302, C2 Towers
Al Bateen, Behind Central Bank
PO Box 107077
Abu Dhabi
United Arab Emirates

Investment Manager's Report

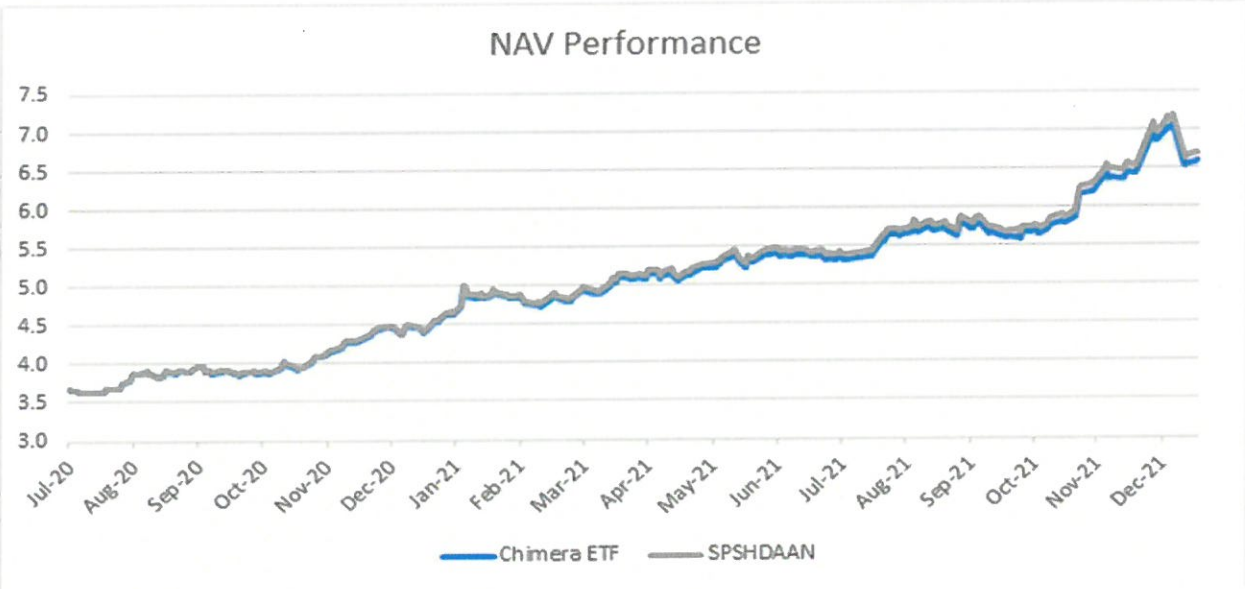
Fund Performance

The Chimera S&P UAE Shariah ETF's (the "Sub-Fund") Abu Dhabi Securities Exchange ("ADX") listed Class A Accumulating Units (CHAESH) ended the period with a Net Asset Value ("NAV") of AED 6.631, and the Dubai Financial Market ("DFM") listed Class B Income Units (CHAESHIN) ended the period with a NAV of AED 6.438.

The Sub-Fund was launched on 20 July 2020, and the listing of its share classes took place on 17 August 2020. The Sub-Fund seeks to provide investment returns, before fees and other costs, that closely track the performance of the S&P UAE Domestic Shariah Liquid 35/20 Capped Index. The Sub-Fund's Share Class A ("CHAESH"), which was listed on Abu Dhabi Securities Exchange ("ADX"), is an accumulating share class, where dividends received from the holdings are reinvested in the Sub-Fund. The Sub-Fund's share class B ("CHAESHIN"), which was listed on the Dubai Financial Market ("DFM"), will distribute dividends received to investors twice a year, when available.

The total return for the Sub-Fund in 2021 was +51.0% versus the S&P UAE Domestic Shariah Liquid 20/35 Capped Index's (the "Index") gain of 52.8%. Since inception, the Sub-Fund has returned 80.7% versus the index's gain of 83.9%.

During 2020 the Chimera S&P UAE Shariah ETF Share Class B didn't distribute dividends because it was launched after the dividends season, so there were minimal dividends collected. However, in 2021, CHAESHIN distributed a dividend twice, in June and December. In June, the CHAESHIN distributed AED 0.108 and in December AED 0.0619 was distributed to shareholders. In total, AED 0.1699 was distributed as a dividend for 2021.



* The Sub-Fund and Index data specified in the graph are calculated since inception of the Sub-Fund.
** Data Source: Based on figures provided by the Fund Administrator – BNY Mellon Fund Services (Ireland) DAC

Tracking Difference

The tracking difference for the Sub-Fund for 2020 (from inception in July to end of 2020) was -0.76%, of which 0.45% is management fees. So, the net tracking difference was -0.32%.

The tracking difference for the Sub-Fund for the period is -1.76% (from 1 January 2021 to end of 2021), of which 1.14% is management fees. So, the net tracking difference is -0.62%.

	2020	2021	ITD
Fund Return	19.7%	51.0%	80.7%
Index Return	20.4%	52.8%	83.9%
Tracking Difference (bps)	-76.6	-176.3	-327.9
Total Expense Ratio (bps)	44.8	114.4	186.1
Tracking Error net (bps)	-31.8	-61.9	-141.8

Investment Manager's Report (continued)

As stated under the investment policy of the Chimera S&P UAE Shariah ETF Prospectus, a maximum level of tracking difference of up to 2% each, (net of fees) per annum will be maintained.

Assets Under Management

The assets under management ("AUM") of the Sub-Fund as of 31 December 2021 was AED 139.0 million. The AUM of Class A Accumulating Units (CHAESH), listed on the ADX is AED 131.0 million and for Class B Income Units (CHAESHIN), listed on the DFM it is AED 8.0 million.

For the period ended 31 December 2021, the ADX-listed Class A Accumulating Units (CHAESH) traded AED 127.8 million while the DFM-listed Class B Income Units (CHAESHIN) traded a total of AED 20.6 million. This was a noticeable increase from the traded value in 2020 where the CHAESH traded AED 81.8 million, and CHAESHIN traded AED 3.5 million.

The quarterly re-balancing of the S&P UAE Shariah Liquid 35/20 Capped Index resulted in the Index increasing its constituents to 14 by the end of 2021, up from 13 at the end 2020. While there were no changes in the constituents in the March 2021 and June 2021 rebalances, Manazel Real Estate was added in September and Al Yah Satellite Communications (Yahsat) was added in December. Outside the rebalances, Emaar Malls was deleted from the index in November following the buy-out of the company's free float by its parent, Emaar Properties.

Market Commentary

The United Arab Emirates ("UAE") markets had strong performances in 2021 supported by an improving economy on the back of one of the most successful vaccination programs in the world where the UAE now ranks as one of the countries with the highest percentage of residents vaccinated. This has allowed the country to open its economy, with relevant restrictions in place to ensure health safety. Moreover, starting in the fourth quarter of 2021, tourism started to rebound, with hotel occupancy increasing across the country thanks to the successful opening of Expo 2020 as well as a number of international events such as the Formula 1 race in Abu Dhabi.

The ADX was the best performing major market in the world in 2021 with a return of 68.2%. This was also the biggest yearly gain in 15 years. The Index closed at 8,488.36 points after touching a record closing high of 8,999.32 points on 6 December 2021. Abu Dhabi's Stock Exchange was second only to Tadawul in terms of number of Initial Public Offerings ("IPOs") in the Gulf Cooperation Council markets in 2021. The exchange saw five new listings during the year with ADNOC Drilling being the biggest listing. These IPOs helped more than double the market cap of the Index to AED 1.6 trillion.

The DFM Index recorded solid gains in 2021 that pushed it to the third best performing market in 2021 after Tadawul and ADX. The DFM Index touched a four-year high level on 16 November 2021, but receded towards the end of the year to close at 3,195.91 points with a yearly gain of 28.2%, the biggest gain since 2013.

Moreover, several initiatives from the regulator and stock markets including the lengthening of trading hours by one hour and the lowering trading commission, have been positive developments in the markets this year.

The outlook for the UAE stock markets is positive provided that the rebound in the current economic activity is maintained. Market data suggests that the corporate results are starting to improve and should continue to do so, provided there is no dramatic resurgence in the Covid-19 pandemic.

Chimera Capital L.L.C
Date: January 2022

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INDEPENDENT AUDITOR'S REPORT TO THE HOLDERS OF REDEEMABLE PARTICIPATING UNITS OF CHIMERA UMBRELLA FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Chimera Umbrella Fund (the "Umbrella Fund") which comprise the statement of financial position as at 31 December 2021, and the statement of comprehensive income, statement of changes in net assets attributable to holders of redeemable participating units and statement of cash flows for the period from the date of the Umbrella Fund's launch to 31 December 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Umbrella Fund as at 31 December 2021 and its financial performance and its cash flows for the period from the date of Umbrella Fund's launch to 31 December 2021, in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Umbrella Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Umbrella Fund's financial statements in the United Arab Emirates ("UAE"), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Akbar Ahmad (1141), Cynthia Corby (995), Georges Najem (809), Mohammad Jallad (1164), Mohammad Khamees Al Tah (717), Musa Ramahi (872), Mutasem M. Dajani (726), Obada Alkowatly (1056), Rama Padmanabha Acharya (701) and Samir Madbak (386) are registered practicing auditors with the UAE Ministry of Economy.

Deloitte.

INDEPENDENT AUDITOR'S REPORT TO THE HOLDERS OF REDEEMABLE PARTICIPATING UNITS OF CHIMERA UMBRELLA FUND (continued)

Key Audit Matters (continued)

Financial assets at fair value through profit or loss
As disclosed in Note 3(g) of the financial statements, the Umbrella Fund has investments in quoted equity securities with a carrying amount of AED 138.4 million as at 31 December 2021. These instruments are classified as financial assets at fair value through profit or loss and are classified as Level 1 in the fair value hierarchy as defined in IFRS 7 Financial Instruments: Disclosure. The fair values of the investments were determined based on the quoted prices, as published in Abu Dhabi Securities Exchange and Dubai Financial Market, as at 31 December 2021. The Umbrella Fund's investment securities represent 99% of the total assets and is considered to be the key driver of the Fund's performance. s. Due to the materiality and size of the investments in the context of the financial statements as a whole, this is considered of most significance in the audit of the financial statements and thus, we have considered this to be a key audit matter.
How our audit addressed the key audit matter
• We obtained an understanding of the process adopted by management in recording purchases and sales transactions relating to investments and in determining the fair value of the investments at the reporting date. We assessed the controls over the recording of purchases and sales of investments and the determination of fair value of investments to determine if they had been appropriately designed and implemented. • We confirmed the details of all investments recorded in the accounting records with the custodian of the investments. We compared the balance in the confirmation received from the custodian to the amount reported in the financial statements. • We recalculated the fair value of all investments held at the reporting date by obtaining the quoted prices of the investments and multiplying by the number of shares held as confirmed by the custodian. • We assessed the disclosures relating to this matter in the financial statements against the requirements of IFRSs.

Deloitte.

INDEPENDENT AUDITOR'S REPORT TO THE HOLDERS OF REDEEMABLE PARTICIPATING UNITS OF CHIMERA UMBRELLA FUND (continued)

Other Information

The Management Company is responsible for the other information. The other information comprises the Investment Manager's Report of the Umbrella Fund but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Umbrella Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Umbrella Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Umbrella Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Deloitte.

INDEPENDENT AUDITOR'S REPORT
TO THE HOLDERS OF REDEEMABLE PARTICIPATING
UNITS OF CHIMERA UMBRELLA FUND (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Umbrella Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management company.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Umbrella Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Umbrella Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Deloitte & Touche (M.E.)



Mohammad Khamees Al Tah
Registration No. 717
14 March 2022
Abu Dhabi
United Arab Emirates

Statement of Financial Position

	Notes	Chimera S&P UAE Shariah ETF* As at 31 December 2021 AED
Assets		
Cash and cash equivalents	2(n), 6	783,179
Financial assets at fair value through profit or loss	2(b), 3(g)	138,414,403
Dividends receivable		142,869
Total assets		**139,340,451**
Liabilities		
Accrued Management fees		(339,191)
Total liabilities		**(339,191)**
Net assets attributable to holders of redeemable participating units	4	**139,001,260**
Total Net Asset Value		
Class A Accumulating Units		130,953,205
Class B Income Units		8,048,055
Net Asset Value per Unit		
Class A Accumulating Units		6.631
Class B Income Units		6.438

* Chimera S&P UAE Shariah ETF was launched on 20 July 2020.

On behalf of the Board of Directors of the Management Company:

Director: _____

Date: March 2022

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

Statement of Comprehensive Income

	Notes	Chimera S&P UAE Shariah ETF* Financial Period 20 July 2020 to 31 December 2021 AED
Income		
Dividend income	2(e)	4,037,804
Net gains on financial assets at fair value through profit or loss	2(i), 5	44,870,520
Total investment income		48,908,324
Operating expenses		
Management fees	2(h)	(1,225,939)
Total operating expenses		(1,225,939)
Net income		47,682,385
Finance costs		
Distributions to holders of redeemable participating units	14	(158,375)
Total Finance costs		**(158,375)**
Increase in net assets resulting from operations attributable to holders of redeemable participating units		**47,524,010**

* Chimera S&P UAE Shariah ETF was launched on 20 July 2020.

Gains and losses arose solely from continuing investment activities. There were no gains or losses other than those dealt with in the Statement of Comprehensive Income.

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

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units

	Chimera S&P UAE Shariah ETF*
	Financial Period 20 July 2020 to 31 December 2021 AED
Net assets attributable to holders of redeemable participating units at beginning of the period	–
Increase in net assets resulting from operations attributable to holders of redeemable participating units	47,524,010
Issue of redeemable participating units	95,075,500
Redemption of redeemable participating units	(3,598,250)
Net assets attributable to holders of redeemable participating units at end of the period	**139,001,260**

* Chimera S&P UAE Shariah ETF was launched on 20 July 2020.

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

Statement of Cash Flows

	Chimera S&P UAE Shariah ETF*
	Financial Period 20 July 2020 to 31 December 2021 AED
Cash flows from operating activities	
Proceeds from sale of investments**	30,947,644
Purchase of investments**	(33,014,277)
Dividend income received	3,894,935
Operating expenses paid	(886,748)
Net cash inflow from operating activities	**941,554**
Cash flows from financing activities	
Distributions paid to holders of redeemable participating units	(158,375)
Amounts received on issue of redeemable participating units**	–
Amounts paid on redemption of redeemable participating units**	–
Net cash outflow from financing activities	**(158,375)**
Net increase in cash and cash equivalents	783,179
Cash and cash equivalents at beginning of period	–
Cash and cash equivalents at end of the period	**783,179**

* Chimera S&P UAE Shariah ETF was launched on 20 July 2020.

** The Sub-Fund engaged in in-kind subscriptions and redemption of redeemable participating units during the financial period amounting to AED 95,075,500 and AED 3,598,250 respectively (refer to Note 4 to the financial statements for further). All the subscriptions into and redemptions out of the Sub-Fund for the financial period, were achieved via in-kind contribution and withdrawal of assets of the same amount representing consideration for purchase and sale of investments.

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

Notes to the Financial Statements

1. Organisation

Chimera Umbrella Fund (the "Umbrella Fund") was licensed by and registered with the United Arab Emirates Securities & Commodities Authority on 19 February 2020 under registration number 2020/1. The Umbrella Fund is licensed and registered in accordance with the Securities & Commodities Authority Chairman of the Board of Directors Decision No. (9 R.M) of 2016 concerning the Regulations as to Mutual Funds.

The Umbrella Fund is an umbrella fund with segregated liability between sub-funds and each sub-fund may comprise one or more Classes of Units in the sub-fund. Chimera Capital L.L.C (the "Management Company") may, from time to time, upon the prior approval of the Securities & Commodities Authority, establish further sub-funds and establish one or more separate Classes of Units within each sub-fund on such terms as the Management Company may resolve.

As at 31 December 2021, the Umbrella Fund consisted of one sub-fund, Chimera S&P UAE Shariah ETF (the "Sub-Fund") which was launched on 20 July 2020. The Annual Report and Audited Financial Statements have been prepared for the financial period from 20 July 2020 which coincides with the date of launch of the Sub-Fund.

The Sub-Fund seeks to provide investors with a Shariah compliant total return, taking into account capital and income returns, which reflects the return of an equity index called the S&P UAE Domestic Shariah Liquid 35/20 Capped Index (the "Index").

The Index measures the performance of the underlying index, excluding those constituents with low liquidity and employing an alternative weighting scheme. The Index is comprised of the constituents of the S&P UAE Domestic Shariah Index that meet the following eligibility requirements: (i) companies must have no more than ten non-trading days over the previous quarter; (ii) have an average daily value traded (ADVT) of at least US$ 200,000 for the three-months prior to the rebalancing reference date; and (iii) stocks must be locally listed on the Abu Dhabi Securities Exchange, Dubai Financial Market, or Dubai International Financial Exchange to be eligible for index inclusion.

In order to achieve its investment objective, the investment policy of the Sub-Fund will be to track the performance of the Index which will be a Shariah compliant index. The Sub-Fund will not directly invest into any non Shariah compliant securities. The Investment Manager may deviate from the 100% investment where it is, for whatever reason, not possible to buy and hold a particular Index security.

The Sub-Fund attempts to replicate, before fees and expenses, the performance of the Index. The Investment Manager will seek to do this by replicating so far as possible the investments in the Index using a full physical replication model. Chimera Capital L.L.C (the "Investment Manager") will regularly monitor the Sub-Fund's tracking accuracy and will seek to maintain an appropriate correlation between the return of the Index and the return of the Sub-Fund. It is expected that the level of tracking error will be 0-2% in normal market conditions excluding Management Fees.

The base currency of the Sub-Fund is the United Arab Emirates Dirham ("AED"). The Net Asset Value per Unit will be published and settlement and dealing will be effected in the designated currency of each Class.

The units of the Sub-Fund are listed and admitted for trading on the following stock exchanges: Class A Accumulating Units are listed on the Abu Dhabi Securities Exchange while Class B Income Units are listed on Dubai Financial Market.

2. Significant Accounting Policies

(a) Basis of preparation

The Umbrella Fund's annual report and audited financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements have been prepared on a going concern basis which assumes that the Umbrella Fund will continue in operational existence for the foreseeable future and have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

Judgments and Estimates

The preparation of annual report and audited financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

(a) Basis of preparation (continued)

Judgments and Estimates (continued)

The Umbrella Fund does not have significant accounting estimates that have a significant risk of resulting in material adjustments in respect of assets and liabilities within the next financial year. The Management Company has also reviewed the potential sources of estimation uncertainties against the backdrop of Covid-19 pandemic and believes that there are no significant estimation uncertainties specifically resulting from the impact of Covid-19 pandemic. The Management Company will continue to monitor the situation and any changes required will be reflected in future reporting periods.

Standards, interpretations and amendments to existing standards in issue but not yet effective and not early adopted

At the date of approval of these financial statements, the Umbrella Fund has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

New and revised IFRS	Effective for annual periods beginning on or after
Interest Rate Benchmark Reform - Amendment to IFRS 7, IFRS 9 and IAS 39 (Phase 2)	1 January 2021
Amendment to IFRS 16 Covid-19-Related Rent Concessions beyond 30 September 2021	1 April 2021
Amendments to IAS 16 Property, Plant and Equipment, Proceeds before intended use	1 January 2022
Annual Improvements 2018-2020 cycle	1 January 2022
Amendments to IFRS 3 Business Combination	1 January 2022
Amendments to IAS 37 Onerous Contracts, Cost of fulfilling a contract	1 January 2022
Amendments to IAS 1 Classification of Liabilities as Current or Non-Current	1 January 2023
IFRS 17 Insurance Contracts	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8 Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) relating to the treatment of the sale or contribution of assets from and investor to its associate or joint venture.	Effective date deferred indefinitely. Adoption is still permitted.

The Management Company anticipates that these IFRSs and amendments will be adopted in the financial statements in the initial period when they become mandatorily effective. The Management Company assessed that adoption of these amendments will not have a significant impact on the Umbrella Fund's financial statements.

(b) Financial assets and financial liabilities

(i)Recognition, measurement and derecognition

Financial assets and financial liabilities are recognised in the Umbrella Fund's Statement of Financial Position when the Umbrella Fund becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Comprehensive Income.

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

(b) Financial assets and financial liabilities (continued)

(i) Recognition, measurement and derecognition (continued)

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Management Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Management Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Management Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Management Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Management Company continues to recognise the financial asset.

The Management Company derecognises financial liabilities when, and only when, the Management Company's obligations are discharged, cancelled or they expire.

(ii) Classification

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Umbrella Fund's business model for managing them. On initial recognition, a financial asset is classified as measured at: (1) amortised cost, (2) fair value through other comprehensive income ("FVTOCI") or (3) fair value through profit or loss ("FVTPL").

The Umbrella Fund classifies its investment portfolio based on its 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 Umbrella Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Umbrella Fund has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. As such, the Umbrella Fund classifies its entire investment portfolio consisting of equities as financial assets at fair value through profit or loss.

Financial assets that are not classified at fair value through profit or loss include cash and cash equivalents and receivables. Financial liabilities that are not at fair value through profit or loss include bank overdraft (if any) and payables. These other financial assets and financial liabilities are held at amortised cost.

(iii) Fair value estimation

In determining the value of the assets of the Sub-Fund, each investment listed, traded or dealt in on a Regulated Market for which market quotations are readily available shall be valued at the last traded price at the Valuation Point in the relevant Regulated Market on the relevant Dealing Day, provided that the value of the investment listed, traded or dealt in on a Regulated Market but acquired or traded at a premium or at a discount outside or off the relevant Market may be valued, taking into account the level of premium or discount as at the date of valuation of the investment and the Investment Manager must ensure that the adoption of such procedure is justifiable in the context of establishing the probable realisation value of the security. If the investment is normally listed, traded or dealt in on or under the rules of more than one Regulated Market, the relevant Regulated Market shall be that which constitutes the main market for the investment.

If prices for an investment listed, traded or dealt in on the relevant regulated market are not available at the relevant time or are unrepresentative, or in the event that any investments are not listed or traded on any regulated market, such investment shall be valued at such value as shall be certified with care and good faith as the probable realisation value of the investment by a competent professional person appointed by the Management Company which may be the Investment Manager.

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

(b) Financial assets and financial liabilities (continued)

(iii) Fair value estimation (continued)

In the event of it being impossible or incorrect to carry out a valuation of a specific investment in accordance with the valuation rules set out above or if such valuation is not representative of an asset's fair market value, a competent person appointed by the Management Company is entitled to use such other generally recognised valuation method in order to reach a proper valuation of that specific instrument, Global Custodian and the method used shall be clearly documented.

No instruments have been valued in this manner as at 31 December 2021.

(iv) Impairment

The Umbrella Fund recognises loss allowances of expected credit loss ("ECL") on financial assets measured at amortised cost. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Management Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Umbrella Fund's historical experience and informed credit assessment and including forward–looking information.

ECLs are a probability–weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Umbrella Fund expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The amount of expected credit losses is immaterial for financial assets.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. As at 31 December 2021, no financial assets and financial liabilities were offset in the Statement of Financial Position.

Income and expenses are presented on a net basis only when permitted under IFRS, for example, gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

(c) Foreign currency translation

(i) Functional and presentation currency

The functional and presentation currency of the Sub-Fund is the AED which is the currency of the primary economic environment in which it operates. The functional currency of the Sub-Fund has been evaluated by the Management Company based on the currency that most faithfully represents the economic effects of the underlying transactions, events, investors' base and conditions. The presentation currency of the Umbrella Fund is also the AED.

(ii) Transactions and balances

Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency at the closing rate of exchange at the period end date. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

All other foreign currency exchange differences relating to monetary items, including cash are presented in the Statement of Comprehensive Income.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated at the foreign currency exchange rates ruling at the dates that the values were determined.

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

(d) Transaction costs

Transaction costs are incurred on the acquisition or disposal of financial assets or financial liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisors, brokers and dealers, interest or taxes payable in respect of purchase and sale transactions. Transaction costs when incurred are expensed immediately and are included within net gain/loss on financial assets and financial liabilities at fair value through profit and loss in the Statement of Comprehensive Income. Please refer to Note 9 for more details.

(e) Dividend income

Dividends are credited to the Statement of Comprehensive Income on the dates on which the relevant securities are listed as "ex dividend". Income is shown gross of any non-recoverable withholding tax, which is disclosed separately in the Statement of Comprehensive Income, and net of any tax credits.

(f) Bank Interest income and Bank Interest expense

Bank interest income and expenses are recognised in the Statement of Comprehensive Income on an effective yield basis.

(g) Redeemable participating Units

Redeemable participating units are redeemable at the Authorised Participants' option and are classified as financial liabilities in accordance with IAS 32. Any distributions on these units are recognised in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Units.

The Umbrella Fund may accept subscriptions and pay redemptions either in kind or in cash.

(h) Expenses

Expenses are recognised in the Statement of Comprehensive Income on an accrual basis. Only management fees are charged to the Statement of Comprehensive Income and the Investment Manager is responsible for discharging from the management fee, the other operational fees and expenses of the Umbrella Fund including fees and expenses of the Custodian, Administrator, Legal Adviser, Shariah Advisor and other applicable service providers. The Cost of establishing each Sub-Fund and of registering each Sub-Fund in other jurisdictions or with any Market shall also be borne by the Investment Manager.

(i) Gains/(losses) on financial assets and liabilities at fair value through profit or loss

All realised and unrealised gains and losses on securities are recognised as net gain/(loss) on financial assets and financial liabilities at fair value through profit or loss in the Statement of Comprehensive Income. The cost of securities sold is accounted for on an average cost basis.

Unrealised gains and losses consist of movement in the fair value of financial instruments between the opening and closing financial period. Realised gains and losses represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments.

(j) Cash flows

The Umbrella Fund has prepared a Statement of Cash Flows using the direct method, whereby major classes of cash receipts and payments related to operating activities are disclosed.

(k) Distribution policy

The Management Company shall have the authority to declare and pay dividends in respect of the Units in any Sub-Fund in the Umbrella Fund out of the net income of the relevant Sub-Fund less annual management fee

Notes to the Financial Statements (continued)

2. Significant Accounting Policies (continued)

(k) Distribution policy (continued)

Distributions are to be payable in respect of the dividend yielding Class of Units – Class B Income Units.

Distributions in the capital growth Class of Units – Class A Accumulating Units, will be accumulated and reinvested.

(l) Taxation

Under the existing UAE Law and up to the date hereof there are no taxes imposed on income or capital holding and dividends generated through the Sub-Fund.

(m) Cash and cash equivalents and bank overdrafts

Cash comprises of cash on hand and demand deposits. Cash equivalents, if any, are short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant changes in value. Bank overdrafts are short term financing options which are repayable on demand.

3. Financial Risk Management

(a) Investment strategy

The Board of Directors of the Management Company is ultimately responsible for the overall risk management with the Umbrella Fund and has responsibility for identifying and controlling the risk.

(b) Market Risk

Market risk is defined as the risk where the fair value of a financial instrument or future cash flows will fluctuate due to changes in market movements and includes (i) market price risk, (ii) foreign currency risk and (iii) interest rate risk.

(i) Market Price Risk

Market price risk is defined in IFRS 7 as the risk that the fair value of a financial instrument or its future cash flows will fluctuate because of changes in market prices.

The Sub-Fund's assets comprise of quoted investments where a valuation price can be obtained from an exchange or similarly verifiable source. However, the values of these instruments are determined by market forces and there is accordingly a risk that market prices can change in a way that is adverse to the Sub-Fund's performance.

This may affect the price at which the Sub-Fund may liquidate positions to meet redemption requests or other funding requirements.

Sensitivity Analysis

The table below summarises the sensitivity of the Sub-Fund's Net Asset Value to market price movements. It shows the increase/(decrease) in the Net Asset Value for the Sub-Fund's given a 5% movement in the underlying investment prices at the financial period end; all other variables remaining constant (5% is considered to be a reasonable possible change in price):

Sub-Fund	Currency	31 December 2021
Chimera S&P UAE Shariah ETF*	AED	6,920,720

* Chimera S&P UAE Shariah ETF was launched on 20 July 2020.

(ii) Foreign Currency Risk

A Sub-Fund's total return and balance sheet can be significantly affected by foreign exchange rate movements if the Sub-Fund's assets and income are denominated in currencies other than the Base Currency of the Sub-Fund and this means that currency movements may significantly affect the value of a Sub-Fund's Unit price.

At 31 December 2021, the Sub-Fund did not have a significant exposure to foreign currency risk as its investment and cash holdings are denominated in the base currency - AED.

Notes to the Financial Statements (continued)

3. Financial Risk Management (continued)

(b) Market Risk (continued)

(iii) Interest Rate Risk

This is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The majority of the Sub-Fund's financial assets are equity shares and cash balances of the Sub-Fund are not subject to significant interest rate risk. Therefore the Sub-Fund did not have a significant exposure to interest rate risk at 31 December 2021.

(c) Credit Risk

Credit risk is the risk that a counterparty or issuer will be unable to meet a commitment it has entered into with the Umbrella Fund or Sub-Fund.

The Umbrella Fund or Sub-Fund will be exposed to the credit risk of the Global Custodian or any Sub-custodian used by the Global Custodian where cash is held by the Global Custodian or other custodians. In the event of the insolvency of the Global Custodian or other custodians, the Umbrella Fund or Sub-Fund will be treated as a general creditor of the Global custodian or other custodians in relation to cash holdings of the Umbrella Fund.

The Sub-Fund's equity securities are however maintained by the Global Custodian or other custodians in segregated accounts and should be protected in the event of insolvency of the Global Custodian or other custodians.

As at 31 December 2021, the Global Custodian had a long term credit rating from Standard & Poor's of AA-.

(d) Liquidity Risk

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

In normal market conditions, the assets of the Sub-Fund comprise mainly realisable investments which can be readily sold. A Sub-Fund's main liability is the redemption of any units that investors wish to sell. In general, the investments, including cash, of the Sub-Fund are managed so that it can meet its liabilities. If the size of the disposals are sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the Net Asset Value of the Sub-Fund. The Umbrella Fund employs an appropriate liquidity risk management process, in order to ensure that each Sub-Fund is able to comply with its stated redemption obligations. However, it is possible that in the type of circumstances described above, a Sub-Fund may not be able to realise sufficient assets to meet all redemption requests that it receives or the Umbrella Fund may determine that the circumstances are such that meeting some or all of such requests is not in the best interests of the Unitholders in a Sub-Fund as a whole. In such circumstances, the settlement of redemption proceeds may be delayed and / or the Umbrella Fund may take the decision to apply the redemption restrictions allowed by the Prospectus.

The following table analyses the Sub-Fund's financial liabilities into relevant maturity groupings based on the remaining period at financial period ended 31 December 2021 to the contractual maturity date.

Chimera S&P UAE Shariah ETF*
As at 31 December 2021

	Less than 1 month AED	Total AED
Accrued Management fees	339,191	339,191
Net assets attributable to holders of redeemable participating units	139,001,260	139,001,260
	139,340,451	139,340,451

* Chimera S&P UAE Shariah ETF was launched on 20 July 2020.

Notes to the Financial Statements (continued)

3. Financial Risk Management (continued)

(e) Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Umbrella Fund cannot expect to eliminate all operational risks, but through a control framework and by monitoring and responding to potential risks, the Umbrella Fund is able to manage the risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes.

(f) Capital Management Risk

The Sub-Fund's capital is represented by the number of units outstanding. The objective of the Sub-Fund is to invest the subscription amounts in equities on the S&P UAE Domestic Shariah Liquid 35/20 Capped Index (the "Index") with a view to providing a Shariah compliant total return, taking into account capital and income returns, which reflects the return of the Index.

The Sub-Fund aims to deliver this objective mainly through 100% replication of the securities contained in the Index per the investment guidelines while maintaining sufficient liquidity to meet unit holders' redemptions. The Sub-Fund has complied with the externally imposed requirements.

(g) Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

IFRS 13 'Fair Value Measurement' requires disclosure relating to the fair value hierarchy in which fair value measurements are categorised as assets and liabilities in the Statement of Financial Position.

The disclosures are based on a three-level fair value hierarchy for the inputs used in valuation techniques to measure fair value. The fair value of financial assets and financial liabilities traded in an active market (such as trading securities) are based on quoted market prices at the close of trading on the reporting date.

A financial instrument is regarded as quoted in an active market if the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included within Level 1 of the hierarchy.

The fair value of financial assets and financial liabilities that are not traded in an active market is determined by using valuation techniques. The Umbrella Fund uses a variety of methods and makes assumptions that are based on market conditions existing at the reporting date. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- 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 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Transfers are deemed to occur at the end of the financial period.

The following tables provides an analysis of financial instruments at 31 December 2021 that are measured at fair value in accordance with IFRS 13:

Notes to the Financial Statements (continued)

3. Financial Risk Management (continued)

(g) Fair Value (continued)

Chimera S&P UAE Shariah ETF*

Financial Assets at Fair Value through Profit or Loss

	As at 31 December 2021			
	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
Equities	138,414,403	–	–	138,414,403
Total	**138,414,403**	**–**	**–**	**138,414,403**

* Chimera S&P UAE Shariah ETF was launched on 20 July 2020.

There were no transfers between levels during the financial period ended 31 December 2021 for the Sub-Fund.

Financial Instruments not measured at Fair Value

The financial instruments not measured at fair value as at 31 December 2021 are short-term financial assets and financial liabilities whose carrying amounts are a reasonable approximation of fair value.

4. Unit Capital

The Sub-Fund's authorised redeemable share capital is made up of 19,750,000 of Class A Accumulating Units and 1,250,000 of Class B Income Units with par values of AED 6.631 per unit and AED 6.438 per unit respectively. Both Unit Classes carry equal voting rights. They are entitled to a proportionate share of the Sub-Fund's net assets attributable to holders of redeemable units. Class A is an accumulating share class and Class B is a dividend distributing share class.

The Unit capital of the Sub-Funds shall at all times be equal to the Net Asset Value of the Umbrella Fund for the purpose of the Annual Financial Statements. The Management Company is empowered to issue any number of Units of no-par value in the Sub-Funds of the Umbrella Fund at the Net Asset Value per Unit on such terms as they may think fit subject to the required approval of Securities and Commodities Authority. There are no rights of pre-emption upon the issue of Units in the Sub-Funds of the Umbrella Fund.

Each of the Units entitles the Investors to participate equally on a pro rata basis in the dividends and net assets of the Sub-Fund which issued the Unit, attributable to the relevant Class in respect of which they are issued, save in the case of dividends declared prior to becoming an Investor. The Subscriber Units' entitlement is limited to the amount subscribed and accrued income thereon.

The proceeds from the issue of Units shall be applied in the books of the Umbrella Fund to the relevant Sub-Fund and shall be used in the acquisition on behalf of the relevant Sub-Fund of assets in which the Sub-Fund may invest. The records and accounts of each Sub-Fund shall be maintained separately.

No Class of Units confers on the holder thereof any preferential or pre-emptive rights or any rights to participate in the profits and dividends of any other Class of Units or any voting rights in relation to matters relating solely to any other Class of Units.

The Management Company shall have the authority to issue fractional Units for a Sub-Fund. Fractional Units may be issued and shall not carry any voting rights. The Net Asset Value of any fractional Unit shall be the Net Asset Value per Unit adjusted in proportion to the fraction.

Notes to the Financial Statements (continued)

4. Unit Capital (continued)

During the financial period ended 31 December 2021 the number of Units issued and redeemed were as follows:

	Chimera S&P UAE Shariah ETF* Financial Period 20 July 2020 to 31 December 2021
Class A Accumulating Units	
Balance at beginning of period	–
Units issued**	20,000,000
Units redeemed**	(250,000)
Balance at end of period	**19,750,000**
Class B Income Units	
Balance at beginning of period	–
Units issued**	1,750,000
Units redeemed**	(500,000)
Balance at end of period	**1,250,000**

* Chimera S&P UAE Shariah ETF was launched on 20 July 2020.

** Includes in-kind transactions of 20,000,000 units valued at AED 86,888,500 for units issued and 250,000 units valued at AED 1,185,250 for units redeemed for Class A Accumulating Units and 1,750,000 units valued at AED 8,187,000 for units issued and 500,000 units valued at AED 2,413,000 for units redeemed for Class B Income Units respectively.

5. Net Gains on Financial Assets at Fair Value Through Profit or Loss

	Chimera S&P UAE Shariah ETF* Financial Period 20 July 2020 to 31 December 2021 AED
Net realised gains on sale of financial assets at FVTPL	8,391,085
Net change in unrealised appreciation on financial assets at FVTPL	36,479,435
Net gains on financial assets at fair value through profit or loss	44,870,520

* Chimera S&P UAE Shariah ETF was launched on 20 July 2020.

6. Cash and Cash Equivalents

Cash and cash equivalents held at the financial period ended 31 December 2021 are held with The Bank of New York Mellon, London Branch (the "Global Custodian").

The Standard & Poor's long term credit rating of the Global Custodian was AA- at 31 December 2021.

7. Taxation

Under the existing UAE Law and up to the date hereof there are no taxes imposed on income or capital holding and dividends generated through the Fund.

Notes to the Financial Statements (continued)

7. Taxation (continued)

The relevant authorities in the United Arab Emirates may impose VAT on certain services and goods, including services provided by the Investment Manager or Management Company to the sub-fund. The Annual Management Fee does not include such taxes. The Sub-Fund shall bear any VAT imposed in the United Arab Emirates on such services provided by the Investment Manager or the Management Company of the Sub-Fund in accordance with the Prospectus.

Currently there are no control restrictions applicable to currency or exchange rate under UAE laws and free transfer of currency from and to the UAE is permitted, subject to the international provisions applicable from time to time.

8. Expenses

The Umbrella Fund shall pay to the Investment Manager out of the Sub-Fund's assets an annual Management Fee of 1% of the Sub-Fund's average daily Net Asset Value. The Investment Manager is responsible for discharging all operational expenses, including but not limited to, fees and expenses of the Custodian, Administrator, Paying Agent, Legal Adviser, Shariah Advisor and any other service advisors, the costs of maintaining the Sub-Funds and any registration of the Sub-Funds with any governmental or regulatory authority; preparation, printing, and posting of Prospectuses, sales literature and reports, regulatory fees of the Securities & Commodities Authority and other governmental or regulatory agencies (if applicable); marketing expenses; insurance premiums; fees and expenses for legal, audit and other services; paying for sublicensing fees related to each Sub-Fund's Index and any distribution fees or expenses but excluding interest, taxes including (but not limited to) VAT (if any) imposed in the United Arab Emirates and borne by the Sub-Fund, brokerage commissions and other expenses connected with execution of portfolio transactions, and extraordinary expenses.

The costs of establishing each Sub-Fund and of registering each Sub-Fund in other jurisdictions or with any Market shall also be borne by the Investment Manager.

In the event that a Sub-Fund's operational, establishment and/or registration expenses combined exceed the stated annual management fee, the Investment Manager shall discharge any excess out of its own assets. If it is proposed to increase the level of the management fee, this will be reflected in an updated version of the Prospectus and will be subject to approval by the majority of votes of Unit Holders passed at a general meeting of the relevant Sub-Fund and notified to the relevant parties, subject to the approval from Securities and Commodities Authority.

All of the fees shall be calculated daily and shall accrue daily by reference to the Net Asset Value of a Sub-Fund on the last Dealing Day and shall be payable monthly or quarterly in arrears.

9. Transaction Costs

Transaction costs on purchases and sales of equities are borne by the Sub-Fund and included within net gains/(losses) on investments in the Statement of Comprehensive Income. Purchases and sales transaction costs also include brokerage fees and commission, interest or taxes payable.

Transactions costs incurred on purchases and sales during the financial period from 20 July 2020 (date of launch) to 31 December 2021 amounted to AED 63,814.

10. Related Parties transactions

According to IAS 24 Related Parties, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions or is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. The following related party relationships and transactions have been identified. The Management Company and the Investment Manager are considered as key management personnel for this purpose.

Notes to the Financial Statements (continued)

10. Related Parties transactions (continued)

The Investment Manager is entitled to receive out of the Sub-Fund's assets an annual Management Fee of 1% of the Sub-Fund's daily Net Asset Value. The Investment Manager is responsible for discharging all operational expenses, including but not limited to, fees and expenses of the Custodian, Administrator, Paying Agent, Legal Adviser, Shariah Advisor and any other service advisors, the costs of maintaining the Sub-Funds and any registration of the Sub-Funds with any governmental or regulatory authority; preparation, printing, and posting of Prospectuses, sales literature and reports, regulatory fees of the Securities & Commodities Authority and other governmental or regulatory agencies (if applicable); marketing expenses; insurance premiums; fees and expenses for legal, audit and other services; paying for sublicensing fees related to each Sub-Fund's Index and any distribution fees or expenses but excluding interest, taxes including (but not limited to) VAT (if any) imposed in the United Arab Emirates and borne by the Sub-Fund, withholding taxes on distribution/dividends in the relevant markets, brokerage commissions and other expenses connected with execution of portfolio transactions, and extraordinary expenses.

The Investment Manager earned fees for investment management services of AED 1,225,939 during the financial period ended 31 December 2021 of which AED 339,191 was outstanding at 31 December 2021. As with the other expenses, the fees are paid out of the annual management fee paid to the Management Company.

In the event that a Sub-Fund's operational, establishment and/or registration expenses combined exceed the stated annual management fee, the Investment Manager shall discharge any excess out of its own assets.

During the financial period ended 31 December 2021, the Investment Manager paid AED 1,997,917 on behalf of the Sub-Fund, relating to operational expenses in excess of the management fee. At 31 December 2021, AED 465,487 was due to be paid by the Investment Manager in relation to such excess expenses.

At 31 December 2021, the Umbrella Fund had five Authorised Participants, Al Damman Securities LLC, Arqaam Securities LLC, BHM Capital Financial Services PrJSC, EFG Hermes UAE LLC and International Securities LLC, through which unit transactions are conducted on the primary market. International Securities is a related party to Umbrella fund and the management company.

11. Contingent Liabilities and Commitments

There were no contingent liabilities or commitments as at the financial period ended 31 December 2021.

12. Segregation of Liability

The Umbrella Fund is an Umbrella Fund with segregated liability between Sub-Funds and each Sub-Fund may comprise one or more Classes of Units in the Sub-Fund. The Management Company may, from time to time, upon the prior approval of the Securities & Commodities Authority, establish further Sub-Funds and establish one or more separate Classes of Units within each Sub-Fund on such terms as the Management Company may resolve.

13. Soft Commissions

There were no soft commission arrangements entered into by the Umbrella Fund and the Sub-Fund during the financial period ended 31 December 2021.

14. Distributions

Distributions from the Sub-Fund during the financial period ended 31 December 2021 were as follows:

Unit Class	Ex Date	Pay Date	Dividend per Redeemable Participating Unit	Amount AED
Class B Income Units	24 June 2021	30 June 2021	0.1080	81,000
Class B Income Units	15 December 2021	10 January 2022	0.0619	77,375
			Total	**158,375**

15. Significant Events during the Financial Period

The Chimera S&P UAE Shariah ETF was launched on 20 July 2020.

Notes to the Financial Statements (continued)

15. Significant Events during the Financial Period (continued)

An amendment to the Prospectus was made on 4 November 2021 and a further amendment was made on 16 December 2021. The amendments were to reflect details around the intended launches of the Chimera S&P KSA Shariah ETF and the Chimera S&P Kuwait Shariah ETF.

Up to 30 August 2021, the Legal Advisers was Herbert Smith Freehills LLP. Effective 31 August 2021, the Legal Advisers changed to Norton Rose Fulbright (Middle East) LLP.

Dar Al Sharia Limited was appointed as Shariah Advisors to oversee matters of Shariah compliance for Shariah-compliant sub-funds.

Effective 9 December 2021, Al Damman Securities (LLC) was appointed as an Authorised Participant to the Sub-Fund.

The outbreak of the Coronavirus (COVID-19), declared by the World Health Organisation as a global pandemic on 11 March 2020, continues to impact many aspects of daily life and the global economy. The pandemic and the measures taken to tackle COVID-19, including the development and roll out of vaccines globally, continue to affect economies and public equity markets

globally. The success of vaccine programs are expected to have a major impact on the speed and nature of economic recovery but the timing and form of the recovery remains uncertain, particularly with the emergence of new strains of COVID-19.

All service providers have enacted their respective business continuity plans and the Management Company will continue to monitor this situation closely. There have been no significant operational issues affecting the Umbrella Fund or its service providers since the COVID-19 pandemic began.

Other than the above, there have been no significant events that require disclosure in the financial statements.

16.Events after the Financial Period End

The Chimera S&P KSA Shariah ETF was launched on 17 January 2022 issuing one Unit Class, Class B Income, which is listed on the Abu Dhabi Stock Exchange.

The Chimera S&P Kuwait Shariah ETF was launched on 21 February 2022 issuing one Unit Class, Class B Income, which is listed on the Abu Dhabi Stock Exchange.

There have been no other significant events after the financial period end that require disclosure in the financial statements.

17.Valuation Point

As 31 December 2021 was a non-business day in the UAE, the valuation point and prices used for the valuation of investments was that of 30 December 2021 being the last business day in the financial year for the relevant market.

18.Approval of Annual Report and Audited Financial Statements

The Annual Report and Audited Financial Statements were approved by the Board of Directors of the Management Company on 10 March 2022.

Schedule of Investments
As at 31 December 2021

Chimera S&P UAE Shariah ETF*

Security Description	Nominal	Fair Value AED	% of Net Assets
Equities: 99.58%			
United Arab Emirates: 99.58%			
Abu Dhabi Islamic Bank PJSC	1,547,299	10,629,944	7.65
Abu Dhabi National Oil Co for Distribution PJSC	2,310,949	9,867,752	7.10
AL Yah Satellite Communications Co-PJSC-Yah Sat	784,443	2,149,374	1.55
Aldar Properties PJSC	4,424,034	17,651,896	12.70
Amanat Holdings PJSC	1,065,046	1,224,803	0.88
Aramex PJSC	917,947	3,763,583	2.71
Dana Gas PJSC	4,498,352	4,768,253	3.43
Deyaar Development PJSC	2,740,199	1,328,996	0.96
Dubai Islamic Bank PJSC	3,776,005	20,314,907	14.61
Emaar Properties PJSC	4,654,281	22,759,434	16.37
Emirates Telecommunications Group Co PJSC	1,329,533	42,146,196	30.32
Eshraq Investments PJSC	1,190,289	423,743	0.30
Islamic Arab Insurance Co	566,398	431,029	0.31
Manazel PJSC	1,821,552	954,493	0.69
Total United Arab Emirates		**138,414,403**	**99.58**
Total Equities		**138,414,403**	**99.58**
Total Financial assets at fair value through profit or loss		**138,414,403**	**99.58**
Cash and cash equivalents		**783,179**	**0.56**
Dividends receivable		**142,869**	**0.10**
Accrued Management fees		**(339,191)**	**(0.24)**
Total Net assets attributable to holders of redeemable participating units		**139,001,260**	**100.00**

* Chimera S&P UAE Shariah ETF was launched on 20 July 2020.