

**NEWFUNDS SHARIAH TOP 40 SA INDEX ETF PORTFOLIO**

Share code: NFSH40  
ISIN: ZAE000130431

Portfolios in the NewFunds Collective Investment Scheme in Securities registered as such in terms of the Collective Investment Schemes Control Act, 45 of 2002 and managed by NewFunds (RF) Proprietary Limited (Registration Number 2005/034899/07) ("NewFunds")

**DISTRIBUTION ANNOUNCEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2022**

NewFunds has today finalised a distribution to holders of ETF securities ("investors") recorded as such in the register on Friday, 21 October 2022, for the quarter ended 30 September 2022 as follows:

Alpha Code: NFSH40	Dividend	Dividend	Dividend (64N<DTA)	Total
Distribution Source type	Local	Foreign SA Listed	Foreign SA Listed	
Net Distribution Reinvested	No	No	No	
Source of Funds (Country Code)	ZA	GB	NL (NRP)	
Subject to Foreign Withholding tax	No	No	Yes	
Gross Foreign Rate (cents per unit)		1.56822	0.32064	
Foreign Tax % withheld at source			15%	
Foreign Tax amount per unit			0.04810	
DTA with Source Country			10%	
Foreign Tax Reclaim %			5%	
Portfolio/Management Cost			0.00883	
Interest Expense				
Other costs				
Gross ZA Distribution (Cents per unit)	9.65194	1.56822	0.26372	11.48388
***Applicable to non-exempt South African shareholders				
Gross Local Rate (cents per unit)	9.65194	1.56822	0.31181	
SA Withholding Tax %	20%	20%	10%	
SA Withholding Tax amount per unit	1.93039	0.31364	0.03118	
Local Net Rate	7.72155	1.25458	0.23253	9.20866

Notice is hereby given that the following dates are of importance in regard to the distribution by the above ETF for the quarter ended 30 September 2022:

Declaration/ Finalisation date	Thursday, 13 October 2022
Last day to trade "cum" distribution	Tuesday, 18 October 2022
Securities trade "ex" distribution	Wednesday, 19 October 2022
Record date	Friday, 21 October 2022
Payment date	Monday, 24 October 2022

The distribution will be paid on Monday, 24 October 2022 to all securities holders recorded on the register on Friday, 21 October 2022.

Investors qualifying for exemption from DWT or a reduced rate of DWT per Double Tax Agreement ("DTA"), will receive, in cash, a distribution amount of the applicable DWT, provided they have completed and timeously lodged with the relevant intermediary the prescribed declaration and undertaking form. Failure to do so will result in the dividends tax being withheld in full.

Withholding Tax on Interest (WTI) came into effect on 1 March 2015.

Interest accruing from a South African source to a non-resident, excluding a controlled foreign company, will be subject to withholding tax at a rate of 15% on payment, except interest,

- arising on any Government debt instrument
- arising on any listed debt instrument
- arising on any debt owed by a bank or the South African Reserve Bank
- arising from a bill of exchange or letter of credit where goods are imported into South Africa and where an authorized dealer has certified such on the instrument
- payable by a headquarter company
- accruing to a non-resident natural person who was physically present in South Africa for a period exceeding 183 days in aggregate, during that year, or carried on a business through a permanent establishment in South Africa

Investors are advised that to the extent that the distribution amount comprise of any interest, it will not be subject to WTI by virtue of the fact that it is Government debt, listed debt instruments and/or

Holders of Shariah ETF securities

Holders of Shariah ETF securities ("investors") are advised that the appropriate purification of dividends, through the donation of 5% of the dividends to charity, needs to be effected by each investor. Absa Islamic Banking's Shari'ah Supervisory Board ("SSB") has provided the following list of approved charitable institutions. The list is not exhaustive and it is therefore not obligatory to use one of the specified charities:

1. Al Furqaan Orphanage (Gauteng)
2. Gift of the Givers (RSA)
3. SANZAF (RSA)
4. Africa Muslims Agency (RSA)
5. Al-Imdaad Foundation
6. Muslim Hands (RSA)
7. Islamic Relief Agency (RSA)
8. Bait-ul-Khair (Gauteng)
9. TIBA Services for the Blind (Gauteng)
10. Mustadafin Foundation (www.mustadafin.com)

\*Investors should seek advice from their tax advisor on whether the tax rate shown is applicable to them.

South African tax resident investors relating to REITs

\*\* The dividend distribution by a REIT received by South African tax residents must be included in their gross income and will not be exempt in terms of the ordinary dividend exemption in section 10(1)(k)(i) of the Income Tax Act No. 58 of 1962 ("the Act") as a result of paragraph (aa) of the proviso thereto which provides that dividends distributed by a REIT are not exempt from income tax. No dividend withholding tax will be deducted from dividends payable to a South African tax resident qualifying for exemption from dividend withholding tax provided that the investor has provided the following forms to their Central Securities Depository Participant ("CSDP") or broker, as the case may be in respect of its participatory interest:

- a) a declaration that the distribution is exempt from dividends tax; and
- b) a written undertaking to inform their CSDP or broker, as the case may be, should the circumstances affecting the exemption change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the South African Revenue Service. South African tax resident investors are advised to contact their CSDP or broker, as the case may be, to arrange for the abovementioned documents to be submitted prior to payment of the distribution, if such documents have not already been submitted.

Non-resident investors for South African income tax purposes

The dividend distribution received by non-resident investors will be exempt from income tax in terms of section 10(1)(k)(i) of the Act, but will be subject to dividend withholding tax. Dividend withholding tax is levied at a rate of 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the non-resident investor.

A reduced dividend withholding rate in terms of the applicable DTA may only be relied on if the non-resident investor has provided the following forms to their CSDP or broker, as the case may be in respect of its participatory interest:

- a) a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
- b) a written undertaking to inform the CSDP or broker, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the South African Revenue Service. Non-resident investors are advised to contact their CSDP or broker, as the case may be, to arrange for the abovementioned documents to be submitted prior to the payment of the distribution if such documents have not already been submitted.

Both resident and non-resident investors are encouraged to consult their professional advisors should they be in any doubt as to the appropriate action to take.

Additional information:

	Number of securities in issue	Tax reference number
NFSH40	15,575,446	9403872162

13 October 2022

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