

2019

ANNUAL REPORT

MyETF

MYETF DOW JONES U.S.
TITANS 50

Manager:
i-VCAP Management Sdn Bhd
(792968-D)

WWW.MYETF.COM.MY

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INTRODUCTION

MyETF Dow Jones U.S. Titans 50 or MyETF-US50 is the first USD denominator Shariah exchange-traded-fund (“ETF”) introduced in Malaysia. It is designed to provide investment results that closely correspond to the performance of its Benchmark Index i.e. Dow Jones Islamic Market U.S. Titans 50 (“DJUS50 Index”).

MyETF-US50 was listed on the Main Market of Bursa Securities on 20 February 2018. The stock short name and stock number for MyETF-US50 are “METFUS50” and “0827EA” respectively.

The benchmark index, Dow Jones Islamic Market U.S. Titans 50, shall comprise of 50 largest companies (by float-adjusted market capitalisation) listed on the relevant exchanges which have passed rules-based screens for Shariah compliance of S&P Dow Jones Indices. Provided by S&P Dow Jones, the index is constructed and computed based on the robust methodology established by S&P Dow Jones in terms of investability and Shariah aspects.

FUND INFORMATION

Manager : i-VCAP Management Sdn. Bhd. (792968-D)

Registered/Business Address

Level 8, Block B, Plaza Zurich
No. 12 Jalan Gelenggang
Bukit Damansara
50490 Kuala Lumpur
Malaysia
Tel. No.: (+603) 2093 7119
Fax No.: (+603) 2094 7119

Board of Directors

(Please refer to pages 57-61 for profile of the Directors)

Roslina Abdul Rahman

Chairman/Non-Independent Non-Executive Director

(appointed Director effective 1 August 2018 and appointed Chairman effective 22 January 2019)

Khairi Shahrin Arief Bin Baki

Non-Independent Executive Director / Chief Executive Officer

Datuk Dr Syed Muhamad Bin Syed Abdul Kadir

Independent Non-Executive Director

(appointed effective 1 January 2019)

Mohd Asri Bin Awang

Independent Non-Executive Director

(appointed effective 1 January 2019)

Rosli Bin Abdullah

Chairman / Independent Non-Executive Director

(resigned effective 31 December 2018)

Hassan Bin Ibrahim

Independent Non-Executive Director

(resigned effective 31 December 2018)

Y.M. Tunku Afwida Binti Tunku A. Malek

Independent Non-Executive Director

(resigned effective 31 December 2018)

Datuk Mohd. Nasir Bin Ali

Independent Non-Executive Director

(resigned effective 31 December 2018)

FUND INFORMATION (*continued*)

Manager (continued)	: <u>Company Secretary</u> Firdaus Bin Ahmad Radhi (LS0009423) <i>(resigned effective 30 June 2019)</i> Mirza Binti Mohamad (MAICSA 7051997) Level 8, Block B, Plaza Zurich No. 12 Jalan Gelenggang Bukit Damansara 50490 Kuala Lumpur Malaysia Tel. No. (+603) 2788 5111
Trustee	: CIMB Islamic Trustee Berhad (167913-M) <u>Registered address</u> Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia <u>Business address</u> Level 21, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Tel. No. (+603) 2261 8888 Fax No. (+603) 2261 9894
Custodian (Trustee's Delegate) (Please refer to page 67 for Trustee's Delegate information)	: CIMB Islamic Bank Berhad (671380-H) <u>Registered address</u> Level 13, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Malaysia <u>Business address</u> Level 21, Menara CIMB Jalan Stesen Sentral 2 Kuala Lumpur Sentral 50470 Kuala Lumpur Tel. No. (+603) 2261 8888 Fax No. (+603) 2261 9894

FUND INFORMATION *(continued)*

- Auditor of the Manager and the Fund** : PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146)
Level 10, 1 Sentral
Jalan Rakyat
Kuala Lumpur Sentral
50470 Kuala Lumpur
- Tel. No. (+603) 2173 1188
Fax No. (+603) 2173 1288
- Tax Consultant** : PricewaterhouseCoopers Taxation Services Sdn. Bhd. (464731-M)
Level 15, 1 Sentral
Jalan Rakyat
Kuala Lumpur Sentral
50470 Kuala Lumpur
- Tel. No. (+603) 2173 1188
Fax No. (+603) 2173 1288
- Fund Accountant** : Citibank N.A. Singapore Branch
8, Marina View,
Asia Square, Tower 1
Singapore 018960
- Tel. No. (+65) 6225 5225
Email APAC.FA.MYS.FUNDACCT@citi.com
Website www.citibank.com.sg
- Shariah Adviser** : IBFIM (763075-W)
(Please refer to pages 68-69 for corporate information, experience and details of the designated person for the Shariah Adviser)
Suite 13.03, 13th Floor
Menara Tan & Tan
207 Jalan Tun Razak
50400 Kuala Lumpur
- Tel. no.: (+603) 2031 1010
Fax no.: (+603) 2078 5250
Email: info@ibfim.com
Website: www.ibfim.com
- Participating Dealers** : CIMB Bank Berhad (13491-P)
Level 13, Menara CIMB
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50470 Kuala Lumpur
Malaysia
- Tel. No. (+603) 2261 8888
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FUND INFORMATION (*continued*)

Index Licensor : S&P Opco, LLC
55 Water Street, New York
New York 10041
United States of America

Tel. No. (+1) 212 438 3544
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Share Registrar : Boardroom Share Registrars Sdn. Bhd. (378993-D)
(formerly known as Symphony Share Registrars Sdn. Bhd.)
Level 6, Symphony House
Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
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Email bsr.helpdesk@boardroomlimited.com

MANAGER'S REPORT

For the Financial Period 1 July 2018 to 30 June 2019

Name of Fund	: MyETF Dow Jones U.S. Titans 50 (“MyETF-US50” or “the Fund”)
Type of Fund	: Exchange Traded Fund
Fund Category	: Shariah-Compliant Equity
Commencement Date	: 20 February 2018
Listing Date	: 28 February 2018
Benchmark Index	: Dow Jones Islamic Market U.S. Titans 50 Index (“DJUS50 Index”)
Manager	: i-VCAP Management Sdn. Bhd. (“i-VCAP”)

1. Investment Objective

MyETF-US50 aims to provide investment results that closely correspond to the performance of the Benchmark Index, regardless of its performance.

2. Benchmark Index

The Benchmark Index, namely the Dow Jones Islamic Market U.S. Titans 50 Index is a float-adjusted market capitalisation weighted, price return index calculated, maintained and published by S&P Dow Jones Indices.

The Benchmark Index was created with a base date of 29 December 1995 by S&P Dow Jones Indices and was constructed based on a reference value of 1000. The Benchmark Index is designed as a performance benchmark of blue-chip companies that are listed on primary stock exchanges in the U.S. The Benchmark Index consists of the 50 largest companies by float-adjusted market capitalisation listed on the Relevant Exchanges which have passed rules-based screens for Shariah compliance.

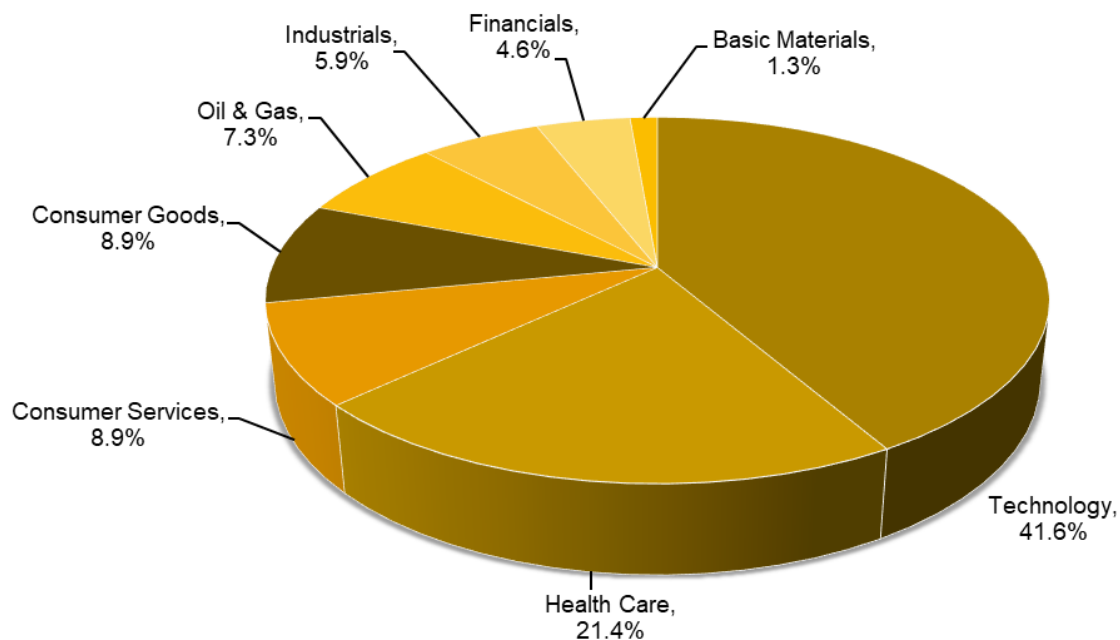
During the reporting period, the constituent securities of the Benchmark Index are listed on the New York Stock Exchange (“NYSE”) and National Association of Securities Dealers Automated Quotation System (“Nasdaq”).

The universe for selection of the constituents of the Benchmark Index is the constituents of the Parent Index. The Parent Index, namely the Dow Jones Islamic Market World Index, is a float-adjusted market capitalisation weighted index that is designed to measure performance of the global universe of investable equities that pass screens for Shariah compliance.

The Benchmark Index employs a modified market capitalization weighting scheme¹. The weight of each individual constituent is capped at 10% of the Benchmark Index. The Parent Index and Benchmark Index consist only of companies that passed the Shariah Compliance Screens published under the Dow Jones Islamic Market Indices Methodology. The Shariah Compliance Screens has been approved by the Shariah Supervisory Board of S&P Dow Jones Indices which consists of experienced Shariah scholars from around the world. The Shariah Supervisory Board determines the Shariah compliance framework of the Benchmark Index and shall review, propose or advise S&P Dow Jones Indices on matters relating to the said Shariah compliance framework.

Based on the Fund's quoted Investments as at 30 June 2019, the sector allocation of DJUS50 Index based on S&P Dow Jones sector classifications are as follows:

Chart 1: Sector Classification – S&P Dow Jones



Source: S&P Dow Jones

¹ Maximum weights on the effective rebalancing dates are equal to the lesser of the companies' float-adjusted market capitalization weight or 10% of the Benchmark Index.

3. Investment Strategy

The Manager will generally adopt a replication strategy to manage the Fund. The Manager may use techniques including indexing via full or partial replication in seeking to achieve the investment objective of the Fund, subject to conformity with Shariah Investment Guidelines.

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

4. Fund Performance

MyETF-US50 which had its prospectus launched on 15 January 2018, was initially created at USD1.00 per unit at the close of 20 February 2018. Subsequently, the Fund debut its listing on Bursa Securities on 28 February 2018 with total units in circulation of 11.8 million.

Since inception, the Fund's NAV has tracked the performance of the underlying benchmark, i.e. DJUS50 Index, in line with Fund's objective to correspond closely to the performance of the Benchmark Index. As at 30 June 2019 the tracking error of the Fund and the Benchmark Index on both Price Return and Total Return basis were 0.15%. The difference between the performance of the Fund and its Benchmark Index can largely be attributed to the Fund's operational costs.

The Fund's NAV per unit increased by 10.69% to USD1.1226 from USD1.0142 for the financial year ended 30 June 2019. Comparatively, the Benchmark Index and Benchmark's Total Return Index (DJUS50 Total Return Index) increased by 10.32% and 11.86% respectively. The difference between the performance of the Fund and its Benchmark Index can largely be attributed to the Fund's operational costs.

The Fund's units that are listed on Bursa Malaysia increased by 16.49% for FY2019. The Fund's price per unit were generally traded at premium to the Fund's NAV per unit during the year.

Total units in circulation for the Fund increase slightly to 13.0 million from 12.1 million on a net creation of 0.9 million units for FY2019.

The key statistics for FY2019 are summarized as follows:

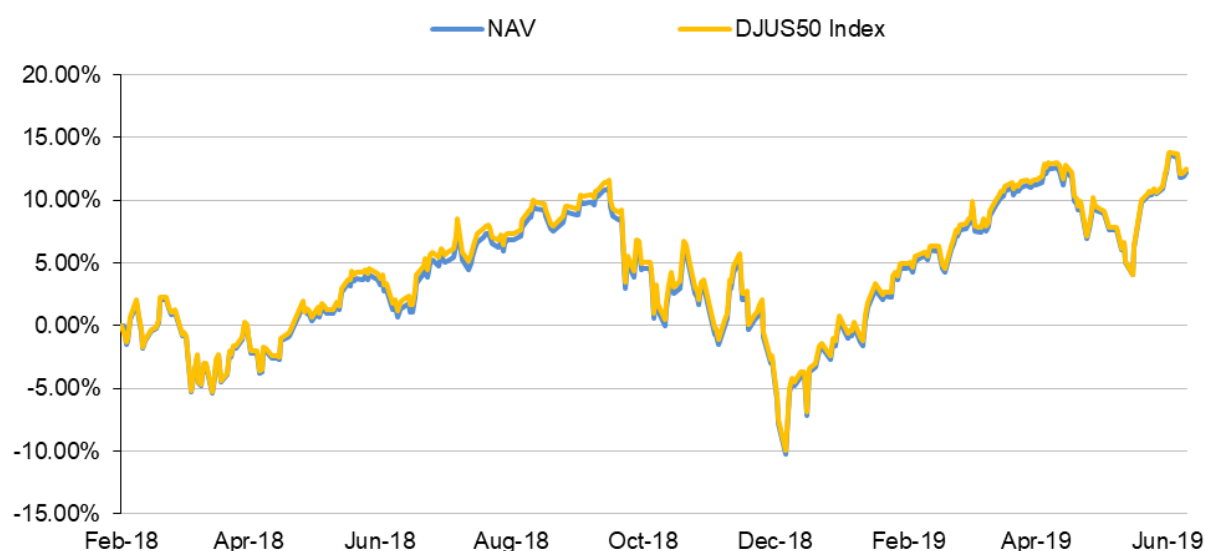
Table 1: Key Statistics

	As at 30-Jun-19	As at 30-Jun-18	YoY change
NAV per unit (USD)	1.1226	1.0142	10.69%
- Highest	1.1358 (21 Jun)	1.0407 (14 Jun)	
- Lowest	0.8980 (24 Dec)	0.9465 (2 Apr)	
<i>(During the period)</i>			
Price per unit (USD)	1.1300	0.9700	16.49%
- Highest	1.1500 (25 Jun)	1.0350 (7 Jun)	
- Lowest	0.9000 (26 Dec)	0.9550 (23 Mar)	
<i>(During the period)</i>			
Units in Circulation	13,012,300	12,112,300	7.43%
Total NAV (USD)	14,607,839	12,284,162	18.92%
Market Capitalisation (USD)	14,703,899	11,748,931	25.15%
DJUS50 Index	5,385.51	4,881.57	10.32%
DJUS50T Index	7,629.73	6,820.94	11.86%
Tracking Error vs. Price Return DJUS50 Index (%)*	0.15	0.13	
Tracking Error vs. Total Return DJUS50 Index (%)*	0.15	0.13	
Management Expense Ratio (%)	0.64	0.65	

Sources: Bloomberg, i-VCAP

* The tracking error (calculated since inception and on daily basis) between the NAV per unit of the Fund and the Price Return and Gross Return Benchmark Index

Chart 2: Fund NAV Per Unit vs. Benchmark Index – Performance Since Inception



Sources: Bloomberg, i-VCAP

Note: Past performance is not necessarily indicative of future performance. Unit price and investment return may go up as well as down.

Table 2(a): Annual Returns

	YTD (%)	2018 (%)
MyETF-US50 - NAV Price Return ^(a)	17.00	1.42
DJUS50 - Price Return Index	16.87	2.01
MyETF-US50 - NAV Total Return ^(a)	17.00	1.42
DJUS50 - Total Return Index	17.69	2.48

Sources: Bloomberg, i-VCAP

(a) Independently sourced from Novagni Analytics and Advisory Sdn. Bhd.

Table 2(b): Cumulative Returns

	Cumulative Returns ^(b)	
	1-year (%)	Since Inception * (%)
MyETF-US50 - NAV Price Return ^(a)	10.69	12.26
DJUS50 - Price Return Index	10.32	12.55
MyETF-US50 - NAV Total Return ^(a)	10.69	12.26
DJUS50 - Total Return Index	11.86	14.63

Sources: Bloomberg, i-VCAP

(a) Independently sourced from Novagni Analytics and Advisory Sdn. Bhd.

(b) Cumulative returns are up to 31 December 2017.

* The Fund commencement date on 20 February 2018

Table 2(c): Average Returns (Annualised)

	Average Returns ^(b)	
	1-year (%)	Since Inception * (%)
MyETF-US50 - NAV Price Return ^(a)	10.69	8.88
DJUS50 - Price Return Index	10.32	9.23
MyETF-US50 - NAV Total Return ^(a)	10.69	8.88
DJUS50 - Total Return Index	11.86	10.77

Sources: Bloomberg, i-VCAP

(a) Independently sourced from Novagni Analytics and Advisory Sdn. Bhd.

(b) Average returns for both DJUS50 Price Return Index and DJUS50 Total Return Index are annualized figures computed based on the price and total returns for the respective period.

* Performance from inception date on 20 February 2018.

S&P Dow Jones performed four quarterly reviews in a year (in March, June, September and December) and rebalanced the composition of the Benchmark Index in accordance with its index methodology. The quarterly review in September and December had resulted in changes to the weightings of the component stocks and stock constituents in the Benchmark Index. The summary of the changes that took place in the reporting period is as follows:

Table 3: List of Stock Inclusion and Exclusion

	Stock Inclusions	Stock Exclusions
1QFY19	Cisco Systems Inc	Occidental Petroleum
	DowDuPont Inc.	Colgate-Palmolive Co
	Amgen Inc	Applied Materials Inc
	Abbott Laboratories	The Kraft Heinz Company
	Thermo Fisher Scientific	-
2QFY19	-	-
3QFY19	-	-
4QFY19	QUALCOMM Inc.	International Business Machines Corp.
	Automatic Data Processing	Broadcom Inc.

Sources: S&P Dow Jones, i-VCAP

Details of the top 10 holdings as well as Fund's sector exposure as at 30 June 2019 are as follows:

Table 4: Top Ten Holdings of the Fund as at 30 June 2019

Stock	% of NAV
1. Microsoft Corp.	9.89
2. Apple Inc.	8.96
3. Facebook Inc. - Class A	4.74
4. Johnson & Johnson	3.89
5. Alphabet Inc. - Class C	3.42
6. Alphabet Inc. - Class A	3.34
7. Exxon Mobil Corp.	3.31
8. Visa Inc.- Class A	3.15
9. Procter & Gamble	2.94
10. Pfizer Inc.	2.51
Total	46.15

Table 5: Fund's Sector Allocation *

	As at 30-Jun-19	As at 30-Jun-18	Change (%)
Technology	41.99%	43.36%	-1.37%
Health Care	19.77%	16.07%	3.70%
Consumer Services	8.44%	9.14%	-0.70%
Consumer Goods	8.89%	9.17%	-0.28%
Oil & Gas	6.31%	10.05%	-3.74%
Industrials	6.40%	6.79%	-0.39%
Financials	5.65%	5.00%	0.65%
Basic Materials	1.77%	0.00%	1.77%
Cash & Others	0.78%	0.42%	0.36%

Sources: S&P Dow Jones, i-VCAP

* Based on S&P Dow Jones classification

Details of the Fund's quoted Investments as at 30 June 2019 are as follows:

Table 6: MyETF-US50's Investment in Listed Equities

	Quantity (Units)	Market Value (USD)	Market Value as a percentage of Net Asset Value (%)
<u>Basic Materials</u>			
DuPont de Nemours Inc.	1,175	88,207	0.60
Linde PLC	849	170,479	1.17
		258,686	1.77
<u>Technology</u>			
Adobe Inc.	691	203,603	1.39
Alphabet Inc. - Class A	451	488,343	3.34
Alphabet Inc. - Class C	462	499,380	3.42
Apple Inc.	6,611	1,308,449	8.96
Cisco Systems Inc.	6,372	348,740	2.39
Facebook Inc. - Class A	3,590	692,870	4.74
Intel Corp.	6,796	325,325	2.23
Microsoft Corp.	10,784	1,444,625	9.89
Nvidia Corp.	905	148,628	1.02
Oracle Corp.	3,541	201,731	1.38
QUALCOMM Inc.	1,792	136,317	0.93
Salesforce.com	1,158	175,703	1.20
Texas Instruments Inc.	1,398	160,434	1.10
		6,134,148	41.99
<u>Health Care</u>			
Abbott Laboratories	2,662	223,874	1.53
AbbVie Inc.	2,303	167,474	1.15
Amgen Inc.	906	166,958	1.14
Biogen Inc.	285	66,653	0.46
Bristol-Myers Squibb	2,484	112,649	0.77
Celgene Corp.	1,073	99,188	0.68
Danaher Corp.	955	136,489	0.93
Eli Lilly & Co.	1,304	144,470	0.99
Gilead Sciences Inc.	1,897	128,161	0.88
Johnson & Johnson	4,083	568,680	3.89
Medtronic PLC	2,052	199,844	1.37
Merck & Co. Inc.	3,931	329,614	2.26
Pfizer Inc.	8,479	367,310	2.51
Thermo Fisher Scientific	604	177,383	1.21
		2,888,747	19.77
<u>Oil & Gas</u>			
Chevron Corp.	2,873	357,516	2.45
Exxon Mobil Corp.	6,316	483,995	3.31
Schlumberger Ltd.	2,006	79,718	0.55
		921,229	6.31
<u>Consumer Goods</u>			
Coca-Cola Co.	5,961	303,534	2.08
Mondelez International Inc.	2,239	120,682	0.83
NIKE Inc. - Class B	1,907	160,093	1.10
PepsiCo Inc.	2,166	284,028	1.94
Procter & Gamble	3,912	428,951	2.94
		1,297,288	8.89
<u>Consumer Services</u>			
Booking Holdings Inc.	64	119,981	0.82
Home Depot Inc.	1,673	347,934	2.38
Lowe's Cos Inc.	1,197	120,789	0.83
McDonald's Corp.	1,197	248,569	1.70
Starbucks Corp.	1,899	159,193	1.09
Walmart Inc.	2,141	236,559	1.62
		1,233,025	8.44
<u>Industrials</u>			
3M Co.	865	149,939	1.03
Accenture PLC - Class A	992	183,292	1.25
Automatic Data Processing	668	110,440	0.76
Honeywell Intl. Inc.	1,125	196,414	1.34
Union Pacific Corp.	1,092	184,668	1.26
United Parcel Service Inc. -	1,082	111,738	0.76
		936,491	6.40
<u>Financials</u>			
Mastercard Inc. - Class A	1,379	364,787	2.50
Visa Inc.- Class A	2,653	460,431	3.15
		825,218	5.65
		14,494,832	99.22

Sources: S&P Dow Jones, iVCAP

5. Distribution Policy

The Fund may distribute to the Unit Holders all or a substantial portion of the Fund's Distributable Income, pro-rated based on the number of Units held by each Unit Holder as at the entitlement date of the income distribution.

Income distributions (if any) are expected to be made annually. The amount to be distributed will be at the discretion of the Manager. However, if the distribution available is too small or insignificant, any distribution may not be of benefit to the Unit Holders as the total cost to be incurred in any such distribution may be higher than the amount for distribution. During the quarter, there was no income distribution being declared.

6. Other Information

There was no material litigation involving the Fund and no significant changes in the state of affairs of the Fund during the period under review. There is also no other material information that will adversely affect the Fund's valuation and the interest of unit holders.

7. Cross Trade

It is the Manager's policy not to perform any cross trade transaction

8. Soft Dollar Commissions

It is the Manager's policy to not receive any goods or services by way of soft commission.

9. Market Review and Outlook

In the first half of 2019, US equity market rebounded from a weak end to 2018 and posted significant gains. Despite signs of a weakening global economy arising from US-China trade war, US stock market started the year strong as the US Federal Reserve indicated that they would halt the planned interest rate hikes which helped ease investors' concerns. The gains in the first quarter of the year were lost in May as stocks fell sharply due to the escalation of trade war. Market plunged after President Trump raised tariffs on additional USD200 billion of Chinese imports. In June 2019, stocks rebounded sharply on the news that the US Federal Reserve is considering lowering interest rates as well as easing of trade tensions after the meeting between US President Donald Trump and Chinese President Xi at G20 summit. US benchmark indexes finished 1H2019 with solid gain. As at 30 June 2019, Dow Jones Index recorded YTD gain of 14.2%, S&P 500 index 17.4% and Nasdaq Composites Index 20.8%. Expectations towards a lower interest rate environment had benefited the cyclical sectors with technology, consumer discretionary and financial stocks leading the market.

On the economic front, US reported strong GDP growth of 3.1% in 1Q2019 and a decent 2.1% in 2Q2019, contributed by increase in exports, personal consumption, private inventory investment and government spending. Despite a slower growth in the second quarter, key economic indicators appeared to be healthy. Job growth averaged 172,000 per month in the first half of the year, unemployment rate remained low at 3.6% while inflation rate stayed at 1.6%, below the US Federal Reserve's 2% target. Manufacturing number is forecasted to increase 3.9% in 2019, faster than the general economy due to higher exports and increase in capital growth. The US Federal Reserve cut the benchmark interest rate by a quarter percentage point in July 2019, the first cut since the 2008 financial crisis. The cut was aimed to support the continuous economic expansion in US.

The DJUS50 Index recorded a positive return of 10.32% for FY2019 (1 July 2018 – 30 June 2019), despite the uncertain global economic condition. The Index hit the year low of 4,310.32 points on 28th Dec 2018 and rebounded in 2019 to closed at 5,385.51 points on 30 June 2019.

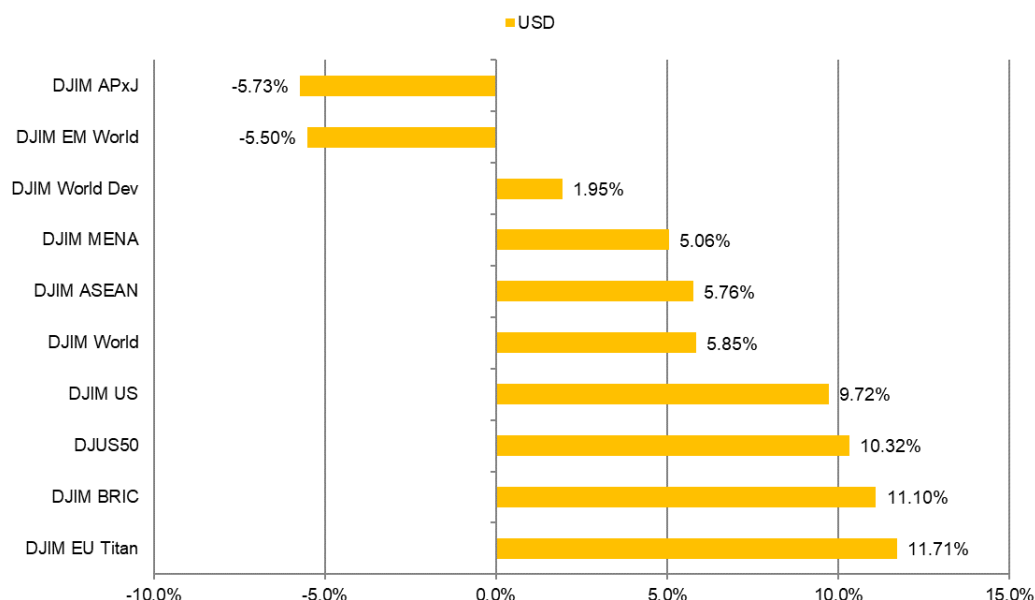
Chart 3(a): DJUS50 Index Performance (1 July 2018 – 30 June 2019)



Sources: Bloomberg, i-VCAP

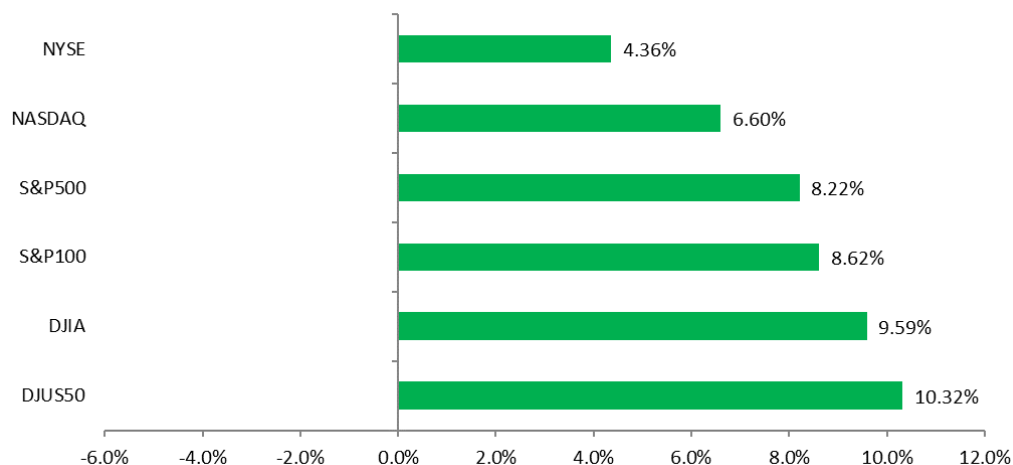
On comparative performance within Dow Jones Islamic Market ("DJIM") index series (based on USD), the DJUS50 Index outperformed major global Islamic equity benchmark indices during the period. DJUS50 Index also outperformed the major US benchmark indexes such as DJIS Index, S&P 500 Index and Nasdaq Composite Index. The outperformance of DJUS50 Index was attributed to its heavy weighting on US technology sector which had done well during the period.

Chart 3(a): DJUS50 Index Performance against Global Shariah Indices (1 July 2018 - 30 June 2019)



Sources: Bloomberg, i-VCAP

Chart 3(b): DJUS50 Index Performance against Local Indices (1 July 2018 – 30 June 2019)



Sources: Bloomberg, i-VCAP

Going forward, we expect US equity market to remain volatile. Despite rising macro uncertainty, monetary policy easing is expected to favour riskier assets such as equities. A slowing but still growing economy in US with supportive monetary policy could potentially drive the stock market higher in the near term.

**TRUSTEE'S REPORT
TO THE UNIT HOLDERS OF MyETF DOW JONES U.S TITANS 50**



**TRUSTEE'S REPORT
TO THE UNIT HOLDERS OF MyETF DOW JONES U.S. TITANS 50**

We, **CIMB Islamic Trustee Berhad** being the trustee of **MyETF Dow Jones U.S. Titans 50** ("the Fund") are of the opinion that **i-VCAP Management Sdn Bhd** ("the Manager"), acting in the capacity as Manager of the Fund, has fulfilled its duties in the following manner for the financial year ended 30 June 2019.

- a) The Fund has been managed in accordance with the limitations imposed on the investment powers of the Manager under the Deed, the Securities Commission Malaysia's Guidelines on Exchange-Traded 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 Deed and relevant regulatory requirements; and
- c) Creation and redemption of units have been carried out in accordance with the Deed and relevant regulatory requirements.

For and on behalf of
CIMB Islamic Trustee Berhad

A handwritten signature in black ink, appearing to read 'Lee Kooi Yoke'.

Lee Kooi Yoke
Chief Executive Officer

Kuala Lumpur, Malaysia
16 August 2019

**SHARIAH ADVISER'S REPORT TO THE UNIT HOLDERS OF
MyETF DOW JONES U.S TITANS 50**



**SHARIAH ADVISER'S REPORT
TO THE UNIT HOLDERS OF MyETF DOW JONES U.S. TITANS 50**

We have acted as the Shariah Adviser of **MyETF Dow Jones U.S. Titans 50** ("the Fund"). Our responsibility is to ensure that the procedures and processes employed by **IVCAP Management Sdn. Bhd.** ("the Manager") are in accordance with Shariah principles.

In our opinion, the Manager has managed and administered the Fund in accordance with Shariah principles and complied with applicable guidelines, rulings and decisions issued by the Securities Commission pertaining to Shariah matters for the financial year ended 30 June 2019.

In addition, we also confirm that the investment portfolio of the Fund comprises instruments which have been classified as Shariah-compliant by the Shariah Supervisory Board of S&P Dow Jones Indices. As for the instruments which are not classified as Shariah-compliant by the Shariah Supervisory Board of S&P Dow Jones Indices, we have reviewed the said instruments and opined that these instruments are designated as Shariah-compliant.

For and on behalf of the Shariah Adviser
IBFIM

A handwritten signature in black ink, appearing to read 'Nazmi', with a horizontal line underneath.

NAZMI ASHRAF BIN MOHD NAZIM

Consultant (Shariah)/Designated Person Responsible for Shariah Advisory

Kuala Lumpur

28 AUG 2019

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STATEMENT BY THE MANAGER

I, Khairi Shahrin Arief Bin Baki, being a Director of the Manager, do hereby state that, in the opinion of the Manager, the financial statements set out on pages 26 to 55 are drawn up in accordance with the provisions of the Deed and give a true and fair view of the state of affairs of the Fund as at 30 June 2019 and of its results, changes in net assets attributable to unit holders and cash flows of the Fund for the financial year ended on that date in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the Securities Commission's Guidelines on Exchange-Traded Funds.



KHAIRI SHAHRIN ARIEF BIN BAKI

For and on behalf of the Manager,
iVCAP Management Sdn. Bhd.

Kuala Lumpur
28 August 2019

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MyETF DOW JONES U.S TITANS 50

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

In our opinion, the financial statements of MyETF Dow Jones U.S Titans 50 ("the Fund") give a true and fair view of the financial position of the Fund as at 30 June 2019, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards.

What we have audited

We have audited the financial statements of the Fund, which comprise the statement of financial position as at 30 June 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 26 to 55.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and other ethical responsibilities

We are independent of the Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MyETF DOW JONES U.S TITANS 50 (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Our audit approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Fund. In particular, we considered where the Manager made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Fund, the accounting processes and controls, and the industry in which the Fund operates.

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 Fund for the current year. These matters were addressed in the context of our audit of the financial statements of the Fund as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
<p>Valuation and existence of financial assets at fair value through profit or loss</p> <p>Refer to Note F (Summary of significant accounting policies), Note 9 and Note 21 (Notes to the financial statements).</p> <p>The investment portfolio at the year-end comprised listed equity investments valued at USD 14,494,832.</p> <p>We focused on the valuation and existence of investments because investments represent the most significant element of the net asset value in the financial statements.</p>	<p>We have tested the valuation of the listed equity investments by agreeing the prices used in the valuation to independent third party sources. No misstatements were identified from our testing.</p> <p>We have tested the existence of the investment portfolio by agreeing the holdings for investments to an independent custodian confirmation.</p>

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MyETF DOW JONES U.S TITANS 50 (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information other than the financial statements and auditors' report thereon

The Manager of the Fund is responsible for the other information. The other information comprises Manager's report but does not include the financial statements of the Fund and our auditors' report thereon.

Our opinion on the financial statements of the Fund does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Fund, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Fund or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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 the Manager for the financial statements

The Manager of the Fund is responsible for the preparation of the financial statements of the Fund that give a true and fair view in accordance with Malaysian Financial Reporting Standards and International Financial Reporting Standards. The Manager is also responsible for such internal control as the Manager determines is necessary to enable the preparation of financial statements of the Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Fund, the Manager is responsible for assessing the 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 the Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing 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.

INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF MyETF DOW JONES U.S TITANS 50 (CONTINUED)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements of the Fund, 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.
- (b) 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 Fund's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- (d) Conclude on the appropriateness of the Manager'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Fund 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 auditors' report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements of the Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager 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.

**INDEPENDENT AUDITORS' REPORT TO THE UNIT HOLDERS OF
MyETF DOW JONES U.S TITANS 50 (CONTINUED)**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

We also provide the Manager 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 the Manager, we determine those matters that were of most significance in the audit of the financial statements of the Fund for the current year 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.

OTHER MATTERS

This report is made solely to the unit holders of the Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants
28 August 2019

MANJIT SINGH A/L HAJANDER SINGH
02954/03/2021 J
Chartered Accountants

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

	Note	2019 USD	15.01.2018 (date of launch) to 30.06.2018 USD
INVESTMENT LOSS			
Gross dividend income		263,360	77,744
Net gain on financial assets at fair value through profit or loss	9	1,250,093	255,945
Net gain on forward foreign currency contracts at fair value through profit or loss		7	5,179
Net foreign exchange loss		(769)	(2,199)
		<u>1,512,691</u>	<u>336,669</u>
EXPENSES			
Management fee	4	(53,782)	(17,447)
Trustee's fee	5	(4,691)	(1,506)
License fee	6	(8,094)	(1,778)
Transaction cost		(12,503)	(39,474)
Audit fee		(2,069)	(2,017)
Tax agent's fee		(1,569)	(1,049)
Shariah Adviser's fee		(2,395)	(808)
Purification of Shariah non-compliant income		(1,894)	(2,026)
Other expenses	7	(89,077)	(58,278)
		<u>(176,074)</u>	<u>(124,383)</u>
PROFIT BEFORE TAXATION		<u>1,366,617</u>	<u>212,286</u>
Taxation	8	-	(22,514)
		<u>1,366,617</u>	<u>189,772</u>
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR/PERIOD			
		<u>1,366,617</u>	<u>189,772</u>
Profit after taxation is made up as follows:			
Realised amount		33,387	(37,528)
Unrealised amount		1,303,230	227,300
		<u>1,336,617</u>	<u>189,772</u>

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019**

	Note	30.06.2019 USD	30.06.2018 USD
ASSETS			
Cash and cash equivalents	11	114,975	62,509
Financial assets at fair value through profit or loss	9	14,494,832	12,227,226
Dividends receivable	10	8,130	7,936
Prepayments		6,128	-
TOTAL ASSETS		14,624,065	12,297,671
LIABILITIES			
Amount due to Manager		4,411	3,987
Amount due to Trustee		806	349
Audit fee payable		2,058	2,017
Tax agent's fee payable		146	1,049
Shariah Adviser's fee payable		1,002	808
Other payables and accruals	12	7,803	5,299
TOTAL LIABILITIES		16,226	13,509
NET ASSET VALUE OF THE FUND		14,607,839	12,284,162
EQUITIES			
Unit holders' capital		13,081,450	12,094,390
Retained earnings		1,526,389	189,772
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	14	14,607,839	12,284,162
NUMBER OF UNITS IN CIRCULATION	14	13,012,300	12,112,300
NET ASSET VALUE PER UNIT (USD)		1.1226	1.0142

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

	Note	Unit holders' capital USD	Retained earnings USD	Total USD
Balance as at 1 July 2018		12,094,390	189,772	12,284,162
Creation of units	14	1,308,960	-	1,308,960
Cancellation of units	14	(321,900)	-	(321,900)
Total comprehensive income for the financial year		-	1,336,617	1,336,617
Balance as at 30 June 2019		<u>13,081,450</u>	<u>1,526,389</u>	<u>14,607,839</u>
Balance as at 15 January 2018 (date of launch)		-	-	-
Creation of units	14	12,404,980	-	12,404,980
Cancellation of units	14	(310,590)	-	(310,590)
Total comprehensive income for the financial period		-	189,772	189,772
Balance as at 30 June 2018		<u>12,094,390</u>	<u>189,772</u>	<u>12,284,162</u>

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

**STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019**

	Note	2019 USD	15.01.2018 (date of launch) to 30.06.2018 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in purchase Shariah-compliant of investments		(2,679,187)	(12,932,023)
Proceeds from sales of Shariah-compliant investments		1,649,171	919,014
Dividends received		186,271	47,294
Net gain on forward foreign currency contracts		7	5,179
Management fee paid		(53,358)	(13,460)
Trustee fee paid		(4,234)	(1,157)
Payment for other fees and expenses		(33,264)	(56,728)
Net cash used in operating activities		(934,594)	(12,031,881)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units	20	1,308,960	12,404,980
Payments for cancellation of units	20	(321,900)	(310,590)
Net cash generated from financing activities		987,060	12,094,390
NET INCREASE IN CASH AND CASH EQUIVALENTS		52,466	62,509
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR/PERIOD		62,509	-
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR/PERIOD	11	114,975	62,509

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

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

Unless otherwise stated, the following accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements.

A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Exchange-Traded Fund ("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 convention, except as disclosed in the summary of significant accounting policies.

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 revenues and expenses during the reported period.

It also requires the Manager to exercise their judgment in the process of applying the Fund's accounting policies. Although these estimates and assumptions 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 K.

(a) The new standards and amendments to published 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 2018

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2018 and have not been early adopted in preparing these financial statements. None of these had a material effect on the financial statements of the Fund.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

B INCOME FROM SHARIAH-COMPLIANT FINANCIAL INSTRUMENTS

Realised gains and losses

Realised gain or loss on disposal of quoted Shariah-compliant securities is 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.

Dividend income

Dividend income is recognised on the ex-date when the right to receive payment is established.

C SHARIAH NON-COMPLIANT INCOME

Any income or distribution received by the Fund from its investment portfolio which relates to profit income or dividend income from fortuitous activities (does not comply with the Shariah principles) of the underlying companies is considered Shariah non-compliant income.

This Shariah non-compliant income is subject to an income purification process as determined by the Index Provider from time to time and without limitation based on the impure ratio for each component stock as determined by S&P Dow Jones Indices. The Shariah non-compliant income may be distributed to baitulmal or any other organisations considered beneficial to the public at large which are endorsed by the Shariah Adviser and approved by the Trustee. The amount is recognised as an expense in profit or loss.

D TAXATION

Current tax expense is determined according to the Malaysian tax laws and includes all taxes based upon the taxable profits.

Withholding taxes on investment income from foreign Shariah-compliant investments are based on tax regime of the respective countries that the Fund invests in. Such withholding taxes are not "income tax" in nature and are recognised, measured based on the requirements of MFRS 137. They are presented within other expenses line in the statement of comprehensive income

E CASH AND CASH EQUIVALENTS

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

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

F FINANCIAL ASSETS AND 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 Shariah-compliant equity securities as fair value through other comprehensive income. The contractual cash flows of the Fund's Shariah-compliant investments are solely principal and profit, however, these Shariah-compliant securities 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.

The Fund classifies cash and cash equivalents and dividend receivables as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding, which are solely payments of principal and interest.

The Fund classifies amount due to Manager, amount due to Trustee, audit fee payable, tax agent's fee payable, Shariah Adviser's fee payable and other payables and accruals as financial liabilities measured at amortised cost.

(ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Fund commits to purchase or sell the asset. Investments are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition of the financial asset which are subsequently measured at fair value through profit or loss are expensed in the statement of comprehensive income.

Financial liabilities, within the scope of MFRS 9, 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 assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

A financial liability is de-recognised when the obligation under the liability is extinguished. Gains and losses are recognised as profit or loss when the liabilities are de-recognised, and through the amortisation process.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

F FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

The fund subsequently measures all Shariah-compliant equity investments at fair value. Unrealised gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss are presented in the statement of comprehensive income within 'net gain/(loss) on financial assets at fair value through profit and loss' in the period in 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.

Investments principally consist of quoted Shariah-compliant investments which are initially recognised at fair value and subsequently re-measured at fair value based on the market price quoted on the relevant stock exchanges at the close of the business on the valuation day, where the close price falls within the bid-ask spread. In circumstances where the close 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. Purchases and sales of Shariah-compliant investments are accounted for on the trade date.

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

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

(iii) Impairment of financial assets

The Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Manager considers both historical analysis and forward looking information in determining any expected credit loss. The Manager considers the probability of default to be close to zero as these 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.

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.

Definition of default and credit-impaired financial assets

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

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

F FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

(iii) Impairment of financial assets (continued)

Write-off

The Fund writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount.

The Fund may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains. There are no write-offs/recoveries during the financial year.

G UNIT HOLDERS' CAPITAL

The unit holders' contributions to the Fund meet the criteria to be classified as equity instruments under MFRS 132 "Financial Instruments: Presentation". Those criteria include:

- the units entitle the holder to a proportionate share of the Fund's net asset value;
- the units are the most subordinated class and class features are identical;
- there is no contractual obligations to deliver cash or another financial asset other than the obligation on the redemption of units; and
- the total expected cash flows from the units over its life are based substantially on the profit or loss of the Fund.

The outstanding units are carried at the redemption amount that is payable at each financial year if unit holder exercises the right to put the unit back to the Fund.

Units are created and cancelled at prices based on the Fund's net asset value per unit at the time of creation or cancellation. The Fund's net asset value per unit is calculated by dividing the net assets attributable to unit holders with the total number of outstanding units. In accordance with the Securities Commission's ("SC") Guidelines on Exchange-Traded Funds, investment positions are valued based on the last traded market price for the purpose of determining the net asset value per unit for creations and cancellations.

H PRESENTATION AND FUNCTIONAL 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 United States Dollar ("USD"), which is the Fund's functional and presentation currency.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

I SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer (“CEO”) of the Fund’s manager that undertakes strategic decisions for the Fund.

J NET GAINS/(LOSSES)

The analysis of realised and unrealised net gains/(losses) after tax as disclosed in the statement of comprehensive income is prepared in accordance with the SC’s Guidelines on Exchange-Traded Funds.

K CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS 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 Funds’ results and financial position are tested for sensitivity to changes in the underlying parameters.

Estimates and judgment 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 SC’s Guidelines on Exchange-Traded Funds.

However, the Manager is of the opinion that in applying this accounting policy, no significant judgment was required.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

1 INFORMATION ON THE FUND

The Exchange-Traded Fund (the “Fund”) was constituted under the name MyETF Dow Jones U.S Titans 50 pursuant to the execution of a trust deed dated 25 September 2017 (the “Deed”) entered into between i-VCAP Management Sdn. Bhd. (the “Manager”) and CIMB Islamic Trustee Berhad (the “Trustee”).

The Fund was launched on 15 January 2018 and will continue its operations until terminated in accordance with Part 26 of the Deed.

The Fund is an Islamic exchange traded fund which designed to provide investment results that closely correspond to the performance of the Dow Jones Islamic Market U.S. Titans 50 Index (“Benchmark Index”). The Benchmark Index shall comprise of the 50 largest companies (by float-adjusted market capitalisation) listed on the Relevant Exchanges in the U.S. which have passed rules-based screens for Shariah compliance of S&P Dow Jones Indices. All investments will be subjected to the SC Guidelines on Exchange Traded Funds, the Deed and the objective of the Fund.

The Manager is a company incorporated in Malaysia. The principal activity of the Manager is the provision of Shariah-compliant investment management services.

These financial statements were authorised for issue by the Manager on 28 August 2019.

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund is exposed to a variety of risks which include market risk, interest rate risk, credit/default risk and reclassification of Shariah-compliant securities risk from the following financial instruments:

	Note	Financial assets at amortised cost USD	Financial assets at fair value through profit or loss USD	Total USD
2019				
Cash and cash equivalents	11	114,975	-	114,975
Financial assets at fair value through profit or loss	9	-	14,494,832	14,494,832
Dividends receivable		8,130	-	8,130
Total		123,105	14,494,832	14,617,937
2018				
Cash and cash equivalents	11	62,509	-	62,509
Financial assets at fair value through profit or loss	9	-	12,227,226	12,227,226
Dividends receivable		7,936	-	7,936
Total		70,445	12,227,226	12,297,671

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

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

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

Market risk

Price Risk

The Fund is exposed to Shariah-compliant equity securities price risk arising from investments held by the Fund for which prices in the future are uncertain. The very nature of an exchange-traded fund, however, helps mitigate this risk because a fund would generally hold a well-diversified portfolio of Shariah-compliant securities from different market sectors so that the collapse of any one Shariah-compliant security or any one market sector would not impact too greatly on the value of the fund.

At 30 June, the fair value of Shariah-compliant equities exposed to price risk was as follows:

	<u>2019</u> <u>USD</u>	<u>2018</u> <u>USD</u>
Financial assets at fair value through profit or loss	14,494,832	12,227,226

The table below summarises the sensitivity of the Fund's unrealised income or loss to equity price movements as at 30 June. The analysis is based on the assumptions that the Dow Jones Islamic U.S Titans 50 Index ("the Index") increased by 10% and decreased by 10%, with all other variables held constant, and that the fair value of the Fund's portfolio of Shariah-compliant equity securities moved in correlation with the Index.

% Change in benchmark index	Benchmark index	Market value USD	Impact to profit after tax/NAV USD
<u>2019</u>			
-10%	4,847	13,053,650	(1,441,182)
0%	5,386	14,494,832	-
10%	5,924	15,936,014	1,441,182
<u>2018</u>			
-10%	4,393	11,231,415	(995,811)
0%	4,882	12,227,226	-
10%	5,370	13,223,037	995,811

The Index is used as a benchmark as the Fund is designed to provide investment results that closely correspond to the performance of the Index.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**
2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)
Currency risk

Currency risk is associated with investments that are quoted and/or priced in foreign currency denomination. Foreign currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Manager will evaluate the likely directions of a foreign currency versus USD based on considerations of economic fundamentals such as interest rate differentials, balance of payments position, debt levels, and technical chart considerations.

The following table sets out the foreign currency risk concentrations arising from the denomination of the Fund's financial instruments in foreign currencies:

	Cash and cash equivalents	Amount due to trustee	Audit fee payable	Tax agent's fee payable	Shariah Adviser's fee payable	Total
Financial assets and liabilities	USD	USD	USD	USD	USD	USD
2019						
MYR	8,094	(806)	(2,058)	(146)	(1,002)	4,082
	Cash and cash equivalents	Amount due to trustee	Audit fee payable	Tax agent's fee payable	Shariah Adviser's fee payable	Total
Financial assets and liabilities	USD	USD	USD	USD	USD	USD
2018						
MYR	4,390	(349)	(2,017)	(1,049)	(808)	167

The table below summarises the sensitivity of the Fund's profit/(loss) after tax and NAV to changes in foreign exchange movements at the end of the each reporting period. The analysis is based on the assumption that the foreign exchange rate fluctuates by 5%, with all other variables remaining constant. This represents management's best estimate of a reasonable possible shift in the foreign exchange rate, having regard to historical volatility of this rate. Disclosures below are shown in absolute terms, changes and impacts could be positive or negative.

	Change in foreign exchange rate %	Impact on profit after tax/NAV USD
2019		
MYR	5	204

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency risk (continued)

	Change in foreign exchange rate %	Impact on profit after tax/NAV USD
2018		
MYR	5	<u>8</u>

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of the changes in market interest rate.

The fund's exposure to the interest rate risk is mainly confined to Islamic deposits with licensed financial institutions. The Manager overcomes this by way of maintaining the Islamic deposits on short term basis.

The above interest rate is a general economic indicator that will have an impact on the management of the fund regardless whether it is a Shariah-compliant fund or otherwise. It does not in any way suggest that the fund will invest in conventional financial instruments. All the investments carried out for the fund are in accordance with Shariah requirements.

Credit/Default risk

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The credit risk arising from placements of Islamic deposits in licensed financial institutions 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 are governed by the SC's Guidelines on Exchange-Traded Funds.

The credit/default risk is minimal as all transactions in quoted investments are settled/paid upon delivery using approved brokers.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit/Default risk (continued)

The maximum exposure to credit risk before any credit enhancements at 30 June is the carrying amount of the financial assets as set out below.

	Cash and cash equivalents USD	Dividends receivable USD	Total USD
<u>2019</u>			
Financial institutions			
– AAA	114,975	-	114,975
Others	-	8,130	8,130
	<u>114,975</u>	<u>8,130</u>	<u>123,105</u>
<u>2018</u>			
Financial institutions			
– AAA	62,509	-	62,509
Others	-	7,936	7,936
	<u>62,509</u>	<u>7,936</u>	<u>70,445</u>

Reclassification of Shariah-compliant securities risk

The reclassification of Shariah-compliant securities risk may occur if the Shariah-compliant securities invested by the fund are reclassified to be Shariah non-compliant in the periodic review of the securities by the Shariah boards of the relevant Islamic indices. If this occurs, the Manager will have to take the necessary steps to dispose of such securities. There may be opportunity loss to the fund due to the fund not being allowed to retain the excess capital gains derived from the disposal of the Shariah non-compliant equities. The value of the fund may also be adversely affected in the event of a disposal of Shariah non-compliant equities at a price lower than the investment cost.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

3 CAPITAL AND LIQUIDITY RISK MANAGEMENT

The capital of the Fund is represented by the net assets attributable to unit holders as shown in the Statement of Financial Position. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily creations and cancellations of units at the discretion of unit holders. The Manager will provide perfect basket which comprises a portfolio of the Benchmark Index shares in substantially the same composition and weighting as the Benchmark Index and cash component to be delivered by the investors in the case of creations and to be transferred to the unit holders in the case of cancellations. The Fund maintains sufficient quantity of Shariah-compliant shares and cash in proportion to the perfect basket.

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.

	<u>Within one month USD</u>	<u>One month to one year USD</u>	<u>Total USD</u>
<u>2019</u>			
Amount due to Manager	4,411	-	4,411
Amount due to Trustee	806	-	806
Auditors' remuneration	-	2,058	2,058
Tax agent's fee	-	146	146
Shariah Adviser's fee	-	1,002	1,002
Payables	-	7,803	7,803
	<u>5,217</u>	<u>11,009</u>	<u>16,226</u>
<u>2018</u>			
Amount due to Manager	3,987	-	3,987
Amount due to Trustee	349	-	349
Auditors' remuneration	-	2,017	2,017
Tax agent's fee	-	1,049	1,049
Shariah Adviser's fee	-	808	808
Payables	-	5,299	5,299
	<u>4,336</u>	<u>9,173</u>	<u>13,509</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

4 MANAGEMENT FEE

The Manager is entitled to a management fee at a rate not exceeding 3.0% per annum on the Net Asset Value ("NAV") of the Fund calculated on a daily basis, as provided under Clause 15.1 of the Deed.

For the financial year ended 30 June 2019, the Management fee was recognised at a rate of 0.4% (2018: 0.4%) per annum on the NAV of the Fund, calculated on a daily basis.

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

5 TRUSTEE'S FEE

The Trustee is entitled to an annual fee at a rate not exceeding 0.35% per annum on the Net Asset Value ("NAV") of the Fund, as provided under Clause 15.2 of the Deed.

For the financial year ended 30 June 2019, the Trustee's fee was recognised at a rate of 0.035% (2018: 0.035%) per annum on the NAV of the Fund, subject to a minimum of RM12,000 per annum (excluding foreign sub-custodian fees and charges), calculated on a daily basis.

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

6 LICENSE FEE

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

For the financial year ended 30 June 2019, the License fee was recognised at a rate of 0.04% (2018: 0.04%) per annum, subject to an annual minimum fee of USD8,000 per annum, calculated on a daily basis.

There will be no further liability to S&P Dow Jones Indices LLC in respect of license fee other than the amounts recognised above.

7 OTHER EXPENSES

	2019	15.01.2018
	USD	(date of launch) to 30.06.2018
		USD
Establishment cost	-	47,892
Other expenses	12,182	10,386
Withholding taxes	76,895	-
	<u>89,077</u>	<u>58,278</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

8 TAXATION

	<u>2019</u> USD	<u>15.01.2018</u> (date of launch) to 30.06.2018 USD
Tax charged for the financial period:		
- Withholding tax	-	22,514
	<u> </u>	<u> </u>

The explanation of the relationship between taxation and profit before taxation of the Fund is as follows:

	<u>2019</u> USD	<u>15.01.2018</u> (date of launch) to 30.06.2018 USD
Profit before taxation	1,336,617	212,286
Tax at Malaysian statutory rate of 24% (2018: 24%)	320,788	50,949
Tax effect of:		
- Investment income not subject to tax	(363,046)	(80,801)
- Restriction on tax deductible expenses for exchange-traded funds	13,404	4,671
- Expenses not deductible for tax purposes	28,854	25,181
Investment income subject to withholding tax	-	22,514
Taxation	<u> </u> -	<u> </u> 22,514

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2019</u> USD	<u>2018</u> USD
Financial assets at fair value through profit or loss		
- Quoted Shariah-compliant securities	14,494,832	12,227,226
Net gain on financial assets at fair value through profit or loss		
- Realised (loss)/gain	(53,137)	28,645
- Unrealised gain on changes in fair value	1,303,230	227,300
	<u> </u> 1,250,093	<u> </u> 255,945

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
-----------------	-------------------	--------------------------	------------------------	---------------------------

2019

SHARIAH-COMPLIANT QUOTED SECURITIES

Basic Materials

DuPont de Nemours Inc.	1,175	116,786	88,207	0.60
Linde PLC	849	149,861	170,479	1.17
	2,024	266,647	258,686	1.77

Technology

Adobe Inc.	691	147,178	203,603	1.39
Alphabet Inc. - Class A	451	508,295	488,343	3.34
Alphabet Inc. - Class C	462	519,901	499,380	3.42
Apple Inc.	6,611	1,168,361	1,308,449	8.96
Cisco Systems Inc.	6,372	307,194	348,740	2.39
Facebook Inc. - Class A	3,590	639,290	692,870	4.74
Intel Corp.	6,796	320,298	325,325	2.23
Microsoft Corp.	10,784	1,014,737	1,444,625	9.89
NVidia Corp.	905	218,774	148,628	1.02
Oracle Corp.	3,541	187,390	201,731	1.38
QUALCOMM Inc.	1,792	130,762	136,317	0.93
Salesforce.com	1,158	142,957	175,703	1.20
Texas Instruments Inc.	1,398	147,925	160,434	1.10
	44,551	5,453,062	6,134,148	41.99

Health Care

Abbott Laboratories	2,662	185,001	223,874	1.53
AbbVie Inc.	2,303	224,573	167,474	1.15
Amgen Inc.	906	186,328	166,958	1.14
Biogen Inc.	285	82,139	66,653	0.46
Bristol-Myers Squibb	2,484	161,947	112,649	0.77
Celgene Corp.	1,073	100,978	99,188	0.68
Danaher Corp.	955	123,547	136,489	0.93
Eli Lilly & Co.	1,304	103,974	144,470	0.99
Gilead Sciences Inc.	1,897	151,347	128,161	0.88
Johnson & Johnson	4,083	536,016	568,680	3.89
Medtronic PLC	2,052	169,306	199,844	1.37
Merck & Co. Inc.	3,931	222,439	329,614	2.26
Pfizer Inc.	8,479	309,776	367,310	2.51
Thermo Fisher Scientific	604	147,840	177,383	1.21
	33,018	2,705,211	2,888,747	19.77

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2019 (CONTINUED)				
SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)				
Oil & Gas				
Chevron Corp.	2,873	324,948	357,516	2.45
Exxon Mobil Corp.	6,316	483,983	483,995	3.31
Schlumberger Ltd.	2,006	131,954	79,718	0.55
	11,195	940,885	921,229	6.31
Consumer Goods				
Coca-Cola Co.	5,961	263,664	303,534	2.08
Mondelez International Inc. - Class A	2,239	98,767	120,682	0.83
NIKE Inc. - Class B	1,907	131,061	160,093	1.10
PepsiCo Inc.	2,166	237,614	284,028	1.94
Procter & Gamble Co.	3,912	324,516	428,951	2.94
	16,185	1,055,622	1,297,288	8.89
Consumer Services				
Booking Holdings Inc.	64	122,997	119,981	0.82
Home Depot Inc.	1,673	311,881	347,934	2.38
Lowe's Cos Inc.	1,197	114,890	120,789	0.83
McDonald's Corp.	1,197	194,347	248,569	1.70
Starbucks Corp.	1,899	108,457	159,193	1.09
Walmart Inc.	2,141	197,057	236,559	1.62
	8,171	1,049,629	1,233,025	8.44
Industrials				
3M Co.	865	201,452	149,939	1.03
Accenture PLC - Class A	992	162,764	183,292	1.25
Automatic Data Processing	668	112,732	110,440	0.76
Honeywell International Inc.	1,125	168,878	196,414	1.34
Union Pacific Corp.	1,092	147,016	184,668	1.26
United Parcel Service Inc. - Class B	1,082	116,258	111,738	0.76
	5,824	909,100	936,491	6.40

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**
9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2019 (CONTINUED)				
SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)				
Financials				
MasterCard Inc. - Class A	1,379	249,870	364,787	2.50
Visa Inc.- Class A	2,653	334,276	460,431	3.15
	4,032	584,146	825,218	5.65
TOTAL SHARIAH- COMPLIANT QUOTED SECURITIES	125,000	12,964,302	14,494,832	99.22
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		1,530,530		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS				
		14,494,832		

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2018				
SHARIAH-COMPLIANT QUOTED SECURITIES				
Technology				
Adobe Inc.	721	150,733	175,787	1.43
Alphabet Inc. - Class A	426	478,322	481,035	3.92
Alphabet Inc. - Class C	431	482,723	480,845	3.91
Apple Inc.	6,481	1,128,558	1,199,698	9.77
Applied Materials Inc.	1,516	85,979	70,024	0.57
Broadcom Inc.	576	144,455	139,761	1.14
Facebook Inc.- Class A	3,367	604,010	654,275	5.33
Intel Corp	6,749	318,029	335,493	2.73
Intl Business Machines Corp.	1,260	195,325	176,022	1.43
Microsoft Corp.	11,251	1,049,310	1,109,461	9.03
Nvidia Corp.	881	218,202	208,709	1.70
Salesforce.Com Inc.	1,000	115,998	136,400	1.11
Texas Instruments Inc.	1,438	152,041	158,540	1.29
	36,097	5,123,685	5,326,050	43.36

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2018 (CONTINUED) SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)				
Health Care				
AbbVie Inc.	2,243	222,393	207,814	1.69
Biogen Inc.	305	87,846	88,523	0.72
Bristol-Myers Squibb Co.	2,367	156,658	130,990	1.07
Celgene Corp.	1,041	97,992	82,676	0.67
Eli Lilly & Co.	1,392	109,280	118,779	0.97
Gilead Sciences Inc.	1,923	153,717	136,225	1.11
Johnson & Johnson	3,982	520,963	483,176	3.93
Medtronic PLC	1,989	161,511	170,278	1.39
Merck & Co. Inc.	3,983	221,363	241,768	1.97
Pfizer Inc.	8,657	314,074	314,076	2.56
	27,882	2,045,797	1,974,305	16.08
Oil & Gas				
Chevron Corp.	2,859	322,294	361,463	2.94
EOG Resources Inc.	852	91,817	106,014	0.86
Exxon Mobil Corp.	6,439	492,958	532,698	4.34
Occidental Petroleum Corp.	1,153	80,329	96,483	0.79
Schlumberger Ltd.	2,056	135,474	137,814	1.12
	13,359	1,122,872	1,234,472	10.05
Consumer Goods				
Coca-Cola Co.	5,644	247,453	247,546	2.02
Colgate-Palmolive Co.	1,275	88,448	82,633	0.67
Kraft Heinz Co.	841	56,990	52,832	0.43
Mondelez International Inc. - Class A	2,122	92,521	87,002	0.71
NIKE Inc. - Class B	1,867	126,516	148,763	1.21
PepsiCo Inc.	2,019	219,121	219,809	1.79
Procter & Gamble Co.	3,683	297,456	287,495	2.34
	17,451	1,128,505	1,126,080	9.17

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**
9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Name of counter	Quantity Units	Aggregate cost USD	Market value USD	Percentage of NAV %
2018 (CONTINUED)				
SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)				
Consumer Services				
Booking Holdings Inc.	70	134,458	141,896	1.16
Home Depot Inc.	1,674	310,428	326,597	2.66
Lowe's Cos Inc.	1,219	116,944	116,500	0.95
McDonald's Corp	1,170	187,222	183,327	1.49
Starbucks Corp.	2,007	12,949	98,042	0.80
Walgreens Boots Alliance Inc.	1,218	85,030	73,098	0.60
Walmart Inc.	2,140	196,409	183,291	1.49
	<u>9,498</u>	<u>1,143,440</u>	<u>1,122,751</u>	<u>9.15</u>
Industrials				
3M Co	880	206,059	173,114	1.41
Accenture PLC - Class A	937	152,317	153,284	1.25
FedEx Corp.	355	89,256	80,606	0.67
Honeywell International Inc.	1,096	170,165	157,879	1.29
Union Pacific Corp.	1,129	150,962	159,957	1.3
United Parcel Service Inc. - Class B	1,011	108,296	107,399	0.87
	<u>5,408</u>	<u>877,055</u>	<u>832,239</u>	<u>6.79</u>
Financials				
MasterCard Inc. - Class A	1,349	237,772	265,105	2.17
Visa Inc.- Class A	2,614	320,800	346,224	2.83
	<u>3,963</u>	<u>558,572</u>	<u>611,329</u>	<u>5.00</u>
TOTAL SHARIAH- COMPLIANT QUOTED SECURITIES	<u>113,658</u>	<u>11,999,926</u>	<u>12,227,226</u>	<u>99.60</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>227,300</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>12,227,226</u>		

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

10 DIVIDENDS RECEIVABLE

Dividends receivable represents dividends declared on the Fund's component Shariah-compliant securities at the ex-date and not yet received at the end of the financial period.

Dividends declared are recognised on the ex-date and are reversed out from the receivables upon receipt by the Fund.

11 CASH AND CASH EQUIVALENTS

	<u>2019</u> <u>USD</u>	<u>2018</u> <u>USD</u>
Cash at bank – From Shariah-compliant income	113,149	60,994
Cash at bank – From Shariah non-compliant income	1,826	1,515
	<u>114,975</u>	<u>62,509</u>

12 OTHER PAYABLES AND ACCRUALS

	<u>2019</u> <u>USD</u>	<u>2018</u> <u>USD</u>
Amount due to index licensor	-	1,778
Amount due to beneficial organisations (Note 13)	1,920	2,026
Other payables and accruals	5,883	1,495
	<u>7,803</u>	<u>5,299</u>

13 AMOUNT DUE TO BENEFICIAL ORGANISATIONS

Amount due to beneficial organisations is the Shariah non-compliant income portion of profits and dividends received and receivable as at 30 June 2019. It comprises the following amounts:

	<u>2019</u> <u>USD</u>	<u>2018</u> <u>USD</u>
Cash at bank – Shariah non-compliant income	1,826	1,515
Dividends receivable – Shariah non-compliant income	94	511
	<u>1,920</u>	<u>2,026</u>

Cash at bank – Shariah non-compliant income represents the portion of profits and dividends already received during the financial period which relates to income that does not comply with Shariah principles.

Dividends receivable – Shariah non-compliant income represents the portion of the dividends receivable which relates to income that does not comply with Shariah principles. The level of Shariah non-compliant income is based on the impure ratio for each Shariah-compliant component security as determined by S&P Dow Jones Indices.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**
14 NUMBER OF UNITS IN CIRCULATION AND NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Net asset value attributable to unit holders is represented by:

	Note	2019 USD	2018 USD
Unit holders' capital	(a)	13,081,450	12,094,390
Retained earnings		1,526,389	189,772
		<u>14,607,839</u>	<u>12,284,162</u>

(a) UNIT HOLDERS' CONTRIBUTION/UNITS IN CIRCULATION

	2019		2018	
	No. of	USD	No. of	USD
At beginning of the financial year/period	12,112,300	12,094,390	-	-
Creation during the financial year/period	1,200,000	1,308,960	12,412,300	12,404,980
Cancellation during the financial year/period	(300,000)	(321,900)	(300,000)	(310,590)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At the end of the financial year/period	13,012,300	13,081,450	12,112,300	12,094,390
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

15 TRANSACTIONS WITH BROKERS

Details of transactions with the brokers for the financial year ended 30 June 2019 are as follows:

Name of broker	Value of trade USD	Percentage of total trades %	Brokerage fees USD	Percentage of total brokerage %
Maybank Investment Bank Bhd.	2,271,649	52.53	7,113	52.83
CIMB Investment Bank Bhd.	2,052,726	47.47	6,351	47.17
	<u>4,324,375</u>	<u>100.00</u>	<u>13,464</u>	<u>100.00</u>

The Fund had applied an extension from Securities Commission ("SC") regarding the extension to comply with "Paragraph 3.19 - Use of Broker or Dealer" (the use of any broker or dealer for an ETF must not exceed 50% of the ETF's dealings in value in any one financial year of the ETF) of the Guidelines on Exchange-Traded Funds. SC had approved the application by the Manager on the extension via letter dated 15 May 2019.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

15 TRANSACTIONS WITH BROKERS (CONTINUED)

Details of transactions with the brokers for the financial period from 15 January 2018 (date of launch) to 30 June 2018 are as follows:

<u>Name of broker</u>	<u>Value of trade</u>	<u>Percentage of total trades</u>	<u>Brokerage fees</u>	<u>Percentage of total brokerage</u>
	USD	%	USD	%
Maybank Investment Bank Bhd.	13,814,977	100.00	41,728	100.00
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 UNITS HELD BY THE MANAGER AND PARTIES RELATED TO THE MANAGER

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

<u>Related parties</u>	<u>Relationship</u>
i-VCAP Management Sdn. Bhd.	The Manager
Valuecap Sdn. Bhd. ("Valuecap")	Holding company of the Manager
Shareholders of Valuecap with significant influence on Valuecap	Shareholders of Valuecap

(a) Units held by the Manager and parties related to the Manager

		2019		2018
	No. of Units	USD	No. of Units	USD
The Manager	619,200	695,114	626,000	634,889
Valuecap	10,000,000	11,226,000	10,000,000	10,142,000
Shareholders of Valuecap	1,734,500	1,947,150	600,000	608,520
	<u>12,353,700</u>	<u>13,868,264</u>	<u>11,226,000</u>	<u>11,385,409</u>

The units are held legally by the Manager for booking purposes. The units are held beneficially by Valuecap.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

17 MANAGEMENT EXPENSE RATIO ("MER")

	2019 USD	15.01.2018 (date of launch) to 30.06.2018 USD
MER	0.64	0.65

MER is derived from the following calculation:

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

A	=	Management fee
B	=	Trustee's fee
C	=	License fee
D	=	Auditors' remuneration
E	=	Tax agent's fee
F	=	Shariah adviser's fee
G	=	Other expenses, excluding Withholding Taxes
H	=	Average net asset value of Fund calculated on daily basis

The average net asset value of the Fund for the financial year calculated on a daily basis is USD13,481,701 (15.01.2018 (date of launch) to 30.06.2018: USD11,999,402).

18 PORTFOLIO TURNOVER RATIO ("PTR")

	2019 USD	15.01.2018 (date of launch) to 30.06.2018 USD
PTR (times)	0.16	0.57

PTR is derived from the following calculation:

$$\text{PTR} = \frac{(\text{Total acquisition for the financial year} + \text{total disposal for the financial year}) \div 2}{\text{Average net asset value of the Fund for the financial year calculated on daily basis}}$$

where: total acquisition for the financial period = USD2,670,984 (2018: USD12,893,129)
total disposal for the financial period = USD1,706,608 (2018: USD893,203)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

19 SEGMENT REPORTING

The internal reporting provided to the CEO for the Fund's assets, liabilities and performance is prepared on a consistent basis with the measurement and recognition principles of MFRS. The CEO is responsible for the performance of the fund and considers the business to have a single operating segment located in Malaysia. There were no changes in the reportable segments during the financial period.

As at 30 June 2019, there were 2 unit holders (2018: 1 unit holder) who held more than 10% of the Fund's NAV. The unit holders' holding were 76.85% and 13.33% respectively (2018: 82.56%).

20 NON CASH TRANSACTIONS

Creations and cancellations are done by transferring the perfect basket from and to the unit holders respectively. A reconciliation of the cash flows used in creation and cancellation and the total creation and cancellation as presented in the statement of changes in equity is presented below:

	<u>2019</u>	<u>15.01.2018</u>
	<u>USD</u>	<u>(date of launch)</u>
		<u>to 30.06.2018</u>
		<u>USD</u>
Creation		
- Cash component	1,308,960	12,404,980
	<u>1,308,960</u>	<u>12,404,980</u>
Cancellation		
- Cash component	321,900	310,590
	<u>321,900</u>	<u>310,590</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

21 FAIR VALUES OF FINANCIAL INSTRUMENTS

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.

The fair value of financial assets traded in active markets (such as trading Shariah-compliant securities) is based on quoted market prices at the close of trading on the period end date.

An active market is a market in which transactions for the asset 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.

(i) Fair value hierarchy

The table below analyses financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active market 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 and liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

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.

The following table analyses within the fair value hierarchy the financial asset measured at fair value at:

	<u>Level 1</u> <u>USD</u>	<u>Level 2</u> <u>USD</u>	<u>Level 3</u> <u>USD</u>	<u>Total</u> <u>USD</u>
<u>2019</u>				
Financial assets at fair value through profit or loss				
- Quoted Shariah-compliant securities	14,494,832	-	-	14,494,832
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019 (CONTINUED)**

21 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(i) Fair value hierarchy (continued)

	<u>Level 1</u> <u>USD</u>	<u>Level 2</u> <u>USD</u>	<u>Level 3</u> <u>USD</u>	<u>Total</u> <u>USD</u>
<u>2018</u>				
Financial assets at fair value through profit or loss				
- Quoted Shariah-compliant securities	12,227,226	-	-	12,227,226

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1. The Fund does not adjust the quoted prices for these instruments.

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

22 SHARIAH INFORMATION OF THE FUND

The Shariah Adviser confirmed that the investments portfolio of the fund is Shariah-compliant, which comprises equity securities in foreign markets that have been classified as Shariah-compliant by the Shariah Supervisory Board of S&P Dow Jones Indices and duly verified as Shariah-compliant by the Shariah Adviser.

ANALYSIS OF UNIT HOLDINGS

Summary of Unit Holders

As at 30 June 2019

	No. of unit holders	% of unit holders	No. of units held	% of units in circulation
Less than 100	-	-	-	-
100 - 1,000	194	77.29	63,300	0.49
1,001 - 10,000	50	19.92	160,000	1.23
10,001 - 100,000	3	1.20	39,200	0.30
100,001 to less than 5% of issued units	1	0.40	396,100	3.04
5% and above of issued units	3	1.20	12,353,700	94.94
TOTAL	251	100.00	13,012,300	100.00

PROFILE OF DIRECTORS OF THE MANAGER

DIRECTORS' PROFILE

Name:	Roslina Binti Abdul Rahman
Age:	51
Gender:	Female
Nationality:	Malaysian
Designation:	Non-Independent Non-Executive Director Chairman
Qualifications:	Bachelor of Business Administration from Loyola Marymount University, Los Angeles, USA and Master of Business Administration from The Australian Graduate School of Management, University of New South Wales, Sydney, Australia.
Working Experience and Occupation:	<p>Roslina is the Managing Director and Group Chief Executive Officer of Valuecap Sdn. Bhd. She was appointed as Chairman of i-VCAP Management Sdn. Bhd. and VCAP Asset Managers Sdn. Bhd. respectively, effective 22 January 2019.</p> <p>Roslina has 25 years of experience in various roles in the fund management industry. Previously, she served as Country Head / Managing Director of Amundi Malaysia which she joined in 2008. She was responsible for commercial activities in Malaysia and grew it to one of the largest foreign owned asset management companies in the country. Prior to that, she spent 4 years in CIMB-Principal Asset Management and 11 years in various investment units of the AmInvestment Banking Group, in an investment capacity, between 1990 to 2004</p>
Date Appointed to Board:	1 August 2018
Details of Membership of any Board Committee:	None
Directorship of other public companies and listed issuer:	None
Family relationship with any director and/or major shareholder of the Fund:	None
Conflict of interest with the Fund:	Roslina is the Managing Director and Group Chief Executive Officer of Valuecap Sdn. Bhd. of which is a unit holder of the Fund.
List of convictions for offences within the past 5 years other than traffic offences and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year:	None

DIRECTORS' PROFILE (*continued*)

Name:	Khairi Shahrin Arief Bin Baki
Age:	39
Gender:	Male
Nationality:	Malaysian
Designation:	Chief Executive Officer ("CEO") / Non-Independent Executive Director
Qualifications:	Bachelor of Business Administration from Universiti Putra Malaysia and Diploma in Investment Analysis from The Research Institute of Investment Analysts Malaysia (RIIAM).
Working Experience and Occupation:	<p>Khairi Shahrin was appointed as CEO of i-VCAP Management Sdn Bhd ("i-VCAP") in January 2018 and bringing with him 14 years of experience in the capital market industry. He was appointed as Director of VCAP Asset Managers Sdn. Bhd., effective 22 January 2019.</p> <p>Khairi Shahrin began his career with OSK Investment Bank in 2003 and later held various positions at various institutions which include Maybank Investment Bank, JP Morgan Securities and Citigroup Global Markets. He subsequently served as Senior Director & Head of Equity Dealing, MIDF Amanah Investment Bank prior to his appointment as CEO of i-VCAP.</p>
Date Appointed to Board:	11 January 2018
Details of Membership of any Board Committee:	None
Directorship of other public companies and listed issuer:	None
Family relationship with any director and/or major shareholder of the Fund:	None
Conflict of interest with the Fund:	Khairi is the CEO of i-VCAP of which is the Manager and unit holder of the Fund.
List of convictions for offences within the past 5 years other than traffic offences and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year:	None

DIRECTORS' PROFILE *(continued)*

Name:	Datuk Dr Syed Muhamad Bin Syed Abdul Kadir
Age:	72
Gender:	Male
Nationality:	Malaysian
Designation:	Independent Non-Executive Director
Qualifications:	<p>PhD in Business Management from Virginia Polytechnic Institute and State University, Master in Business Administration from University of Massachusetts, Master of Law (Corporate Law) from University Technology MARA, Bachelor of Arts (Hons) Degree from University of Malaya, Bachelor in Jurisprudens from University of Malaya and Diploma in Management Science from National Institute of Public Administration. He is a Member of fellow of The Chartered Institute of Arbitrators, United Kingdom (UK) and Certificate holder of Legal Practice from Legal Profession Board.</p>
Working Experience and Occupation:	<p>Datuk Dr. Syed Muhamad started his career in 1973 as Senior Project Officer, School of Financial Management at the National Institute of Public Administration (INTAN) and in November 1988, he joined the Ministry of Education as Secretary of Higher Education and then assumed the position of Deputy Secretary (Foreign and Domestic Borrowing, Debt Management) Federal Treasury. From 1993, he joined the Board of Directors of Asian Development Bank, first as Alternate Executive Director and later as Executive Director prior to joining the Ministry of Finance as Secretary, Tax Analysis Division and later became Deputy Secretary General (Operations). Prior to his retirement, YBhg. Datuk Dr. Syed was Secretary General in the Ministry of Human Resource. Currently, Datuk Dr. Syed also a Director of Valuecap Sdn. Bhd., the holding company of i-VCAP Management Sdn. Bhd.</p> <p>During his career, he wrote and presented many papers relating to human resources development. His special achievement was that his dissertation A Study on Board of Directors and Organizational Effectiveness was published by Garland Publisher, Inc, of New York in 1991.</p> <p>Datuk Dr. Syed Muhamad is a Director of Euro Holdings Berhad, Solution Engineering Holdings Berhad, BSL Corporation Berhad, Malakoff Corporation Berhad. He is also Chairman of Sun Life Malaysia Assurance Berhad and Sun Life Malaysia Takaful Berhad. In addition, he holds a directorship in number of private companies.</p>
Date Appointed to Board:	1 January 2019
Details of Membership of any Board Committee:	None
Directorship of other public companies and listed issuer:	<ol style="list-style-type: none"> 1. Euro Holding Berhad 2. Solution Engineering Holdings Berhad 3. BSL Corporation Berhad 4. Malakoff Corporation Berhad 5. Sun Life Malaysia Assurance Berhad 6. Sun Life Malaysia Takaful Berhad

DIRECTORS' PROFILE *(continued)*

Family relationship with any director and/or major shareholder of the Fund: None

Conflict of interest with the Fund: None

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

Name: Mohd Asri Bin Awang

Age: 63

Gender: Male

Nationality: Malaysian

Designation: Independent Non-Executive Director

Qualifications: Bachelor of Economics from Macquarie University, Sydney

Working Experience and Occupation: Prior to his retirement, Asri was the Chief Operating Officer (COO) of Bank Muamalat Malaysia Berhad. As COO, he served as a member and Deputy Chairman of the Banks management committee, executive risk management committee, credit committee, investment committee and Chairman of ALCO. Previously he was the Chief Risk Officer and reported directly to the Board Risk Management Committee. He also sat on the board of Muamalat Ventures Sdn Bhd and Muamalat Invest Sdn Bhd, the banks subsidiaries involved in Private Equity and Asset Management businesses respectively.

Asri's previous appointments include being the CEO of Malaysian Rating Corporation Berhad, a domestic rating agency; the Head of Corporate Planning and Business Development at Amanah-MIDF Berhad, a Malaysian financial services group; Country Treasurer and Vice President of the then Chase Manhattan Bank Malaysia; General Manager, Treasury and Southern Region of a domestic commercial bank; CEO of a domestic finance company and Treasurer of a merchant bank.

Currently, Asri is a non-executive independent director of Valuecap Sdn. Bhd

Date Appointed to Board: 1 January 2019

DIRECTORS' PROFILE (continued)

Details of Membership of any Board Committee: None

Directorship of other public companies and listed issuer: None

Family relationship with any director and/or major shareholder of the Fund: None

Conflict of interest with the Fund: None

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

Date of first appointment as Director and attendance of Board Meetings during 2019:

<u>Name</u>	<u>Date First Appointed</u>	<u>Attendance</u>
Roslina Binti Abdul Rahman	1 August 2018	5 of 5
Khairi Shahrin Arief Bin Baki	11 January 2018	5 of 5
Datuk Dr Syed Muhamad Bin Syed Abdul Kadir	1 January 2019	2 of 5
Mohd Asri Bin Awang	1 January 2019	2 of 5
Rosli Bin Abdullah	16 December 2009 <i>(resigned effective 31 December 2018)</i>	3 of 5
Sharifatu Laila Binti Syed Ali	25 October 2007 <i>(resigned effective 31 July 2018)</i>	Not Applicable
Hassan Bin Ibrahim	2 November 2007 <i>(resigned effective 31 December 2018)</i>	3 of 5
Y.M. Tunku Afwida Binti Tunku A. Malek	17 July 2009 <i>(resigned effective 31 December 2018)</i>	3 of 5
Nik Amlizan Binti Mohamed	1 January 2016 <i>(resigned effective 30 September 2018)</i>	1 of 5
Datuk Mohd. Nasir Bin Ali	1 January 2016 <i>(resigned effective 31 December 2018)</i>	3 of 5

DIRECTORS' TRAINING

i-VCAP strongly supports the development of its Board members by providing continuous education programmes that are designed to meet the regulatory requirement and to keep abreast with the new developments in the industry. These would be the basis for their developmental needs and a dedicated training budget is allocated for this purpose. Besides the in-house programmes, the Board members also attend relevant external training programmes sponsored by i-VCAP and other companies that the Board members hold directorships.

The training programmes attended by the Directors for FY2019 are as follows:

Director	Programme Attended	Date	Organising Company
Roslina Binti Abdul Rahman	Talk - The State of Our Nation	7 August 2018	KLBC
	Dialogue with Y.A.Bhg. Tun Daim bin Zainuddin	10 May 2019	
	EPF International Social Security Conference	8 August 2018	Employees Provident Fund (EPF)
	SIDC Business Foresight Forum (BFF) 2018	8 August 2018	Securities Industry Development Corporation (SIDC)
	CLSA Investor Forum 2018	9 – 13 September 2018	CLSA
	AMLATFPUAA: Cryptocurrency & Anti Money Laundering Activities. Mandatory Accreditation Programme	28 September 2018	i-VCAP Management Sdn Bhd
	Cyber Attacks : Are We Ready?	12 – 13 November 2018	
	Malaysia: A New Dawn 2018 Conference	25 October 2018	
	Khazanah Megatrends 2018	9 October 2018	Maybank, CIMB & RHB
	Talk by Professor Sunil Gupta from Harvard Business School (HBS)	8 – 9 October 2018	Khazanah Nasional
	Breakfast Talk with US Ambassador Kamala Shirin Lakhdhir	24 January 2019	
	OECD Asian Roundtable on Corporate Governance	17 October 2018	Bloomberg
	Spokesperson Training – Khoo Hsu Chuang	7 – 8 November 2018	OECD
	ValueCAP Group Team Building	15 April 2019	ValueCAP Sdn. Bhd.
	IFN Forum Asia 2019	18 – 19 April 2019	
	Asset Owner Roundtable on ESG	23 – 24 April 2019	Islamic Finance News
	BattleFin Conference NYC	31 May 2019	Securities Commission
	Investment Management Workshop 2019	19 – 20 June 2019	BattleFin
		23 – 28 June 2019	CFA Institute & Harvard Business School

DIRECTORS' TRAINING (continued)

Director	Programme Attended	Date	Organising Company
Mohd Asri Bin Awang	CMDP Programme Module 1: Directors as Gatekeepers of Market Participants	12 March 2019	Securities Industry Development Corporation (SIDC)
	CMDP Programme Module 2B: Business Challenges & Regulatory Expectations (Fund Management)	12 March 2019	
	CMDP Programme Module 3: Risk Oversight & Compliance - Action Plan for Directors	13 March 2019	
	CMDP Programme Module 4: Current & Emerging Regulatory Issues in the Capital Market	14 March 2019	
	The Mandatory Accreditation Programme (MAP)	11 April 2019	
Khairi Shahrin Arief Bin Baki	Bloomberg Buy Side Forum 2018	3 July 2018	Bloomberg
	KWAP Inspire : Environmental Conference 2018	17 & 18 July 2018	Kumpulan Wang Persaraan (Diperbadankan) (KWAP)
	SIDC Business Foresight Forum (BFF) 2018	8 August 2018	Securities Industry Development Corporation (SIDC)
	AMLATFPUAA: Cryptocurrency & Money Laundering Activities	13 August 2018	i-VCAP Management Sdn Bhd
	Islamic Finance Programme for Board Members	19 November 2018	
	Global Islamic Finance Forum 2018	3 – 4 October 2018	The Association of Islamic Banking and Financial Institutions Malaysia (AIBIM) PWC Singapore
	2019 Asset & Wealth Management	22 January 2019	
	Islamic Fintech Dialogue 2019	19 – 20 February 2019	International Shari'ah Research Academy For Islamic Finance (ISRA) Securities and Exchange Commission of Cambodia (SECC)
	Regional Seminar on Collection Investment Scheme & Implications on Emerging Trends	27 – 28 February 2019	
	Invest Malaysia	19 – 20 March 2019	Bursa Malaysia & Maybank
	IFN Asia Forum 2019	23 – 24 April 2019	Islamic Finance News

DIRECTORS' TRAINING (continued)

Director	Programme Attended	Date	Organising Company
Datuk Dr. Syed Muhamad bin Syed Abdul Kadir	Speaking on Development of Insurance Law in Malaysia	17 February 2019	Universiti Sultan Zainal Abidin (UNISZA)
	Speaking on Kepentingan Insurans Hayat & Kesihatan kepada Kakitangan Berkanun	17 February 2019	
	Latest amendments to the Listing Requirements	10 April 2019	Tricor
	Roles and responsibilities of Directors, Board and Board Committees under the Listing Requirements and Malaysian Code on Corporate Governance	10 April 2019	
	Common breaches of the Listing Requirements with case studies	10 April 2019	
	FORUM on "2nd Distinguished Board Leadership Series: Rethinking Strategy" by Prof Anil K. Gupta	23 April 2019	FIDE
	Talk on "CG Watch: How Does Malaysia Rank?"	3 May 2019	The ICLIF Leadership and Governance Centre
	Independent Directors Programme: The Essence of Independence	27 June 2019	
	Bursa Advocacy on Diversity by Robert Ford	12 June 2019	Institute of Corporate Directors Malaysia (ICDM)
	"Demystifying The Diversity Conundrum: The Road to Business Excellence"		
	Financial Industry Conference (FIC) 2019	17 June 2019	Bank Negara Malaysia
Rosli Bin Abdullah	Seminar on 'Financial Reporting By Listed Issuers	16 July 2018	Dagang NeXchange Berhad
	AMLATFPUAA: Cryptocurrency & Anti Money Laundering Activities.	28 September 2018	i-VCAP Management Sdn Bhd
	Cyber Attacks : Are We Ready?	25 October 2018	
Y.M Tunku Afwida Binti Tunku A. Malek	Understanding Fintech and Its Implications for Banks	3 July 2018	EXIM Bank
	Cyber Attacks : Are We Ready?	25 October 2018	i-VCAP Management Sdn Bhd
Datuk Mohd Nasir Bin Ali	AMLATFPUAA: Cryptocurrency & Anti Money Laundering Activities.	28 September 2018	i-VCAP Management Sdn Bhd
	Cyber Attacks : Are We Ready?	25 October 2018	
	ACI Breakfast Roundtable 2018	3 August 2018	Amanah Raya Berhad

DIRECTORS' TRAINING (continued)

Director	Programme Attended	Date	Organising Company
Sharifatu Laila Binti Syed Ali	KWAP Inspire: Environmental Conference 2018	17 - 18 July 2018	Kumpulan Wang Persaraan (Diperbadankan) (KWAP)
Hassan Bin Ibrahim	Risk Management Conference 2018	29 August 2018	i-VCAP Management Sdn Bhd
	AMLATFPUAA: Cryptocurrency & Anti Money Laundering Activities.	28 September 2018	
	Cyber Attacks : Are We Ready?	25 October 2018	
	Islamic Finance Programme for Board Members	19 November 2018	

TRUSTEE'S DELEGATE

CIMB Islamic Trustee Berhad has delegated its custodial function to CIMB Islamic Bank Berhad ("CIMB Islamic Bank"). CIMB Islamic Bank's ultimate holding company is CIMB Group Holdings Berhad, a listed company on Bursa Malaysia. CIMB Islamic Bank provides full-fledged custodial services, typically clearing settlement and safekeeping of all types of investment assets and classes, to a cross section of investors and intermediaries client base, both locally and overseas.

For the local Ringgit assets, they are held through its wholly owned nominee subsidiary, CIMB Islamic Nominees (Tempatan) Sdn Bhd. For foreign non-Ringgit assets, CIMB Islamic Bank appoints global custodian as its agent bank to clear, settle and safekeep on its behalf and to its order.

All investments are automatically registered in the name of the custodian to the order of the Trustee. CIMB Islamic Bank acts only in accordance with instructions from the Trustee.

SHARIAH ADVISER'S PROFILE

- Shariah Adviser** : IBFIM (763075-W)
Incorporated in Malaysia in 15 February 2007. (Co. No. 763075-W) under the Companies Act, 2016.
- Corporate Information** : IBFIM was incorporated as a company limited by guarantee and not having share capital in Malaysia under the Companies Act, 2016 on 15 February 2007.
- Experience as Adviser** : IBFIM is registered with the SC to act as a Shariah Adviser for Shariah-compliant collective investment schemes. IBFIM is also involved in Shariah-compliant private mandates as well as the Shariah Adviser for Islamic REITs and Islamic asset management houses. As at 31 December 2018, IBFIM has 111 funds under its supervision.
- Designated Person** : The designated person responsible for Shariah advisory matters of the Fund is Nazmi Ashraf Bin Mohd Nazim.
- Conflict of interest with the Fund** : The Shariah Adviser does not have any conflict of interest with the Fund
- List of convictions for offences within the past 5 years, other than traffic offences and any public sanction or penalty imposed by the relevant regulatory bodies during the financial year** : None

IBFIM's Shariah team consists of the following personnel:

Nazmi Ashraf Bin Mohd Nazim
Designated Person Responsible for Shariah Advisory

Nazmi Ashraf is currently a Shariah Consultant at IBFIM which he joined since January 2015. He graduated from Muktah University of Jordan, Bachelor in Islamic Jurisprudence (Majoring in Fiqh and Usul al-Fiqh) (Hons) Degree. After completed his degree, he pursued his studies in Master of Arts in Islamic Finance at Markfield Institute of Higher Education, United Kingdom and Master in Islamic Finance Practice (MIFP) at INCEIF.

Currently, he is responsible for providing Shariah input on the advisory, consultancy and research functions with regard to Islamic banking, takaful, Islamic capital market and Islamic unit trust funds, including but not limited to conducting surveillance on non-financial institution activities. He is experienced in conversion of conventional product to Islamic as well as audit and review for several financial institutions. He is the designated person responsible for Shariah matters related to the Islamic funds' management-related activities.

SHARIAH ADVISER'S PROFILE *(continued)*

IBFIM's Shariah team consists of the following personnel (continued):

Haji Razli Bin Ramli ***Resident Expert***

Razli Ramli brings with him over 25 years of experience in banking and finance, with 20 years in Islamic finance. His proficiency lies in the transformation of traditional banking operations into Shariah-compliant operations. At IBFIM, he is currently a Principal Advisor & Head of Business Advisory with an experience of advising more than 130 Islamic funds including unit trust funds, Islamic REITs of local and international asset management companies. He led development and implementation of Shariah-compliant operations and financing products in a number of institutions. Prior to joining IBFIM he was appointed as secretary of a renowned financial institution's Shariah Advisory Council.

Razli who is the member of Malaysia Institute of Management, obtained his Bachelor of Economics from Flinders University of South Australia in 1990 and currently pursuing his Doctorate of Management in Northern University Malaysia.

Muhammad Shahier Bin Sa'min **Senior Consultant (Shariah)**

Mr Muhammad Shahier brings 4 years of Shariah experience with him. Prior to joining IBFIM, he was the Unit Lead for the Shariah Compliance Unit with the Risk Management Division of Malaysia Debt Ventures Berhad (MDV). At MDV, he established the Shariah Governance Framework, Shariah Compliance Policy and standard operating procedures for the company. In IBFIM, he led the shariah reviews on various tawarruq trading platforms available in the market, and product conversion team for RCE Marketing Sdn Bhd, Borneo Housing Mortgage Finance Berhad and Zikay Factoring Sdn Bhd. He also reviews and advises on 40 Islamic unit trusts/mutual funds and private mandate in Malaysia worth more than RM20 billion as one of IBFIM's Shariah advisors. He holds a bachelor degree in Shariah, Economics & Islamic Banking from Yarmouk University, Jordan and is proficient in the Arabic language.

OTHER INFORMATION

- There were no sanctions and/or penalties imposed on the Fund or its Manager by the relevant regulatory bodies during the financial year and up to the date of this report.
- There was no material litigation involving the Fund since the last annual balance sheet date.
- The amount of non-audit fees incurred for the financial year end 30 June 2019 for services rendered by PricewaterhouseCoopers Taxation Services Sdn. Bhd. a company affiliated to the Auditor of the Fund is USD1,569.
- There were five (5) Board of Directors Meetings held in the financial year end 30 June 2019.

***i*-VCAP Management Sdn. Bhd. (792968-D)**

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