

Annual Report

MyETF Dow Jones U.S. Titans 50

2020

Managed by:

i-VCAP Management Sdn Bhd

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 Address

E-33A-05 Dataran 32,
No.2, Jalan 19/1,
46300 Petaling Jaya,
Selangor Darul Ehsan

Tel. No.: (+603) 7957 6558

Fax No.: (+603) 7841 5555

Business Address

Level 8, Block B, Plaza Zurich
No. 12 Jalan Gelenggang
Bukit Damansara
50490 Kuala Lumpur

Tel. No.: (+603) 2093 7119

Fax No.: (+603) 2094 7119

Board of Directors

(Please refer to pages 56-60 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)

Company Secretary

Mirza Binti Mohamad (MAICSA 7051997)

(resigned effective 30 June 2020)

Halimah binti Haroon (MAICSA 7063294)

(appointed effective 1 July 2020)

Lim Yang Meng (MIA 15860)

(appointed effective 1 July 2020)

E-33A-05 Dataran 32,
No.2, Jalan 19/1,
46300 Petaling Jaya,
Selangor Darul Ehsan.

FUND INFORMATION *(continued)*

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 <i>(Trustee's Delegate)</i> <i>(Please refer to page 64 for Trustee's Delegate information)</i>	: 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
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 INFORMATION *(continued)*

- 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** : Amanie Advisers Sdn. Bhd. (200501007003 (684050-H))
(Please refer to pages 65-67 for corporate information, experience and details of the designated person for the Shariah Adviser)
Level 13A-2
Menara Tokio Marine Life
189, Jalan Tun Razak
50450 Kuala Lumpur

Tel. no. (+603) 2161 0260
Fax no. (+603) 2161 0262
- Participating Dealers** : CIMB Bank Berhad (13491-P)
Level 13, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur
Malaysia

Tel. No. (+603) 2261 8888
Fax No. (+603) 2261 8889
- Index Licensor** : S&P Opco, LLC
55 Water Street, New York
New York 10041
United States of America

Tel. No. (+1) 212 438 3544
Fax No. (+1) 212 438 3523
- Share Registrar** : Boardroom Share Registrars Sdn. Bhd. (378993-D)
(formerly known as Symphony Share Registrars Sdn. Bhd.)
Level 6, Symphony House
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Annual Report 2020

For the Financial Period 1 July 2019 to 30 June 2020

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>i</i> -VCAP Management Sdn. Bhd. (“ <i>i</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.

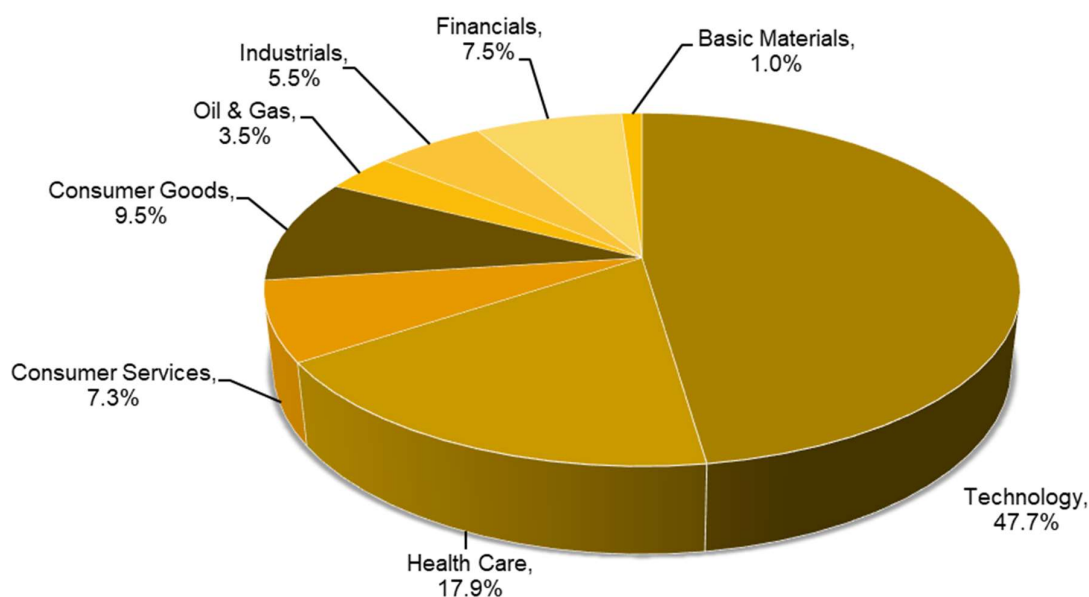
During the reporting period, the constituent securities of the Benchmark Index are listed on the New York Stock Exchange (“NYSE”) and National Association of Securities Dealers Automated Quotation System (“Nasdaq”).

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 2020, 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

Since inception, the Fund's NAV has tracked the performance of the underlying benchmark, i.e. DJUS50 Index, which is in line with Fund's objective to correspond closely to the performance of the Benchmark Index. As at 30 June 2020 the tracking error of the Fund and the Benchmark Index on both Price Return and Total Return basis were 0.13%.

The Fund's NAV per unit increased by 18.96% to USD1.3355 from USD1.1226 for the financial year ended 30 June 2020. Comparatively, the Benchmark Index and Benchmark's Total Return Index (DJUS50 Total Return Index) increased by 18.49% and 19.98% respectively. The difference between the performance of the Fund and its Benchmark Index can largely be attributed to the Fund's operational costs.

The price of the Fund's units that are listed on Bursa Malaysia increased by 17.70% for the financial year 2020 ("FY2020"). 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 decrease to 7.3 million from 13.0 million on a net redemption of 5.7 million units for FY2020.

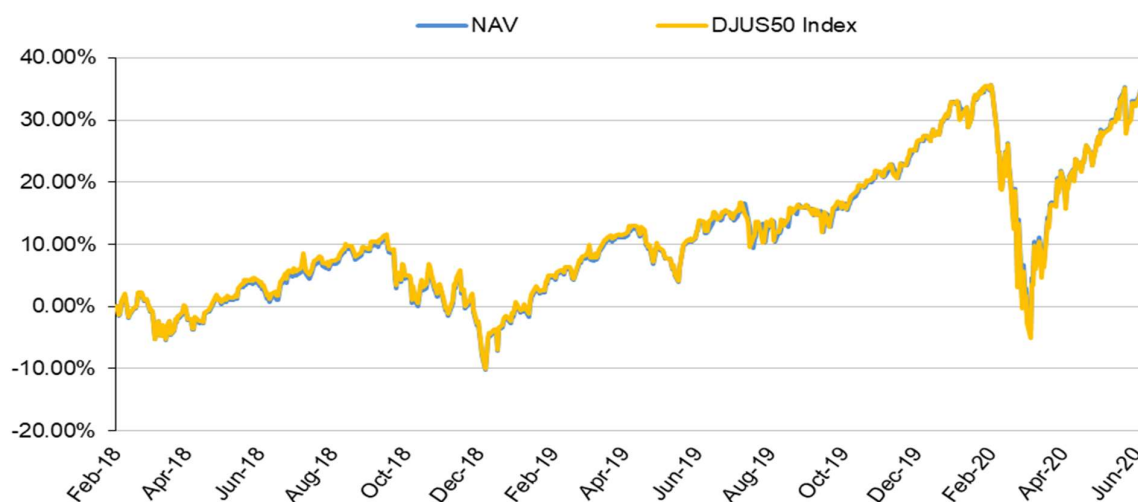
The key statistics and comparative performance of the Fund for the financial year ended 30 June 2020 are summarised as follows :

Table 1: Key Statistics

	As at 30-Jun-20	As at 30-Jun-19	As at 30-Jun-18	YoY change
NAV per unit (USD)	1.3355	1.1226	1.0142	18.96%
- Highest	1.3562 (19 Feb)	1.1358 (21 Jun)	1.0407 (14 Jun)	
- Lowest	0.9636 (23 Mar)	0.8980 (24 Dec)	0.9465 (2 Apr)	
(During the period)				
Price per unit (USD)	1.3300	1.1300	0.9700	17.70%
- Highest	1.5500 (12 May)	1.1500 (25 Jun'19)	1.0350 (7 Jun)	
- Lowest	1.0400 (26 Mar)	0.9000 (26 Dec'18)	0.9550 (23 Mar)	
(During the period)				
Units in Circulation	7,312,300	13,012,300	12,112,300	-43.80%
Total NAV (USD)	9,765,313	14,607,839	12,284,162	-33.15%
Market Capitalisation (USD)	9,725,359	14,703,899	11,748,931	-33.86%
DJUS50 Index	6,381.07	5,385.51	4,881.57	18.49%
DJUS50T Index	9,154.29	7,629.73	6,820.94	19.98%
Tracking Error vs. Price Return DJUS50 Index (%)*	0.13	0.23	0.13	
Tracking Error vs. Total Return DJUS50 Index (%)*	0.13	0.23	0.13	
Management Expense Ratio (%)	0.75	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

	2020 (%)	2019 (%)	2018* (%)
MyETF-US50 - NAV Price Return ^(a)	18.96	10.69	1.42
DJUS50 - Price Return Index	18.49	10.32	2.01
MyETF-US50 - NAV Total Return ^(a)	18.96	10.69	1.42
DJUS50 - Total Return Index	19.98	11.86	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)	18.96	33.55
DJUS50 - Price Return Index	18.49	33.35
MyETF-US50 - NAV Total Return ^(a)	18.96	33.55
DJUS50 - Total Return Index	19.98	37.54

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)	18.96	13.03
DJUS50 - Price Return Index	18.49	14.11
MyETF-US50 - NAV Total Return ^(a)	18.96	13.03
DJUS50 - Total Return Index	19.98	15.88

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 during the financial year 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
1QFY20	Stryker Corp.	DuPont de Nemours Inc.
	Intuit Inc.	Schlumberger Ltd.
	-	Biogen Inc.
2QFY20	TJX Cos. Inc.	Bristol-Myers Squibb
	Becton Dickinson & Co.	Celgene Corp.
3QFY20 *	N/A	N/A
4QFY20	Vertex Pharmaceuticals Inc.	Booking Holdings Inc.
	S&P Global Inc.	TJX Cos Inc.
	Tesla, Inc.	AbbVie Inc.

Sources: S&P Dow Jones, i-VCAP

* Quarterly index rebalancing for 3QFY20 was postponed by S&P Dow Jones Indices, given the extreme global market volatility, market wide circuit breaker events and exchange closures caused by Covid-19 pandemic.

Details of the top 10 holdings as well as Fund's sector exposure as at 30 June 2020 are as follows:

Table 4: Top Ten Holdings of the Fund as at 30 June 2020

	Stock	% of NAV
1.	Apple Inc.	10.39
2.	Microsoft Corp.	10.38
3.	Facebook Inc. - Class A	5.15
4.	Alphabet Inc. - Class A	4.02
5.	Alphabet Inc. - Class C	3.91
6.	Johnson & Johnson	3.50
7.	Visa Inc. - Class A	3.08
8.	Procter & Gamble	2.79
9.	Mastercard Inc. - Class A	2.47
10.	Home Depot Inc.	2.54
Total		48.23

Table 5: Fund's Sector Allocation *

	As at 30-Jun-20	As at 30-Jun-19	Change (%)
Technology	47.76%	41.99%	5.78%
Health Care	17.53%	19.77%	-2.24%
Consumer Services	8.69%	8.44%	-1.24%
Consumer Goods	7.99%	8.89%	0.59%
Oil & Gas	3.35%	6.31%	-2.95%
Industrials	5.52%	6.40%	-0.88%
Financials	7.31%	5.65%	1.66%
Basic Materials	1.05%	1.77%	-0.72%
Cash & Others	0.80%	0.78%	0.00%

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 2020 are as follows:

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

	Quantity (Units)	Market Value (RM)	Market Value as a percentage of Net Asset Value (%)
<u>Basic Materials</u>			
Linde PLC	484	102,661	1.05
		102,661	1.05
<u>Consumer Goods</u>			
Coca-Cola Co.	3,561	159,105	1.63
Mondelez International Inc.	1,315	67,236	0.69
NIKE Inc. - Class B	1,143	112,071	1.15
PepsiCo Inc.	1,279	169,161	1.73
Procter & Gamble Co.	2,281	272,739	2.79
		780,312	7.99
<u>Consumer Services</u>			
Home Depot Inc.	991	248,255	2.54
Lowe's Cos Inc.	696	94,044	0.96
McDonald's Corp.	685	126,362	1.29
Starbucks Corp.	1,077	79,256	0.81
Tesla Inc.	135	145,774	1.49
Walmart Inc.	1,305	156,313	1.60
		850,003	8.69
<u>Financials</u>			
American Tower Corp. - Class A	409	105,743	1.08
Mastercard Inc. - Class A	815	240,996	2.47
S&P Global Inc.	202	66,555	0.68
Visa Inc. - Class A	1,555	300,379	3.08
		713,673	7.31
<u>Health Care</u>			
Abbott Laboratories	1,630	149,031	1.53
Amgen Inc.	542	127,836	1.31
Becton Dickinson & Co.	272	65,081	0.67
Danaher Corp.	580	102,561	1.05
Eli Lilly & Co.	776	127,404	1.30
Gilead Sciences Inc.	1,156	88,943	0.91
Johnson & Johnson	2,427	341,309	3.50
Medtronic PLC	1,236	113,341	1.16
Merck & Co. Inc.	2,326	179,870	1.84
Pfizer Inc.	5,117	167,326	1.71
Stryker Corp.	297	53,516	0.55
Thermo Fisher Scientific Inc.	364	131,892	1.35
Vertex Pharmaceuticals Inc.	219	63,578	0.65
		1,711,688	17.53
<u>Industrials</u>			
3M Co.	530	82,675	0.85
Accenture PLC - Class A	587	126,041	1.29
Automatic Data Processing	396	58,960	0.60
Honeywell International Inc.	647	93,550	0.96
Union Pacific Corp.	626	105,838	1.08
United Parcel Service Inc. - Class B	649	72,156	0.74
		539,220	5.52
<u>Oil & Gas</u>			
Chevron Corp.	1,720	153,476	1.57
Exxon Mobil Corp.	3,895	174,184	1.78
		327,660	3.35
<u>Technology</u>			
Adobe Inc.	444	193,278	1.98
Alphabet Inc. - Class A	277	392,800	4.02
Alphabet Inc. - Class C	270	381,675	3.91
Apple Inc.	2,781	1,014,509	10.39
Cisco Systems Inc.	3,907	182,222	1.87
Facebook Inc. - Class A	2,215	502,960	5.15
Intel Corp.	3,901	233,397	2.39
Intuit Inc.	241	71,382	0.73
Microsoft Corp.	4,982	1,013,887	10.38
Nvidia Corp.	567	215,409	2.21
Oracle Corp.	1,898	104,902	1.07
QUALCOMM Inc.	1,037	94,584	0.97
Salesforce.com	830	155,484	1.59
Texas Instruments Inc.	846	107,416	1.10
		4,663,905	47.76
		9,689,122	99.20

Sources: S&P Dow Jones, i-VCAP

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

US equities posted a strong gain in the second half of 2019. Stock market soared in July 2019 after the Federal Reserve's (Fed) cut interest rates by 25 basis points. However, it was followed by a sharp pullback in August as investors concerned about the US-China trade dispute. During the fourth quarter of 2019, US stock market rose strongly with all major indices hit record highs several time. The Nasdaq Composite had its best performance in six years, after rallying 35.2% in 2019. The S&P 500 increased 28.9%, while the Dow rose 22.3% in 2019. Technology stocks led the rally on the back of strong earnings.

Continued the bullish sentiment from 2019, US equities started the year 2020 on a positive note. Investors were excited by the improved economic data and the signing of phase one trade deal between the US and China in mid-January. The S&P 500 and Nasdaq Composite rose to record highs in February as technology stocks continued to power the market.

Nonetheless, the rally was short-lived as global stock markets experienced massive declines on coronavirus fear and its detrimental effects on global economy. Panic sell-off across all asset classes took place in March 2020 as the virus spread beyond China to the rest of the world. It triggered the unprecedented implementation of full lockdown or partial lockdown over 100 countries across the world. Stock markets had sunk further as oil market crashed, after Saudi Arabia and Russia failed to reach an agreement on production cuts during the OPEC+ meeting. In mid-March, US stock market plunged more than 30% to a multi-year low despite the government announced various measures to support businesses and households. All sectors saw substantial declines in share prices, particularly energy, financial, travel and hospitality sectors. First quarter 2020 ended one of the worst quarters in the US stock market history.

Despite Covid-19 pandemic continued with no end in sight, US equities rebounded sharply in the second quarter 2020 and outperformed most equity markets in the world. Investors were encouraged by the largest-ever stimulus programs, accommodative monetary policy and the easing of lockdown restrictions. Market sentiment was further boosted by the strong recover in oil prices after the world's largest oil producers reached an agreement to a historic production cut. US stock market posted the best quarterly performance since 1998.

On the economy front, US reported a moderate GDP growth of 3.6%-3.8% in the second half of 2019, mainly driven by the strong consumer spending. Consumer spending was supported by the lowest unemployment rate in nearly 50 years and accommodative monetary policy. The Fed cut interest rate for 3 times in the second half of 2019 to stimulate growth.

In the first quarter of 2020, US GDP turned drastically negative with a contraction of 5.0% Dragged by the impact of the Covid-19 pandemic. A much worse decline was expected for the second quarter. The Fed cut interest rates twice in March 2020 and announced unlimited quantitative easing for bond purchase. The US Senate also passed a USD2 trillion stimulus package to counteract the negative economic impact of the pandemic. US unemployment rate hike to an all-time high of 14.7%, with 26 million job lost in April. Although unemployment eased to 11.1% in June, the jobless rate and the number of unemployed were still up significantly by 7.6% and 12.0 million respectively since February.

Despite volatile stock market conditions, the DJUS50 Index recorded a strong return of 18.5% for FY2020 (1 July 2019 – 30 June 2020). The Index hit its all-time high of 6,492.23 points on 19 February 2020 and turned sharply to a multiple-year low of 4,542.52 on 23 March 2020. The index rebounded in the second quarter and closed at 6,381.07 points on 30 June 2020.

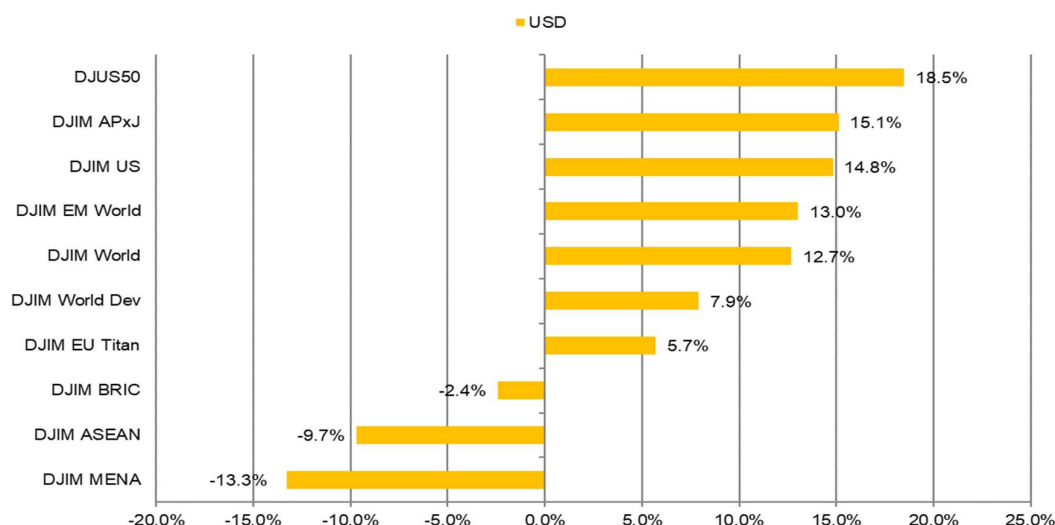
Chart 3(a): DJUS50 Index Performance for FY2020



Sources: Bloomberg, i-VCAP

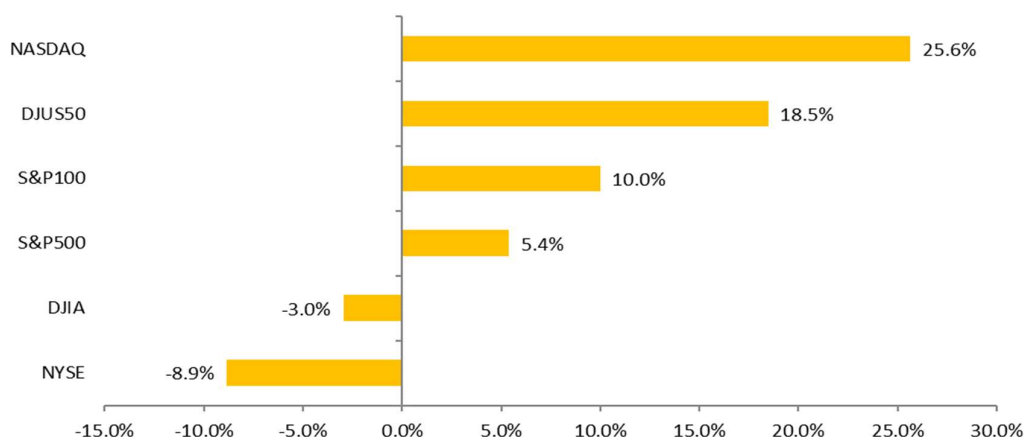
On comparative performance within other indexes in the Dow Jones Islamic Market index series (based on USD), the DJUS50 Index outperformed all global Islamic equity benchmark indices in FY2020. DJUS50 Index also outperformed most of the major US benchmark indices, ranking second after Nasdaq Composite Index. The outperformance of DJUS50 Index was attributed to its heavy weighting on US technology sector which had done well during the financial year.

Chart 3(b): DJUS50 Index Performance against Global Shariah Indices for FY20



Sources: Bloomberg, i-VCAP

Chart 3(c): DJUS50 Index Performance against US Indices for FY20



Sources: Bloomberg, i-VCAP

As economy and businesses reopening begins, global economy is expected to start recovering. Nonetheless, global economic outlook in the second half of the year remains uncertain as Covid-19 cases still increasing globally. Furthermore, rising international trade tensions between the US and China could ruin the already fragile economy.

Market expect a meaningful recovery from the detrimental impact of Covid-19 pandemic beyond 2020. The IMF projected US economy to contract 8% in 2020 and to recover to 4.5% growth in 2021. Market consensus predicted S&P 500 earnings to grow 30% in 2021 on the back of economic recovery.

On the stock market, we expect US equities to remain highly volatile given the unprecedented supportive monetary policy and ample liquidity. While the easing monetary policy could cause volatilities in the market, it is expected to continue drive risky assets such as equities higher.

Investment in MyETF-US50 allows investors to benefit from the potential strong earnings growth in the S&P 500 companies in 2021 on the back of recovery in the US economy. MyETF-US50 closely correspond to the performance of the Benchmark Index that is highly correlated with US broader market performance. The Benchmark Index comprises the 50 Shariah-compliant largest companies listed on the relevant exchanges in the US.

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 2020.

- 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

Lee Kooi Yoke
Chief Executive Officer

Kuala Lumpur, Malaysia
28 August 2020

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 (the "Fund") for the financial year ended 30 June 2020. Our responsibility is to ensure that the procedures and processes employed by *i*-VCAP Management Sdn. Bhd. are in accordance with Shariah.

In our opinion, the Manager of the fund, *i*-VCAP Management Sdn. Bhd. has managed and administered the Fund in accordance with Shariah and complied with applicable guidelines, ruling or decision issued by the Securities Commission Malaysia pertaining to Shariah matters for the financial year ended 30 June 2020.

In addition, we also confirm that the investment portfolio of the Fund comprises securities which have been classified as Shariah-compliant by the Shariah Advisory Council of the Securities Commission Malaysia. For investments other than the abovementioned we have reviewed the same and of the opinion that these investments were in accordance with the Shariah Investment Guidelines of the Fund.

This report is made solely to the unit holders for the Fund, as the body, and for no other purposes. We do not assume responsibility to any other person for the content of this report and we shall not be liable for any errors or non-disclosure on the part of the Manager.

For and on behalf of Shariah Adviser
Amanie Advisors Sdn Bhd

Datuk Dr. Mohd Daud Bakar
Executive Chairman

28 August 2020

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 25 to 54 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 2020 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,
i-VCAP Management Sdn. Bhd.

Kuala Lumpur
28 August 2020

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 2020, 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 2020, 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 25 to 54.

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' International Code Of Ethics For Professional Accountants (including International Independence Standards) ("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

Valuation and existence of financial assets at fair value through profit or loss

Refer to Note F (Summary of significant accounting policies), Note 9 and Note 21 (Notes to the financial statements).

The investment portfolio at the year-end comprised listed equity investments valued at USD9,689,122.

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.

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.

We have tested the existence of the investment portfolio by agreeing the holdings for investments to an independent custodian confirmation.

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 2020

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

	Note	2020 USD	2019 USD
INVESTMENT INCOME			
Gross dividend income		228,063	263,360
Net gain on financial assets at fair value through profit or loss	9	2,415,338	1,250,093
Net gain on forward foreign currency contracts at fair value through profit or loss		47	7
Net foreign exchange loss		(1,263)	(769)
		<u>2,642,185</u>	<u>1,512,691</u>
EXPENSES			
Management fee	4	(52,055)	(53,782)
Trustee's fee	5	(4,559)	(4,691)
License fee	6	(5,211)	(8,094)
Transaction cost		(12,067)	(12,503)
Audit fee		(5,252)	(2,069)
Tax agent's fee		(1,139)	(1,569)
Shariah Adviser's fee		(2,160)	(2,395)
Purification of Shariah non-compliant income		(14,560)	(1,894)
Other expenses	7	(78,778)	(89,077)
		<u>(175,781)</u>	<u>(176,074)</u>
PROFIT BEFORE TAXATION		<u>2,466,404</u>	<u>1,366,617</u>
Taxation	8	-	-
PROFIT AFTER TAXATION AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		<u><u>2,466,404</u></u>	<u><u>1,336,617</u></u>
Profit after taxation is made up as follows:			
Realised amount		2,009,464	33,387
Unrealised amount		456,940	1,303,230
		<u><u>2,466,404</u></u>	<u><u>1,336,617</u></u>

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

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2020**

	Note	30.06.2020 USD	30.06.2019 USD
ASSETS			
Cash and cash equivalents	11	80,179	114,975
Financial assets at fair value through profit or loss	9	9,689,122	14,494,832
Dividends receivable	10	4,951	8,130
Prepayments		1,509	6,128
TOTAL ASSETS		9,775,761	14,624,065
LIABILITIES			
Amount due to Manager		3,389	4,411
Amount due to Trustee		296	806
Audit fee payable		3,731	2,058
Tax agent's fee payable		-	146
Shariah Adviser's fee payable		1,192	1,002
Other payables and accruals	12	1,840	7,803
TOTAL LIABILITIES		10,448	16,226
NET ASSET VALUE OF THE FUND		9,765,313	14,607,839
EQUITIES			
Unit holders' capital		5,772,520	13,081,450
Retained earnings		3,992,793	1,526,389
NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS	14	9,765,313	14,607,839
NUMBER OF UNITS IN CIRCULATION	14	7,312,300	13,012,300
NET ASSET VALUE PER UNIT (USD)		1.3355	1.1226

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 2020**

	Note	Unit holders' capital USD	Retained earnings USD	Total USD
Balance as at 1 July 2019		13,081,450	1,526,389	14,607,839
Creation of units	14	1,151,850	-	1,151,850
Cancellation of units	14	(8,460,780)	-	(8,460,780)
Total comprehensive income for the financial year		-	2,466,404	2,466,404
Balance as at 30 June 2020		5,772,520	3,992,793	9,765,313
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		13,081,450	1,526,389	14,607,839

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

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020**

	Note	2020 USD	2019 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in purchase of Shariah-compliant investments		(2,732,434)	(2,679,187)
Proceeds from sales of Shariah-compliant investments		9,941,414	1,649,171
Dividends received		164,300	186,271
Net gain on forward foreign currency contracts		47	7
Management fee paid		(53,077)	(53,358)
Trustee fee paid		(5,069)	(4,234)
Payment for other fees and expenses		(39,784)	(32,495)
Realised foreign currency exchange loss		(1,263)	(769)
		<hr/>	<hr/>
Net cash generated from/(used in) operating activities		7,274,134	(934,594)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from creation of units	20	1,151,850	1,308,960
Payments for cancellation of units	20	(8,460,780)	(321,900)
		<hr/>	<hr/>
Net cash (used in)/generated from financing activities		(7,308,930)	987,060
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS			
		(34,796)	52,466
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR			
		114,975	62,509
		<hr/>	<hr/>
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	11	80,179	114,975
		<hr/> <hr/>	<hr/> <hr/>

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 2020

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 MyETF Dow Jones U.S Titans 50 (“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 financial year. It also requires the Manager to exercise their judgement in the process of applying the Fund’s accounting policies. Although these estimates and judgement are based on the Managers’ best knowledge of current events and actions, actual results may differ.

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

(a) Standards and amendments to existing standards effective 1 July 2019:

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

(b) New standards, amendments and interpretations effective after 1 July 2019 and have not been early adopted:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2019, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Fund.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (CONTINUED)**

B INCOME FROM SHARIAH-COMPLIANT FINANCIAL INSTRUMENTS

Realised gains and losses

Realised gain or loss on disposal of quoted securities is accounted for as the difference between the net disposal proceeds and the carrying amount of quoted securities, 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 2020 (CONTINUED)**

F FINANCIAL ASSETS AND LIABILITIES

(i) Classification

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

- those to be measured at fair value 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 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 Fund classifies cash and cash equivalents and dividends receivable as financial assets at amortised cost as these financial assets are held to collect contractual cash flows consisting of the amount outstanding, 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 financial assets 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.

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

The Fund 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.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (CONTINUED)**

F FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

(ii) Recognition and measurement (continued)

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 Shariah-compliant quoted 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 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 securities for a period exceeding 14 days, or such shorter period as agreed by Trustee, the 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 rate method.

(iii) Impairment of financial assets

The Fund measures credit risk and expected credit losses using probability of default and loss given default. Management considers both historical analysis and forward looking information in determining any expected credit loss. Management considers the probability of default to be close to zero as these 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 2020 (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 2020 (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 TRANSACTION COSTS

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

L 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 these accounting policies, no significant judgment was required.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020

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 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 2020.

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
2020				
Cash and cash equivalents	11	80,179	-	80,179
Financial assets at fair value through profit or loss	9	-	9,689,122	9,689,122
Dividends receivable		4,951	-	4,951
Total		85,130	9,689,122	9,774,252
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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (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>2020</u> <u>USD</u>	<u>2019</u> <u>USD</u>
Financial assets at fair value through profit or loss	9,689,122	14,494,832

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.

<u>% Change in benchmark index</u>	<u>Benchmark index</u>	<u>Market value</u> <u>USD</u>	<u>Impact to profit</u> <u>after tax/NAV</u> <u>USD</u>
<u>2020</u>			
-10%	5,743	8,733,447	(955,675)
0%	6,381	9,689,122	-
10%	7,019	10,644,797	955,675
<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

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 2020 (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	Shariah Adviser's fee payable	Total
Financial assets and liabilities	USD	USD	USD	USD	USD
2020					
MYR	1,521	(296)	(3,731)	(1,192)	(3,698)

	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

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 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
2020		
MYR	5	185

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (CONTINUED)**

2 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Currency risk (continued)

	Change in foreign exchange rate %	Impact on profit after tax/NAV USD
2019		
MYR	5	<u>204</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 2020 (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>2020</u>			
Financial institutions			
– AAA	80,179	-	80,179
Others	-	4,951	4,951
	<u>80,179</u>	<u>4,951</u>	<u>85,130</u>
<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>

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 2020 (CONTINUED)**

3 CAPITAL AND LIQUIDITY RISK MANAGEMENT

The capital of the Fund is represented by the net assets attributable to unit holders. 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 a perfect basket which comprises of 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 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>2020</u>			
Amount due to Manager	3,389	-	3,389
Amount due to Trustee	296	-	296
Auditors' remuneration	-	3,731	3,731
Tax agent's fee	-	-	-
Shariah Adviser's fee	-	1,192	1,192
Payables	-	1,840	1,840
	<u>3,685</u>	<u>6,763</u>	<u>10,448</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>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (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 2020, the Management fee was recognised at a rate of 0.4% (2019: 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 2020, the Trustee's fee was recognised at a rate of 0.035% (2019: 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 2020, the License fee was recognised at a rate of 0.04% (2019: 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

	<u>2020</u> <u>USD</u>	<u>2019</u> <u>USD</u>
Other expenses	11,835	12,182
Withholding taxes	66,943	76,895
	<u>78,778</u>	<u>89,077</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (CONTINUED)**

8 TAXATION

	<u>2020</u> USD	<u>2019</u> USD
Current taxation	-	-

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

	<u>2020</u> USD	<u>2019</u> USD
Profit before taxation	2,466,404	1,336,617
Tax at Malaysian statutory rate of 24% (2019: 24%)	591,937	320,788
Tax effect of:		
- Investment income not subject to tax	(634,124)	(363,046)
- Restriction on tax deductible expenses for exchange-traded funds	13,754	13,404
- Expenses not deductible for tax purposes	28,433	28,854
Taxation	-	-

9 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<u>2020</u> USD	<u>2019</u> USD
Financial assets at fair value through profit or loss		
- Quoted Shariah-compliant securities	9,689,122	14,494,832
Net gain on financial assets at fair value through profit or loss		
- Realised gain/(loss)	1,958,398	(53,137)
- Unrealised gain on changes in fair value	456,940	1,303,230
	2,415,338	1,250,093

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (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 %
2020				
SHARIAH-COMPLIANT QUOTED SECURITIES				
Basic Materials				
Linde PLC	484	87,246	102,661	1.05
Consumer Goods				
Coca-Cola Co.	3,561	160,753	159,105	1.63
Mondelez International Inc.	1,315	60,052	67,236	0.69
NIKE Inc. - Class B	1,143	83,393	112,071	1.15
PepsiCo Inc.	1,279	145,516	169,161	1.73
Procter & Gamble Co.	2,281	202,448	272,739	2.79
	9,579	652,162	780,312	7.99
Consumer Services				
Home Depot Inc.	991	193,773	248,255	2.54
Lowe's Cos Inc.	696	69,268	94,044	0.96
McDonald's Corp.	685	114,156	126,362	1.29
Starbucks Corp.	1,077	65,491	79,256	0.81
Tesla Inc.	135	134,993	145,774	1.49
Walmart Inc.	1,305	126,590	156,313	1.60
	4,889	704,271	850,003	8.69
Financials				
American Tower Corp. - Class A	409	94,501	105,743	1.08
Mastercard Inc. - Class A	815	162,818	240,996	2.47
S&P Global Inc.	202	66,569	66,555	0.68
Visa Inc. - Class A	1,555	210,033	300,379	3.08
	2,981	533,921	713,673	7.31
Health Care				
Abbott Laboratories	1,630	119,171	149,031	1.53
Amgen Inc.	542	113,889	127,836	1.31
Becton Dickinson & Co.	272	72,478	65,081	0.67
Danaher Corp.	580	78,580	102,561	1.05
Eli Lilly & Co.	776	73,413	127,404	1.30
Gilead Sciences Inc.	1,156	91,123	88,943	0.91
Johnson & Johnson	2,427	324,224	341,309	3.50
Medtronic PLC	1,236	106,278	113,341	1.16
Merck & Co. Inc.	2,326	140,780	179,870	1.84
Pfizer Inc.	5,117	186,038	167,326	1.71
Stryker Corp.	297	63,926	53,516	0.55
Thermo Fisher Scientific Inc.	364	94,715	131,892	1.35
Vertex Pharmaceuticals Inc.	219	64,399	63,578	0.65
	16,942	1,529,014	1,711,688	17.53

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (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 %
2020				
SHARIAH-COMPLIANT QUOTED SECURITIES (CONTINUED)				
Industrials				
3M Co.	530	115,602	82,675	0.85
Accenture PLC - Class A	587	99,693	126,041	1.29
Automatic Data Processing	396	65,887	58,960	0.60
Honeywell International Inc.	647	97,133	93,550	0.96
Union Pacific Corp.	626	86,446	105,838	1.08
United Parcel Service Inc. - Class B	649	69,377	72,156	0.74
	<u>3,435</u>	<u>534,138</u>	<u>539,220</u>	<u>5.52</u>
Oil & Gas				
Chevron Corp.	1,720	190,419	153,476	1.57
Exxon Mobil Corp.	3,895	281,408	174,184	1.78
	<u>5,615</u>	<u>471,827</u>	<u>327,660</u>	<u>3.35</u>
Technology				
Adobe Inc.	444	109,160	193,278	1.98
Alphabet Inc. - Class A	277	325,953	392,800	4.02
Alphabet Inc. - Class C	270	315,178	381,675	3.91
Apple Inc.	2,781	533,866	1,014,509	10.39
Cisco Systems Inc.	3,907	185,977	182,222	1.87
Facebook Inc. - Class A	2,215	413,730	502,960	5.15
Intel Corp.	3,901	190,176	233,397	2.39
Intuit Inc.	241	65,428	71,382	0.73
Microsoft Corp.	4,982	520,246	1,013,887	10.38
Nvidia Corp.	567	145,271	215,409	2.21
Oracle Corp.	1,898	100,555	104,902	1.07
QUALCOMM Inc.	1,037	77,320	94,584	0.97
Salesforce.com	830	114,451	155,484	1.59
Texas Instruments Inc.	846	91,762	107,416	1.10
	<u>24,196</u>	<u>3,189,073</u>	<u>4,663,905</u>	<u>47.76</u>
TOTAL SHARIAH-COMPLIANT QUOTED SECURITIES	<u>68,121</u>	<u>7,701,652</u>	<u>9,689,122</u>	<u>99.20</u>
ACCUMULATED UNREALISED GAIN ON FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>1,987,470</u>		
TOTAL FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS		<u>9,689,122</u>		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (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 2020 (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 2020 (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		

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>2020</u> USD	<u>2019</u> USD
Cash at bank – From Shariah-compliant income	80,144	113,149
Cash at bank – From Shariah non-compliant income	35	1,826
	<u>80,179</u>	<u>114,975</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (CONTINUED)**

12 OTHER PAYABLES AND ACCRUALS

	<u>2020</u> <u>USD</u>	<u>2019</u> <u>USD</u>
Amount due to beneficial organisations (Note 13)	1,080	1,920
Other payables and accruals	760	5,883
	<u>1,840</u>	<u>7,803</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 2020. It comprises the following amounts:

	<u>2020</u> <u>USD</u>	<u>2019</u> <u>USD</u>
Cash at bank – Shariah non-compliant income	35	1,826
Dividends receivable – Shariah non-compliant income	1,045	94
	<u>1,080</u>	<u>1,920</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.

14 NUMBER OF UNITS IN CIRCULATION AND NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS

Net asset value attributable to unit holders is represented by:

	<u>Note</u>	<u>2020</u> <u>USD</u>	<u>2019</u> <u>USD</u>
Unit holders' capital	(a)	5,772,520	13,081,450
Retained earnings		3,992,793	1,526,389
		<u>9,765,313</u>	<u>14,607,839</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (CONTINUED)**

14 NUMBER OF UNITS IN CIRCULATION AND NET ASSETS ATTRIBUTABLE TO UNIT HOLDERS (CONTINUED)

(a) UNIT HOLDERS' CONTRIBUTION/UNITS IN CIRCULATION

	2020		2019	
	No. of	USD	No. of	USD
At beginning of the financial year	13,012,300	13,081,450	12,112,300	12,094,390
Creation during the financial year	900,000	1,151,850	1,200,000	1,308,960
Cancellation during the financial year	(6,600,000)	(8,460,780)	(300,000)	(321,900)
At the end of the financial year	<u>7,312,300</u>	<u>5,772,520</u>	<u>13,012,300</u>	<u>13,081,450</u>

15 TRANSACTIONS WITH BROKERS

Details of transactions with the brokers for the financial year ended 30 June 2020 are as follows:

<u>Name of broker</u>	Value of trade	Percentage of total trades	Brokerage fees	Percentage of total brokerage
	USD	%	USD	%
CGS-CIMB Securities Sdn. Bhd.	6,025,776	47.73	18,223	47.74
Maybank Investment Bank Bhd.	5,775,955	45.76	17,442	45.69
RHB Investment Bank Bhd.	819,931	6.51	2,507	6.57
	<u>12,621,662</u>	<u>100.00</u>	<u>38,172</u>	<u>100.00</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (CONTINUED)

15 TRANSACTIONS WITH BROKERS (CONTINUED)

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

<u>Name of broker</u>	Value of trade	Percentage of total trades	Brokerage fees	Percentage of total brokerage
	USD	%	USD	%
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>

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

	2020		2019	
	No. of Units	USD	No. of Units	USD
The Manager	-	-	619,200	695,114
Valuecap	-	-	10,000,000	11,226,000
Shareholders of Valuecap	5,990,200	7,999,912	1,734,500	1,947,150
	<u>5,990,200</u>	<u>7,999,912</u>	<u>12,353,700</u>	<u>13,868,264</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 2020 (CONTINUED)**

17 MANAGEMENT EXPENSE RATIO ("MER")

	<u>2020</u> USD	<u>2019</u> USD
MER	<u>0.75</u>	<u>0.64</u>

MER is derived from the following calculation:

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

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 USD12,909,860 (2019: USD13,481,701).

18 PORTFOLIO TURNOVER RATIO ("PTR")

	<u>2020</u> USD	<u>2019</u> USD
PTR (times)	<u>0.41</u>	<u>0.16</u>

PTR is derived from the following calculation:

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

where:

total acquisition for the financial year/period = USD2,724,032 (2019: USD2,670,984)

total disposal for the financial year/period = USD7,939,230 (2019: USD1,706,608)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (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 2020, there were 2 unit holders (2019: 2 unit holder) who held more than 10% of the Fund's NAV. The unit holders' holding were 34.10% and 27.18% respectively (2019: 76.85% and 13.33% respectively).

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>2020</u> USD	<u>2019</u> USD
Creation		
- Cash component	1,151,850	1,308,960
	<u>1,151,850</u>	<u>1,308,960</u>
Cancellation		
- Cash component	8,460,780	321,900
	<u>8,460,780</u>	<u>321,900</u>

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (CONTINUED)**

21 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

(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> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<u>2020</u>				
Financial assets at fair value through profit or loss				
- Quoted Shariah-compliant securities	9,689,122	-	-	9,689,122
	<u>Level 1</u> USD	<u>Level 2</u> USD	<u>Level 3</u> USD	<u>Total</u> USD
<u>2019</u>				
Financial assets at fair value through profit or loss				
- Quoted Shariah-compliant securities	14,494,832	-	-	14,494,832

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2020 (CONTINUED)**

21 FAIR VALUES OF FINANCIAL INSTRUMENTS (CONTINUED)

- (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 SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

Sale of the Manager

On 16 December 2019, the Board of Directors of Valuecap, the immediate holding company of the Manager, has resolved to explore various strategic options with regard to the Manager, including divesting or winding up the Manager and the possibility of transferring the Fund to another licensed fund management company.

On 28 February 2020, the Directors of the Manager have resolved to pursue the sale of the Manager to an unrelated third party.

Any decisions made on the Fund will be subject to the necessary regulatory approval.

Covid-19

The worsening macro-economic outlook as a result of Covid-19, both domestically and globally, has resulted in the deterioration of the Fund's Net Asset Value/unit as of the date of this report. This is mainly due to the decrease in the fair value of the Fund's investments at fair value through profit or loss.

The Manager is monitoring the situation closely and will be managing the portfolio to achieve the Fund's objective.

ANALYSIS OF UNIT HOLDINGS

Summary of Unit Holders

As at 30 July 2020

	No. of unit holders	% of unit holders	No. of units held	% of units in circulation
Less than 100	-	-	-	-
100 - 1,000	175	78.13	58,200	0.80
1,001 - 10,000	41	18.30	120,000	1.64
10,001 - 100,000	4	1.79	58,300	0.80
100,001 to less than 5% of issued units	-	-	-	-
5% and above of issued units	4	1.78	7,075,800	96.76
TOTAL	251	100.00	7,312,300	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 AmlInvestment 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 holding company of the Manager.
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:	40
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>i</i>-VCAP Management Sdn Bhd ("<i>i</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>i</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>i</i> -VCAP of which is the Manager 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:	73
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 Jurisprudence 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, Datuk Dr. Syed was Secretary General in the Ministry of Human Resource. Currently, Datuk Dr. Syed is 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 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. Solution Engineering Holdings Berhad2. BSL Corporation Berhad3. Malakoff Corporation Berhad4. Sun Life Malaysia Assurance Berhad5. 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: 64

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 2020:

<u>Name</u>	<u>Date First Appointed</u>	<u>Attendance</u>
Roslina Binti Abdul Rahman	1 August 2018	4 of 4
Khairi Shahrin Arief Bin Baki	11 January 2018	4 of 4
Datuk Dr Syed Muhamad Bin Syed Abdul Kadir	1 January 2019	4 of 4
Mohd Asri Bin Awang	1 January 2019	4 of 4

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 FY2020 are as follows:

Director	Programme Attended	Date	Organising Company
Roslina Binti Abdul Rahman	Investment Management Workshop 2019	23 – 28 June 2019	CFA Institute & Harvard Business School
	Steinbeis Malaysia – Everedge Talk	10 July 2019	Steinbeis Malaysia
	ECN C-Suite Workshop – Future Threats	29 August 2019	The Economist
	Women's Forum Asia	19 – 20 September 2019	Women's Forum
	The Cooler Earth Sustainable Finance Summit	1 – 2 October 2019	CIMB
	Malaysia Private Equity Forum Khazanah Megatrends 2019	1 October 2019 7 – 8 October 2019	Ekuinas Khazanah Nasional
	PNB Corporate Summit 2019	30 October 2019	PNB
	IIC – SIDC Governance Convention 2019	18 – 19 November 2019	IIC & SIDC
Khairi Shahrin Arief Bin Baki	The Asset 2nd Malaysia Issuers and Investors Leaders Dialogue	4 July 2019	The Asset Financial Magazine
	Business Foresight Forum 2019	19 September 2019	Securities Industry Development Corporation (SIDC)
	Khazanah Megatrends Forum 2019	7 – 8 October 2019	Khazanah Nasional Bhd
	SC x SC Fintech Conference 2019	22 - 23 October 2019	Securities Commission
	Cyber Risk and Anti Money Laundering, Countering Financing of Terrorism (AML / CFT) In-house Training	12 November 2019	ValueCAP Group
	IFN Green & Sustainable Finance Forum 2019	3 December 2019	REDMoney
	Digital Disruption: Digital Transformation Strategies	13 March – 13 May 2020	University of Cambridge – Judge School (Online Course)

DIRECTORS' TRAINING (continued)

Director	Programme Attended	Date	Organising Company
Datuk Dr. Syed Muhamad bin Syed Abdul Kadir	2 nd PIDM FIDE Forum Annual Dialog with the CEO of PIDM to discuss key issues on deposit insurance and strategic overview of PIDM's evolution and future plans	12 July 2019	FIDE
	FIDE Forum on "3 rd Distinguished Board Leadership Series: Artificial Intelligence and Its Role in FIs" by Ms. Clara Durodie	24 July 2019	
	FIDE Forum – ISRA Program – "Value Based Intermediation: Director's Role"	1 August 2019	
	Panel Slot Wacana Intelktual: CEO @ Faculty: Charting Your Career Path	7 September 2019	Universiti Sains Islam Malaysia (USIM)
	Penceramah bagi Program Seminar Persediaan Kerjaya untuk Pelajar Ekonomi dan Muamalat	19 September 2019	
	Khazanah Megatrends Forum	7 & 8 October 2019	Khazanah Nasional
	Bank Rakyat Integrity Forum 2020 on Institutionalisation of Reforms in the New Malaysia	14 January 2020	Bank Rakyat
Mohd Asri Bin Awang	Briefing on the Corporate Liability Provision Under Section 17A MACC Act	28 May 2020	Sun Life Malaysia
	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	

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** : Amanie Advisors Sdn Bhd ("Amanie")
Incorporated in Kuala Lumpur, Malaysia in 2005 (Co. No. 200501007003 (684050-H)) under the Companies Act, 1965
- Corporate Information** : Principal Activities
Amanie is a Shariah advisory, consultancy, training and research and development boutique for institutional and corporate clientele focusing on Islamic financial services. Amanie is a registered Shariah adviser with the SC.
- Amanie also focuses on organizational aspect of the development of human capital in Islamic finance worldwide through providing updated quality learning embracing both local and global issues on Islamic financial products and services.
- Shareholding
The authorised & paid-up capital is RM500,000 divided into 500,000 shares of RM1.00 each.
- The shareholders of Amanie are Datuk Dr Mohd Daud Bakar and En Abdul Aziz Bin Abd Jalal.
- Experience as Adviser** : The company is led by Datuk Dr. Mohd Daud Bakar and teamed by an active and established panel of consultants covering every aspect related to the Islamic banking and finance industry, both in Malaysia and the global market. Currently, the team comprises of eight (8) full-time consultants who represent dynamic and experienced professionals with a mixture of corporate finance, accounting, product development, Shariah law and education. Amanie has more than ten (10) years of experience in advisory role in capital markets including unit trust funds and funds management. As at 30 June 2020, Amanie has become the Shariah Adviser for more than 100 funds.
- Designated Person** : The designated person responsible for Shariah advisory matters of the Fund is Datuk Dr. Mohd Daud Bakar as the Chairman. Other consultant are:
(1) Suhaida Mahpot
- 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

SHARIAH ADVISER'S PROFILE (*continued*)

Amanie is backed by its own respective Shariah Team comprises of the following members:

Datuk Dr. Mohd Daud Bakar

Shariah Adviser / Executive Chairman

Datuk Dr. Mohd Daud Bakar is the Founder and Executive Chairman of Amanie Group. One of its flagship companies namely Amanie Advisors, is operating in few cities globally. He serves as the Chairman of the Shariah Advisory Council (SAC) at the Central Bank of Malaysia, the Securities Commission of Malaysia, the Labuan Financial Services Authority, the Astana International Financial Centre (AIFC), Kazakhstan, the First Abu Dhabi Bank, and Permodalan Nasional Berhad (PNB).

Datuk Dr Daud is also a Shariah board member of various global financial institutions, including the National Bank of Oman (Oman), Amundi Asset Management (France), Bank of London and Middle East (London), BNP Paribas Najma (Bahrain), Natixis Bank (Dubai), Oasis Asset Management (South Africa), Noor Islamic Bank (Dubai), Morgan Stanley (Dubai), Sedco Capital (Saudi and Luxembourg), and Dow Jones Islamic Market Index (New York) amongst many others.

In the corporate world, Datuk is currently a member of the PNB Investment Committee. He also served as a Board Director at Sime Darby Property Berhad and Chairman to Malaysia Islamic Economic Development Foundation (YaPEIM). Currently in the academic side, he is the 8th President of the International Islamic University of Malaysia (IIUM) due to his vast skill and experience serving the university. Previously, his last post there was as the Deputy Vice-Chancellor. He was also the third Chair Professor in Islamic Banking and Finance of Yayasan Tun Ismail Mohamed Ali Berdaftar (YTI) PNB at Faculty of Economics and Muamalat, Universiti Sains Islam Malaysia (USIM). In addition, he is the co-founder of Experts Analytics Centre Sdn Bhd and MyFinB.

In 2016, he received the “**Award of Excellence for Outstanding Contribution for Shariah Leadership & Advisory**” at London Sukuk Summit Awards and “**Shariah Adviser Award**” at The Asset Triple A Islamic Finance Award. In 2014, he received the “Most Outstanding Individual” award by His Majesty, the King of Malaysia, in conjunction with the national-level Prophet Muhammad’s birthday. Under his leadership, Amanie Advisors received the “**Islamic Economy Knowledge Infrastructure Award**” at the Global Islamic Economy Summit, Dubai 2015, by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai, Oct 2015.

He received his first degree in Shariah from University of Kuwait in 1988 and obtained his PhD from University of St. Andrews, United Kingdom in 1993. In 2002, he completed his external Bachelor of Jurisprudence at University of Malaya.

His first book entitled “**Shariah Minds in Islamic Finance: An Inside Story of A Shariah Scholar**” has won the “**Islamic Finance Book of the Year 2016**” by the Global Islamic Finance Award (GIFA) 2016. Then, his book on sukuk entitled “**An Insightful Journey to Emirates Airline Sukuk: Pushing The Boundaries of Islamic Finance**” has also won the “**Best Islamic Finance Case 2017**” by the GIFA 2017 in Kazakhstan.

His latest books include **Mindset Is Everything** (2019), **The Hard Truth Of Islamic Finance** (2019), **Ratiocination In Islamic Legal Theory** (2019), and **Corporate Matrimony** (2019), **Dukun Kegagalan** (2019), **Engsel Kehidupan** (2019) and **Sosialisasi Fekah Dalam Struktur Masyarakat** (2019).

His other books include **I Have 25 Hours A Day : The Smart Way to Create More Time** (2016), **Mainstreaming Islamic Finance: Unveiling The Critical Success and Failure Factors An Insider And Global Perspective** (2018), **Saya Ada 25 Jam Sehari** (2016), **Be The Eagle Amongst The Birds** (2018), **Shariah is Life** (2018), **PULUN** (2018), **Anak Desa ke Persada Antarabangsa** (2018), **Harapan Buat Pakatan Harapan** (2018), dan **Membumikan Syariah : Menjelajahi Dimensi Syariah Secara 360 Darjah** (2018).

SHARIAH ADVISER'S PROFILE (*continued*)

Suhaida Mahpot

Chief Executive Officer

Suhaida Mahpot is the Chief Executive Officer for Amanie Advisors in Kuala Lumpur office. She joined Amanie in 2008 and was amongst the pioneers in the company. She is a specialist in sukuk advisory and has been partnering with Datuk Dr Mohd Daud Bakar for the last 10 years to advise numerous sukuk locally and internationally.

One of the sukuk advised by her has been awarded as Best Securitisation Sukuk at The Asset Triple A Islamic Finance Award (2017). Apart from sukuk advisory, her primarily focus is on Shariah governance, structuring, enhancement and conversion exercises, establishment of Islamic financial entities as well as development of Islamic products. She holds a Bachelor of Economics (Islamic Economic & Finance) from International Islamic University Malaysia, and currently pursuing MSc in Islamic Finance with INCEIF. Her career in banking & financial industry started as a trainee under Capital Market Graduated Trainee Scheme organized by the SC.

Prior to joining Amanie, she worked with Affin Investment Bank Bhd since 2006 as an executive for debt & capital markets department. She completed various project financing deals using private debt securities instruments ranging from infrastructure & utilities, real estate, plantation and many others.

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 2020 for services rendered by PricewaterhouseCoopers Taxation Services Sdn. Bhd. a company affiliated to the Auditor of the Fund is USD1,139.
- There were four (4) Board of Directors Meetings held in the financial year end 30 June 2020.

i-VCAP Management Sdn Bhd

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