

ITI Funds UCITS ETF SICAV (in liquidation)

Société d'Investissement à Capital Variable

Audited annual report as at 31/12/23

R.C.S. Luxembourg B 217005

ITI Funds UCITS ETF SICAV (in liquidation)

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In order to obtain more votes for following General Meetings of shareholders, the Board of Directors decided to contact known investors. After the discussion with investors and service-providers, the Board concluded that it is necessary to allow shareholders to be registered directly in the Register. The Board and service-providers are handling with the process of direct shareholders registration in the Register. Due to emerged lack of liquidity in ITI Funds Russia RTS UCITS ETF SICAV sub-fund the Board of Directors also resolved that it should cease the reference index tracking and to begin assets selling of to cover ongoing costs. The CSSF was informed on this action and the Fund Legal confirmed that there were no sanctioned securities in the Fund portfolio. The Board and service-providers are exploring possible ways of assets selling and investors will be notified on further actions once a solution is found.

ITI Funds UCITS ETF SICAV (in liquidation)

Organisation and administration

| | |
|--|--|
| REGISTERED OFFICE OF THE COMPANY | 4, Rue Robert Stumper L-2557 Luxembourg Grand Duchy of Luxembourg |
| BOARD OF DIRECTORS OF THE COMPANY | |
| Chairman | Vincent Decalf Luxembourg |
| Directors | Nikolay Dontsov Spain Oleg Victor Jelesko Guernsey |
| MANAGEMENT COMPANY | Funds Avenue S.A. (from 26/09/23) (previously) Fuchs Asset Management S.A. 49, Boulevard Prince Henri L-1724 Luxembourg Grand Duchy of Luxembourg |
| BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY | Jean-Jacques Lava Deputy CEO and Managing Director Funds Avenue S.A. 49, Boulevard Prince Henri L-1724 Luxembourg Grand Duchy of Luxembourg Hervé Coussement Funds Avenue S.A. 49, Boulevard Prince Henri L-1724 Luxembourg Grand Duchy of Luxembourg Christophe Pessault Independent Director 16, Rue Jean-Pierre Brasseur L-1258 Luxembourg Grand Duchy of Luxembourg |
| CONDUCTING PERSONS OF THE MANAGEMENT COMPANY | Timothé Fuchs Chief Executive Officer Jean-Jacques Lava Deputy CEO and Managing Director Lucie Fischbach Chief Compliance Officer Michael Verschuure Chief Financial Officer |
| INVESTMENT MANAGER | Da Vinci Capital Management Limited Obsidian House Rue D'Aval Vale, Guernsey Channel Islands GY1 3UR |
| DEPOSITARY BANK AND DOMICILIARY AGENT IN LUXEMBOURG | Edmond de Rothschild (Europe) 4, rue Robert Stumper L-2557 Luxembourg Grand Duchy of Luxembourg |
| ADMINISTRATOR AND TRANSFER AGENT | Edmond de Rothschild Asset Management (Luxembourg) 4, rue Robert Stumper L-2557 Luxembourg Grand Duchy of Luxembourg |
| AUDITOR | KPMG Audit S.à.r.l. 39, Avenue John F. Kennedy L-1855 Luxembourg Grand Duchy of Luxembourg |

ITI Funds UCITS ETF SICAV (in liquidation)

Organisation and administration

LEGAL ADVISER AS TO LUXEMBOURG LAW

Dechert (Luxembourg) LLP
1, Allée Scheffer
L-2520 Luxembourg
Grand Duchy of Luxembourg

LEGAL ADVISER AS TO IRISH LAW

Dechert LLP
3 George's Dock
IFSC
Dublin 2
Ireland

IRISH STOCK EXCHANGE LISTING AGENT

IQ EQ Fund Management (Ireland) Limited
(until 28/12/2023)
76 Sir John Rogerson's Quay Dublin Docklands
Dublin 2 D02 C9D0
Ireland

ITI Funds UCITS ETF SICAV (in liquidation)

General information

INFORMATION TO THE SHAREHOLDERS

Notices concerning ITI Funds UCITS ETF SICAV (the “Company”) are published in newspapers designated by the Board of Directors of the Company and, if prescribed by law, are published in the Mémorial, the official gazette of Luxembourg, and are lodged with the Registrar of the Luxembourg District Court.

The current Articles of Incorporation of the Company are lodged with the Registrar of the Luxembourg District Court, from whom copies may be obtained.

The issue price and the redemption price of the Company shares are made public at the Registered Office of the Company, where prospectus, KIIDs, Articles of Incorporation and financial reports may be obtained.

Subscriptions cannot be received on the basis of financial reports. Subscriptions are valid only if made on the basis of the current prospectus, supplemented by the last annual report including financial statements and the most recent semi-annual report if published thereafter.

During the year under review, only audit services are provided by KPMG Audit S.à .r.l.

NET ASSET VALUE PER SHARE

The Net Asset Value per Share is calculated on the Business Day following the relevant Valuation Day and be determined by dividing the Net Asset Value of the respective Sub-Fund/Class by the number of such Shares which are in issue on such Valuation Day in the relevant Sub-Fund and/or Class (including Shares in relation to which a Shareholder has requested redemption on such Valuation Day).

The Net Asset Value per Share will in principle be calculated with four decimal places and may be rounded up or down to the nearest whole unit of the currency in which the Net Asset Value of the relevant Shares are calculated.

For all Sub-funds, a non-tradable Net Asset Value was calculated on December 31, 2023 for the purpose of these financial statements. These non-tradable Net Assets Values were based on the latest available market prices of the investments as at closing date.

ITI Funds UCITS ETF SICAV (in liquidation)

Report of the Board of Directors

The Fund in general

At the beginning of the year 2023 the Board of Directors (the "Board") of ITI Funds UCITS ETF SICAV (the "Fund") was focused on the situation with payments to service-providers. Due to disruption of the depository chain in 2022, the ITI Funds Russia RTS Equity UCITS ETF SICAV sub-fund (the "RTS sub-fund") stopped to receive dividends, paid by equities in the portfolio, while ongoing costs wasn't changed significantly. Issues with payments appeared due to the shortage of available cash in the RTS sub-fund under the scope of cost allocation rules, determined by the Prospectus of the Fund. According to the Prospectus, payments, which are not related to any specific sub-fund, should be split in accordance with net assets of sub-funds. Thus, RTS sub-fund should cover part of payments, which are not related to any specific sub-fund, restricting such payments in case of liquidity shortage. Quick check for assets selling options indicated that the most part of executing brokers of the Fund had suspended their services for Russia-related assets. The Fund also contacted several other market participants to get more information.

The revealed circumstances were summarized and reported to the Luxembourg regulator in March 2023. The position of the Board on the voluntary liquidation, as the best available option, was supported by this summary. Directors suggested the regulator to allow the Fund to begin searching for trading counterparties to sell assets and to raise the necessary liquidity (where such sells were allowed by present depository restrictions and the regime of sanctions). Such action implied ceasing of the reference index tracking by sub-funds (policy, which became impossible to implement) and abandoning of keeping the portfolio structure as of February 2022 (which became the best available option to minimize the difference with the reference index) without waiting for the beginning of the liquidation. The Board also expected that calculation of ITI Funds Russia-Focused USD Eurobond Index (the reference index of the ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV, the "Eurobond sub-fund") could also be stopped in the future. The Board intended to get feedback from the regulator prior to any related actions or notifications to shareholders.

Another measure to deal with outstanding payments problem was to request service-providers to split explicitly between sub-funds payments, which were not related to any specific sub-fund. During the year 2023 some of service-providers, which had agreed to split their invoices, received payments related to the Eurobond sub-fund. These actions reduced overall outstanding payments amount of the Fund.

As the voluntary liquidation of the Fund remained to be the best available solution, the Board convened an extraordinary general meeting of shareholders (an "EGM") in April 2023. Unfortunately, the necessary quorum was not reached on the EGM, and no decision on the Fund liquidation was made. The suspension of electronic data interchange between NSD and global depositories (while a significant part of shares was held in Russian NSD) was considered as the main reason of such an outcome.

In order to make the voting possible for more shareholders on the following EGM, the Board started consultations with the transfer agent of the Fund and large known shareholders, which had their shares in NSD, regarding the direct registration in the register of shareholders of the Fund. Due to the disrupted depository chain for shares in NSD and the non-standard nature of such a registration, the procedure was expected to be time consuming. However, the lack of other options to obtain more votes made feasible the durable registration of some large non-sanctioned shareholder with frozen shares in NSD. At the beginning of June 2023, a large investor sent a formal request for reregistering of shares in the register of shareholders of the Fund.

In June 2023 the Management Company of the Fund notified the Board that, it still applied a prudent approach on Russian exposure and advised to keep Fund assets frozen. At this stage, the Board was still waiting for the feedback from the Luxembourg regulator. However, as the possibility of assets selling became uncertain, the Board started considering other solutions, including the reduction of ongoing costs. Considering that the situation with sanctions and restrictions would not become better in the nearest future, and that the Fund should approach towards the liquidation, the Board considered listings on stock exchanges and related services as primary targets in the cost reduction plan.

In July 2023 the Board sent a letter to investors, explaining the situation in the Fund and further planned actions, and convened another EGM on voluntary liquidation to the end of the month. Investors were also informed about the Board's intention to reduce ongoing costs to maximize the ability of the Fund to operate until the beginning of the liquidation in the scope of issues with payments (during undetermined period of time). Soon after, the Fund received a notification from Astana International Exchange, that as the Fund shares trading had been suspended for a long period, the Exchange decided to delist them in accordance with listing rules. On the EGM at the end of July 2023 the necessary majority of votes in favor of the voluntary liquidation wasn't reached.

Results of the July EGM were discussed by the Board with the Fund Legal and reported to the regulator in August 2023. The response of the regulator indicated non-objection for beginning of assets selling. Consequently, the Management Company agreed to begin assets selling necessary to cover outstanding payments in September 2023. Meanwhile, in order to reduce ongoing costs, the Fund started to make preparations for delisting from London Stock Exchange and termination of related agreements with service-providers. It was decided to keep listings on Euronext Dublin, Moscow Exchange and related services and reconsider the situation at the end of the year. The delisting from London Stock Exchange and termination of related service agreements were done in October 2023.

As of the beginning of December 2023, the Fund was not able to complete a registration of any shareholders in the register of shareholders of the Fund. Also, due to depository restrictions, the Fund was not able to quickly begin selling of equities from the RTS sub-fund portfolio. After reviewing the situation with the Fund Legal, the Auditor and the Luxembourg regulator, the Board decided to proceed with termination of remaining exchange listings of the Fund. Also, a new EGM on voluntary liquidation was convened to the end of the year 2023.

Also, in December 2023 the Fund received a request from the P class shareholder to consider split of P class shares. After the review of the request with the Fund Legal, the Board concluded that as P class was the separate non-traded class of shares with a sole shareholder (unlike A class shares which were listed on exchanges and distributed among many investors), it was possible to make such a split by sole shareholder resolutions. Then the Board instructed the Fund Administrator to execute split of P class shares based on sole holder resolutions, received in mid-December.

At the end of the year 2023 the Fund completed delisting from Euronext Dublin. Moscow Exchange notified on delisting of Fund shares scheduled to the beginning of year 2024. On the December EGM the necessary quorum was not reached, thus no decision on voluntary liquidation was made.

ITI Funds UCITS ETF SICAV (in liquidation)

Report of the Board of Directors

Sub-fund - ITI Funds Russia RTS Equity UCITS ETF SICAV

The sub-fund inception date is 30th of January 2018 with USD 25 initial NAV per share. The sub-fund is denominated in USD and targeted to track index of most liquid Russian stocks on the initial investment plus accumulates dividends which are paid by underlying stocks. Accumulated stock dividends minus costs are to be distributed annually. In the year 2023 the Board of Directors ceased tracking of the reference index by the sub-fund and started the assets selling process. Due to the position of the Management Company, potential selling is restricted by amount of outstanding sub-fund payments. The Board hasn't recommended any dividend to be paid in year 2023.

As of the most recent calculated NAV (dated February 25th, 2022) the sub-fund recorded negative performance -6.97% since the inception including dividends.

At the beginning of the year 2023 the suspension of services by the most part of executing brokers in relation to Russian equities was confirmed. Quick review of the market indicated that there was low demand for purchasing of assets from the sub-fund's portfolio among considered potential counterparties. Indicative prices, which were given by potential counterparties, were only 40% of respective prices on the Russian regulated market.

The sub-fund faced lack of liquidity during the year 2023 due to non-receiving of dividends, paid by equities in the portfolio. In accordance with the Prospectus of the Fund, the liquidity issue restricted payments related to this sub-fund or shared for all sub-funds. After the beginning of the selling process in September 2023 there was no success in selling of assets during the remaining part of year 2023 due to various depository restrictions. There is a limited number of counterparties, which are ready to consider trading & settlement services for Russian equities as of end of year 2023.

In September 2023 VK Company Limited GDRs (VKCO, ISIN US5603172082), which were held by sub-custodian in Russian NSD, were converted to VK PAO ordinary shares (VKCO, ISIN: RU000A106YF0) due to relocation of the issuer to Russia.

During the year 2023 the Board didn't see improvement of situation with market prices and restrictions to cancel the decision from March 1st, 2022 (NAV calculation, subscriptions and redemptions suspension for the sub-fund).

There is a potential risk of delisting of some equities in the portfolio. In this case the sub-fund will have difficulties to sell them even if sanctions are lifted and trading services are resumed. The sub-fund is not able to operate normally, to receive dividends from equities in the portfolio (due to restrictions imposed on Russian NSD all dividend payments in year 2023 are affected and considered as receivables).

A significant portion of the equity issuers in the Sub-Fund's portfolio are subject to EU sanctions targeting Russia, including asset freezes as outlined in Council Regulations (EU) 269/2014 and 833/2014, among others. Furthermore, due to the complexity and ongoing evolution of regulations and sanctions related to Russia's war of aggression against Ukraine, it is currently not possible to sell any equities in the Sub-Fund's portfolio or to find potential buyers.

In light of this situation, and in accordance with the recommendation of the Liquidator, the Fund's Board of Directors has decided to adopt a prudent approach to ensure a fair valuation of assets. As a result, the equities held in the Sub-Fund's portfolio of ITI Funds Russia RTS Equity UCITS ETF SICAV have been valued at zero (0) as of December 31, 2023, and will remain so until further notice or until there is a material change in the sanctions framework.

Sub-fund - ITI Funds Russia-focused USD Eurobond UCITS ETF SICAV

The fund inception date is 30th of January 2018 with USD 25 initial NAV. The fund is denominated in USD and targets tracks total-return index of most rated Russian USD denominated Eurobonds. Accumulated coupons are to be reinvested. In the year 2023 the Board of Directors ceased tracking of the reference index by the sub-fund and started the assets selling process. Due to the position of the Management Company, potential selling is restricted by amount of outstanding sub-fund payments.

As of the most recent calculated NAV (dated February 25th, 2022) the sub-fund recorded negative performance -10.82% since the inception.

At the beginning of the year 2023 the suspension of services by the most part of executing brokers in relation to Russian Eurobonds was confirmed. Quick review of the market indicated that there was a little demand for purchasing of assets from the sub-fund's portfolio among considered potential counterparties. Trading services were available only for 60% of bonds (in notional amount) as of March 2023.

The Severstal bond (CHMFRU 3.15 09/16/24) is considered by the Fund Administrator as the defaulted one.

In September 2023 the Russian sovereign bond (RUSSIA 4 7/8 09/16/23) has matured. As the result 8 bonds remain in the portfolio as of 31/12/2023.

During the year 2023 the Board didn't see improvement of situation with market prices and restrictions to cancel the decision from March 1st, 2022 (NAV calculation, subscriptions and redemptions suspension for the sub-fund).

Due to sanctions imposed by EU, US and other countries to several Russian companies and organizations after February 2022, at least 50% of the sub-fund assets are affected because of relation of issuers to sanctioned companies / persons, although there are no sanctioned securities in the portfolio of the sub-fund.

Processing of transactions for some bonds was also suspended by Euroclear & Clearstream, making sub-fund unable to receive bond coupons / redemption until the restriction is lifted (more 50% in amount of scheduled coupon payments in year 2023 are affected by the measure, such coupons are considered as receivables).

ITI Funds UCITS ETF SICAV
January 28th, 2025



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To the Shareholders of
ITI Funds UCITS ETF SICAV ("in liquidation")
4, Rue Robert Stumper
L-2557 Luxembourg
Grand Duchy of Luxembourg

Disclaimer of Opinion

We were engaged to audit the financial statements of ITI Funds UCITS ETF SICAV ("in liquidation" since 16 January 2024) ("the Fund") and each of its sub-funds, which comprise the statement of net assets and the securities portfolio as at 31 December 2023 and the statement of operations and changes in net assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the Fund. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

ITI Funds Russia RTS Equity UCITS ETF SICAV ("in liquidation") and ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV ("in liquidation"), both sub-funds of the Fund ("the Sub-Funds"), are fully invested in Russian equities and/or bonds ("the Securities") as at 31 December 2023.

As a direct consequence of the military action of the Russian Federation in Ukraine started in February 2022, various jurisdictions have introduced sanctions against the Russian Federation, its selected corporates and individuals. In addition, in response to international sanctions, counter-measures have been introduced by the Russian Federation. These events made it no more possible to trade Russian securities and these Securities can no longer be considered as liquid, the Sub-Funds' reference indices stopped to be calculated and the calculation of the net asset values of the Sub-Funds was suspended on 1 March 2022. As a result, on 1 April 2022, the Board of Directors of the Fund proposed to put the Fund in liquidation and these financial statements have been prepared on a non-going concern basis since then. The Fund was formally put in liquidation on 16 January 2024.

The Fund was delisted from EU Regulated Exchanges in December 2023 and Moscow Exchange in January 2024.

Because of the pervasiveness of the above-mentioned limitations, we issued a disclaimer of opinion on the financial statements for the year ended 31 December 2021 dated 30 June 2022, and for the year ended 31 December 2022 dated 27 October 2023. Our opinion on the current year's financial statements is also modified because of the possible effects of the matters on the "Net assets at the beginning of the year" and the "Net increase/(decrease) in net assets as a result of operations" for the year ended 31 December 2023. The Securities, in the financial statements for the year ended 31 December 2023, reflect their Moscow exchange prices recorded as at year end for ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV ("in liquidation") before any valuation adjustments which would have been necessary to reflect their recoverable values at year-end and are valued at nil for ITI Funds Russia RTS Equity UCITS ETF



SICAV (“in liquidation”). Due to the circumstances described in the preceding paragraph and the lack of available sufficient and reliable market observable data regarding these Securities, the Board of Directors of the Fund is not in a position to assess whether or not this Securities’ valuation represents the net realizable value as at 31 December 2023 as per the accounting policy.

Given the above mentioned circumstances, there is also uncertainty on the recoverability of the amounts recorded in the captions “Dividends receivable, net” and “Interests receivable, net” in the statement of net assets as at 31 December 2023 and the corresponding “Dividends on securities portfolio, net” and “Interests on bonds, net” in the statement of operations and changes in net assets for the year ended 31 December 2023.

As a result of all these matters, we were unable to determine whether any adjustments were necessary to the captions “Securities portfolio at market value”, “Interests receivable, net”, and “Dividends receivable, net” as at 31 December 2023 as well as the related captions in the statement of operations and changes in net assets for the year then ended.

Emphasis of Matter

We draw attention to notes 2.1 and 8 of these financial statements, which indicate the decision of the shareholders to put the Fund into liquidation during the Extraordinary General Meeting dated 16 January 2024. These financial statements have therefore been prepared using a non-going concern basis of accounting.

Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund’s and each of its sub-funds’ 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 Board of Directors of the Fund either intends to liquidate the Fund or any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d’entreprises agréé” for the audit of the financial statements

Our responsibility is to conduct an audit of the Fund’s financial statements in accordance with the Law of 23 July 2016 on the audit profession (“Law of 23 July 2016”) and with International Standards on Auditing (“ISAs”) as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (“CSSF”) and to issue an auditor’s report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.



We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements.

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

Luxembourg, 15 April 2025

KPMG Audit S.à r.l.
Cabinet de révision agréé

A handwritten signature in dark ink, appearing to be 'R. Beegun', written in a cursive style.

R. Beegun

ITI Funds UCITS ETF SICAV (in liquidation)

Combined financial statements

ITI Funds UCITS ETF SICAV (in liquidation)

Combined statement of net assets as at 31/12/23

| | <i>Note</i> | <i>Expressed in EUR</i> |
|--------------------------------------|-------------|-------------------------|
| Assets | | 3,408,112.35 |
| Securities portfolio at market value | 2.2 | 2,115,374.10 |
| <i>Cost price</i> | | 11,402,749.67 |
| Cash at banks and liquidities | | 505,303.12 |
| Dividends receivable, net | | 492,079.26 |
| Interests receivable, net | | 295,355.87 |
| Liabilities | | 2,433,527.46 |
| Bank overdrafts | | 10,434.40 |
| Expenses payable | | 40,284.25 |
| Liquidation fees payable | 7 | 2,382,808.81 |
| Net asset value | | 974,584.89 |

ITI Funds UCITS ETF SICAV (in liquidation)

Combined statement of operations and changes in net assets for the year ended 31/12/23

| | <i>Note</i> | <i>Expressed in EUR</i> |
|--|-------------|-------------------------|
| Income | | 375,700.76 |
| Dividends on securities portfolio, net | | 174,359.77 |
| Interests on bonds, net | | 201,340.99 |
| Expenses | | 2,344,788.61 |
| Global fee | 3 | 123,755.01 |
| Transaction fees | 2.5 | 679.32 |
| Interests paid on bank overdraft | | 321.28 |
| Liquidation fees | 7 | 2,220,033.01 |
| Net income / (loss) from investments | | -1,969,087.85 |
| Net realised profit / (loss) on: | | |
| - foreign exchange | 2.3 | -4,889.33 |
| Net realised profit / (loss) | | -1,973,977.18 |
| Movement in net unrealised appreciation / (depreciation) on: | | |
| - investments | 2.2 | -6,554,939.36 |
| Net increase / (decrease) in net assets as a result of operations | | -8,528,916.53 |
| Net increase / (decrease) in net assets | | -8,528,916.53 |
| Revaluation of opening combined NAV | | -333,034.38 |
| Net assets at the beginning of the year | | 9,836,535.80 |
| Net assets at the end of the year | | 974,584.89 |

ITI Funds Russia RTS Equity UCITS ETF SICAV (in liquidation)

ITI Funds Russia RTS Equity UCITS ETF SICAV (in liquidation)

Statement of net assets as at 31/12/23

| | Note | Expressed in USD |
|--------------------------------------|------|--------------------|
| Assets | | 559,574.02 |
| Securities portfolio at market value | 2.2 | 0.00 |
| <i>Cost price</i> | | 6,666,985.80 |
| Cash at banks and liquidities | | 15,998.66 |
| Dividends receivable, net | | 543,575.36 |
| Liabilities | | 990,405.73 |
| Bank overdrafts | | 11,526.36 |
| Expenses payable | | 42,000.00 |
| Liquidation fees payable | 7 | 936,879.37 |
| Net asset value | | -430,831.71 |

ITI Funds Russia RTS Equity UCITS ETF SICAV (in liquidation)

Statement of operations and changes in net assets from 01/01/23 to 31/12/23

| | Note | Expressed in USD |
|--|------|----------------------|
| Income | | 192,606.52 |
| Dividends on securities portfolio, net | | 192,606.52 |
| Expenses | | 897,950.33 |
| Global fee | 3 | 55,887.50 |
| Transaction fees | 2.5 | 233.86 |
| Interests paid on bank overdraft | | 354.90 |
| Liquidation fees | 7 | 841,474.07 |
| Net income / (loss) from investments | | -705,343.81 |
| Net realised profit / (loss) on: | | |
| - foreign exchange | 2.3 | -5,404.50 |
| Net realised profit / (loss) | | -710,748.31 |
| Movement in net unrealised appreciation / (depreciation) on: | | |
| - investments | 2.2 | -5,290,226.16 |
| Net increase / (decrease) in net assets as a result of operations | | -6,000,974.47 |
| Net increase / (decrease) in net assets | | -6,000,974.47 |
| Net assets at the beginning of the year | | 5,570,142.76 |
| Net assets at the end of the year | | -430,831.71 |

ITI Funds Russia RTS Equity UCITS ETF SICAV (in liquidation)

Statistics

| | | 31/12/23 | 31/12/22 | 31/12/21 |
|---------------------------|------------|--------------------|---------------------|---------------------|
| Total Net Assets | USD | -430,831.71 | 5,570,142.76 | 7,524,622.32 |
| Class A (USD) | | | | |
| Number of shares | | 252,000.0000 | 252,000.0000 | 238,000.0000 |
| Net asset value per share | USD | 0.0000* | 22.0195 | 31.4885 |
| Class P (USD) | | | | |
| Number of shares | | 18,500.0000 | 185.0000 | 185.0000 |
| Net asset value per share | USD | 0.0000* | 114.8166 | 164.1040 |

* Even if the net assets of ITI Funds Russia RTS Equity UCITS ETF SICAV (in liquidation) are negative, the net asset value per share of the Sub-Fund is set at 0 since shareholders of the Sub-Fund do not have obligations beyond the value of their investment.

ITI Funds Russia RTS Equity UCITS ETF SICAV (in liquidation)

Changes in number of shares outstanding from 01/01/23 to 31/12/23

| | Shares outstanding as at 01/01/23 | Shares issued | Shares redeemed | Shares outstanding as at 31/12/23 |
|----------------------|--------------------------------------|---------------|-----------------|--------------------------------------|
| Class A (USD) | 252,000.0000 | 0.0000 | 0.0000 | 252,000.0000 |
| Class P (USD) | 185.0000 | 18,315.0000* | 0.0000 | 18,500.0000 |

* Further to a Circular Resolution dated 18 December 2023 with effective date 20 December 2023 of the sole shareholder of Class P of the Sub-Fund ITI Funds Russia RTS Equity UCITS ETF SICAV, it was decided to split the Class P in 100 new shares of Class P and that the value of each of these shares are be consequently be split by 100.

ITI Funds Russia RTS Equity UCITS ETF SICAV (in liquidation)

Securities portfolio as at 31/12/23

| Denomination | Currency | Quantity/ Notional | Cost price (in USD) | Market value (in USD) | % of net assets |
|---|----------|-----------------------|------------------------|--------------------------|--------------------|
| Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market | | | 6,666,985.80 | 0.00 | 0.00 |
| Shares | | | 6,666,985.80 | 0.00 | 0.00 |
| Cyprus | | | 225,736.88 | 0.00 | 0.00 |
| FIX PRICE | RUB | 7,254 | 58,955.89 | 0.00 | 0.00 |
| GLOBALTRANS INV --- SHS SPONSORED GLOBAL | RUB | 3,240 | 21,232.11 | 0.00 | 0.00 |
| TCS GROUP HOLDINGS GDR REPR 1 SH A REGS | RUB | 3,654 | 145,548.88 | 0.00 | 0.00 |
| Kazakhstan | | | 191,126.14 | 0.00 | 0.00 |
| POLYMETAL INTERNATIONAL PLC | RUB | 10,638 | 191,126.14 | 0.00 | 0.00 |
| Netherlands | | | 403,314.40 | 0.00 | 0.00 |
| NEBIUS GROUP NV | RUB | 8,676 | 403,314.40 | 0.00 | 0.00 |
| Russia | | | 5,811,405.35 | 0.00 | 0.00 |
| AEROFLOT | RUB | 31,680 | 39,287.30 | 0.00 | 0.00 |
| ALROSA CJSC | RUB | 79,200 | 109,693.76 | 0.00 | 0.00 |
| AO TATNEFT | RUB | 22,050 | 193,409.68 | 0.00 | 0.00 |
| CREDIT BANK MOS - REGISTERED SHS | RUB | 221,400 | 19,003.71 | 0.00 | 0.00 |
| DETSKY MIR PJSC | RUB | 16,200 | 25,340.68 | 0.00 | 0.00 |
| EN+ GROUP INTERNATIONAL PJSC | RUB | 2,826 | 35,764.06 | 0.00 | 0.00 |
| FEDERAL GRID COMPANY OF UNIFIED ENERGY | RUB | 7,200,000 | 19,660.44 | 0.00 | 0.00 |
| GAZPROM | RUB | 269,820 | 811,693.15 | 0.00 | 0.00 |
| HEADHUNTER GR --- SHS SPONSORED AMERICAN | RUB | 936 | 34,157.64 | 0.00 | 0.00 |
| INTER RAO UES - SHS | RUB | 1,089,000 | 69,998.53 | 0.00 | 0.00 |
| JSFC SISTEMA | RUB | 100,800 | 24,873.34 | 0.00 | 0.00 |
| LUKOIL PJSC | RUB | 10,512 | 794,856.40 | 0.00 | 0.00 |
| MAGNIT JSC | RUB | 2,160 | 142,873.84 | 0.00 | 0.00 |
| MAGNITOGORSK IRON | RUB | 70,740 | 53,955.69 | 0.00 | 0.00 |
| MMC NORILSK NIC | RUB | 1,656 | 437,583.26 | 0.00 | 0.00 |
| MOBILE TELESYSTEMS | RUB | 26,460 | 122,772.39 | 0.00 | 0.00 |
| MOSCOW EXCHANGE | RUB | 45,360 | 83,915.26 | 0.00 | 0.00 |
| NOVATEK | RUB | 20,160 | 321,905.75 | 0.00 | 0.00 |
| NOVOLIPETSK STEEL | RUB | 39,780 | 100,281.51 | 0.00 | 0.00 |
| OZON HOLDINGS PLC - ADR | RUB | 1,746 | 80,381.14 | 0.00 | 0.00 |
| PHOSAGRO - REGISTERED SHS | RUB | 1,026 | 48,025.23 | 0.00 | 0.00 |
| PIK-SPECIALIZED HOMEBUILDER | RUB | 4,590 | 40,137.14 | 0.00 | 0.00 |
| POLYUS GOLD CO ZAO | RUB | 900 | 121,150.58 | 0.00 | 0.00 |
| ROSNEFT OIL COMPANY OJSC | RUB | 36,864 | 226,592.84 | 0.00 | 0.00 |
| ROSTELECOM | RUB | 30,060 | 35,312.02 | 0.00 | 0.00 |
| RUSHYDRO | RUB | 3,474,000 | 38,486.85 | 0.00 | 0.00 |
| SBERBANK | RUB | 262,980 | 935,902.09 | 0.00 | 0.00 |
| SBERBANK-PREFERENCE | RUB | 25,380 | 81,358.64 | 0.00 | 0.00 |
| SEVERSTAL JSC CHEREPOVETS METAL FACTORY | RUB | 5,832 | 98,292.45 | 0.00 | 0.00 |
| SURGUTNEFTEGAZ | RUB | 282,600 | 143,605.92 | 0.00 | 0.00 |
| SURGUTNEFTEGAZ | RUB | 178,200 | 92,927.21 | 0.00 | 0.00 |
| TATNEFT PJSC - PREF | RUB | 4,662 | 34,303.12 | 0.00 | 0.00 |
| TRANSNEFT PJSC | RUB | 18 | 43,246.91 | 0.00 | 0.00 |
| UNITED CO RUSAL INTERNATIONAL | RUB | 81,720 | 45,119.72 | 0.00 | 0.00 |
| VK INTERNATIONAL PUBLIC JOINT-STOCK COMP | RUB | 3,780 | 97,202.76 | 0.00 | 0.00 |
| VTB BANK PJSC | RUB | 147,600,000 | 101,898.19 | 0.00 | 0.00 |
| X 5 RETAIL GROUP NV-REGS GDR | RUB | 3,528 | 106,436.15 | 0.00 | 0.00 |
| United Kingdom | | | 35,403.03 | 0.00 | 0.00 |
| PETROPAVLOVSK -- REGISTERED SHS* | RUB | 81,000 | 35,403.03 | 0.00 | 0.00 |
| Total securities portfolio | | | 6,666,985.80 | 0.00 | 0.00 |

*See note 2.2- Valuation of assets

ITI Funds Russia RTS Equity UCITS ETF SICAV (in liquidation)

Securities portfolio as at 31/12/23

| | | |
|---------------------------------|-------------|---------|
| Cash at bank/(bank liabilities) | 4,472.30 | 1.04 |
| Other net assets/(liabilities) | -435,304.01 | -101.04 |
| Total | -430,831.71 | -100.00 |

ITI Funds Russia RTS Equity UCITS ETF SICAV (in liquidation)

Geographical breakdown of investments as at 31/12/23

| Country | % of net assets |
|---|-----------------|
| Russia | 0.00 |
| Netherlands | 0.00 |
| Cyprus | 0.00 |
| Kazakhstan | 0.00 |
| United Kingdom | 0.00 |
| Total | 0.00 |
| Other assets/(liabilities) and liquid assets | -100.00 |
| Total | -100.00 |

Economic breakdown of investments as at 31/12/23

| Sector | % of net assets |
|---|-----------------|
| Petroleum | 0.00 |
| Banks and other financial institutions | 0.00 |
| Holding and finance companies | 0.00 |
| Coal mining and steel industry | 0.00 |
| Foods and non alcoholic drinks | 0.00 |
| Communications | 0.00 |
| Precious metals and stones | 0.00 |
| Non-ferrous metals | 0.00 |
| Retail trade and department stores | 0.00 |
| Utilities | 0.00 |
| Chemicals | 0.00 |
| Transportation | 0.00 |
| Internet and Internet services | 0.00 |
| Miscellaneous services | 0.00 |
| Non-Classifiable/Non-Classified Institutions | 0.00 |
| Electrical engineering and electronics | 0.00 |
| Miscellaneous consumer goods | 0.00 |
| Total | 0.00 |
| Other assets/(liabilities) and liquid assets | -100.00 |
| Total | -100.00 |

ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV (in liquidation)

ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV (in liquidation)

Statement of net assets as at 31/12/23

| | Note | Expressed in USD |
|--------------------------------------|------|---------------------|
| Assets | | 3,205,197.29 |
| Securities portfolio at market value | 2.2 | 2,336,748.00 |
| Cost price | | 5,929,061.62 |
| Cash at banks and liquidities | | 542,184.43 |
| Interests receivable, net | | 326,264.86 |
| Liabilities | | 1,697,790.38 |
| Expenses payable | | 2,500.00 |
| Liquidation fees payable | 7 | 1,695,290.38 |
| Net asset value | | 1,507,406.91 |

ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV (in liquidation)

Statement of operations and changes in net assets from 01/01/23 to 31/12/23

| | Note | Expressed in USD |
|--|------|----------------------|
| Income | | 222,411.33 |
| Interests on bonds, net | | 222,411.33 |
| Expenses | | 1,692,220.41 |
| Global fee | 3 | 80,818.46 |
| Transaction fees | 2.5 | 516.55 |
| Liquidation fees | 7 | 1,610,885.40 |
| Net income / (loss) from investments | | -1,469,809.08 |
| Net realised profit / (loss) on: | | |
| - foreign exchange | 2.3 | 3.50 |
| Net realised profit / (loss) | | -1,469,805.58 |
| Movement in net unrealised appreciation / (depreciation) on: | | |
| - investments | 2.2 | -1,950,687.60 |
| Net increase / (decrease) in net assets as a result of operations | | -3,420,493.18 |
| Net increase / (decrease) in net assets | | -3,420,493.18 |
| Net assets at the beginning of the year | | 4,927,900.09 |
| Net assets at the end of the year | | 1,507,406.91 |

ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV (in liquidation)

Statistics

| | | 31/12/23 | 31/12/22 | 31/12/20 |
|---------------------------|------------|---------------------|---------------------|---------------------|
| Total Net Assets | USD | 1,507,406.91 | 4,927,900.09 | 6,464,709.01 |
| Class A (USD) | | | | |
| Number of shares | | 219,000.0000 | 219,000.0000 | 219,000.0000 |
| Net asset value per share | USD | 6.8596 | 22.4248 | 29.4181 |
| Class P (USD) | | | | |
| Number of shares | | 18,500.0000 | 185.0000 | 185.0000 |
| Net asset value per share | USD | 0.2790 | 91.2102 | 119.6551 |

ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV (in liquidation)

Changes in number of shares outstanding from 01/01/23 to 31/12/23

| | Shares outstanding as at 01/01/23 | Shares issued | Shares redeemed | Shares outstanding as at 31/12/23 |
|----------------------|--------------------------------------|---------------|-----------------|--------------------------------------|
| Class A (USD) | 219,000.0000 | 0.0000 | 0.0000 | 219,000.0000 |
| Class P (USD) | 185.0000 | 18,315.0000* | 0.0000 | 18,500.0000 |

* Further to a Circular Resolution dated 18 December 2023 with effective date 20 December 2023 of the sole shareholder of Class P of the Sub-Fund ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV, it was decided to split the Class P in 100 new shares of Class P and that the value of each of these shares are be consequently be split by 100.

ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV (in liquidation)

Securities portfolio as at 31/12/23

| Denomination | Currency | Quantity/ Notional | Cost price (in USD) | Market value (in USD) | % of net assets |
|---|----------|-----------------------|------------------------|--------------------------|--------------------|
| Transferable securities admitted to an official stock exchange listing and/or dealt in on another regulated market | | | 5,929,061.62 | 2,336,748.00 | 155.02 |
| Bonds | | | 5,929,061.62 | 2,336,748.00 | 155.02 |
| Germany | | | 630,712.50 | 30,000.00 | 1.99 |
| STEEL CAPITAL SA 3.1500 19-24 16/09S | USD | 600,000 | 630,712.50 | 30,000.00 | 1.99 |
| Ireland | | | 2,349,246.06 | 955,000.00 | 63.35 |
| PHOSAGRO(PHOS B 2.6000 21-28 16/09S | USD | 800,000 | 780,400.00 | 480,000.00 | 31.84 |
| SIBUR SECURITIES DAC 3.45 19-24 23/09S | USD | 600,000 | 630,000.00 | 435,000.00 | 28.86 |
| VEB FINANCE REG S 6.80 10-25 22/11S | USD | 800,000 | 938,846.06 | 40,000.00 | 2.65 |
| Luxembourg | | | 1,435,326.89 | 542,748.00 | 36.01 |
| ALROSA FINANCE SA 3.10 20-27 25/06S | USD | 600,000 | 622,478.57 | 66,000.00 | 4.38 |
| GAZ CAPITAL 7.288 07-37 16/08S | USD | 600,000 | 812,848.32 | 476,748.00 | 31.63 |
| Russia | | | 1,513,776.17 | 809,000.00 | 53.67 |
| RUSSIA 4.875 13-23 16/09A* | USD | 200,000 | 218,050.33 | 174,000.00 | 11.54 |
| RUSSIA 5.625 12-42 04/04S | USD | 600,000 | 766,622.84 | 381,000.00 | 25.28 |
| RUSSIAN FEDERAT REGS 5.875 13-43 16/09S | USD | 400,000 | 529,103.00 | 254,000.00 | 16.85 |
| Total securities portfolio | | | 5,929,061.62 | 2,336,748.00 | 155.02 |
| Cash at bank/(bank liabilities) | | | | 542,184.43 | 35.97 |
| Other net assets/(liabilities) | | | | -1,371,525.52 | -90.99 |
| Total | | | | 1,507,406.91 | 100.00 |

*See note 2.2 - Valuation of assets

ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV (in liquidation)

Geographical breakdown of investments as at 31/12/23

| Country | % of net assets |
|---|-----------------|
| Ireland | 63.35 |
| Russia | 53.67 |
| Luxembourg | 36.01 |
| Germany | 1.99 |
| Total | 155.02 |
| Other assets/(liabilities) and liquid assets | -55.02 |
| Total | 100.00 |

Economic breakdown of investments as at 31/12/23

| Sector | % of net assets |
|---|-----------------|
| Holding and finance companies | 101.35 |
| Bonds of States, provinces and municipalities | 53.67 |
| Total | 155.02 |
| Other assets/(liabilities) and liquid assets | -55.02 |
| Total | 100.00 |

ITI Funds UCITS ETF SICAV (in liquidation)
Notes to the financial statements

ITI Funds UCITS ETF SICAV (in liquidation)

Notes to the financial statements

1 - General information

ITI Funds UCITS ETF SICAV (the "Company"), is an open-ended investment company organised under the laws of Luxembourg as a société d'investissement à capital variable (SICAV), under the form of a public limited liability company (société anonyme) and authorised under part I of the amended Law dated December 17, 2010 on undertaking for collective investments.

The Company was incorporated in Luxembourg on August 4, 2017 and is registered at the Register of Commerce and Companies of Luxembourg under number B 217005. The Articles of Incorporation have been published in the Mémorial, Recueil Spécial des Sociétés et Associations (the "Mémorial") on August 11, 2017.

On December 31, 2023, the following sub-funds were open:

- ITI Funds Russia RTS Equity UCITS ETF SICAV;
- ITI Funds Russia-focused USD Eurobond UCITS ETF SICAV.

See Note 7 on Significant events during the year for more information on the dissolution of the Company.

2 - Principal accounting policies

2.1 - Presentation of the financial statements

Further the specific market conditions linked to the war between Russia and Ukraine, the Board of Directors of the Company decided on April 1, 2022 to propose the voluntary liquidation of the Company (see Note 7 on Significant events during the period). Consequently, the financial statements for the year ended December 31, 2022 were prepared under a non-going concern basis in accordance with Luxembourg regulations relating to undertakings for collective investment.

Given that the overall situation has not changed, the financial statements for the year ended December 31, 2023 are also prepared on a non-going concern basis in accordance with Luxembourg regulations relating to undertakings for collective investment. In the context of the issuance of reporting NAV as of December 31, 2023 for the annual report it was resolved by the Directors to use market prices from Moscow Exchange as of December 31, 2023 instead of prices of the last official NAV (February 25, 2022), except for the securities mentioned in 2.2 - Valuation of assets for which the Board of Directors of the Fund decided otherwise.

2.2 - Valuation of assets

The value of any cash in hand or on deposit notes and bills payable on demand and accounts receivable, prepaid expenses and cash dividends declared and interest accrued but not yet collected, shall be deemed the nominal value of these assets unless it is improbable that it can be paid and collected in full; in which case, the value will be arrived at after deducting such amounts as the Company or the Management Company may consider appropriate to reflect the true value of these assets.

The Securities and Money Market Instruments listed on an official stock exchange or dealt on any other Regulated Market will be valued at their last available price in Luxembourg as of the Valuation Day (December 31, 2023) and, if the security or Money Market Instrument is traded on several markets, on the basis of the last known price on the main market of this security. If the last known price is not representative, valuation will be based on the fair value at which it is expected it can be sold, as determined with prudence and in good faith by the Company or the Management Company.

Unlisted securities and securities or Money Market Instruments not traded on a stock exchange or any other Regulated Market as well as listed securities and securities or Money Market Instruments listed on a Regulated Market for which no price is available, or securities or Money Market Instruments whose quoted price is, in the opinion of the Company or the Management Company, not representative of actual market value, will be valued at their last known price in Luxembourg or, in the absence of such price, on the basis of their probable realisation value, as determined with prudence and in good faith by the Company or the Management Company.

Securities or Money Market Instruments denominated in a currency other than the relevant Sub-Fund's or Class' valuation currency will be converted at the spot exchange rate (T+0) of the currency concerned applicable on the Valuation Day.

The valuation of investments reaching maturity within a maximum period of 90 days may include straight-line daily amortisation of the difference between the principal 91 days before maturity and the value at maturity.

UCIs are valued on the basis of their last available net asset value in Luxembourg. This net asset value may be adjusted by applying a recognised index so as to reflect market changes since the last valuation.

Any other securities and assets are valued in accordance with the procedures put in place by the Company or the Management Company and, where necessary and appropriate, with the support of valuers who will be instructed to carry out valuations.

Liquid assets are valued at their nominal value plus accrued interest, or on the basis of amortised costs.

The Petropavlovsk PLC equity (ISIN: GB0031544546) is evaluated at 0 (zero) in accordance with the Board decision as the special administration of the Issuer indicated that the Petropavlovsk PLC is undergoing insolvency proceedings.

The Russian government bond XS0971721450 was priced according to the latest available price as of September 14, 2023, Refinitive Early (BID Close) based on the standard pricing policy applied to this Fund.

As per the Board resolution dated December 17, 2024 and in accordance with the liquidator it has been resolved that the equities in the portfolio of ITI Funds Russia RTS Equity UCITS ETF SICAV be valued at 0 (zero) until further notice due to the highly complex and ever-changing legal environment and the various sanctions targeting Russia, which currently make the sale of equities in the portfolio impossible. It is to note that the market valuation of the portfolio on the Russian regulated market as of December 31, 2023 was USD 5,231,089.73.

ITI Funds UCITS ETF SICAV (in liquidation)

Notes to the financial statements

2 - Principal accounting policies

2.3 - Foreign currency translation

Exchange rates as at December 31, 2023 are the following:

1 EUR = 89.40004 RUB 1 EUR = 1.10465 USD

2.4 - Combined financial statements

The accounts of the sub-funds are kept in the reference currency of the Sub-Fund. The combined statements are the sum of the statement of net assets and the statement of operations and changes in net assets of each Sub-Fund converted with the exchange rate prevailing at year-end. The combination currency is the Euro.

2.5 - Transaction fees

The total amount of transaction fees is included in the statement of operations and changes in net assets of each Sub-Fund and consists of transaction fees paid to the Custodian and Sub-Custodian (taxes included) as well as Brokerage fees.

3 - Global fee

The Company pays out of the net assets of sub-funds a fixed global fee, which is accrued on each Valuation Day and paid monthly in arrears to the Investment Manager.

The global fee rates effective at December 31, 2023 were as follows:

- ITI Funds Russia RTS Equity UCITS ETF SICAV: 0.65%
- ITI Funds Russia-focused USD Eurobond UCITS ETF SICAV: 0.50%

The global fee is fixed in the sense that the Investment Manager will either bear any excess of the Company's actual operating expenses, as listed below, to the fixed global fee or be entitled to retain any amount of fixed global fee in excess of the Company's actual operating expenses, as listed below

The fixed global fee covers expenses directly incurred by the Company including, without limitation, the following:

- formation expenses;
- fees and expenses payable to the Management Company and to the Investment Manager;
- fees and expenses payable to all other service providers of the Company (including the Auditors, accountants, the Depositary and its correspondents, the Administrator, the Distributor(s) and any pricing agencies);
- costs in relation to lease of premises in Luxembourg or elsewhere or any permanent representation in places of registration, as well as any other agent employed by the Company;
- the remuneration of the Directors and officers and their reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with board meetings;
- fees and expenses for legal and auditing services consultants;
- any fees and expenses involved in registering and maintaining the registration of the Company or any Sub-Fund with any governmental agencies or stock exchanges in Luxembourg and in any other country;
- reporting and publishing expenses, including the costs of preparing, printing, advertising and distributing prospectuses, explanatory memoranda, periodical reports or registration statements;
- the costs of any reports to Shareholders;
- costs for the publication of the issue and redemption prices;
- costs to pay interests, bank charges, postage, telephone and telex.

The following is an illustration of the fees that can be charged by the various service providers of the Company. The percentages indicated are maximum fees.

a) Management Company Fee

The Management Company receives annual servicing fee in respect of each Sub-Fund. This fee is payable out of the fixed global fee at the end of each month by the Company in respect of each Sub-Fund and is accrued on each Valuation Day based on the applicable Net Asset Value. The fee is calculated by the agreed schedule to the Management Company Services Agreement and shall not exceed 0.10% per annum of the Net Asset Value of each Sub-Fund.

b) Investment Manager Fee

The Investment Manager receives out of the fixed global fee a Management Fee, equal to the difference between the fixed global fee and the actual operating expenses incurred by the Company.

ITI Funds UCITS ETF SICAV (in liquidation)

Notes to the financial statements

3 - Global fee

c) Depositary Fee

The Depositary receives annual safekeeping and servicing fees in respect of each Sub-Fund. The depositary fee is payable out of the fixed global fee at the end of each month by the Company in respect of each Sub-Fund and is accrued on each Valuation Day based on the previous day's Net Asset Value and the number of transactions processed during that month. The depositary fee is calculated in accordance with usual practice in the Grand Duchy of Luxembourg and shall not exceed 0.30% per annum of the Net Asset Value of each Sub-Fund.

d) Administration Fee

The Administrator receives annual administrative fees in respect of each Sub-Fund. The administrative fee is payable out of the fixed global fee at the end of each month by the Company in respect of each Sub-Fund and is accrued on each Valuation Day based on the previous Valuation Day's Net Asset Value. The administrative fee is calculated in accordance with usual practice in the Grand Duchy of Luxembourg, subject to a minimum flat fee of EUR 30.000 per annum for the first year and EUR 50.000 after the first anniversary of the launch of the Company. In addition to the above-mentioned fees, the Administrator and the Depositary are entitled to any other fees for specific services and transactions as agreed from time to time between the Company and the Depositary (the Other Fees), disclosed in the agreements. They are further entitled to be reimbursed by the Company for their respective reasonable out-of-pocket expenses properly incurred in carrying out their duties as such and for the charges of any correspondents. Other Fees include for example set-up fees, listing fees, fees in relation to the organization of Board meetings, Shareholders meetings, financial statements, extraordinary NAV calculation, KIID preparation, etc.

e) Annual Tax

Unless otherwise provided by the 2010 Act, the Company's assets are subject to a subscription tax (taxe d'abonnement) in Luxembourg of 0.05% p.a. on net assets (and 0.01% p.a. on total net assets in case of sub-funds or Classes reserved to Institutional Investors), payable quarterly. The 2010 Act notably provides for the following exemption : sub-funds whose Shares are listed or traded on at least one stock exchange or another regulated market operating regularly, recognised and open to the public and whose exclusive object is to replicate the performance of one or more indices are exempt from the annual subscription tax (taxe d'abonnement).

The Company is exempt from the annual subscription tax (taxe d'abonnement).

In the scope of NAV calculation suspension beginning from March 1st, 2022 (see note on Significant event), the standard approach of global fee amount calculation based on the global fee rates became non applicable. In order to continue to pay to various service providers, the Board approved fixed figures, based on the average NAV from February 2022, in amount USD 3,500 for the ITI Funds Russia RTS Equity UCITS ETF SICAV and USD 2,500 for the ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV to be paid monthly as global fees until further notice.

4 - Commissions on subscriptions/redemptions

The price of subscription and redemption is the net asset value per share plus a maximum fee of 3.00%.

5 - Changes in the composition of securities portfolio

A copy of the list of changes in the portfolio of each Sub-Fund may be obtained free of charge at the registered office of the Company for the year under review.

6 - Delegation

Edmond de Rothschild (Europe) and Edmond de Rothschild Asset Management (Luxembourg) may delegate all or part of their functions and duties to a sub-contractor which, having regard to the nature of the functions and duties to be delegated, must be qualified and capable of undertaking the duties in question.

7 - Significant events during the year

Dissolution of the Company:

On March 1st, 2022, the Board of Directors resolved to the suspension of the calculation of the net asset value of shares based on clause 12 of the Fund's article of incorporation and on clause 23 of its prospectus, suspension of subscriptions and redemptions in the primary market and suspension of the trading of each of the sub-funds in the context of the recent capital restrictions introduced in Russia as well as the sanctions upon Russia.

As the Company is investing through its two sub-funds, namely ITI Funds Russia RTS Equity UCITS ETF SICAV and ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV, in Russian securities, the Board takes the view that the investment strategy of both sub-funds can no longer be pursued in an efficient manner because of the Russian-Ukrainian war, which is submitting the Russian economy to higher pressure, in particular, through the economic sanctions which are imposed by the European Union, the United States of America, the United Kingdom and other countries.

ITI Funds UCITS ETF SICAV (in liquidation)

Notes to the financial statements

7 - Significant events during the year

As of the moment it is not possible to determine when the situation will get better, so the Board considers the dissolution of the Company as the most beneficial option for interests of shareholders. The dissolution of the Company allows to return investments to shareholders as soon as it becomes practically possible in the scope of developing situation with sanctions. It also will reduce ongoing costs of the Company to the minimum for the period before investments are returned.

With effective date April 1st, 2022, the Board of Directors decided to propose the voluntary liquidation of the Company because of the poor market and regulatory perspective.

Seven general meetings were convened to vote on the liquidation. There were four rounds – no quorum was obtained at the first general meeting of each round. For the second general meeting in first three rounds, one of the investors (or group of investors) repeatedly voted against the liquidation. The second general meeting in the fourth round hasn't been convened as of December 31, 2023.

Explanation on the split of the liquidation fees :

The allocation of liquidation fees and the liquidation budget was carried out by the Board of Directors and the liquidator with the aim of adhering as closely as possible to the SICAV's prospectus. It is reminded that the prospectus states that each Sub-Fund shall pay for the costs and expenses directly attributable to it. Costs and expenses that cannot be attributed to a given Sub-Fund shall be allocated to the Sub-Funds on an equitable basis, in proportion to their respective net assets.

Therefore, the split between Sub-Funds has been determined as follows:

- a) Estimate fees for the liquidation period or invoice already issued in the name of one Sub-Fund: these liquidation fees are considered payable by the Sub-Fund in question.
- b) Invoice issued in the name of the SICAV: in this case, several factors need to be analysed. For future invoices and estimated fees, as stated in the prospectus, the split is based on Total Net Asset (TNA). Since the portfolio of the ITI Funds Russia RTS Equity UCITS ETF SICAV Sub-Fund is, in these Financial Statements and until further notice, currently valued at zero (0), the entire payment will be borne by ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV Sub-Fund. It is worth noting that if the pricing agreement or service provider specifies a different split (e.g., 50% for each Sub-Fund or based on the TNA at the invoice's issuance date), then that specific split is applied.

Regarding invoices issued before the liquidation, the same principles apply, and the split is based on the TNA as of December 31, 2023, which will be the most recently audited.

Finally, for invoices issued before the liquidation starting date where a partial payment has already been made to cover one Sub-Fund's percentage, the remaining portion of the payment is allocated to the other Sub-Fund.

Explanation of the estimated duration and Liquidation Process :

The securities held in ITI Funds UCITS ETF SICAV are mainly Russian-linked assets. The EU Russia-focused sanctions and regulations evolve regularly and consistently. The situation is similar on the Russian side, with numerous laws and decrees enacted against and in response to the European Union sanctions. As a result, based on the liquidator's experience, a liquidation period of 5 years was estimated, and service providers were therefore asked to provide their fee estimates for this duration.

Given the complexity of the laws and regulations governing potential sales of the portfolios, coupled with the highly constrained market resulting from the illiquidity of the held securities, the liquidator has opted to appoint liquidator's advisors with expertise in Russian markets.

Among the Liquidation Budget considered in these Financial Statements, the main items and amounts are listed below:

1. Edmond de Rothschild (EDR)'s fees: the global amount accrued regarding EDR's fees is set at EUR 760,191.33 (including VAT). This amount includes the invoices issued and received, as well as a yearly flat fee of EUR 41,020 (including VAT) per Sub-Fund, negotiated by the Board and the liquidator, covering all services provided by EDR during the liquidation period.
2. Liquidator's advisors: the total amount accrued for both service providers is valued at EUR 409,500 (including VAT). This amount is allocated to Oryx Partners FZCO for EUR 117,000 and a second advisor to be appointed (potentially Greenstar Investments DMCC) for EUR 292,500 (as explained previously, totally supported by ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV Sub-Fund). It has to be noted that some success fees (related to the sale of the portfolios) could be paid to these advisors but are not accrued.
3. Liquidator's fees: given the estimated duration of 5 years and as per the pricing offer signed by the Board prior the liquidation starting date, the expected liquidator's fees amount to EUR 177,816.60 per Sub-Fund (including administrative fees and VAT).
4. Buffer: given the complexity and the duration of the liquidation, the liquidation budget encompass a buffer of EUR 300,000. EUR 100,000 of the buffer were allocated to ITI Funds Russia RTS Equity UCITS ETF SICAV Sub-Fund and EUR 200,000 to ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV Sub-Fund.
5. Audit fees: as at the date of this reports, three (3) audits will be performed by KPMG Audit S.à r.l.: the audit of the Financial Statements as of December, 31 2023, the audit of the Financial Statements as of January, 16 2024 (date of the beginning of the liquidation) and the review of the liquidator's report and the liquidation closure accounts. Therefore, the total amount accrued is EUR 100,203.48 (as explained previously, totally supported by ITI Funds Russia-Focused USD Eurobond UCITS ETF SICAV Sub-Fund).

Due to depository restrictions and imposed sanctions the Fund had no access to Russia-related markets. This made impossible to track the index of Russian equities, as it required purchasing of shares. Also, in year 2022 the RTS index licensor (S&P) suspended commercial operations in Russia and terminated RTS Index maintenance agreement with Moscow Exchange. As the consequence, the ETF License for RTS index tracking for ITI Funds Russia RTS Equity UCITS ETF SICAV was also terminated. There was no success in putting ITI Funds UCITS ETF SICAV into the voluntary liquidation in the year 2022. As it was not clear when there would be enough votes on a general meeting of shareholders in favor of the voluntary liquidation, the Board suggested an action plan to the Luxembourg regulator, which included ceasing of index tracking for both of sub-funds. No objection was received from the Regulator, and the action was implemented in July 2023, accompanied with a notice to shareholders.

ITI Funds UCITS ETF SICAV (in liquidation)

7 - Significant events during the year

During the period from the beginning of the year to the end of July 2023 the Board of Directors had convened two extraordinary general meetings of shareholders, suggesting to put the Fund into the voluntary liquidation. As ITI Funds Russia RTS Equity UCITS ETF SICAV liquidity issues restricted the Fund's ability to pay to service-providers and as the date of the liquidation beginning (on which the most part of agreements with service-providers could be terminated to reduce costs of the Fund) was not clear, the Board decided to terminate some agreements with service-providers prior to the future beginning of the liquidation. Astana International Exchange terminated the Fund's listing at the end of July 2023 in accordance with internal rules due to long period of trading suspension. The Board also decided to terminate the Fund's listing on London Stock Exchange and related agreements with service-providers. The decision was implemented in October 2023. The Board of Directors also decided to keep the primary listing on Euronext Dublin and the dependent listing on Moscow Exchange until the end of the year 2023. After a review of situation with the Fund Legal in December 2023, the Board agreed to terminate remaining stock exchange listings of the Fund and related agreements with service-providers. Primary listing on Euronext Dublin was terminated at the end of the year 2023.

8 - Subsequent events

At the date of the report the liquidation of the Company has been approved by the last Extraordinary General Meeting dated January 16, 2024.

Moscow Exchange terminated the Fund's listing in January 2024, in dependency with the termination of primary listing on Euronext Dublin at the end of the year 2023.

ITI Funds UCITS ETF SICAV (in liquidation)
Additional unaudited information

ITI Funds UCITS ETF SICAV (in liquidation)

Additional unaudited information

Remuneration of the Management Company:

The Management Company, Funds Avenue S.A., has elaborated a remuneration policy as required by the Law of 17 December 2010 (UCITS Law). Such policy aims at preventing excessive risk taking and at ensuring a proper and effective management of risks. Variable remuneration as defined in the remuneration policy is consistent with the risk management and governance processes. Fixed remuneration is mainly based on the experience, the level of responsibility and the complexity of the task performed.

The article 69 (3) of the UCITS V directive (Directive 2014/91/EU of 23 July 2014) require disclosures on the total remuneration of the employees of the Management Company for the financial year to be presented in the annual report of the Company.

Such information is detailed in the below tables.

Total amount of remuneration for the financial year 2023, split into fixed and variable remuneration, paid by Funds Avenue S.A. to its staff, and number of beneficiaries, and, where relevant, carried interest paid by the Funds:

| Fixed remuneration | Variable remuneration | Carried interest | Total remuneration | Average number of staff |
|--------------------|-----------------------|------------------|--------------------|-------------------------|
| EUR 5,258,322 | EUR 1,826,549 | - | EUR 7,084,871 | 42 |

Aggregate amount of remuneration broken down by senior management and members of staff of Funds Avenue S.A.:

| Category | Total remuneration |
|-------------------|--------------------|
| Senior Management | EUR 3,240,940 |
| Staff | EUR 3,843,931 |

Global Risk Exposure

In accordance with the Circular CSSF 11/512 as amended by Circular CSSF 18/69, the Board of Directors of the Company needs to determine the global risk exposure of the Company by applying either the commitment approach or the VaR ("Value at Risk") approach.

In terms of risk management, the Board of Directors of the Company has decided to adopt the commitment approach for all the Sub-Funds of ITI Funds UCITS ETF SICAV.

The Management Company of the Fund has implemented a Risk Management Process which enables to monitor and measure the global risk exposure at Sub-Fund level.

Information concerning the transparency of securities financing transactions and of reuse of cash collateral (regulation EU 2015/2365, hereafter "SFTR")

At the date of the annual accounts, the Company is not in the scope of the publication requirements of SFTR. No transactions were carried out during the reporting period.

Information concerning the sustainability-related disclosures in the financial services sector (Regulation EU 2019/2088, hereafter the "Sustainable Finance Disclosure Regulation" or "SFDR")

At the date of the annual accounts, none of the Sub-Funds promotes environmental or social characteristics within the meaning of article 8 SFDR, nor is classified as a product that has sustainable investments as its objective for the purposes of article 9 SFDR.

The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities as defined in Regulation EU 2020/852 on the establishment of a framework to facilitate sustainable investment (which is also known as the "Taxonomy Regulation" or "TR").