



# Annual Management Report of Fund Performance

Global Iman Fund  
December 31, 2016



This annual management report of fund performance contains financial highlights, but does not contain annual or interim financial statements of the investment fund. You can get a copy of the annual or interim financial statements at your request, and at no cost, by calling 1-866-680-4734, by writing to us at 100 Mural Street, Suite 201, Richmond Hill, Ontario, L4B 1J3 or by visiting our website at [www.globalgrowth.ca](http://www.globalgrowth.ca) or SEDAR at [www.sedar.com](http://www.sedar.com). Security holders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure.

#### **A Note on Forward-looking Statements**

This report may contain forward-looking statements about the Fund, its future performance, strategies or prospects, and possible future Fund action. The words "may," "could," "should," "would," "suspect," "outlook," "believe," "plan," "anticipate," "estimate," "expect," "intend," "forecast," "objective" and similar expressions are intended to identify forward-looking statements.

Forward-looking statements are not guarantees of future performance. Forward-looking statements involve inherent risks and uncertainties, both about the Fund and general economic factors, so it is possible that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution you not to place undue reliance on these statements as a number of important factors could cause actual events or results to differ materially from those expressed or implied in any forward-looking statement made in relation to the Fund. These factors include, but are not limited to, general economic, political and market factors in Canada, the United States and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological changes, changes in laws and regulations, judicial or regulatory judgments, legal proceedings and catastrophic events.

We stress that the above-mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Fund has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise.

## MANAGEMENT DISCUSSION OF FUND PERFORMANCE

*Global Growth Assets Inc. ("GGAI" or the "Fund Manager") has retained the services of UBS Investment Management Canada Inc. to act as the portfolio advisor (the "Portfolio Advisor") for the Fund.*

*The views of the Portfolio Advisor contained in this report are as of December 31, 2016 and this report is not intended to provide legal, accounting, tax or specific investment advice. Views, portfolio holdings and allocations may have changed subsequent to this date.*

### Investment Objective and Strategies

The fundamental investment objective of the Fund is to provide investors with long-term growth by investing primarily in a diversified portfolio of global equities that are in accordance with Islamic investment principles.

To achieve its goal, the Fund invests primarily in equity securities of publically traded companies from around the world. These companies must pass numerous ethical and financial screening procedures before being eligible for investment by the Fund. The Fund may utilize other types of securities deemed to be in compliance with Islamic investment principles.

The Fund's Portfolio Advisor will be actively managing all securities in the portfolio. From among the companies that are eligible for investment by the Fund, the Portfolio Advisor, selects securities of global issuers in various industry sectors considered to: (a) represent good value in relation to the market price of the issuer's securities; (b) have experienced and capable senior management; (c) offer potential for future growth; and (d) are otherwise in compliance with Canadian securities laws regulating mutual fund investments.

### Risk

There were no significant changes to the investment objective and strategies which would affect the Fund's overall level of risk during the reporting period. The risks of investing in the Fund remain as discussed in the most recent simplified prospectus. As this is an equity fund, investors should have the ability to invest for the medium to long term and be able to accept fluctuations in the market value of the securities.

### Results of Operations

Weakening economic data, concerns about a financial crisis in China and political uncertainty, in particular the U.K. referendum on "Brexit", all contributed to a volatile first half of the year. However, this negative sentiment quickly dissipated in the second half of 2016. Led by a strong U.S. economy supported by solid consumer spending as labor market conditions continued to strengthen, the S&P 500 Index rallied to an all-time high, while the S&PTSX Composite Index ended the year close to its all-time high.

Despite a sharp pull back after Donald Trump was elected as President in November, Emerging Market equities also increased in 2016, as economic activity stabilized in this region, softening concerns of recessions, particularly in China.

For 2016, the Fund's Series A returned 0.20% while Series F returned 1.72% versus a return of 2.20% for the Dow Jones Islamic Market Titans 100 Index ("IMXL") and 4.50% for the Dow Jones Sustainability World Index ("DJSWI"). The return of each index takes into account currency adjustment and assumes reinvestment of gross dividends into the index. The returns of the Benchmark indices however do not include any costs of investing.

Notable changes to the portfolio included the following:

- Sold BG Group position and bought Royal Dutch Shell in February as BG Group merged with Royal Dutch Shell; in order to maintain the overall energy sector exposure );
- Subsequently sold Royal Dutch Shell in June as the stock was dropped from the Index;
- Sold Denso Corp, Rio Tinto PLC and AbbVie, as all three stocks were also dropped from the Index as of September;
- Bought positions in Fanuc Corp (industrials) and Bristol Myers Squibb (Healthcare).

As of December 31, 2016, Net assets attributable to holders of redeemable units in the Fund were \$35 million which is an increase of \$3 million compared to December 31, 2015. The Fund incurred total expenses of approximately \$1.29 million of which Fund Manager has absorbed \$298,170 as disclosed in the Statement of Income and Comprehensive Income. The management expense ratio ("MER") for Series A during the fiscal year was 2.82% (Series F – 1.69%). The MER for Series A unit holders before waivers or absorptions was 3.72% (Series F – 2.60%). The Fund Manager intends to continue to reimburse the Fund until the Fund grows its net asset to a level which will absorb the expenses but still result in competitive Management Expense Ratios.

### Recent Developments

Like in 2016, the direction of politics is perhaps the most uncertain factor in 2017. Brexit and the election of Donald Trump showed how markets can react inversely to what the expectation is. The need to monitor the impact of a Trump presidency on U.S. equity markets, the UK's increasingly complex Brexit process and the upcoming elections in France and Germany, is paramount. To cope with this political uncertainty, the Portfolio Advisor believes investors are best served by diversifying across countries and regions, avoiding overexposure to the experimental policies of individual regimes.

The Portfolio Advisor believes that global equity markets are set to deliver positive returns in 2017, and prefer U.S. and Emerging Market equities. Accelerating economic growth, improving companies' earnings, and only gradual increases in interest rates should support appreciation in equity markets.

The Portfolio Advisor forecasts U.S. Gross Domestic Product (GDP) growth of 2.4% in 2017, up from 1.5% in 2016. This increase is supported by higher wages and low mortgage rates and gas prices. As such the U.S. Federal Reserve Bank is expected to hike rates twice more in 2017 (following its initial increase in December 2016). Despite the potential increase in interest rates, the Portfolio Advisor estimates GDP growth and inflation to rise more than interest rates thus providing support for U.S. equities.

In Europe, the Portfolio Advisor forecasts Eurozone growth of 1.3% in 2017, down from 1.6% in 2016. In particular, Swiss equities could underperform global equities in a rising equity market. However, Swiss equities paying sustainable and growing dividends remain appealing.

Furthermore, the Portfolio Advisor expects China to manage its slowdown effectively, with a GDP growth of 6.4%.

### Related Party Transactions

The Fund paid \$856,029 (HST included) in management fees to the Fund Manager for the year ended December 31, 2016.

Expenses, other than management fees, are expenses incurred for the Fund's operations. During the year, the Fund Manager absorbed \$298,170 of the Fund's expenses as disclosed in the Statement of Income and Comprehensive Income.

## FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for each of the past five years or, if shorter, the periods since inception. The information in the tables below is for the period from January 1 to December 31 of each year or the inception date to December 31 in the inception period, unless otherwise indicated.

### The Fund's Net Assets per Unit<sup>1</sup> (\$)

SERIES A	December	December	December	December	December
	2016 (IFRS)	2015 (IFRS)	2014 (IFRS)	2013 (CGAAP)	2012 (CGAAP)
Net Assets Beginning of Year	\$18.21	\$16.03	\$14.37	10.99	\$10.41
<b>Increase (Decrease) from Operations</b>					
Total Revenue	0.41	0.37	0.28	0.27	0.27
Total Expenses	(0.58)	(0.50)	(0.43)	(0.36)	(0.30)
Realized Gains (Losses)	0.57	1.27	0.61	0.47	(0.15)
Unrealized appreciation (depreciation)	(0.27)	1.85	1.30	3.09	0.76
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.13</b>	<b>2.99</b>	<b>1.75</b>	<b>3.47</b>	<b>0.58</b>
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	(0.09)	-
From dividends	-	-	-	-	-
From capital gains	(0.37)	(0.89)	(0.10)	-	-
Return of capital	-	-	-	-	-
<b>Total Annual Distributions<sup>3</sup></b>	<b>(0.37)</b>	<b>(0.89)</b>	<b>(0.10)</b>	<b>(0.09)</b>	<b>-</b>
<b>Net assets, end of period</b>	<b>\$17.83</b>	<b>\$18.21</b>	<b>\$16.03</b>	<b>\$14.37</b>	<b>\$10.99</b>

SERIES F	December	December	December	December	December
	2016 (IFRS)	2015 (IFRS)	2014 (IFRS)	2013 (CGAAP)	2012 (CGAAP)
Net Assets Beginning of Year	\$19.35	\$16.85	\$14.94	\$11.29	\$10.56
<b>Increase (Decrease) from Operations</b>					
Total Revenue	0.24	0.37	0.44	1.57	0.25
Total Expenses	(0.34)	(0.32)	(0.28)	(0.25)	(0.19)
Realized Gains (Losses)	0.34	1.27	0.99	2.78	(0.16)
Unrealized appreciation (depreciation)	(0.16)	1.85	0.85	0.07	0.83
<b>Total increase (decrease) from operations<sup>2</sup></b>	<b>0.08</b>	<b>3.17</b>	<b>2.00</b>	<b>4.17</b>	<b>0.73</b>
<b>Distributions:</b>					
From income (excluding dividends)	-	-	-	(0.52)	-
From dividends	-	-	-	-	-
From capital gains	(0.40)	(0.95)	(0.11)	-	-
Return of capital	-	-	-	-	-
<b>Total Annual Distributions<sup>3</sup></b>	<b>(0.40)</b>	<b>(0.95)</b>	<b>(0.11)</b>	<b>(0.52)</b>	<b>-</b>
<b>Net assets, end of period</b>	<b>\$19.27</b>	<b>\$19.35</b>	<b>\$16.85</b>	<b>\$14.94</b>	<b>\$11.29</b>

- 1) This information is derived from the Fund's audited annual financial statements. As of 2014, the Fund adopted International Financial Reporting Standard (IFRS). Prior to fiscal year 2014, the Fund's financial statements were prepared under Canadian generally accepted accounting principles as defined in Part V of the Chartered Professional Accountants Canada Handbook (CGAAP).
- 2) Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.
- 3) Distributions were either paid in cash or reinvested in additional units of the Fund, or both.
- 4) Series A inception date is March 6, 2009  
Series F inception date is October 28, 2010.

**Ratios and Supplemental Data**

SERIES A	December	December	December	December	December
	2016	2015	2014	2013	2012
Total net asset value (000's) <sup>1</sup>	\$ 30,291	\$ 26,316	\$ 16,918	\$ 11,612	\$ 6,956
Number of units outstanding	1,698,907	1,445,457	1,055,646	807,470	632,605
Management expense ratio (MER) <sup>2</sup>	2.82%	2.81%	2.84%	2.85%	2.82%
MER before waivers or absorptions	3.72%	3.78%	4.00%	5.15%	5.47%
Trading expense ratio <sup>3</sup>	0.05%	0.04%	0.05%	0.03%	0.07%
Portfolio turnover ratio <sup>4</sup>	29.36%	61.10%	61.37%	32.80%	26.52%

SERIES F	December	December	December	December	December
	2016	2015	2014	2013	2012
Total net asset value (000's) <sup>1</sup>	\$ 4,685	\$ 5,707	\$ 4,201	\$ 825	\$ 38
Number of units outstanding	243,065	294,929	249,329	55,159	3,363
Management expense ratio (MER) <sup>2</sup>	1.69%	1.69%	1.71%	1.79%	1.69%
MER before waivers or absorptions	2.60%	2.61%	3.50%	14.15%	4.34%
Trading expense ratio <sup>3</sup>	0.05%	0.04%	0.05%	0.03%	0.07%
Portfolio turnover ratio <sup>4</sup>	29.36%	61.10%	61.37%	32.80%	26.52%

1 – This information is provided as at December 31 of the year shown, unless otherwise noted

2 - Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

3 - The trading expense ratio represents total transaction costs expressed as an annualized percentage of daily average net asset value during the period.

4 - The Fund's portfolio turnover rate gives an indication of the level of activity employed by the portfolio manager. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher the Fund's portfolio turnover rate in a year, the greater the trading costs payable by the Fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of the Fund.

### Management Fees

The Fund Manager is responsible for the day-to-day management and administration of the Fund. The Fund Manager monitors and evaluates the performance of the Fund, pays for the investment management services provided by the portfolio advisor, dealer compensations (commission and trailer fees) and Independent Review Committee fees. It arranges for the other administrative services required to be provided to the Fund. As compensation for its services, the Fund Manager is entitled to receive a fee. Management fees paid by each series of the Fund are calculated at the applicable annual percentages, before HST, of the daily value of the net asset value of each series of the Fund. The breakdown of the services received in consideration of the management fees for each series, as a percentage of the management fees, is as follows:

	Expenses Paid out of the Management fee (%)		
	Management Fees	Dealer Compensation	General Administration, Investment Advice and Profit
Series A	2.50%	43%	57%
Series F	1.50%	0%	100%

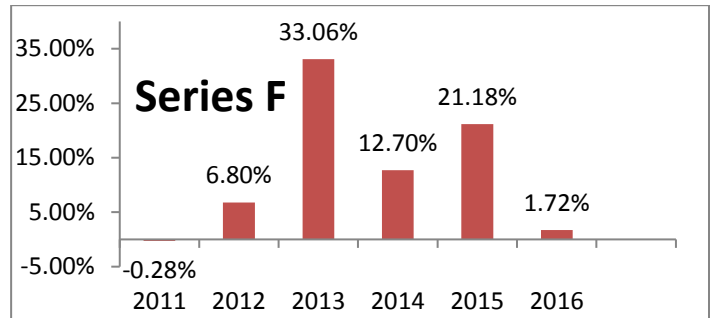
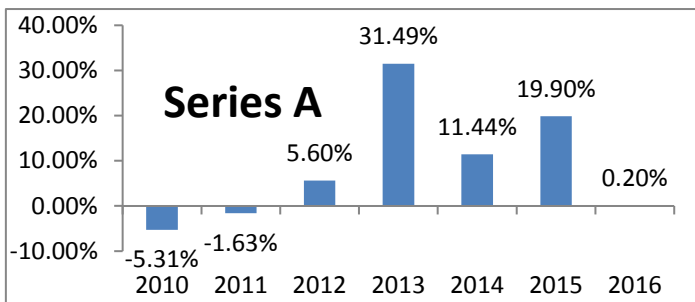
### PAST PERFORMANCE

The performance information shown assumes that all distributions made by the Fund in the periods shown were reinvested in additional units of the Fund and would be lower if distributions were not reinvested. The performance information does not include account sales, redemption, distribution, or optional charges, or income taxes payable that would have reduced returns or performance. For calculation purposes, the inception price for Series A is the NAV per share on the series inception date of March 6, 2009, the inception price for Series F is the NAV per share on the series inception date of October 28, 2010.

Past performance is not indicative of how the Fund may perform in the future.

### Year-by-Year Returns

The bar chart indicates the Fund's performance for each series of the Fund for each of the financial years shown. Annual return is the percentage change in the value of an investment from January to December 31, unless otherwise noted. The charts show, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



### Annual Compound Returns

The tables that follow compare the historical annual compound returns for each series of the Fund with its benchmarks, the Dow Jones Sustainability World Index ("DJSWI") and the Dow Jones Islamic Market Titans 100 Index ("IMXL").

The DJSWI has been included in the current year as the Fund's broad-based index since it reflects the movement of the market more generally.

	Since Inception	Past 5 Years	Past 3 Years	Past Year
Series A	8.74%	13.11%	10.06%	0.20%
IMXL	14.30%	16.40%	13.30%	2.20%
DJSWI	13.70%	14.20%	9.60%	4.50%

	Since Inception	Past 5 Years	Past 3 Years	Past Year
Series F	12.58%	13.82%	14.02%	1.72%
IMXL	14.10%	16.40%	13.30%	2.20%
DJSWI	10.30%	14.20%	9.60%	4.50%

The returns of each series may vary because of differences in management fees and expenses. The Benchmark index returns do not include any costs of investing. See **Results of Operation** for a discussion of performance relative to the Benchmark indexes.

## Index Description

### Dow Jones Sustainability World Index

The DJSWI is composed of global sustainability leaders as identified by Robeco SAM through a corporate sustainability assessment. The index represents the top 10% of the largest 2,500 companies in the S&P Global BMI based on long-term economic, environmental and social criteria.

### Dow Jones Islamic Market Titans 100 Index

The IMXL reflects the price movements of the largest 100 blue chip stocks traded globally that pass rules-based screens for compliance with Islamic investment guidelines overseen by the Dow Jones Shari'ah Supervisory Board. The index returns are quoted in \$CAD terms and assumes reinvestment of gross dividends into the index.

<b>Region</b>	<b>% of Net Asset Value</b>
North America	68.9%
Europe	20.3%
Asia	9.0%
Cash	1.8%
<b>TOTAL PORTFOLIO</b>	<b>100.0%</b>

## SUMMARY OF INVESTMENT PORTFOLIO

As of December 31, 2016

<b>Top 25 Holdings Issuer</b>	<b>% of Net Asset Value</b>
Microsoft Corporation	8.85%
Apple Inc.	6.62%
Alphabet Inc. Class C	6.01%
Johnson & Johnson	4.74%
Merck & Co. Inc.	4.04%
CVS Health Corporation	3.86%
Tencent Holdings Ltd. ADR	3.85%
Procter & Gamble Company	3.63%
The Coca Cola Company	3.36%
QUALCOMM Inc.	3.29%
McDonald's Corporation	3.11%
Visa Inc. Class A	3.07%
Exxon Mobil Corporation	2.88%
Celgene Corp	2.76%
Novartis AG	2.61%
Nike Inc. Class B	2.48%
Roche Holding AG	2.39%
SAP SE	2.38%
Astrazeneca PLC	2.33%
ASML Holding NV	2.25%
Schlumberger Limited	2.23%
Bristol Myers Squibb Co.	2.03%
Nestle SA	2.01%
Monsanto Company	2.01%
United Parcel Service Inc.	2.00%
<b>TOTAL</b>	<b>84.79%</b>

<b>Sector</b>	<b>% of Net Asset Value</b>
Information Technology	33.2%
Health Care	26.2%
Consumer Products	17.7%
Industrial Products	5.4%
Energy	5.1%
Materials	3.8%
Telecommunication	3.7%
Financials	3.1%
Cash	1.8%
<b>TOTAL PORTFOLIO</b>	<b>100.0%</b>

\*All holdings in the Fund are long positions as at December 31, 2016

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund and a quarterly update is available at [www.globalgrowth.ca](http://www.globalgrowth.ca)