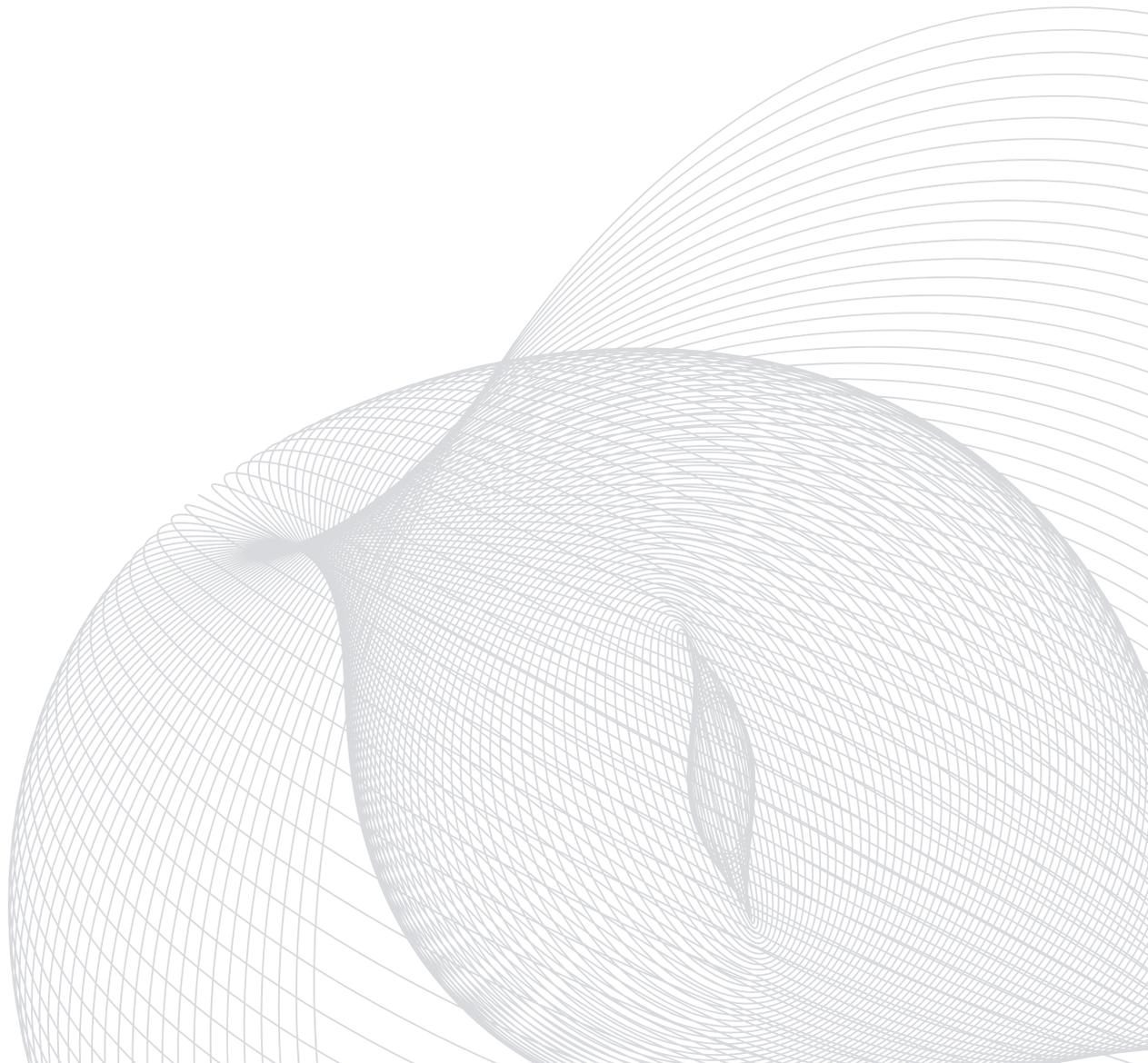




Foord Global Equity Fund

(a Unit Trust constituted under the laws of Singapore)

Annual report and audited financial statements
For the financial year ended 31 December 2019



Foord Global Equity Fund
Information on service providers

Manager

Foord Asset Management (Singapore) Pte. Limited
(Registration No. 201201082K)
9 Raffles Place
#18-03 Republic Plaza
Singapore 048619

Directors of the Manager

Agnes Cai Fuji
David Foord
Paul Egerton Cluer
Prakash Ambelal Desai

Trustee / Custodian / Administrator

RBC Investor Services Trust Singapore Limited
8 Marina View #26-01 Asia Square Tower 1
Singapore 018960

Auditors

Ernst & Young LLP
One Raffles Quay
North Tower, Level 18
Singapore 048583

Foord Global Equity Fund
Audited financial statements

For the financial year ended 31 December 2019

Contents

	Page
Investment manager's report.....	1
Report to unitholders	4
Report of the Trustee.....	7
Statement by the Manager	8
Independent auditor's report.....	9
Audited financial statements	
Statement of financial position	12
Statement of total return	13
Statement of movements of unitholders' funds	14
Statement of portfolio	15
Notes to financial statements	19

Foord Global Equity Fund

Investment manager's report

INVESTMENT OBJECTIVE

The fund aims to achieve optimum risk adjusted total return by investing primarily in a diversified portfolio of global equities. The fund aims to achieve a higher total rate of return than the MSCI All Country World Net Total Return Index over a full market cycle, without assuming greater risk.

MARKET REVIEW AND INVESTMENT OUTLOOK

Investors had a much better year in 2019. Global equity markets were buoyant, delivering the best calendar year return in a decade. This was a dramatic turnaround from the negative returns of 2018, which had the worst annual decline since the global financial crisis. The economic cycle is in its late stages, but is supported by accommodative monetary policy globally and the de-escalation of US-China trade tensions.

The bellwether S&P500 Index advanced after US Federal Reserve Chair Jerome Powell in January dramatically U-turned on the Fed's policy of gradual interest rate normalisation. Three quarter-point rate cuts last year and the continued re-rating of technology behemoths and momentum stocks helped propel US markets to all-time highs (+30.9%). While the resilience of the US consumer continues, the market is vulnerable given over-extended valuations.

The European Central Bank launched new stimulus to support the bloc's stagnating economy. European equities gained 23.8% as the ECB resumed monetary easing with €20 billion in monthly bond purchases while UK bourses advanced 21.0% in US dollars. The Tories won the biggest UK electoral majority since 1987, improving prospects of a quick resolution to a three-year growth overhang in the world's second-largest economic cluster.

Emerging markets gained modestly (+18.4%). Oil exporters, Russia (+50.9%) and Brazil (+26.3%), benefited from an oil price surge (+22.7%) amid persistent OPEC supply cuts and escalating geopolitical tensions in Venezuela and Iran. Chinese equities (+23.5%) advanced on government stimulus and the Phase One US-China trade deal.

All economic sectors advanced. The top performing sectors were information technology, consumer discretionary, communication services and industrials. Energy was the poorest performer.

Although markets surged, robust economic growth was elusive. The escalating US-China trade war imperilled global growth, although sentiment improved markedly into year-end. The Phase One trade deal stops the escalating tariff reprisals, but does not much to undo damage already done. It is a positive development nonetheless.

Given this backdrop of slowing growth and elevated geopolitical risks, global corporate earnings grew by less than 5%. It was lower interest rates, quantitative easing and subsiding fears of a rapid slowdown that ignited investor confidence, leading to rising market price-to-earnings multiples. Looking ahead, global markets should drift higher on persistent monetary support and moderate growth, despite expensive valuation multiples and elevated geopolitical risks.

Foord Global Equity Fund

Investment manager's report

PERFORMANCE

Performance to 31 December 2019 (In USD, net of fees and expenses)

(Periods greater than one year are annualised)

	1 year %	3 years %	5 years %	Since Inception %
FGEF Class B	27.1%	10.7%	6.4%	7.5%
Benchmark	26.6%	12.4%	8.4%	11.0%
Peer Group	23.9%	10.2%	6.2%	8.9%

(Benchmark : MSCI All Country World Net Total Return Index)

(Peer Group : Global Large-Cap Blend Equity Morningstar category)

The fund recovered 2018's losses and more. Stock selection was the biggest contributor to performance, with holdings in consumer discretionary, materials and information technology sectors aiding performance.

JD.com (+68.3%) and Vipshop Holdings (+159.5%) were the largest contributors to performance. These e-commerce businesses were buoyed by the expanding Chinese middle-class and improved margins, with strong execution by management. Luxoft Holdings (+93.9%), a leading IT solutions provider, also contributed to performance after DXC Technology paid a buy-out premium.

Long-term fund holding Allergan (+33.0%) was acquired by AbbVie. The fund's sizable investments in the materials sector also contributed positively – First Majestic Silver (+108.2%), Wheaton Precious Metals (+52.3%) and FMC Corp (+55.6%) rallied with the surge in precious metals and agricultural commodities.

Sector and regional allocation were the key performance detractors, given the fund's lower weight in expensive US momentum stocks and higher weight in Asian value stocks. The managers believe that the valuation differential between the two regions is excessive given the relative growth and earnings risks. The fund's investments in the Chinese technology, consumer discretionary and financials sectors are supported by the structural growth of the country's middle class, which offers strong tailwinds for the fund's best-in-class holdings in these sectors.

Food Global Equity Fund

Investment manager's report

INVESTMENT THESIS

Food is a fundamental earnings house that takes long-term views and patiently waits for prices to follow earnings. We do not trade on market sentiment. We are confidently different from peers and take sizable off-benchmark positions in businesses that offer asymmetric risk-reward to protect investor capital and deliver a safe investment yield.

The managers are cautious about macros given the late stage of the global business cycle. However, the US-China trade deal, supportive global central banks and potential bottoming of global economic fundamentals, may continue to support fundamentals. Our bottom-up process continues to highlight value in fast growing Asian consumer stocks and quality European compounders over expensive US momentum stocks.

Equities remain the most attractive asset class. But the managers are cautious of rising market exuberance and valuations, selectively raising cash and rotating into undervalued sectors and businesses.

We thank you for your ongoing trust and support.

FOORD ASSET MANAGEMENT (SINGAPORE) PTE. LIMITED
5 February 2020

Foord Global Equity Fund

Report to unitholders

For the financial year ended 31 December 2019

(a) **Classification of investments**

Investments at fair value and as a percentage of net asset value ("NAV") of the Fund as at 31 December 2019 classified by:

(i) **Geographical region, industry and asset class**

Please refer to the Statement of Portfolio in the financial statements.

(ii) **Credit rating of debt securities**

Not applicable.

(b) **Top 10 holdings**

The top ten holdings of the Fund as at 31 December 2019 were:

Security	Fair value US\$	% of NAV %
CVS Health Corp	35,712,243	7.47
JD.com Inc (ADR)	33,001,280	6.91
Alphabet Inc Class C	21,681,116	4.54
Tencent Holdings Ltd	20,326,249	4.25
Bayer AG	18,911,979	3.96
Activision Blizzard Inc	17,040,171	3.57
Kasikorn Bank Public Company Limited - Non-voting Depository Receipt (NVDR)	16,464,286	3.45
DuPont de Nemours Inc	14,825,899	3.10
Wheaton Precious Metals Corp	14,577,500	3.05
Nutrien Ltd	13,606,440	2.85

The top ten holdings of the Fund as at 31 December 2018 were:

Security	Fair value US\$	% of NAV %
CVS Health Corp	38,905,514	8.86
ICS US Dollar liquidity -USD -	25,257,257	5.75
JD.com Inc (ADR)	21,489,626	4.89
Kasikorn Bank Public Company Limited - Non-voting Depository Receipt (NVDR)	20,679,225	4.71
Shire Plc	20,561,616	4.68
Alphabet Inc Class C	19,556,459	4.45
PICC Property & Casualty Company Ltd	17,857,439	4.06
Tencent Holdings Ltd	16,896,510	3.85
Wheaton Precious Metals Corp	14,647,500	3.33
Nutrien Ltd	13,364,732	3.04

Foord Global Equity Fund

Report to unitholders

For the financial year ended 31 December 2019

(c) **Exposure to financial derivatives**

Not applicable.

(d) **Amount and percentage of NAV invested in other schemes as at 31 December 2019**

US\$13,155,446 (2.75%) was invested into a money market fund registered in a foreign jurisdiction.

(e) **Amount and percentage of borrowings to NAV as at 31 December 2019**

Not applicable.

(f) **Amount of redemptions and subscriptions for the year ended 31 December 2019**

	US\$
Total amount of subscriptions	10,347,579
Total amount of redemptions	82,122,018

(g) **Amount of related party transactions for the year ended 31 December 2019**

Please refer to Note 6 of the notes to the financial statements.

(h) **Performance of the scheme**

*Performance to 31 December 2019 (In US Dollars, net of fees and expenses)
(Periods greater than one year are annualised)*

	3 months	6 months	1 year	3 years	5 years	Since Inception
	%	%	%	%	%	%
FGEF Class A *	11.4	10.6	26.5	10.2	5.9	6.9
FGEF Class B *	11.5	10.8	27.1	10.7	6.4	7.5
Benchmark	9.0	8.9	26.6	12.4	8.4	11.0
FGEF Class B1 **	11.6	11.1	27.6	11.1	6.7	5.2
Benchmark	9.0	8.9	26.6	12.4	8.4	7.5
FGEF Class X ***	11.7	10.9	-	-	-	10.9
Benchmark	9.0	8.9	-	-	-	8.9

(Benchmark: MSCI All Country World Net Total Return Index)

* Class A & B were inceptioned on 1 June 2012.

** Class B1 was inceptioned on 1 June 2014.

*** Class X was inceptioned on 1 July 2019.

Foord Global Equity Fund

Report to unitholders

For the financial year ended 31 December 2019

(i) **Expense ratios**

Please refer to Note 8 of the notes to the financial statements.

(j) **Turnover ratios**

Please refer to Note 8 of the notes to the financial statements.

(k) **Other material information that will adversely impact the valuation of the scheme**

Nil.

(l) **Key information on the underlying scheme which comprise of more than 30% of NAV**

Not applicable.

(m) **Soft dollars received from brokers**

The Manager may enter soft dollar arrangements (i.e. research) with the executing brokers which are not prohibited under the Code on Collective Investment Scheme. Services received in relation to soft dollars were for the benefit of the scheme. All trades were made on a best execution basis and there was no churning of trades.

Foord Global Equity Fund

Report of the Trustee

The Trustee is under a duty to take into custody and hold the assets of Foord Global Equity Fund (the "Fund") in trust for the unitholders. In accordance with the Securities and Futures Act (Chapter 289), its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting period and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the period covered by these financial statements, set out on pages 12 to 29 in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee,
RBC Investor Services Trust Singapore Limited



Hoi Sau Kheng
Director



Farrah Begum Binte Abdul Salam
Senior Manager

6 March 2020

Foord Global Equity Fund

Statement by the Manager

In the opinion of the directors of Foord Asset Management (Singapore) Pte. Limited, the accompanying financial statements set out on pages 12 to 29, comprising the statement of financial position, statement of total return, statement of movements of unitholders' funds, statement of portfolio and notes to the financial statements are drawn up so as to present fairly, in all material respects, the financial position and the portfolio holdings of the Fund as at 31 December 2019, and the financial performance and movements in unitholders' funds for the year then ended, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are no reasonable grounds to believe that the Fund will not be able to meet its financial obligations as and when they materialise.



For and on behalf of the directors of
Foord Asset Management (Singapore) Pte. Limited

6 March 2020

Foord Global Equity Fund

Independent auditor's report

Unitholders
Foord Global Equity Fund
(Constituted under a Trust Deed in the Republic of Singapore)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Foord Global Equity Fund (the "Fund"), which comprise the statement of financial position and statement of portfolio as at 31 December 2019, the statement of total return and statement of movements of unitholders' funds for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants so as to present fairly, in all material respects, the financial position and portfolio holdings of the Fund as at 31 December 2019 and the financial performance and movements in unitholders' funds for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Fund's Manager (the "Manager") is responsible for other information which comprises the information on service providers, investment manager's report, report to unitholders and statement by the manager. The Fund's Trustee (the "Trustee") is responsible for other information which comprises report of the trustee. These other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements 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, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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.

Foord Global Equity Fund

Independent auditor's report

Responsibilities of Manager's for the financial statements

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Singapore Chartered Accountants, and for such internal controls as the Manager 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 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 terminate the Fund or to cease the Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs 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.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.

Foord Global Equity Fund
Independent auditor's report

Auditor's responsibilities for the audit of the financial statements (cont.)

- Evaluate the overall presentation, structure and content of the financial statements, 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.

The logo for Ernst & Young, featuring the company name in a stylized, handwritten-style font.

Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

6 March 2020

Foord Global Equity Fund
Statement of financial position

As at 31 December 2019

	Note	2019 US\$	2018 US\$
Assets			
Cash and cash equivalents	3	1,001,044	1,010,801
Investments in securities, at fair value	4	477,028,822	435,906,405
Dividends receivable		121,893	223,785
Amounts receivable from the sale of investments		–	2,550,575
Other receivables		63,973	64,059
		<hr/>	<hr/>
Total assets		478,215,732	439,755,625
		<hr/>	<hr/>
Liabilities			
Management fee payable	6	246,885	306,591
Custodian fee payable		14,291	14,746
Other payables		83,863	104,058
		<hr/>	<hr/>
Total liabilities		345,039	425,395
		<hr/>	<hr/>
Net assets attributable to unitholders	5	477,870,693	439,330,230
		<hr/> <hr/>	<hr/> <hr/>

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Foord Global Equity Fund

Statement of total return

For the financial year ended 31 December 2019

	Note	2019 US\$	2018 US\$
Income			
Dividend income, net of withholding taxes of US\$1,944,125 (2018: US\$349,229)		8,330,425	10,098,912
Interest and other income		43,081	253,201
Total operating income		8,373,506	10,352,113
Expenses			
Management fee	6	3,485,579	4,380,889
Trustee fee	6	69,470	83,721
Custodian fee	6	103,357	121,991
Legal and professional fees		6,279	24,877
Audit fee		47,380	43,309
Other operating expenses		26,044	40,684
Total operating expenses		3,738,109	4,695,471
Net income		4,635,397	5,656,642
Gains/(losses) on investment securities and foreign currency transactions			
Net realised gains on investment securities transactions		14,459,358	21,631,348
Net change in unrealised gains/(losses) on investment securities transactions		91,344,935	(113,599,581)
Net losses on foreign currency transactions		(124,788)	(208,321)
Net gains/(losses) on investment securities and foreign currency transactions		105,679,505	(92,176,554)
Total return for the year before taxation		110,314,902	(86,519,912)
Less: Income tax expense		-	-
Total return for the year after taxation		110,314,902	(86,519,912)

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Foord Global Equity Fund

Statement of movements of unitholders' funds

For the financial year ended 31 December 2019

	2019 US\$	2018 US\$
Net assets attributable to unitholders at beginning of financial year	439,330,230	573,839,029
Operations		
Net change in net assets attributable to unitholders resulting from operations	110,314,902	(86,519,912)
Unitholders' subscriptions/(redemptions)		
Creation of units	10,347,579	65,988,453
Cancellation of units	(82,122,018)	(113,977,340)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(71,774,439)	(47,988,887)
Total increase/(decrease) in net assets attributable to unitholders	38,540,463	(134,508,799)
Net assets attributable to unitholders at end of financial year	477,870,693	439,330,230

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Foord Global Equity Fund

Statement of portfolio

At 31 December 2019

	Holdings Number	Fair value US\$	Percentage of net assets %
Primary - by geography			
EM Asia			
Quoted equities and fund			
Baidu Inc (ADR)	77,643	9,814,075	2.05
Brilliance China Automotive Holdings Ltd	2,436,707	2,526,834	0.53
China Construction Bank Corporation - H Class Shares	5,000,000	4,318,641	0.90
HDFC Bank Ltd	109,860	6,961,828	1.46
Health and Happiness (H&H) International Holdings Ltd	911,000	3,770,597	0.79
JD.com Inc (ADR)	936,738	33,001,280	6.91
Kasikorn Bank Public Company Limited - Non-voting Depository Receipt (NVDR)	3,265,988	16,464,286	3.45
PICC Property & Casualty Company Ltd	4,043,508	4,872,883	1.02
Tencent Holdings Ltd	421,667	20,326,249	4.25
Vipshop Holdings Ltd	800,000	11,336,000	2.37
Yum China Holdings Inc	121,500	5,833,215	1.22
Total EM Asia		119,225,888	24.95
Europe			
Quoted equities and fund			
Bayer AG	231,398	18,911,979	3.96
Fresenius Medical Care AG & Co KgaA	51,089	3,782,635	0.79
Heineken NV	51,200	5,455,242	1.13
Hornbach Holding AG & Co KgaA	50,000	3,620,063	0.76
Kenmare Resources Plc	500,000	1,563,205	0.33
KION Group AG	16,291	1,125,726	0.24
Koninklijke Ahold Delhaize NV	96,272	2,409,316	0.50
Nestle SA	47,500	5,139,720	1.07
Oxford Biomedica Plc	149,909	1,280,918	0.27
Roche Holding AG-Genusschein	32,736	10,615,066	2.22
Saab AB	89,667	3,005,817	0.63
TOTAL SA	180,654	9,976,979	2.09
Tullow Oil Plc	1,635,374	1,386,535	0.29
Vivendi SA	123,328	3,574,409	0.75
Total Europe		71,847,610	15.03

Foord Global Equity Fund

Statement of portfolio

At 31 December 2019

	Holdings Number	Fair value US\$	Percentage of net assets %
Primary - by geography (cont.)			
North America			
Quoted equities and fund			
Activision Blizzard Inc	286,775	17,040,171	3.57
Akebia Therapeutics Inc	586,502	3,706,693	0.78
Alphabet Inc Class C	16,216	21,681,116	4.54
BioLife Solutions Inc	75,402	1,220,004	0.26
BioMarin Pharmaceutical Inc	35,000	2,959,250	0.62
Booking Holdings Inc	3,000	6,161,190	1.29
Corteva Inc	350,933	10,373,579	2.17
CVS Health Corp	480,714	35,712,243	7.47
DR Horton Inc	77,604	4,093,611	0.86
DuPont de Nemours Inc	230,933	14,825,899	3.10
Elanco Animal Health Inc	132,000	3,887,400	0.81
FMC Corp	60,000	5,989,200	1.25
Forestar Group Inc	47,058	981,159	0.21
Freeport-McMoRan Inc	700,000	9,184,000	1.92
Gilead Sciences Inc	84,830	5,512,253	1.15
Honeywell International Inc	17,164	3,038,028	0.64
ICS US Dollar Liquidity Fund	13,155,446	13,155,446	2.75
IPG Photonics Corp	74,932	10,859,145	2.27
JPMorgan Chase & Co.	21,702	3,025,259	0.63
Livent Corp	453,687	3,879,024	0.81
Nutrien Ltd	284,000	13,606,440	2.85
Pan American Silver Corp	240,000	5,685,600	1.19
Quanta Services Inc	101,266	4,122,539	0.86
TripAdvisor Inc	133,000	4,040,540	0.85
UnitedHealth Group Inc	17,622	5,180,516	1.08
Wheaton Precious Metals Corp	490,000	14,577,500	3.05
Total North America		224,497,805	46.98
Pacific			
Quoted equities and fund			
AIA Group Ltd	1,144,211	12,012,170	2.51
Chow Tai Fook Jewellery Group Ltd	3,455,210	3,303,640	0.69
Galaxy Entertainment Group Ltd	785,000	5,782,872	1.21
Lynas Corp Ltd	117,285	192,098	0.04
Mesoblast Ltd	4,066,261	5,945,427	1.24
QBE Insurance Group Limited	400,000	3,621,598	0.77
Sekisui Chemical Co Ltd	178,700	3,130,848	0.66
Takeda Pharmaceutical Co Ltd	248,125	9,890,754	2.07
Wharf Real Estate Investment Co Ltd	715,500	4,366,387	0.91
Wynn Macau, Ltd	3,997,172	9,849,543	2.06
Total Pacific		58,095,337	12.16

Foord Global Equity Fund

Statement of portfolio

At 31 December 2019

	Holdings Number	Fair value US\$	Percentage of net assets %
Primary - by geography (cont.)			
EM Latin America			
Quoted equities and fund			
First Majestic Silver Corp	274,240	3,362,182	0.70
Total EM Latin America		3,362,182	0.70
Portfolio of investments		477,028,822	99.82
Other net assets		841,871	0.18
Net assets attributable to unitholders		477,870,693	100.00

Foord Global Equity Fund

Statement of portfolio

At 31 December 2019

	Percentage of net assets 2019 %	Percentage of net assets 2018 %
Primary - by geography (summary)		
Quoted equities, funds and exchange-traded security		
EM Asia	24.95	23.40
Europe	15.03	25.78
North America	46.98	40.39
Pacific	12.16	8.51
EM Latin America	0.70	1.14
Portfolio of investments	99.82	99.22
Other net assets	0.18	0.78
Net assets attributable to unitholders	100.00	100.00

Note: The countries included in the geographical breakdown in the Statement of Portfolio are:

Geography

Emerging (EM) Asia
Europe
North America
Pacific
Emerging (EM) Latin America

Countries

- China, India, Thailand
- France, Germany, Netherlands, Sweden, Switzerland, United Kingdom
- Canada, United States of America
- Australia, Hong Kong, Japan
- Mexico

Foord Global Equity Fund

Statement of portfolio

At 31 December 2019

	Fair value 2019 US\$	Percentage of net assets 2019 %	Percentage of net assets 2018 %
Primary - by industry (summary)			
Quoted equities, funds and exchange-traded security			
Communication Services	76,476,560	16.00	14.31
Consumer Discretionary	82,477,906	17.26	13.13
Consumer Staples	16,774,875	3.51	3.44
Energy	11,363,514	2.38	3.57
Financials	64,432,111	13.48	24.05
Healthcare	108,605,138	22.73	22.73
Industrials	11,292,110	2.36	2.91
Information Technology	17,020,335	3.56	4.93
Materials	83,238,727	17.42	10.15
Properties	5,347,546	1.12	–
	477,028,822	99.82	99.22
Portfolio of investments	477,028,822	99.82	99.22
Other net assets	841,871	0.18	0.78
Net assets attributable to unitholders	477,870,693	100.00	100.00

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2019

1. Corporate information

Foord Global Equity Fund (the “Fund”) is a stand-alone, open-ended unit trust constituted by a trust deed dated 1 June 2012 in Singapore (the “Principal Deed”) and subsequent amending and restating deeds and supplemental deeds (collectively, the “Supplement Deeds”) between the investment manager of the Fund, Foord Asset Management (Singapore) Pte. Limited (the “Manager”) and the trustees of the Fund, RBC Investor Services Trust Singapore Limited (the “Trustee”).

The Manager of the Fund is a private limited company incorporated in Singapore.

The investment objective for the Fund is to achieve optimum risk adjusted total return by investing primarily in a diversified portfolio of global equities. The Fund aims to achieve a higher total rate of return than the MSCI All Country World Net Total Return Index, without assuming greater risk.

2. Summary of significant accounting policies

2.1 Basis of preparation

The Fund’s financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice 7 “Reporting Framework for Unit Trusts” (“RAP 7”) revised and issued by the Institute of Singapore Chartered Accountants in March 2017 and are stated in United States dollars (“USD” or “US\$”), which is the Fund’s functional and presentation currency.

The financial statements have been prepared on a historical cost basis except for financial assets and financial liabilities held at fair value through profit or loss, that have been measured at fair value.

The following is a summary of the significant accounting and reporting policies used in preparing the financial statements.

2.2 Financial assets and financial liabilities

All the Fund’s investments in securities are classified as financial assets held at fair value through profit or loss, with changes in fair value reflected in the statement of total return. The fair value for securities traded in active markets at the reporting date is based on their official closing prices, the last transaction prices.

Non-derivative financial assets carried at amortised cost that are not quoted in an active market and include cash and cash equivalents, amounts receivable from the sale of investments, dividends receivable and other receivables.

The Fund includes management fee payable, custodian fee payable and other payables in other financial liabilities carried at amortised cost.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2019

2. Summary of significant accounting policies (cont.)

2.2 *Financial assets and financial liabilities (cont.)*

Financial assets and financial liabilities (other than those classified as at fair value through profit or loss) are measured initially at their fair values plus any directly attributable incremental costs of acquisition or issue, and are carried at amortised cost using the effective interest method.

Due to the short duration of other financial assets and financial liabilities recorded at amortised cost, the carrying amount of those instruments approximate their fair values.

Impairment of financial assets

The Fund recognises a loss allowance account for expected credit losses (“ECL”) on its financial assets that are measured at amortised cost. The ECL calculation is based on a provision matrix that is based on, among other factors, its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment, that is available at the reporting date.

The Fund applies a simplified approach in calculating ECLs and recognises a loss allowance based on lifetime ECLs at each reporting date.

Impairment losses are recognised in the profit or loss with a corresponding adjustment to their carrying amount through a loss allowance account.

2.3 *Investment transactions and related investment income*

Investment transactions are recorded on the trade date. Realised gains or losses on disposal are calculated using weighted average cost. Change in unrealised gains or losses on investments securities transactions are reflected in the statement of total return.

Income recognition

Dividend income is recognised in profit or loss on the date the Fund’s right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

Interest income is recognised as it accrues, using the effective interest method.

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2019

2. Summary of significant accounting policies (cont.)

2.4 *Foreign currency translation*

The books and records of the Fund are maintained in USD. Assets and liabilities denominated in foreign currencies other than the functional currency, USD, are translated at the rates of exchange prevailing at the reporting date. Transactions in foreign currencies are translated at the rates of exchange prevailing at the time of the transaction. Exchange gains or losses are included in the statement of total return.

Foreign currency transaction gains or losses on financial instruments classified as held-for-trading are included in the statement of total return as part of the “*Net realised gains/(losses) on investment securities transactions*” and “*Net change in unrealised gains/(losses) on investment securities transactions*”. Foreign exchange differences on other financial instruments are included in the statement of total return as “*Net gains/(losses) on foreign currency transactions*”.

2.5 *Income tax*

The Fund is exempt from income taxes in Singapore and therefore no provision or payment is made for taxation. The Fund has been approved for the Enhanced-Tier Fund Incentive Scheme under Section 13X of the Income Tax Act with effect from 26 April 2012. The tax exemption status is for the life of the Fund, provided the Fund continues to meet all conditions and terms set out in MAS circulars-FDD Circular 03/2009, FDD Circular 05/2010, FDD Circular 06/2014, FDD Circular 05/2015 and FDD Circular 09/2019, and the relevant Income Tax legislation.

2.6 *Related parties*

Related parties are individuals and companies where the individual or Fund has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2.7 *Significant accounting judgements and estimates*

The preparation of the financial statements requires the Manager to make judgements, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Except as disclosed below, the Manager believes that no significant judgements, estimates and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

The Fund has assessed that the unconsolidated money market fund it invests in is classified as a structured entity (as defined by FRS 112). The Fund’s maximum exposure to loss in the structured entity is equal to the fair value shown in the statement of portfolio.

2.8 *Distribution policy*

Distribution to the unitholders is recognised in the statement of total return in the period in which the dividends were declared. Dividends are declared at the discretion of the Manager. The Manager does not intend to make regular distributions in respect of units of the Fund.

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2019

3. Cash and cash equivalents

Cash and cash equivalents may include short-term, highly liquid investments that are readily convertible to known amounts of cash and are subjected to an insignificant risk of changes in value.

Cash and cash equivalents as at the end of the financial year is cash at bank earning interest at short-term market interest rates.

4. Fair value of financial instruments

The fair value of financial instruments is the value at which positions can be traded in a transaction with a willing and knowledgeable counterparty over a period that is consistent with the Fund's trading or investment strategy. The Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy levels are:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (i.e. unobservable inputs).

The categorisation level is determined based on the lowest level input that is significant to the fair value measurements. For this purpose, the significance of an input is assessed against the fair value measurements 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 an input to the fair value measurements requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes "observable" requires significant judgement by the Fund. The Fund considers observable data to be market data that is readily available, regularly distributed or updated, reliable, verifiable, not proprietary and provided by independent sources that are actively involved in the relevant market.

As the end of the financial year, the Fund held only Level 1 instruments. There were no transfers between the categories during the year.

5. Units in issue

In accordance with the Prospectus, the units in the Fund are divided into four classes, Class A, B, B1 and X units. All units rank pari passu except for management fees. Class A and Class X units do not pay a performance fee.

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2019

5. Units in issue (cont.)

The number of units issued and outstanding are:

2019	Units outstanding at beginning of year	Units issued	Units cancelled	Units switched in/(out)	Units outstanding at end of year	Net assets attributable to unitholders US\$	Net asset value per unit US\$
Class A	8,755,375	–	(202,831)	–	8,552,544	142,375,483	16.65
Class B	5,920,579	558,411	(972,910)	–	5,506,080	95,594,659	17.36
Class B1	23,370,048	127,407	(5,330,120)	(14,592,150)	3,575,185	47,490,207	13.28
Class X	–	–	(144,411)	17,494,529	17,350,118	192,410,344	11.09
<hr/>							
2018							
Class A	11,101,734	346,005	(2,304,889)	(387,475)	8,755,375	115,229,440	13.16
Class B	5,958,734	814,167	(852,322)	–	5,920,579	80,855,992	13.66
Class B1	24,726,762	3,813,411	(5,662,201)	492,076	23,370,048	243,244,798	10.41

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2019

6. Related party transactions

Fees are paid to the Manager and the Trustee as reported in the statement of total return.

(a) *Fees payable to the Trustee*

The Trustee charges a trustee fee of 0.015% per annum of the net asset value of the fund and a custodian fee of 0.05% per annum subject to a minimum annual fee of US\$6,000. The trustee fee and custodian fee are capped at 0.03% per annum and 0.05% per annum respectively.

As at the end of the financial year, the total fees payable to the Trustees were US\$25,878 (2018: US\$26,702).

(b) *Fees payable to the Manager*

The Manager charges an annual management fee on the NAV of each class as follows:

- (i) Class A: 1.35% to a maximum of 2.5%
- (ii) Class B: 0.85% to a maximum of 1.5%
- (iii) Class B1: 0.50% to a maximum of 1.0%
- (iv) Class X: 0%.

For Class B and B1 units, the Manager charges a performance fee if the performance conditions are satisfied. The performance fee sharing rate is 15% of the fund's outperformance of the hurdle rate. The performance fee is calculated and accrues daily during each accounting period. If the performance conditions are not satisfied in an accounting period, all performance fee accruals are reversed. Performance fees that were crystallised on redemption or realisation are not reversed.

The Manager, in its sole discretion, may waive or reduce the management and performance fee charged to the unitholders of the Fund.

As at the end of the financial year, total fees payable to the Manager were US\$246,885 (2018: US\$306,591).

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2019

7. Financial risk management objectives and policies

The Fund's investment activities carry risks associated with the financial instruments and markets in which it invests.

Investment risk management is an important component of the Fund's strategy. The responsibility for identifying and controlling risks lies with the Manager.

(a) *Credit risk*

Credit risk is the risk that a financial instrument counterparty will fail to discharge an obligation, causing loss to the Fund. Cash and cash equivalents, investments in securities, amounts receivable from the sale of investments and dividends receivable are the principal credit risk instruments.

The securities are held by, and cash deposited with, the Fund's custodian may be affected by the custodian's creditworthiness. At the year end, no financial asset was past due or impaired, or would otherwise be past due or impaired. The extent of the Fund's exposure to credit risk in respect of these financial assets approximates their carrying values as recorded in the Fund's statement of financial position.

(b) *Liquidity risk*

Liquidity risk is the risk that the Fund will encounter difficulty in raising cash to meet financial liabilities.

The Fund is exposed to cash redemption of its units. To manage liquidity risk arising from large redemptions, realisation policies may be invoked to limit total realisation in any given redemption period to five percent (5%) of the total number of units in issue. In addition, the Fund invests primarily in marketable securities which under normal market conditions are readily convertible to cash.

As at the end of the financial year, all liabilities are payable within 90 days.

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2019

7. Financial risk management objectives and policies (cont.)

(c) **Market risk**

Market risk is the potential loss that can be caused by a change in the market value of the financial instruments. The Fund's exposure to market risk is determined by several factors, including equity prices, yield rates and foreign currency exchange rates. The Fund manages its exposure to market risk using appropriate risk management strategies.

Investment price risk

Investment price risk is the risk of unfavourable changes in the fair value of underlying securities. The sensitivity analysis shows the resulting effect on the Fund's total return and NAV, based on a 5% reasonable change in the value of the investment portfolio held as at the end of the reporting period with all other variables held constant. The analysis does not guarantee future risk profile of the investment portfolio.

	Movement in underlying prices %	Effect on total return %	Effect on NAV %
2019			
Quoted securities	+/-5.00	+/-21.02	+/-4.86
2018			
Quoted equities	+/-5.00	+/-23.73	+/-4.67

(d) **Interest rate risk**

Interest rate risk is the possibility that changes in interest rates will affect future cash flows or the fair value of financial instruments. Bank deposits and money market fund investments are subject to minimal interest rate risk. As such, the effect of a sensitivity analysis on the Fund's net profit and NAV would be negligible.

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2019

7. Financial risk management objectives and policies (cont.)

(e) *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The table below indicates the currencies to which the Fund had significant exposure at the end of the reporting period. The analysis disclosed the effect of a reasonably possible movement of the currency rate against the US\$ on the Fund total return and the units' NAV, with all other variables held constant:

Currency	Appreciation (+)/ (depreciation) (-) of currency against US\$ %	Change in total return %	Change in NAV %
2019			
AUD	+/-1	+/-0.09%	+/-0.02%
CHF	+/-1	+/-0.14%	+/-0.03%
EUR	+/-1	+/-0.44%	+/-0.10%
GBP	+/-1	+/-0.04%	+/-0.01%
HKD	+/-1	+/-0.64%	+/-0.15%
JPY	+/-1	+/-0.12%	+/-0.03%
SEK	+/-1	+/-0.03%	+/-0.01%
THB	+/-1	+/-0.15%	+/-0.03%
2018			
AUD	+/-1	+/-0.10%	+/-0.02%
CHF	+/-1	+/-0.11%	+/-0.02%
EUR	+/-1	+/-0.55%	+/-0.11%
GBP	+/-1	+/-0.45%	+/-0.09%
HKD	+/-1	+/-0.77%	+/-0.15%
JPY	+/-1	+/-0.04%	+/-0.01%
THB	+/-1	+/-0.24%	+/-0.05%

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2019

8. Financial ratios

	2019	2018
	%	%
Expense ratio (excluding performance fee) ¹ :		
- Class A	1.41	1.41
- Class B	0.91	0.91
- Class B1	0.55	0.55
- Class X ³	0.05	-
Turnover ratio ²	31.93	32.42

¹ The expense ratio has been computed based on the guidelines of the Investment Management Association of Singapore (“IMAS”). The calculation of the expense ratio was based on total operating expenses divided by the average NAV for the year. For newly launched class which has been in existence for less than a year, the expense ratio is annualised. The total operating expenses do not include (where applicable) brokerage and other transaction costs, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The NAV is based on daily balances.

² The portfolio turnover ratio is calculated in accordance with the Code on Collective Investment Schemes. The calculation is based on the lesser of sales or purchases of the underlying investments (excluding the money market fund) of US\$190,868,580 (2018: US\$180,901,303) divided by the weighted average daily NAV of US\$597,715,429 (2018: US\$557,940,817).

³ Class X’s expense ratio comprise operating expenses paid out of the assets attributable to the Unit Class. The management fee for this class is nil.

9. Capital management

The capital of the Fund is invested to generate a return on the investments made by the unitholders.

Subscription monies are received as capital of the Fund and are used to invest in securities. The objective of the Fund’s capital management is to preserve capital and to meet the investment objective of the Fund over the longer term.

10. Authorisation of financial statements

The financial statements of the Fund for the financial year ended 31 December 2019 were approved and authorised for issue by the Trustee on 6 March 2020.

