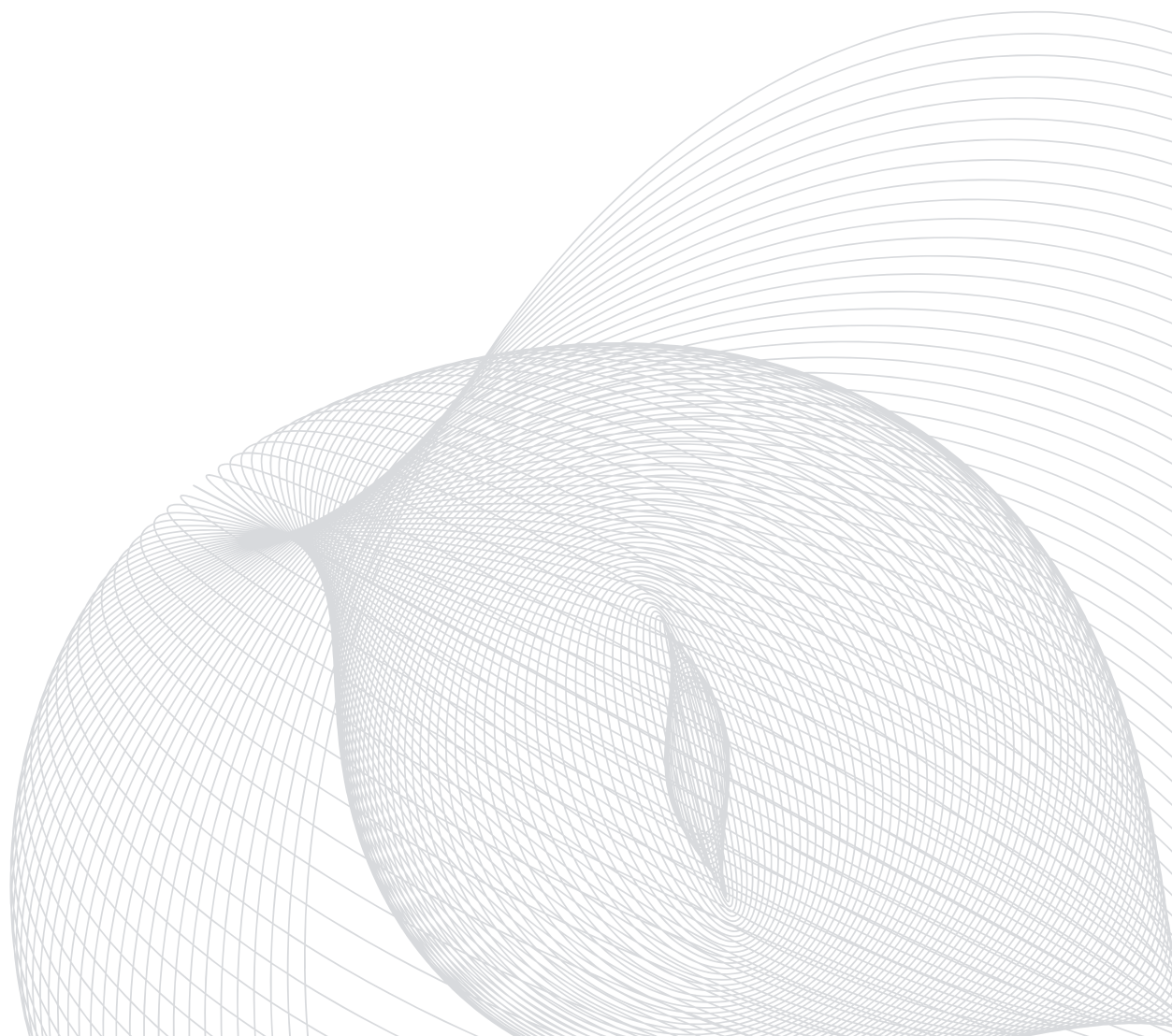




Foord Global Equity Fund

(a Unit Trust constituted under the laws of Singapore)

Annual report and audited financial statements
For the financial year ended 31 December 2020



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 Fuji Cai
Paul Egerton Cluer
Prakash Ambelal Desai
David Foord

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 2020

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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 (the "Benchmark") over a full market cycle, without assuming greater risk.

MARKET REVIEW AND INVESTMENT OUTLOOK

Global equity markets began 2020 at or near all-time highs, having delivered the best calendar-year return of the decade in 2019. The economic fallout from the COVID-19 pandemic soon tipped the world into an economic contraction which was twice as severe as the 2008/2009 Global Financial Crisis.

Within a month of COVID-19 spreading from China to the West, global bourses collapsed by a third. Governments and central banks responded with unprecedented fiscal and monetary stimulus to boost liquidity and cushion the fallout from the deepest economic recession since the Great Depression. This ignited a price rally on world stock and bond markets.

Most global equity markets (+16.3%) recouped earlier losses, with some ending the year achieving all-time highs on the coronavirus vaccine developments that heralded a possible return to normal in 2021. Emerging markets (+18.3%) gained, driven by China on its quick exit from early lockdowns.

Markets were driven mostly by the information technology (+45.6%), consumer discretionary (+36.7%), communication services (+23.7%), materials (+20.9%) and healthcare (+14.9%) sectors. Cyclical like energy (-28.6%) and financials (-3.8%) underperformed on demand destruction and asset quality concerns, respectively.

Currencies were volatile. The dollar weakened against all major currencies on collapsing interest rate differentials.

Global growth and earnings recovery in 2021 is largely dependent on the pace of vaccine rollouts. Resultant growth acceleration may lead to higher inflation and interest rates although we expect monetary policy to remain supportive and fiscal spending to increase. Geopolitical risks have increased meaningfully. Investment risks are elevated with extreme divergence between growth and value stocks.

PERFORMANCE

Performance to 31 December 2020 (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	23.6	9.9	11.4	9.3
Benchmark	16.3	10.1	12.3	11.6
Peer Group	13.7	7.3	9.5	9.5

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

Foord Global Equity Fund

Investment manager's report

PERFORMANCE (CONTINUED)

The fund outpaced the MSCI All Country World (Net) Index by 7.3% in the year. It is now top decile of its Morningstar peer group over one and two years and in the top quartile over three, four and five years. In our view, this outperformance was neither random nor speculative. The fund managers' past focus on the assessment of value relative to expected future earnings had resulted in a portfolio of under-valued, high-quality businesses with strong leadership teams across disparate sectors and markets.

The top performance contributors were: China's second-largest e-commerce and logistics business JD.com, copper mining giant Freeport-McMoRan, cutting-edge fibre laser producer IPG Photonics, biotech star BioLife Solutions and Chinese internet giant Tencent. These companies are among the best managed businesses in their industries. Each is very different from the rest, reflective of the diversification within the portfolio. It is notable that none of these stocks are constituents of the MSCI All Country World Index information technology (IT) sector, which was the best performing sector of the year. Nevertheless, they all meaningfully outperformed the IT and other sectors.

INVESTMENT THESIS

Foord 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.

We constructed the portfolio independently of the benchmark or objective we are trying to beat over time. Excellent stock selection was the cornerstone of our outperformance. Risk management was also critical to the fund's success in 2020. The portfolio spans key markets and sectors based on the managers' conviction of the future earnings of the businesses we own. In many cases, our expectations were very different from the market's.

Foord's commitment to investment stewardship and risk management underpins all that we do. While the future direction of markets is murky, our focus on long-term earnings growth will continue to serve as the guiding light in our quest for value and alpha.

We thank you for your ongoing trust and support.

FOORD ASSET MANAGEMENT (SINGAPORE) PTE. LIMITED
16 February 2021

Foord Global Equity Fund

Report to unitholders

For the financial year ended 31 December 2020

(a) **Classification of investments**

Investments at fair value and as a percentage of net asset value ("NAV") of the Fund as at 31 December 2020 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 10 holdings of the Fund as at 31 December 2020 were:

Security and Fund	Fair value US\$	% of NAV %
JD.com Inc (ADR)	30,677,100	6.01
IPG Photonics Corp	27,641,869	5.41
Tencent Holdings Ltd	25,094,593	4.91
Alphabet Inc Class C	23,356,064	4.57
BlackRock ICS US Dollar Liquidity Fund	22,459,250	4.40
Extended Stay America Inc	22,009,437	4.31
Freeport-McMoRan Inc	20,846,417	4.08
Baidu Inc (ADR)	19,788,339	3.88
AIA Group Ltd	16,539,570	3.24
Nutrien Ltd	13,524,676	2.65

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

Security and Fund	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

Foord Global Equity Fund

Report to unitholders

For the financial year ended 31 December 2020

(c) **Exposure to financial derivatives**

Not applicable.

(d) **Amount and percentage of NAV invested in other schemes as at 31 December 2020**

US\$22,459,250 (4.40%) was invested into a money market fund registered in a foreign jurisdiction.

(e) **Amount and percentage of borrowings to NAV as at 31 December 2020**

Not applicable.

(f) **Amount of redemptions and subscriptions for the year ended 31 December 2020**

	US\$
Total amount of subscriptions	28,469,732
Total amount of redemptions	103,764,918

(g) **Amount of related party transactions for the year ended 31 December 2020**

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

(h) **Performance of the scheme**

Performance to 31 December 2020 (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 *	16.0	23.2	24.9	9.9	11.2	8.9
FGEF Class B *	15.5	21.8	23.6	9.9	11.4	9.3
Benchmark	14.7	24.0	16.3	10.1	12.3	11.6
FGEF Class B1 **	15.6	21.9	23.8	10.2	11.8	7.9
Benchmark	14.7	24.0	16.3	10.1	12.3	8.8
FGEF Class X ***	16.4	24.0	26.6	-	-	30.8
Benchmark	14.7	24.0	16.3	-	-	20.4

(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 but launched on 26 September 2019.

Foord Global Equity Fund

Report to unitholders

For the financial year ended 31 December 2020

(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 11 to 28 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
Associate Director

12 March 2021

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 11 to 28, 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 2020, 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

12 March 2021

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 2020, 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 2020 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:

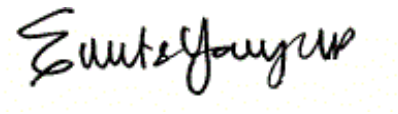
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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

12 March 2021

Foord Global Equity Fund

Statement of financial position

As at 31 December 2020

	Note	2020 US\$	2019 US\$
Assets			
Cash and cash equivalents	3	3,441,108	1,001,044
Investments in securities, at fair value	4	509,182,765	477,028,822
Dividends receivable		276,935	121,893
Other receivables		53,827	63,973
Total assets		512,954,635	478,215,732
Liabilities			
Management fee payable	6	268,035	246,885
Performance fee payable	6	1,977,995	—
Custodian fee payable		7,811	14,291
Other payables		78,306	83,863
Total liabilities		2,332,147	345,039
Net assets attributable to unitholders	5	510,622,488	477,870,693

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 2020

	Note	2020 US\$	2019 US\$
Income			
Dividend income, net of withholding taxes of US\$1,269,686 (2019: US\$1,944,125)		5,354,113	8,330,425
Interest and other income		45,796	43,081
Total operating income		5,399,909	8,373,506
Expenses			
Management fee	6	2,861,221	3,485,579
Performance fee	6	2,096,223	–
Trustee fee	6	68,666	69,470
Custodian fee	6	91,204	103,357
Legal and professional fees		11,791	6,279
Audit fee		47,380	47,380
Other operating expenses		46,232	26,044
Total operating expenses		5,222,717	3,738,109
Net income		177,192	4,635,397
Gains/(losses) on investment securities and foreign currency transactions			
Net realised gains on investment securities transactions		21,099,025	14,459,358
Net change in unrealised gains on investment securities transactions		98,173,127	91,344,935
Net realised losses on financial derivative hedges		(11,238,202)	–
Net losses on foreign currency transactions		(164,161)	(124,788)
Net gains on investment securities and foreign currency transactions		107,869,789	105,679,505
Total return for the year before taxation		108,046,981	110,314,902
Less: Income tax expense		–	–
Total return for the year after taxation		108,046,981	110,314,902

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 2020

	2020 US\$	2019 US\$
Net assets attributable to unitholders at beginning of financial year	477,870,693	439,330,230
Operations		
Net change in net assets attributable to unitholders resulting from operations	108,046,981	110,314,902
Unitholders' subscriptions/(redemptions)		
Creation of units	28,469,732	10,347,579
Cancellation of units	(103,764,918)	(82,122,018)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(75,295,186)	(71,774,439)
Total increase in net assets attributable to unitholders	32,751,795	38,540,463
Net assets attributable to unitholders at end of financial year	510,622,488	477,870,693

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 2020

	Holdings Number	Fair value US\$	Percentage of net assets %
Primary - by geography			
EM Asia			
Quoted equities and fund			
Baidu Inc (ADR)	91,511	19,788,339	3.88
HDFC Bank Ltd	19,519	1,410,443	0.28
Health & Happiness H&H International Holdings Ltd	704,329	2,606,990	0.51
JD.com Inc (ADR)	349,000	30,677,100	6.01
Kasikorn Bank Public Company Limited - Non Voting Depository Receipt (NVDR)	750,000	2,828,787	0.55
Largan Precision Co Ltd	36,750	4,178,844	0.82
Taiwan Semiconductor Manufacturing Co Ltd	270,335	5,099,248	1.00
Tencent Holdings Ltd	345,000	25,094,593	4.91
WH Group Ltd	2,388,254	2,002,054	0.39
Yum China Holdings Inc	210,000	11,988,900	2.35
Total EM Asia		105,675,298	20.70
Europe			
Quoted equities and fund			
Airbus SE	61,504	6,756,234	1.32
Bayer AG	78,719	4,638,127	0.91
Fresenius Medical Care AG & Co KGaA	40,752	3,400,596	0.67
Heineken NV	31,473	3,512,772	0.69
Hornbach Holding AG & Co KGaA	24,859	2,393,757	0.47
Industria de Diseno Textil SA	54,577	1,738,891	0.34
Kenmare Resources Plc	500,000	2,139,277	0.42
KION Group AG	16,157	1,406,755	0.28
Koninklijke Ahold Delhaize NV	47,741	1,349,936	0.26
Moncler SpA	150,000	9,202,320	1.80
Mowi ASA	174,011	3,881,844	0.76
Nestle SA	16,414	1,935,997	0.38
Oxford Biomedica Plc	125,000	1,759,948	0.34
Roche Holding AG-Genusschein	15,098	5,277,768	1.03
Saab AB	219,122	6,390,193	1.25
TGS NOPEC Geophysical Co ASA	356,500	5,525,333	1.08
TOTAL SE	79,993	3,455,003	0.68
Unilever Plc	187,500	11,370,985	2.23
Vodafone Group Plc	2,175,135	3,595,910	0.70
Total Europe		79,731,646	15.61

Foord Global Equity Fund

Statement of portfolio

At 31 December 2020

	Holdings Number	Fair value US\$	Percentage of net assets %
Primary - by geography (cont.)			
North America			
Quoted equities and fund			
Activision Blizzard Inc	132,192	12,274,027	2.40
Akebia Therapeutics Inc	905,533	2,535,492	0.50
Alphabet Inc Class C	13,332	23,356,064	4.57
Antibe Therapeutics Inc	86,400	266,524	0.05
Berkshire Hathaway Inc	18,618	4,316,956	0.85
BioLife Solutions Inc	263,692	10,518,674	2.06
BioMarin Pharmaceutical Inc	35,000	3,069,150	0.60
BlackRock ICS US Dollar Liquidity Fund	22,459,250	22,459,250	4.40
Bluebird Bio Inc	100,000	4,327,000	0.85
Booking Holdings Inc	893	1,988,952	0.39
Corteva Inc	283,242	10,967,130	2.15
CVS Health Corp	98,606	6,734,790	1.32
DR Horton Inc	41,759	2,878,030	0.56
DuPont de Nemours Inc	94,414	6,713,781	1.30
Edison International	65,017	4,084,368	0.80
Elanco Animal Health Inc	415,437	12,741,453	2.50
Extended Stay America Inc	1,486,120	22,009,437	4.31
FMC Corp	41,572	4,777,870	0.94
Forestar Group Inc	105,188	2,122,694	0.42
Fortive Corp	100,000	7,082,000	1.39
Freeport-McMoRan Inc	801,169	20,846,417	4.08
HEICO Corp	5,218	610,819	0.12
Honeywell International Inc	17,023	3,620,792	0.71
IPG Photonics Corp	123,517	27,641,869	5.41
JPMorgan Chase & Co.	21,524	2,735,055	0.54
Livent Corp	135,635	2,555,363	0.50
Microsoft Corp	37,132	8,258,899	1.62
Netflix Inc	6,053	3,273,039	0.64
Nutrien Ltd	280,828	13,524,676	2.65
Pan American Silver Corp	205,994	7,108,853	1.39
Quanta Services Inc	39,546	2,848,103	0.56
Spotify Technology SA	3,591	1,129,944	0.22
UnitedHealth Group Inc	16,257	5,701,005	1.12
Vontier Corp	40,000	1,336,000	0.26
Wells Fargo & Co	150,000	4,527,000	0.89
Wheaton Precious Metals Corp	316,912	13,227,907	2.58
Total North America		284,169,383	55.65

Foord Global Equity Fund

Statement of portfolio

At 31 December 2020

	Holdings Number	Fair value US\$	Percentage of net assets %
Primary - by geography (cont.)			
Pacific			
Quoted equities and fund			
AIA Group Ltd	1,349,953	16,539,570	3.24
Chow Tai Fook Jewellery Group Ltd	793,519	997,801	0.20
Galaxy Entertainment Group Ltd	874,000	6,791,261	1.32
Lynas Rare Earths Ltd	117,285	360,202	0.07
Sekisui Chemical Co Ltd	177,235	3,354,324	0.66
Takeda Pharmaceutical Co Ltd	208,609	7,587,068	1.49
Wynn Macau, Ltd	2,367,972	3,976,212	0.78
Total Pacific		39,606,438	7.76
Portfolio of investments		509,182,765	99.72
Other net assets		1,439,723	0.28
Net assets attributable to unitholders		510,622,488	100.00

Foord Global Equity Fund

Statement of portfolio

At 31 December 2020

	Percentage of net assets 2020 %	Percentage of net assets 2019 %
Primary - by geography (summary)		
Quoted equities, funds and exchange-traded security		
EM Asia	20.70	24.95
Europe	15.61	15.03
North America	55.65	46.98
Pacific	7.76	12.16
EM Latin America	–	0.70
Portfolio of investments	99.72	99.82
Other net assets	0.28	0.18
Net assets attributable to unitholders	100.00	100.00

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

Geography	Countries
Emerging (EM) Asia	- China, India, Taiwan, Thailand
Europe	- France, Germany, Ireland , Italy, Netherlands, Norway, Spain, Sweden, Switzerland, United Kingdom
North America	- Canada & United States of America
Pacific	- Australia, Hong Kong, Japan
Emerging (EM) Latin America	- Mexico

Foord Global Equity Fund

Statement of portfolio

At 31 December 2020

	Fair value 2020 US\$	Percentage of net assets 2020 %	Percentage of net assets 2019 %
Primary - by industry (summary)			
Quoted equities, funds and exchange-traded security			
Communication Services	88,511,916	17.33	16.00
Consumer Discretionary	97,996,985	19.19	17.26
Consumer Staples	26,660,578	5.22	3.51
Energy	8,980,336	1.76	2.38
Financials	54,817,061	10.74	13.48
Healthcare	68,557,595	13.42	22.73
Industrials	30,050,896	5.89	2.36
Information Technology	45,178,860	8.85	3.56
Materials	82,221,476	16.10	17.42
Properties	2,122,694	0.42	1.12
Utilities	4,084,368	0.80	–
	509,182,765	99.72	99.82
Portfolio of investments			
	509,182,765	99.72	99.82
Other net assets	1,439,723	0.28	0.18
Net assets attributable to unitholders	510,622,488	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 2020

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 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 December 2019. The functional and presentation currency is United States dollars (“USD” or “US\$”).

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

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 the official closing price, or the last transaction price if the former price is not available.

Financial assets carried at amortised cost that are not quoted in an active market include cash and cash equivalents, dividends receivable and other receivables.

The Fund includes management and performance 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 2020

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 when the Fund’s right to receive payment is established on 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 2020

2. Summary of significant accounting policies (cont.)

2.4 *Foreign currency translation*

Assets and liabilities denominated in foreign currencies other than in 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 2020

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 are interest-bearing 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 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 in its entirety. 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), or the fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs.

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

The units in the Fund are divided into four classes, Class A, B, B1 and X units. All units rank pari passu and have the same characteristics 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 2020

5. Units in issue (cont.)

The number of units issued and outstanding are:

	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\$
2020							
Class A	8,552,544	1,498,713	(2,246,167)	–	7,805,090	162,271,262	20.79
Class B	5,506,080	318,183	(1,236,602)	–	4,587,661	98,413,212	21.45
Class B1	3,575,185	206,923	(1,085,112)	–	2,696,996	44,367,831	16.45
Class X	17,350,118	67,532	(2,775,746)	–	14,641,904	205,570,183	14.04
2019							
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

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2020

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\$14,142 (2019: US\$25,878).

(b) *Fees payable to the Manager*

The annual management fees on the NAV of each class are 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 accrued daily. If the performance conditions are not satisfied, all performance fees accrued during the year are reversed. Performance fees that were crystallised on redemption or realisation are not reversed. Accrued performance fee as at 31 December will be paid within 30 days after year-end. The high water mark is re-set annually as at the NAV's historical high at 31 December.

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

Performance fees earned for the financial year:

	2020 US\$	2019 US\$
Class B	1,422,043	–
Class B1	674,180	–
Total Performance fees earned	2,096,223	–

As at the end of the financial year, total fees payable to the Manager were US\$2,246,030 (2019: US\$246,885).

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2020

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 2020

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 %
2020			
Quoted securities	+/-5.00	+/-22.52	+/-4.77
2019			
Quoted securities	+/-5.00	+/-21.02	+/-4.86

(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 2020

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's total return and NAV, with all other variables held constant:

Currency	Appreciation (+)/ (depreciation) (-) of currency against US\$ %	Change in total return %	Change in NAV %
2020			
CHF	+/-1	+/-0.07%	+/-0.01%
EUR	+/-1	+/-0.46%	+/-0.10%
GBP	+/-1	+/-0.07%	+/-0.01%
HKD	+/-1	+/-0.55%	+/-0.12%
JPY	+/-1	+/-0.10%	+/-0.02%
NOK	+/-1	+/-0.09%	+/-0.02%
SEK	+/-1	+/-0.06%	+/-0.01%
THB	+/-1	+/-0.03%	+/-0.01%
TWD	+/-1	+/-0.09%	+/-0.02%
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%

Foord Global Equity Fund

Notes to financial statements

For the financial year ended 31 December 2020

8. Financial ratios

	2020	2019
	%	%
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	0.05
Expense ratio (including performance fee) ¹ :		
- Class B	2.56	0.91
- Class B1	2.22	0.55
Turnover ratio ²	41.06	31.93

¹ The expense ratio was 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 weighted average daily NAV. For class that exists less than a year, its expense ratio is annualised. The total operating expenses exclude (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.

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\$187,853,372 (2019: US\$190,868,580) divided by the weighted average daily NAV of US\$457,507,444 (2019: US\$597,715,429).

³ Class X's expense ratio comprise operating expenses paid out of the assets attributable to the Unit Class.

9. Capital management

The capital of the Fund is invested to generate a return on the investment; subscription monies received from the unitholders. Its' capital management objective is 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 2020 were approved and authorised for issue by the Trustee on 12 March 2021.

