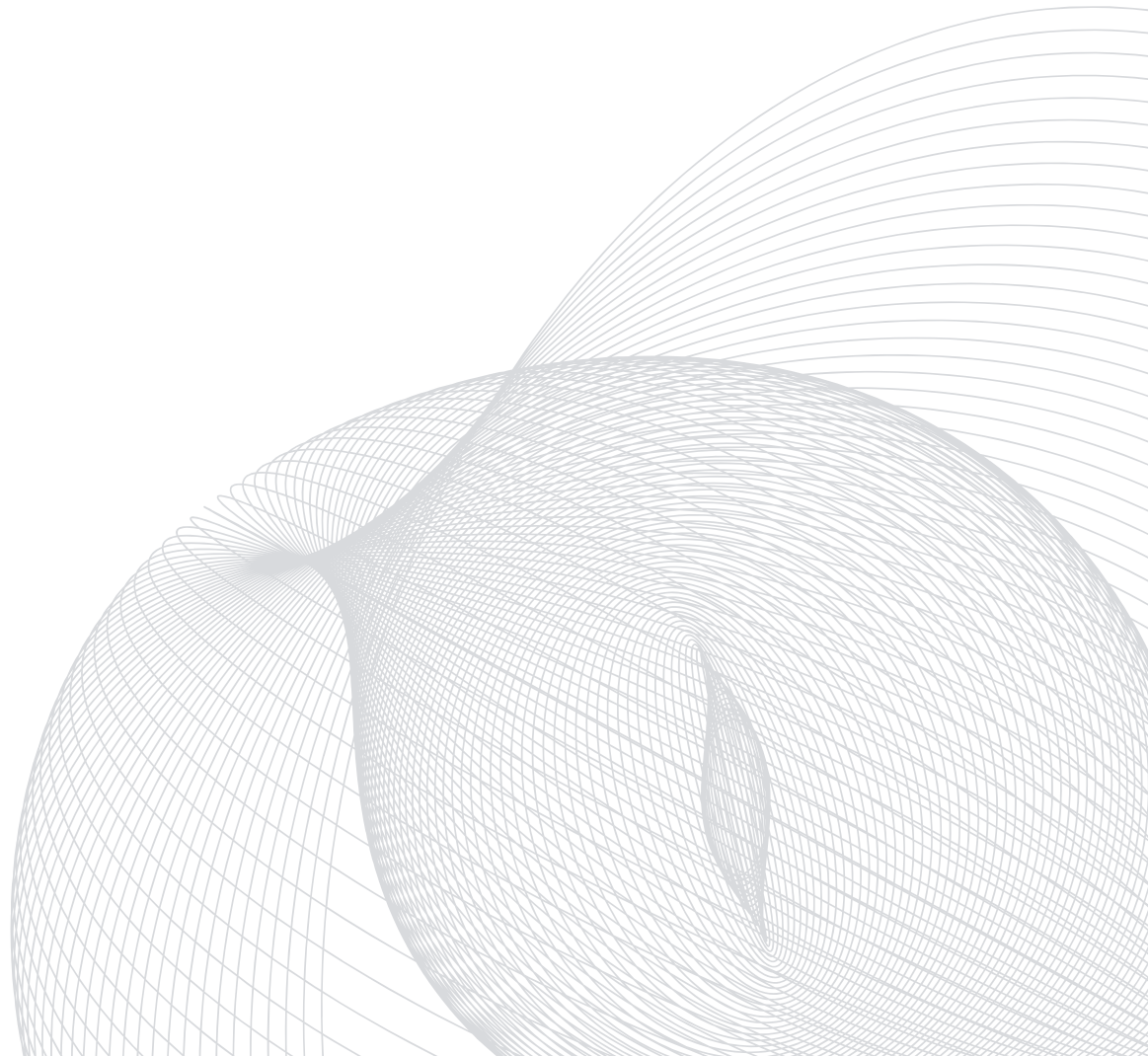




# Foord Global Equity Fund

(a Unit Trust constituted under the laws of Singapore)

Unaudited report and financial statements  
For the six months ended 30 June 2021



## **FOORD GLOBAL EQUITY FUND**

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### **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

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# FOORD GLOBAL EQUITY FUND

## Report of the Investment Manager for the six months ended 30 June 2021

### INVESTMENT OBJECTIVE

To achieve optimum risk-adjusted total return by investing in a diversified portfolio of global equities and other qualifying securities. 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

Global equities rose in the first half of 2021 on strong corporate earnings and positive macroeconomic data, amid accelerating global vaccination rollouts. Monetary policy was highly supportive of risk assets, particularly in the US where the US Federal Reserve downplayed inflation risks as transitory, but nevertheless signalled it expected to first raise interest rates in 2023 (brought forward from 2024).

US bourses outperformed, with pent-up demand and numerous stimulus programs as full-vaccination rates approached 50%. US indices were supported by the outperformance of tech giants that continue to benefit from lockdown-related demand.

European indices rose on the expected post-pandemic surge in industrial activity. EU manufacturing output hit a three-year high on strong business optimism as vaccination rates increased.

Emerging markets trailed developed markets on the spread of more virulent strains of COVID-19 and slow vaccination progress. Regulatory scrutiny on Chinese tech companies and new COVID-19 infections in Guangdong province weighed on Chinese equities. Regulatory headlines will affect near-term ratings of Chinese companies, but should drive more orderly market development in the long-term.

Cyclicals outperformed in the first half of 2021. Energy and financials led sector gains while defensive utilities and consumer staples underperformed.

Developed market bond yields increased as US and Eurozone inflation rose faster than expectations. The Fed's comments indicate that it expects inflation to ease as supply bottlenecks are addressed with economic re-openings.

The US dollar appreciated against the euro and Japanese yen while depreciating against the British pound.

Commodities rallied broadly on positive economic momentum while precious metals retreated as inflation expectations eased on central bankers' assurances that inflation was transitory. Oil rose above \$70 a barrel for the first time in two years after OPEC+ signalled strong demand amid managed supply.

### PERFORMANCE

#### Performance to 30 June 2021 (In USD, net of fees and expenses)

(Periods greater than one year are annualised)

	6 months	1 year	3 years	5 years	Since Inception
	%	%	%	%	%
FGEF Class B	9.9	33.8	14.2	14.1	9.9
Benchmark	12.3	39.3	14.6	14.6	12.4
Peer Group	11.4	36.5	11.8	12.3	10.2

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

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

## FOORD GLOBAL EQUITY FUND

### Report of the Investment Manager for the six months ended 30 June 2021(continued)

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#### PERFORMANCE (CONTINUED)

The fund underperformed the benchmark as Chinese tech holdings retraced on the increased regulatory uncertainty for the technology sector. Large portfolio holdings Tencent (+3.7%), JD.com (-9.2%) and Baidu (-5.7%) underperformed global peers as Chinese regulators clamped down on anti-trust concerns and the online education sector given unhealthy perceptions for Chinese society.

Management of our investee companies has always worked in partnership with regulators and in our view these developments pose minimal risk to long-term earnings fundamentals. While negative for near-term sentiment, the regulatory developments should help position the industry for orderly and healthy compounding in the long-term

The other major detractors were IPG Photonics (-5.8%) and high-quality precious metals businesses Pan American Silver (-17.2%) and Wheaton Precious Metals (+5.6%). The portfolio managers still favour the exceptional long-term business fundamentals of these investments.

Blackstone and Starwood's acquisition of Extended Stay America (+42.3%) for \$19.5 per share aided the fund's performance. Leading copper producer Freeport-McMoRan (+42.9%) outperformed as copper rallied on longer term green energy demand and short-term inflation worries. Alphabet (+43.1%) rose on accelerating advertising revenue across its media properties.

#### 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 construct the portfolio independently of the benchmark we are trying to beat. We may take sizable off-benchmark positions in businesses that offer asymmetric risk-reward to protect investor capital and deliver a safe investment yield. Superior stock selection through the study of deep realities of businesses is the cornerstone of portfolio construction, along with risk management through the diversification of economic factors. The portfolio spans key markets and sectors based on the managers' conviction of the future earnings of the securities the fund owns. In many cases, our expectations are very different from those of the market, which can lead to periods of underperformance.

Managing the risk of loss is therefore our priority. Our commitment to investment stewardship and risk management underpins all that we do. While the future direction of markets is murky, our focus on finding long-term value serves as the guiding light in our quest for outperformance.

We thank you for your ongoing trust and support.

FOORD ASSET MANAGEMENT (SINGAPORE) PTE. LIMITED  
30 July 2021

## FOORD GLOBAL EQUITY FUND

### Statement of Financial Position as at 30 June 2021

	(Unaudited) June 30 2021 US\$	(Audited) December 31 2020 US\$
<b>Assets</b>		
Cash and cash equivalents	2,559,887	3,441,108
Investments in securities, at fair value	524,462,870	509,182,765
Dividends receivable	444,013	276,935
Other receivables	228,993	53,827
Total assets	527,695,763	512,954,635
<b>Liabilities</b>		
Management fee payable	262,813	268,035
Performance fees payable	-	1,977,995
Custodian fee payable	16,236	7,811
Other payables	108,339	78,306
Total liabilities	387,388	2,332,147
<b>Net assets attributable to unitholders</b>	527,308,375	510,622,488

## FOORD GLOBAL EQUITY FUND

### Statement of Total Return for the six months ended 30 June 2021

	Six months to June 30 2021 US\$	Six months to June 30 2020 US\$
<b>Income</b>		
Dividend income, net	3,347,284	3,135,404
Interest and other income	3,032	2,218
	<hr/> 3,350,316	<hr/> 3,137,622
<b>Expenses</b>		
Management fee	1,558,935	1,340,122
Performance fee	6,469	318,280
Trustee fee	38,746	32,253
Custodian fee	52,291	43,185
Legal and professional fees	4,596	2,571
Audit fee	23,952	23,098
Other operating expenses	36,158	19,703
	<hr/> 1,721,147	<hr/> 1,779,212
<b>Net income</b>	1,629,169	1,358,410
<b>Gains/(losses) on investment securities and financial derivatives</b>		
Net realised gains on investment securities transactions	49,596,218	4,267,967
Net change in unrealised gains on investment securities transactions	1,107,760	6,153,320
Net realised losses on financial derivatives	(3,077,214)	(1,842,822)
Net change in unrealised losses on financial derivatives	-	(2,516,975)
Net losses on foreign currency transactions	(44,491)	(78,857)
	<hr/> 47,582,273	<hr/> 5,982,633
<b>Total return for the period before taxation</b>	49,211,442	7,341,043
Less: Income tax expense	-	-
<b>Total return for the period after taxation</b>	<hr/> 49,211,442	<hr/> 7,341,043

## FOORD GLOBAL EQUITY FUND

### Statement of Movements of Unitholders' Funds for the six months ended 30 June 2021

	Six months to June 30 2021 US\$	Twelve months to December 31 2020 US\$
Net assets attributable to unitholders at the beginning of financial period	510,622,488	477,870,693
<b>Operations</b>		
Net change in net assets attributable to unitholders resulting from operations	49,211,442	108,046,981
<b>Unitholders' subscriptions/(redemptions)</b>		
Creation of units	5,708,370	28,469,732
Cancellation of units	(38,233,925)	(103,764,918)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	(32,525,555)	(75,295,186)
<b>Total increase in net assets attributable to unitholders</b>	16,685,887	32,751,795
<b>Net assets attributable to unitholders at end of financial period</b>	527,308,375	510,622,488



## FOORD GLOBAL EQUITY FUND

### Statement of Portfolio as at 30 June 2021

	Holdings Number	Fair value US\$	Percentage of net assets %
<b>Primary — by geography</b>			
<b>EM Asia</b>			
<b>Quoted equities and fund</b>			
Alibaba Group Holding Ltd	600,000	16,997,508	3.22
Baidu Inc (ADR)	86,792	17,696,889	3.36
China Construction Bank Corp	2,800,000	2,202,980	0.42
HDFC Bank Ltd	49,519	3,620,829	0.69
Health & Happiness H&H International Holdings Ltd	704,329	2,952,146	0.56
JD.com Inc (ADR)	304,546	24,305,816	4.61
Largan Precision Co Ltd	115,750	12,878,588	2.44
Taiwan Semiconductor Manufacturing Co Ltd	233,335	4,982,903	0.94
Tencent Holdings Ltd	277,704	20,883,645	3.96
WH Group Ltd	8,966,814	8,059,441	1.53
Yum China Holdings Inc	204,569	13,552,696	2.57
<b>Total EM Asia</b>		128,133,441	24.30
<b>Europe</b>			
<b>Quoted equities and fund</b>			
Airbus SE	61,504	7,909,353	1.50
Bayer AG	75,000	4,554,745	0.86
Heineken NV	28,748	3,484,228	0.66
Hornbach Holding AG & Co KGaA	22,000	2,507,230	0.48
Industria de Diseno Textil SA	73,701	2,596,714	0.49
Kenmare Resources Plc	500,000	3,025,376	0.57
KION Group AG	16,157	1,722,154	0.33
Moncler SpA	150,000	10,150,118	1.93
Mowi ASA	150,010	3,817,720	0.72
Nestle SA	16,414	2,046,001	0.39
Oxford Biomedica Plc	125,000	2,244,856	0.43
Roche Holding AG-Genusschein	6,812	2,568,640	0.49
Saab AB	219,122	5,818,742	1.10
TGS ASA	356,500	4,546,779	0.86
Total Energies SE	79,993	3,619,524	0.69
Unilever Plc	187,500	10,976,616	2.08
Vodafone Group Plc	2,100,000	3,520,128	0.67
<b>Total Europe</b>		75,108,924	14.25

## FOORD GLOBAL EQUITY FUND

### Statement of Portfolio as at 30 June 2021 (continued)

	Holdings Number	Fair value US\$	Percentage of net assets %
<b>Primary — by geography (cont.)</b>			
<b>North America</b>			
<b>Quoted equities and fund</b>			
Activision Blizzard Inc	132,192	12,616,404	2.39
Akebia Therapeutics Inc	826,533	3,132,560	0.59
Alphabet Inc Class C	12,518	31,374,113	5.95
Antibe Therapeutics Inc	144,000	431,430	0.08
Berkshire Hathaway Inc	20,907	5,810,473	1.10
BioLife Solutions Inc	225,720	10,046,797	1.91
BioMarin Pharmaceutical Inc	100,000	8,344,000	1.58
BlackRock ICS US Dollar Liquidity Fund	21,519,825	21,519,825	4.08
Bluebird Bio Inc	200,000	6,396,000	1.21
Booking Holdings Inc	893	1,953,964	0.37
Corteva Inc	283,242	12,561,783	2.38
CVS Health Corp	90,000	7,509,600	1.42
Dicerna Pharmaceuticals Inc	72,399	2,701,931	0.51
DR Horton Inc	41,759	3,773,761	0.72
DuPont de Nemours Inc	69,619	5,389,207	1.02
Edison International	65,017	3,759,283	0.71
Elanco Animal Health Inc	462,137	16,031,533	3.04
FMC Corp	41,572	4,498,090	0.85
Forestar Group Inc	105,188	2,199,481	0.42
Fortive Corp	100,000	6,974,000	1.32
Fortress Biotech Inc	180,040	642,743	0.12
Freeport-McMoRan Inc	446,000	16,551,060	3.14
HEICO Corp	5,218	647,971	0.12
Honeywell International Inc	17,023	3,733,995	0.71
International Flavors & Fragrances Inc	17,802	2,659,619	0.50
IPG Photonics Corp	86,171	18,162,262	3.44
JPMorgan Chase & Co	8,546	1,329,245	0.25
Livent Corp	135,635	2,625,894	0.50
Microsoft Corp	37,132	10,059,059	1.91
Netflix Inc	7,405	3,911,395	0.74
Nutrien Ltd	278,828	16,899,765	3.21
Palisade Bio Inc	41,332	168,221	0.03
Pan American Silver Corp	500,000	14,285,000	2.71
Quanta Services Inc	39,546	3,581,681	0.68
Spotify Technology SA	5,459	1,504,446	0.29
UnitedHealth Group Inc	16,257	6,509,953	1.23
Vontier Corp	40,000	1,303,200	0.25
Wells Fargo & Co	150,000	6,793,500	1.29
Wheaton Precious Metals Corp	235,335	10,371,213	1.97
<b>Total North America</b>		<b>288,764,457</b>	<b>54.74</b>

## FOORD GLOBAL EQUITY FUND

### Statement of Portfolio as at 30 June 2021 (continued)

	Holdings Number	Fair value US\$	Percentage of net assets %
<b>Primary — by geography (cont.)</b>			
<b>Pacific</b>			
<b>Quoted equities and fund</b>			
AIA Group Ltd	967,953	12,027,986	2.28
Galaxy Entertainment Group Ltd	849,784	6,800,816	1.29
Lynas Rare Earths Ltd	117,285	502,775	0.10
Nintendo Co Ltd	4,600	2,678,187	0.51
Takeda Pharmaceutical Co Ltd	208,609	6,989,970	1.33
Wynn Macau Ltd	2,196,497	3,456,314	0.66
<b>Total Pacific</b>		32,456,048	6.17
<b>Portfolio of investments</b>		524,462,870	99.46
<b>Other net assets</b>		2,845,505	0.54
<b>Net assets attributable to unitholders</b>		527,308,375	100.00

## FOORD GLOBAL EQUITY FUND

### Statement of Portfolio as at 30 June 2021 (continued)

	Percentage of net assets 30 June 2021 %	Percentage of net assets 31 December 2020 %
<b>Primary — by geography (summary)</b>		
<b>Quoted equities and fund</b>		
EM Asia	24.30	20.70
Europe	14.25	15.61
North America	54.74	55.65
Pacific	6.17	7.76
<b>Portfolio investments</b>	99.46	99.72
Other net assets	0.54	0.28
<b>Net assets attributable to unitholders</b>	100.00	100.00

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

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

## FOORD GLOBAL EQUITY FUND

### Statement of Portfolio as at 30 June 2021 (continued)

	Fair value at 2021 US\$	Percentage of net assets 30 June 2021 %	Percentage of net assets 31 December 2020 %
<b>Primary — by industry (summary)</b>			
<b>Quoted equities and fund</b>			
Communication Services	94,185,207	17.87	17.33
Consumer Discretionary	86,094,937	16.34	19.19
Consumer Staples	31,336,152	5.94	5.22
Energy	8,166,303	1.55	1.76
Financials	53,304,838	10.11	10.74
Healthcare	78,272,979	14.83	13.42
Industrials	31,691,096	6.01	5.89
Information Technology	46,082,812	8.73	8.85
Materials	89,369,782	16.95	16.10
Properties	2,199,481	0.42	0.42
Utilities	3,759,283	0.71	0.80
<b>Portfolio of investments</b>	524,462,870	99.46	99.72
Other net assets	2,845,505	0.54	0.28
<b>Net assets attributable to unitholders</b>	527,308,375	100.00	100.00

## FOORD GLOBAL EQUITY FUND

### Report to Unitholders for the six months ended 30 June 2021

(a) **Classification of investments**

Investments at fair value and as a percentage of Net Asset Value ("NAV") of the Fund as at 30 June 2021 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 30 June 2021 were:

Security	Fair value US\$	% of NAV %
Alphabet Inc Class C	31,374,113	5.95
JD.com Inc (ADR)	24,305,816	4.61
BlackRock ICS US Dollar Liquidity Fund	21,519,825	4.08
Tencent Holdings Ltd	20,883,645	3.96
IPG Photonics Corp	18,162,262	3.44
Baidu Inc (ADR)	17,696,889	3.36
Alibaba Group Holding Ltd	16,997,508	3.22
Nutrien Ltd	16,899,765	3.21
Freeport-McMoRan Inc	16,551,060	3.14
Elanco Animal Health Inc	16,031,533	3.04

The top ten holdings of the Fund as at 30 June 2020:

Security	Fair value US\$	% of NAV %
JD.com Inc (ADR)	28,886,399	6.46
Tencent Holdings Ltd	27,126,625	6.07
IPG Photonics Corp	23,130,965	5.17
Alphabet Inc Class C	21,068,443	4.71
Activision Blizzard Inc	17,105,963	3.82
Bayer AG	17,098,470	3.82
Wheaton Precious Metals Corp	16,739,000	3.74
AIA Group Ltd	15,338,035	3.43
Freeport-McMoRan Inc	10,991,500	2.46
Wynn Macau, Ltd	10,873,075	2.43

## FOORD GLOBAL EQUITY FUND

### Report to Unitholders for the six months ended 30 June 2021 (continued)

(c) **Exposure to financial derivatives as at 30 June 2021**

Not applicable.

(d) **Amount and percentage of NAV invested in other schemes as at 30 June 2021**

US\$21,519,825 (4.08%) was invested into a money market fund registered in a foreign jurisdiction.

(e) **Amount and percentage of borrowings to NAV as at 30 June 2021**

Not applicable.

(f) **Amount of redemptions and subscriptions for the period from 1 January 2021 to 30 June 2021**

US\$

Total amount of subscriptions	5,708,370
Total amount of redemptions	38,233,925

(g) **Amount of related party transactions for the period from 1 January 2021 to 30 June 2021**

In the normal course of business of the Fund, management fees and custodian and trustee fees paid to the Manager and the Trustee respectively are disclosed in the statement of total return.

(h) **Performance of the scheme**

*Performance to 30 June 2021 (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 *	4.2	9.6	35.0	14.3	13.9	9.5
FGEF Class B *	4.5	9.9	33.8	14.3	14.2	9.9
Benchmark	7.4	12.3	39.3	14.6	14.6	12.4
FGEF Class B1 **	4.6	10.0	34.2	14.6	14.5	8.7
Benchmark	7.4	12.3	39.3	14.6	14.6	9.9
FGEF Class X ***	4.6	10.3	36.8	n.a.	n.a.	28.2
Benchmark	7.4	12.3	39.3	n.a.	n.a.	22.1

(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 six months ended 30 June 2021 (continued)

(i) **Dividend Income**

	Six months to 30 June 2021 US\$	Six months to 30 June 2020 US\$
Gross Dividend income	4,376,464	3,928,690
Withholding taxes ("WHT") paid	(1,029,180)	(793,286)
	<u>3,347,284</u>	<u>3,135,404</u>

(j) **Expense ratios and Turnover ratio**

	Twelve months to 30 June 2021 %	Twelve months to 30 June 2020 %
Expense ratio (excluding performance fee) <sup>1</sup> :		
- Class A	1.41	1.42
- Class B	0.91	0.91
- Class B1	0.55	0.56
- Class X <sup>2</sup>	0.05	0.05
Expense ratio (including performance fee, where applicable)		
- Class B	2.16	1.16
- Class B1	1.84	0.68

<sup>1</sup> 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.

<sup>2</sup> Class X's expense ratio comprise operating expenses paid out of the assets attributable to the Unit Class.

	Six months to 30 June 2021 %	Six months to 30 June 2020 %
Turnover ratio <sup>3</sup>	15.32	25.12

<sup>3</sup> The portfolio turnover ratio is calculated in accordance with the Code on Collective Investment Schemes. The calculation is based on the lesser of the sales or purchases of the underlying investments (excluding the money market fund) of US\$79,771,484 (2020: US\$108,647,262) divided by the weighted average daily NAV of US\$520,742,276 (2020: US\$432,512,035).



## FOORD GLOBAL EQUITY FUND

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### Report to Unitholders for the six months ended 30 June 2021 (continued)

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

Not applicable

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

Not applicable.

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

The Managers 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.

