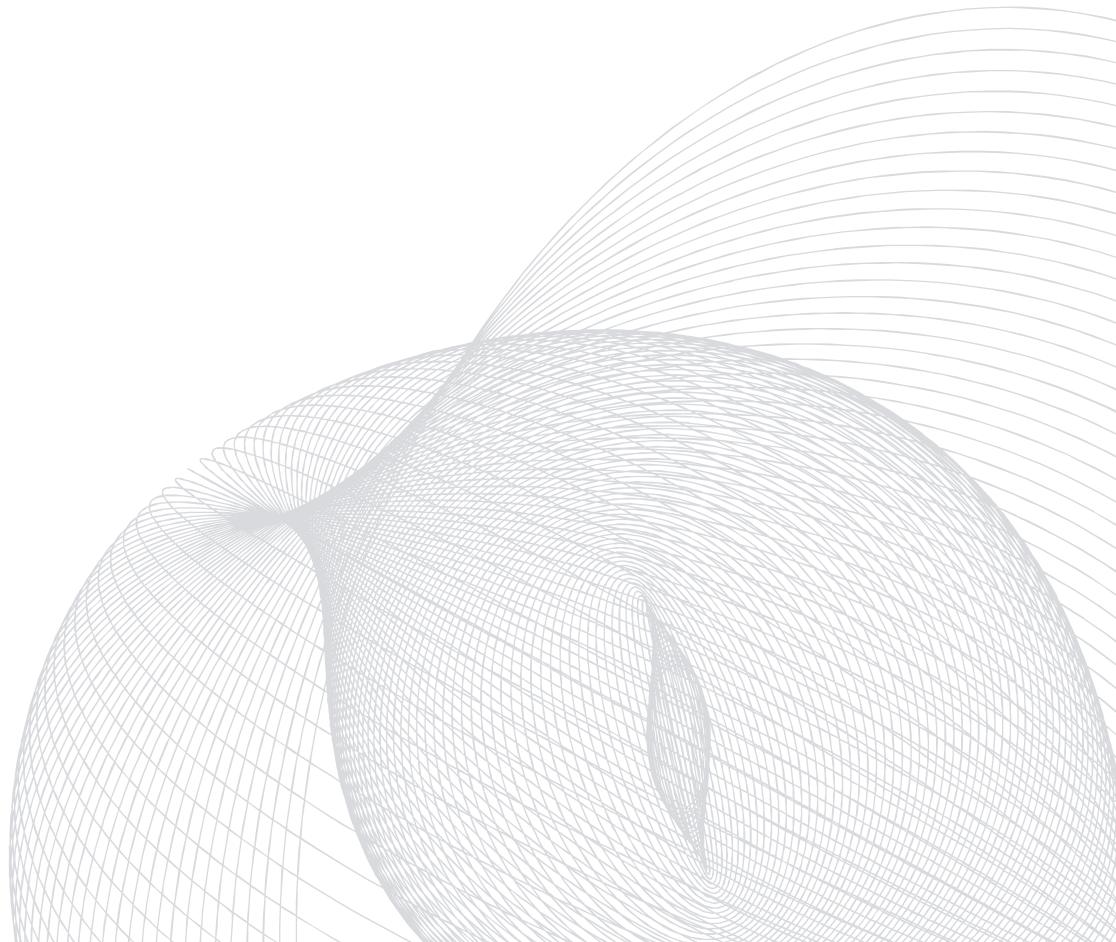




# Foord Global Equity Fund

(a Unit Trust constituted under the laws of Singapore)

Annual report and audited financial statements  
For the year ended 31 December 2023



## 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  
David Foord  
Prakash Ambelal Desai  
Paul Egerton Cluer

#### Trustee

Perpetual (Asia) Limited  
8 Marina Boulevard #05-02  
Marina Bay Financial Center  
Singapore 018981

#### Custodian / Administrator

CACEIS Investor Services Bank S.A  
(formerly known as RBC Investor Services Bank S.A. before 3 July 2023)  
14, Porte de France,  
L-4360 Esch-sur-Alzette  
Luxembourg

#### 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

## Investment manager's report

### INVESTMENT OBJECTIVE

The fund aims to achieve long-term capital growth from an actively managed and diversified portfolio of global developed and emerging market equities and to thereby outperform the MSCI All Country World Net Total Return Index (the "Benchmark") over a full market cycle without assuming greater risk.

### MARKET REVIEW

Global equities (+23.8%) shrugged off multi-decade-high interest rates, an early US banking crisis and two major wars to rally to their best annual performance since 2019. Developed markets — led by the US S&P 500 Index (+26.3%) on share price surges of the 'Magnificent Seven' cohort of US tech sector behemoths — drove returns. Emerging market equities (+10.1%) lagged, weighed down by Chinese equities (-11.1%), which fell for the third consecutive year — on negative sentiment related to slowing growth, property development sector woes and business-unfriendly regulatory intervention.

After a torrid 2022, global bond markets traded lower for most of the year before a year-end rally saw the FTSE World Government Bond Index close higher (+5.2%) for the year. At year-end, markets were pricing in a full 150 basis points of US rate cuts by the end of 2024 — double that of the US Federal Reserve's own estimates. Interest-rate-sensitive precious metals and industrial commodities also gained on the expectations of lower rates in 2024. Oil was lower on cracks in the OPEC+ cartel and greater US output, despite war in the Middle East.

The year therefore ended positively with stocks and bonds both driven by declining interest rate expectations and the potential/apparent arrival of the long anticipated Fed pivot. However, the contrast between the market returns and the global economic backdrop is stark — considering that the world economy was burdened with historically high inflation and aggressively tighter monetary policy in many regions, wars in Europe and the Middle East, the Chinese property crisis, and a deepening US/China rivalry straining both geopolitics and supply chains.

While America's stock market rally was impressive, it was also lopsided. The 'Magnificent Seven' cohort of big tech shares — which now account for 30% of the S&P 500 Index, and which together rose 111% on an equal-weighted basis — contributed around 60% of the total index return last year. Looking at the universe more broadly, about 70% of stocks underperformed the index, with roughly a third falling in 2023. Nonetheless, more benchmark-oriented managers would have benefited from this narrowly driven market.

### OUTLOOK

Looking ahead to 2024, key financial assets are now pricing in interest rate cuts of a magnitude that are rare outside of recessions — and possibly dangerous if we don't get one. The year ahead is littered with potential economic, political and geopolitical landmines: two wars are still waging, while about 40% of the world's population will be subject to elections in 2024, including the US — a potential flashpoint if Donald Trump secures the Republican nomination. All the while tensions between the West and the Rest fester.

Even looking narrowly at the Fed's own forecasts in comparison to markets, there is room for retracement. Where officials now predict they'll make three quarter-point cuts over the next 12 months, the US market — still giddy on too much pivot punch — is pricing in as many as six cuts for 2024. Putting all this together, the backdrop for global markets in 2024 is anything but stable.

The markets themselves are contradictory. Equities are pricing in a healthy earnings environment for corporate America, but the inverted US yield curve is pointing to recession. Gold — traditionally a 'risk-off' safe haven — saw its price soar during 2023 at the same time as 'risk-on' growth stocks neared historic highs.

# Foord Global Equity Fund

## Investment manager's report

While the US economy has thus far been more resilient than we expected, the market's exuberance reminds us eerily of the 'everything rally' of 2021: Buying sparked by euphoria rather than sober-minded pragmatism, stories and themes that captured investors' imaginations, and a rising tide that saw even Bitcoin gain more than 150%. Behind it all there is a gnawing unease that returns have been driven mostly by rerating rather than earnings.

The net result is that the US share market may be even more vulnerable to a downturn than it was before. Firstly, because it is now unexpected. And secondly, because valuations have moved even higher — providing a less attractive base as a starting point. We expect seesawing market prices to endure as investors nervously watch individual data points.

In contrast, Chinese equity valuations have become ever cheaper on fear around the economic consequences of the property sector decline and weak macroeconomic sentiment. We expect the Chinese government to stick with moderate easing and stimulative policies in 2024. They will work to balance deflating the property bubble and investing more in higher return sectors where they have competitive advantages, for example electric vehicles or renewable energy. Implementation of multiple rounds of support for the property sector means that 2024 should see the bottoming of property market. Combined with undemanding valuations and continued government stimulus, we expect to see a gradual improvement in sentiment towards Chinese investments, aiding a market recovery in 2024 and beyond.

### PERFORMANCE TO 31 DECEMBER 2023

	1-year %	3-year %	5-year %	10-year %	Since Inception %
Class B	7.6	-1.7	8.3	4.2	6.3
Benchmark	22.2	5.7	11.7	7.9	10.1
Peer Group	17.8	3.4	9.3	5.6	7.9

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

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

(Returns are net of fees and expenses and periods greater than one year are annualised)

It is disappointing that the Fund did not participate fully in 2023's outsized returns due to our low allocation to expensive US tech and our allocation to regions outside of the US, notably China. The Fund underperformed the Benchmark, driven by the underperformance of select Chinese holdings as well as an overweight to cash during a period of rising markets. Faltering US leading economic indicators, including auto loan and credit card delinquencies, have led the fund's managers to be conservative in their portfolio construction.

Chinese investments including Yum China, Alibaba, JD.Com, and Tencent detracted most from fund returns on negative investor sentiment. Additionally, an underweight to the best performing information technology sector and to Microsoft — the best performing and highest weighted security in the benchmark — hurt relative performance.

The weight to emerging Asian names in the portfolio remains prudent at approximately 24% of the portfolio. This weighting is material enough to offer meaningful upside to investors when sentiment ultimately returns to this out-of-favour market but is calibrated to avoid permanent capital loss at the portfolio level if sentiment remains adverse.

# Foord Global Equity Fund

## Investment manager's report

Core to Foord's investment philosophy is investing in businesses with sustainable competitive advantages, enduring franchise values, earnings sustainability, and durable business models. The global equity rally in the period has driven valuations back into the expensive territory, as markets seemingly ignore the risk of stubborn inflation, still higher interest rates, and ultimately, the potential for recession. In contrast, we remain vigilant and cautious, still choosing to focus primarily on forecasting a company's cash earnings over our investment horizon and valuing them accordingly.

### 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 benchmark agnostic and confidently different from peers.

We construct the portfolios independently of the benchmark we are trying to beat. We may take sizable off-benchmark positions in businesses that offer asymmetric risk-reward profiles 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 portfolios span key markets and sectors based on the managers' conviction of the future earnings of the securities the Sub-Funds own. In many cases, our expectations are very different from those of the market, which can lead to periods of underperformance.

We believe that minimising the permanent loss of capital is paramount to generating superior long-term returns. 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.

FOORD ASSET MANAGEMENT (SINGAPORE) PTE. LIMITED  
6 February 2024

# Foord Global Equity Fund

## Report to unitholders

For the financial year ended 31 December 2023

(a) Classification of investments

Investments at fair value and as a percentage of net asset value ("NAV") of the Fund as at 31 December 2023 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 2023 were:

Security or fund	Fair value US\$	% of NAV %
BlackRock ICS US Dollar Liquidity Fund	32,877,986	8.02
Tencent Holdings Ltd	17,020,640	4.15
JD.com Inc	16,732,894	4.08
Alibaba Group Holding Ltd	15,009,657	3.66
Spotify Technology SA	14,332,458	3.49
Freeport-McMoRan Inc	12,268,674	2.99
TGS ASA	11,836,379	2.89
Largan Precision Co Ltd	11,657,918	2.84
Baidu Inc (ADR)	10,718,100	2.61
Wheaton Precious Metals Corp	10,237,162	2.50

The top ten holdings of the Fund as at 31 December 2022 were:

Security or fund	Fair value US\$	% of NAV %
BlackRock ICS US Dollar Liquidity Fund	30,328,059	8.02
Tencent Holdings Ltd	19,371,638	5.12
Alibaba Group Holding Ltd	16,026,934	4.24
Freeport-McMoRan Inc	15,701,600	4.15
JD.com Inc	14,969,340	3.95
BioMarin Pharmaceutical Inc	13,655,506	3.61
Alphabet Inc Class C	11,444,396	3.03
TGS ASA	11,406,883	3.01
Trip.com Group Ltd	11,077,294	2.93
Yum China Holdings Inc	10,200,641	2.70

# Foord Global Equity Fund

## Report to unitholders

For the financial year ended 31 December 2023

(c) Exposure to financial derivatives

Not applicable.

(d) Amount and percentage of NAV invested in other schemes as at 31 December 2023

US\$32,877,986 (8.02%) was invested into a money market fund registered in a foreign jurisdiction.

(e) Amount and percentage of borrowings to NAV as at 31 December 2023

Not applicable.

(f) Amount of redemptions and subscriptions for the year ended 31 December 2023

US\$

Total amount of subscriptions

5,678,651

Total amount of redemptions

3,680,708

(g) Amount of related party transactions for the year ended 31 December 2023

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

(h) Performance of the scheme

*Performance to 31 December 2023 (In US Dollars, net of fees and expenses)*

(Periods greater than one year are annualised)

	3-month %	6-month %	1-year %	3-year %	5-year %	10-year %	Since Inception %
FGEF Class A *	5.5	0.6	7.0	-2.2	8.1	3.8	5.9
FGEF Class B *	5.6	0.8	7.6	-1.7	8.3	4.2	6.3
Benchmark	11.0	7.3	22.2	5.7	11.7	7.9	10.1
FGEF Class B1 **	5.7	1.0	8.0	-1.4	8.7	-	4.9
Benchmark	11.0	7.3	22.2	5.7	11.7	-	7.8
FGEF Class X ***	5.9	1.2	8.5	-0.9	-	-	7.6
Benchmark	11.0	7.3	22.2	5.7	-	-	9.9

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

\* Class A & B were inception on 1 June 2012.

\*\* Class B1 was inception on 1 June 2014.

\*\*\* Class X was inception on 1 July 2019 but launched on 26 September 2019.



## Foord Global Equity Fund

### Report to unitholders

For the financial year ended 31 December 2023

(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.

(n) Pre-determined payouts

Not applicable.

## 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 2001, 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.



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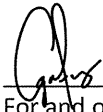
For and on behalf of the Trustee,  
Perpetual (Asia) Limited

22 March 2024

## 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 2023, 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 Investment Funds" 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.



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

22 March 2024

# 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 2023, 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 material accounting policy information.

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 Investment Funds" 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 2023 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 the 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 the 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 Investment Funds" 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.

## Food 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.



Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore

22 March 2024

## Foord Global Equity Fund

### Statement of financial position

As at 31 December 2023

	Note	2023 US\$	2022 US\$
<b>Assets</b>			
Cash and cash equivalents	3	3,854,056	7,327,721
Investments in securities, at fair value	4	406,174,368	371,052,098
Dividends receivable		369,524	199,165
Other receivables		44,596	61,015
<b>Total assets</b>		<b>410,442,544</b>	<b>378,639,999</b>
<b>Liabilities</b>			
Management fee payable	6	174,774	174,867
Custodian fee payable		11,668	11,093
Trustee fee payable		14,285	13,093
Other payables		79,846	80,576
<b>Total liabilities</b>		<b>280,573</b>	<b>279,629</b>
<b>Net assets attributable to unitholders</b>	<b>5</b>	<b>410,161,971</b>	<b>378,360,370</b>

*The accompanying notes form an integral part of the financial statements.*

## Foord Global Equity Fund

## Statement of total return

For the financial year ended 31 December 2023

	Note	2023 US\$	2022 US\$
Income			
Dividend income, net of withholding taxes of US\$1,134,096 (2022: US\$1,224,530)		6,838,466	4,869,971
Interest and other income		311,180	86,357
Total operating income		7,149,646	4,956,328
Expenses			
Management fee	6	2,234,724	1,940,880
Performance fee	6	–	22
Trustee fee	6	60,485	55,613
Custodian fee	6	88,017	78,376
Legal and professional fees		11,643	13,428
Audit fee		48,168	48,168
Other operating expenses		19,045	17,805
Total operating expenses		2,462,082	2,154,292
Net income		4,687,564	2,802,036
Gains/(losses) on investment securities and foreign currency transactions			
Net realised gains/(losses) on investment securities transactions		8,333,108	(12,242,634)
Net change in unrealised gains/(losses) on investment securities transactions		16,825,651	(49,416,550)
Net losses on foreign currency transactions		(42,665)	(56,332)
Net gains/(losses) on investment securities and foreign currency transactions		25,116,094	(61,715,516)
Total return for the year before taxation		29,803,658	(58,913,480)
Less: Income tax expense		–	–
Total return for the year after taxation		29,803,658	(58,913,480)

*The accompanying notes 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 2023

	2023 US\$	2022 US\$
Net assets attributable to unitholders at the beginning of financial year	378,360,370	429,875,784
Operations		
Net change in net assets attributable to unitholders resulting from operations	29,803,658	(58,913,480)
<hr/>		
Unitholders' subscriptions/(redemptions)		
Creation of units	5,678,651	25,526,370
Cancellation of units	(3,680,708)	(18,128,304)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	1,997,943	7,398,066
<hr/>		
Total increase/(decrease) in net assets attributable to unitholders	31,801,601	(51,515,414)
<hr/>		
Net assets attributable to unitholders at the end of financial year	410,161,971	378,360,370
<hr/> <hr/>		

*The accompanying notes form an integral part of the financial statements.*

## Foord Global Equity Fund

## Statement of portfolio

At 31 December 2023

	Holdings Number	Fair value US\$	Percentage of net assets %
Primary - by geography			
EM Asia			
Quoted equities and fund			
Alibaba Group Holding Ltd	1,550,310	15,009,657	3.66
Baidu Inc (ADR)	90,000	10,718,100	2.61
Daqo New Energy Corp	48,000	1,276,800	0.31
HDFC Bank Ltd	41,811	2,805,936	0.68
JD.com Inc	644,999	16,732,894	4.08
Largan Precision Co Ltd	124,666	11,657,918	2.84
Meituan	6,760	70,902	0.02
NagaCorp Ltd	1,334,324	524,602	0.13
Taiwan Semiconductor Manufacturing Co Ltd	478,757	9,250,408	2.26
Tencent Holdings Ltd	452,678	17,020,640	4.15
Trip.com Group Ltd	113,550	4,036,798	0.98
Yum China Holdings Inc	186,654	7,919,729	1.93
Total EM Asia		97,024,384	23.65
Europe			
Quoted equities and fund			
Airbus SE	19,829	3,061,756	0.75
Alphawave IP Group PLC	1,293,656	2,124,109	0.52
Cia de Distribucion Integral Logista Holdings SA	151,230	4,089,536	1.00
Fevertree Drinks PLC	333,127	4,454,791	1.09
Fielmann Group AG	46,970	2,523,706	0.62
Heineken NV	18,546	1,883,560	0.46
Industria de Diseno Textil SA	67,960	2,960,090	0.72
Kenmare Resources PLC	500,000	2,514,543	0.61
Momentum Group AB	290,000	3,755,284	0.91
Moncler SpA	148,344	9,127,459	2.23
Nestle SA	15,135	1,753,476	0.43
Roche Holding AG	12,750	3,703,884	0.90
Saab AB	98,839	5,959,096	1.45
SBM Offshore NV	279,780	3,847,784	0.94
Shell PLC	220,000	7,242,085	1.76
TGS ASA	909,278	11,836,379	2.89
TotalEnergies SE	67,542	4,595,993	1.12
Verallia SA	12,210	470,184	0.11
Total Europe		75,903,715	18.51

## Foord Global Equity Fund

## Statement of portfolio

At 31 December 2023

	Holdings Number	Fair value US\$	Percentage of net assets %
Primary - by geography (cont.)			
North America			
Quoted equities and fund			
Air Products and Chemicals Inc	31,734	8,688,769	2.12
Alphabet Inc Class C	68,980	9,721,351	2.37
Baker Hughes Co	130,000	4,443,400	1.08
Berkshire Hathaway Inc	22,263	7,940,322	1.94
BioLife Solutions Inc	253,927	4,126,314	1.01
BioMarin Pharmaceutical Inc	16,390	1,580,324	0.38
BlackRock ICS US Dollar Liquidity Fund	32,877,986	32,877,986	8.02
Block Inc	55,000	4,254,250	1.04
Bloom Energy Corp	238,210	3,525,508	0.86
Booking Holdings Inc	823	2,919,362	0.71
CVS Health Corp	16,149	1,275,125	0.31
Danaher Corp	10,125	2,342,318	0.57
DR Horton Inc	12,879	1,957,350	0.48
Edison International	49,897	3,567,137	0.87
EPAM Systems Inc	20,000	5,946,800	1.45
FMC Corp	35,050	2,209,903	0.54
Freeport-McMoRan Inc	288,200	12,268,674	2.99
General Electric Co	20,000	2,552,600	0.62
HEICO Corp	4,812	685,421	0.17
Honeywell International Inc	14,373	3,014,162	0.73
International Flavors & Fragrances Inc	90,000	7,287,300	1.78
IPG Photonics Corp	35,000	3,798,900	0.93
Livent Corp	138,000	2,481,240	0.60
Microsoft Corp	26,317	9,896,245	2.41
Netflix Inc	6,828	3,324,417	0.81
Occidental Petroleum Corp	135,000	8,060,850	1.96
Pan American Silver Corp	400,000	6,532,000	1.59
Quanta Services Inc	18,206	3,928,855	0.96
Spotify Technology SA	76,273	14,332,458	3.49
UnitedHealth Group Inc	18,533	9,757,069	2.38
Wheaton Precious Metals Corp	207,482	10,237,162	2.50
Wix.com Ltd	60,000	7,381,200	1.80
Total North America		202,914,772	49.47

## Foord Global Equity Fund

## Statement of portfolio

At 31 December 2023

	Holdings Number	Fair value US\$	Percentage of net assets %
Primary — by geography (cont.)			
Pacific			
Quoted equities and fund			
AIA Group Ltd	228,649	1,992,636	0.49
Galaxy Entertainment Group Ltd	727,948	4,078,579	0.99
Harmonic Drive Systems Inc	130,100	3,838,953	0.94
Nintendo Co Ltd	83,100	4,337,725	1.06
Sea Ltd	100,000	4,050,000	0.99
Woodside Energy Group Ltd	426,000	9,028,555	2.20
Wynn Macau Ltd	3,649,305	3,005,049	0.73
Total Pacific		30,331,497	7.40
Portfolio of investments		406,174,368	99.03
Other net assets		3,987,603	0.97
Net assets attributable to unitholders		410,161,971	100.00

## Foord Global Equity Fund

## Statement of portfolio

At 31 December 2023

	Percentage of net assets 2023 %	Percentage of net assets 2022 %
Primary — by geography (summary)		
Quoted equities and fund		
EM Asia	23.65	27.81
Europe	18.51	15.15
North America	49.47	50.36
Pacific	7.40	4.75
	99.03	98.07
Portfolio of investments		
Other net assets	0.97	1.93
	100.00	100.00
Net assets attributable to unitholders		

Note: The geographical classification is based on the main economic activities of the issuer. The countries included in the Statement of Portfolio are:

Geography	Countries
Emerging (EM) Asia	- Cambodia, China, India, Korea & 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, Macau & Singapore

## Foord Global Equity Fund

## Statement of portfolio

At 31 December 2023

	Fair value 2023 US\$	Percentage of net assets 2023 %	Percentage of net assets 2022 %
Primary - by industry (summary)			
Quoted equities			
Communication Services	59,454,691	14.50	15.22
Consumer Discretionary	74,916,177	18.27	20.27
Consumer Staples	8,091,827	1.97	2.74
Energy	53,857,354	13.13	9.67
Financials	16,993,144	4.14	5.98
Healthcare	22,785,034	5.56	8.44
Industrials	30,885,663	7.53	5.48
Information Technology	50,055,580	12.20	6.75
Materials	52,689,775	12.85	14.66
Utilities	3,567,137	0.87	0.84
	373,296,382	91.02	90.05
Quoted fund			
BlackRock ICS US Dollar Liquidity Fund	32,877,986	8.01	8.02
Portfolio of investments	406,174,368	99.03	98.07
Other net assets	3,987,603	0.97	1.93
Net assets attributable to unitholders	410,161,971	100.00	100.00

# Foord Global Equity Fund

## Notes to financial statements

For the financial year ended 31 December 2023

### 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 and subsequent amending and restating deeds and supplemental deeds, including the Second Supplemental Deed of Appointment and Retirement of Trustee dated 30 June 2022 entered into between the investment manager of the Fund, Foord Asset Management (Singapore) Pte. Limited (the "Manager"), the retiring trustee and the incumbent trustee of the Fund, Perpetual (Asia) Limited (the "Trustee") (collectively, the "Trust Deed").

The Manager, a private limited company incorporated in Singapore, holds a capital market services licence in fund management (CMS100264-1) which is issued by the Monetary Authority of Singapore.

The Fund's investment objective is to achieve long-term capital growth from an actively managed and diversified portfolio of global developed and emerging market equities and to thereby outperform the MSCI All Country World Net Total Return Index over a full market cycle without assuming greater risk.

### 2. Material accounting policy information

#### 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 Investment Funds" ("RAP 7") revised and issued by the Institute of Singapore Chartered Accountants in August 2023. 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 are the material accounting policy information 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, trustee 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 2023

### 2. Material accounting policy information (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 investment 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 - the ex-dividend date - is established

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

#### 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*".



# Foord Global Equity Fund

## Notes to financial statements

For the financial year ended 31 December 2023

### 2. Material accounting policy information (cont.)

#### 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 13U of the Income Tax Act (formerly Section 13X) 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 (i.e. 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 Disclosure of Interest in Other Entities). 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 2023

### 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 2023

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\$
2023							
Class A	5,210,055	–	(16,583)	–	5,193,472	100,923,489	19.43
Class B	4,368,418	60,671	(42,708)	–	4,386,381	89,281,797	20.35
Class B1	1,806,675	247,426	(104,937)	–	1,949,164	30,748,578	15.78
Class X	13,866,671	44,282	(69,184)	–	13,841,769	189,208,107	13.67
2022							
Class A	3,989,828	1,233,725	(13,498)	–	5,210,055	94,596,720	18.16
Class B	4,420,990	101,307	(69,447)	(84,432)	4,368,418	82,658,616	18.92
Class B1	2,595,627	105,098	(1,003,472)	109,422	1,806,675	26,401,613	14.61
Class X	13,994,365	–	(127,694)	–	13,866,671	174,703,421	12.60

## Foord Global Equity Fund

### Notes to financial statements

For the financial year ended 31 December 2023

#### 6. Related party transactions

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

(a) *Fees payable to the Trustee*

The Trustee charges a trustee fee of up to 0.03% per annum of the net asset value of the fund subject to a minimum annual fee of SGD35,000.

(b) *Fees payable to the Custodian*

The Custodian charges a custodian fee up to 0.05% per annum, subject to a minimum annual fee of US\$6,000.

(c) *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.

No performance fee was earned for the financial year ended 31 December 2023 (2022: US\$22).

As at the end of the financial year, total fees payable to the Manager were US\$174,774 (2022: US\$174,867).

# Food Global Equity Fund

## Notes to financial statements

For the financial year ended 31 December 2023

### 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 2023

#### 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 %
2023			
Quoted securities	+/-5.00	+/-62.63	+/-4.55
2022			
Quoted securities	+/-5.00	+/-28.92	+/-4.50

##### (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 2023

#### 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 %
2023			
AUD	+/-1	+/-0.30%	+/-0.02%
CHF	+/-1	+/-0.18%	+/-0.01%
EUR	+/-1	+/-1.34%	+/-0.10%
GBP	+/-1	+/-0.31%	+/-0.02%
HKD	+/-1	+/-1.64%	+/-0.12%
JPY	+/-1	+/-0.27%	+/-0.02%
NOK	+/-1	+/-0.40%	+/-0.03%
SEK	+/-1	+/-0.33%	+/-0.02%
TWD	+/-1	+/-0.70%	+/-0.05%
2022			
AUD	+/-1	+/-0.05%	+/-0.01%
CHF	+/-1	+/-0.03%	+/-0.00%
EUR	+/-1	+/-0.53%	+/-0.08%
GBP	+/-1	+/-0.07%	+/-0.01%
HKD	+/-1	+/-1.13%	+/-0.18%
JPY	+/-1	+/-0.08%	+/-0.01%
NOK	+/-1	+/-0.23%	+/-0.04%
SEK	+/-1	+/-0.12%	+/-0.02%
TWD	+/-1	+/-0.22%	+/-0.03%

## Foord Global Equity Fund

### Notes to financial statements

For the financial year ended 31 December 2023

#### 8. Financial ratios

	2023	2022
	%	%
Expense ratio (excluding performance fee) <sup>1</sup> :		
- Class A	1.42	1.41
- Class B <sup>2</sup>	0.91	0.91
- Class B1 <sup>2</sup>	0.56	0.55
- Class X <sup>3</sup>	0.05	0.05
Turnover ratio <sup>4</sup>	19.75	25.13

<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> The expense ratios inclusive of performance fee remains the same.

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

<sup>4</sup> 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\$79,111,277 (2022: US\$94,466,349) divided by the weighted average daily NAV of US\$400,583,600 (2022: US\$375,980,058).

#### 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 2023 were approved and authorised for issue by the Manager on 22 March 2024.