

SYNOPSIS**PERFORMANCE (TOTAL RETURN)**

| | Fund | Benchmark | Peer Group |
|-------------------------------|-------------|------------------|-------------------|
| Last 3 months | 5.4% | 8.1% | 7.7% |
| Last 12 months | 19.2% | 10.4% | 8.9% |
| Annualised (since 01/06/2012) | 7.7% | 10.1% | 8.1% |

PORTFOLIO VALUE

\$473.3 million (30/06/2020: \$447.0 million)

INVESTMENT OUTLOOK

Global growth and corporate earnings at risk
 Central banks drive interest rates toward/through the zero bound
 Government fiscal spending to increase markedly
 China to use targeted stimulus for economic growth
 Europe and Japan export sector challenges to persist as global trade decelerates
 Geopolitical risks meaningfully increased
 US equities expensive vs European and EM peers
 Growth stocks at extremes vs value stocks

PORTFOLIO CONSTRUCTION

Concentrated portfolio of high conviction developed and emerging markets equities
 Asia and Europe favoured on relative valuation grounds
 Low allocation to defensive, yield sectors excluding healthcare
 Value in structural growth areas of consumer discretionary, communication services and healthcare
 Late cycle view warrants caution to cyclicals and financials
 Financial exposure mostly via underpenetrated Asian growth region

EFFECTIVE ASSET ALLOCATION (previous quarter)

| | Fund | |
|-----------------|-------------|----------|
| | % | % |
| Global equities | 89 | (88) |
| Cash | 11 | (12) |
| | <u>100</u> | |

1. PORTFOLIO PERFORMANCE

Total Performance to 30 September 2020

| | <u>Fund*</u> | <u>Benchmark**</u> | <u>Variance</u> | <u>Peer Group***</u> |
|---------------------------------------|--------------|--------------------|-----------------|----------------------|
| | <u>%</u> | <u>%</u> | <u>%</u> | <u>%</u> |
| 3 months | 5.4 | 8.1 | -2.7 | 7.7 |
| 6 months | 32.2 | 28.9 | 3.3 | 26.7 |
| 12 months | 19.2 | 10.4 | 8.8 | 8.9 |
| 3 years | 6.1 | 7.1 | -1.0 | 4.5 |
| 5 years | 10.1 | 10.3 | -0.2 | 7.8 |
| From Inception (01/06/2012) | 7.7 | 10.1 | -2.4 | 8.1 |

* Based on FGEF Class B Performance Numbers

** MSCI All Country World Net Total Return Index

*** Global Large-Cap Blend Equity Morningstar category

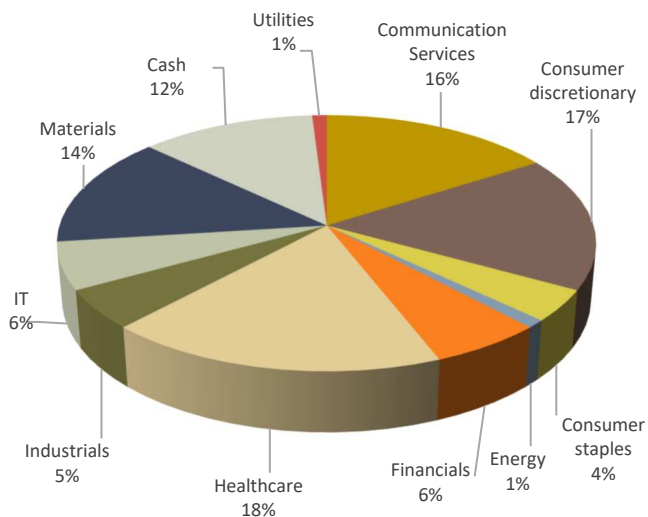
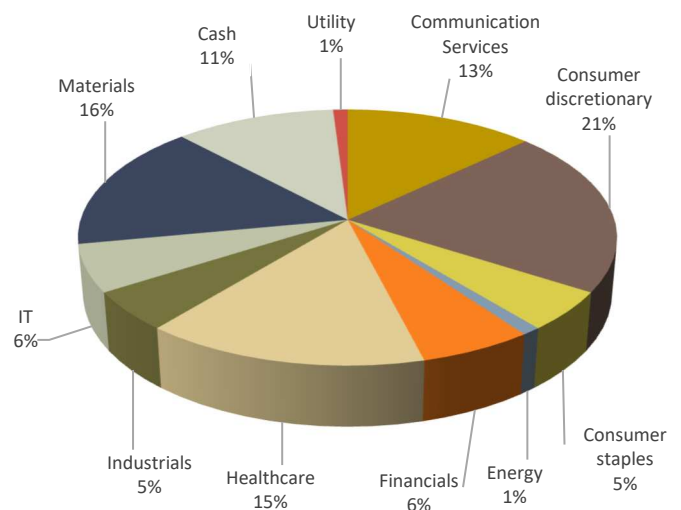
*Monthly linked time-weighted total rates of return (capital and income)
Returns for periods 1 year and above are annualised percentages*

QUARTERLY PERFORMANCE COMMENT

- Outperformance retraced this quarter (-2.7% alpha)—driven primarily by stock selection but also by S&P 500 hedges and sector allocation
- Leading China e-commerce platform JD.Com (+29%) rallied—after announcing earnings ahead of expectations
- The fund's commodity holdings contributed positively to performance—leading copper producer Freeport-McMoran (+35.2%) and prominent precious metals streamer Wheaton Precious Metals (+11.6%) both gained
- Clinical stage pharmaceutical company Akebia Therapeutics (-81.5%) detracted—one of firm's phase III trials failed to meet its primary endpoint
- Country allocation detracted—given the fund's low weight to the US, which rebounded faster than Asian markets
- S&P 500 hedge positions negatively impacted performance—global markets rebounded on signs of economies reopening across different regions

2. PORTFOLIO STRUCTURE

| | Fund | | MSCI AC World | Relative to benchmark |
|------------------------|--------------------|-----------------|---------------|-----------------------|
| | Effective Exposure | | Weightings | |
| | 30/06/2020 | 30/09/2020 | 30/09/2020 | 30/09/2020 |
| | % | % | % | % |
| Communication Services | 16 | 13 | 9 | 4 |
| Consumer Discretionary | 17 | 21 | 11 | 10 |
| Consumer Staples | 4 | 5 | 7 | -2 |
| Energy | 1 | 1 | 3 | -2 |
| Financials | 6 | 6 | 11 | -5 |
| Healthcare | 18 | 15 | 11 | 4 |
| Industrials | 5 | 5 | 9 | -4 |
| Information Technology | 6 | 6 | 19 | -13 |
| Materials | 14 | 16 | 4 | 12 |
| Utilities | 1 | 1 | 3 | -2 |
| Real Estate | 0 | 0 | 2 | -2 |
| Global Equities | 88 | 89 | 89 | |
| Cash | 12 | 11 | | |
| | 100 | 100 | | |
| Total Fund | \$447.0m | \$473.3m | | |

Effective Exposure of 30/06/2020

Effective Exposure of 30/09/2020


3. MARKET BACKGROUND AND OUTLOOK

- Global equities (+7.9%) sustained their upward trend as positive second-quarter corporate earnings and continued improvement in high frequency economic indicators propelled shares—but accelerating infections rates in several global cities coupled with the expiration of stimulus measures warrants caution
- US equities (+9.5%) rose ahead of peers as the unemployment fell markedly while consumer spending has been considerably more resilient than expected, each portending a robust economic recovery—further market gains are likely to be more difficult, however, as lofty valuations and near-term uncertainty surrounding the US presidential election may weigh on bourses
- European equities (+4.5%) gained although returns trailed peers with UK equities (-0.2%) falling as the country's year-end exit from the European Union appears increasingly unlikely to take place on mutually agreeable terms—the UK economy would face headwinds without an agreed trade deal with the EU
- Emerging markets (+9.6%) rose led by India (+15%) and China (+12.5%)—rumours of another [improbable] fiscal stimulus package buoyed Indian markets, while Chinese markets continue to be driven by a robust economic recovery
- Most sectors gained with the consumer discretionary (+16.0%), information technology (+11.8%), materials (+11.7%), and industrials (+11.7%) sectors leading markets—the energy sector (-16%) fell as supply cuts have not been enough to offset a greater decline in demand
- The US dollar weakened against all major currencies including the euro (+4.4%), British pound (+4.6%) and yen (+2.2%)—collapsing interest rate differentials coupled with a possible resurgence of the COVID-19 infections in several US cities weighed on the greenback
- The US Federal Reserve said it sees little prospect of an interest rate increase over the next three years—global sovereign and corporate bond yields are and will likely remain at record lows

4. FUND CONSTRUCTION

- Asian equities, especially those geared to China, are more attractive than US peers—long-term structural growth of the region exceeds that of western economies while valuations are better
- The fund's Chinese investments are concentrated in technology, consumer discretionary and financials sectors—the structural growth of the country's middle class provides strong tailwinds for the fund's best-in-class holdings within these sectors
- Materials and consumer discretionary sectors are favoured—the global consumer remains healthy, aided by accommodative central bank policies and government fiscal stimulus, while several stock specific investments within the materials sector are expected to generate outsized returns
- The fund's cash position increased as managers reduced names at attractive valuations during the market's recent rise—some hedges are retained to protect against risk of additional global waves of coronavirus infection, in particular against the backdrop of elevated valuations

4. FUND CONSTRUCTION (CONTINUED)

- Our geographic equity exposure allocation is:

| | <u>Fund at</u> <u>30/06/2020</u> | <u>Fund at</u> <u>30/09/2020</u> | <u>MSCI AC World</u> <u>30/09/2020</u> | <u>Relative to</u> <u>benchmark</u> |
|----------------------|-------------------------------------|-------------------------------------|---|--|
| | <u>%</u> | <u>%</u> | <u>%</u> | <u>%</u> |
| North America | 43 | 46 | 61 | -15 |
| EM* Latin America | - | - | 1 | -1 |
| Europe | 18 | 17 | 16 | 1 |
| EM* Europe | - | - | 1 | -1 |
| Pacific | 15 | 14 | 10 | 4 |
| EM* Asia | 24 | 23 | 10 | 13 |
| Africa & Middle East | - | - | 1 | -1 |

*EM = Emerging Markets

B ARCESE/D FOORD/I HASSEN
October 2020

Disclaimer:

Foord Asset Management (Singapore) Pte. Limited (the “Managers”) holds a capital markets license granted by the Monetary Authority of Singapore. The trustee of the Fund, RBC Investor Services Trust Singapore Limited, is contactable on T: +65 6230 1953.

This document is not an advertisement but is provided exclusively for information purposes and should not be regarded as an offer or solicitation to purchase, sell or otherwise deal with any particular investment. Unit trusts are generally medium to long term investments. Investments in unit trusts are not deposits in, obligations of, or guaranteed or insured by the Managers, and are subject to investment risks, including the possible loss of the principal amount invested. The Fund can engage in borrowing and does not engage in scrip lending. Unit values and income therefrom may fall or rise. Investors should read the prospectus and the product highlights sheet, which are available at www.foord.com.sg, or seek relevant professional advice, before making any investment decision. The portfolio may include underlying foreign investments. The underlying foreign investments may be adversely affected by fluctuations in exchange rates, political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls that may be imposed by the relevant authorities in the relevant countries.

Investors should read the prospectus for further details. The Fund is only suitable for investors who seek long-term growth and who are able to withstand investment volatility in the short- to medium- term.

Performance, net of fees, is calculated for the portfolio on a single pricing basis (ie. NAV to NAV rolling monthly basis). Since inception, there were no subscription fees or realisation fees charged and no dividends or distributions were declared or made by the Fund. Individual investor performance may differ as a result of the actual investment date, the date of investment of income and withholding taxes, where applicable. Past performance of the Fund is not indicative of its future performance. Portfolio information is presented using effective exposures.

Units will be issued or realised on a forward pricing basis only on Dealing Days (as defined in the prospectus). Therefore, the Issue Price/Realisation Price (“Dealing Price”) cannot be ascertained at the time of request. The Dealing Price is ascertained by the Managers by calculating the net asset value (“NAV”) of the proportion of the Deposited Property then represented by one Unit. All application requests must be received before 16h00 (Central European time) on each dealing day. Prices, which are available on Bloomberg or www.foord.com, are published within 2 business days after the relevant Dealing Day. Please refer to the prospectus and the product highlights sheet headed “Fees and Charges” for information pertaining to fees and charges that may be paid by the Fund or investor. A schedule of fees and charges and maximum commissions is available, free of charge, on request. Please contact the Managers for more information including forms and documents.

Economic forecasts and predictions are based on our interpretation of current factual information, and exploration of economic activity based on expectation for future growth under normal economic conditions, not dissimilar to previous cycles. Forecasts and commentaries are provided for information purposes only and are not guaranteed to occur. The information contained herein may contain general, summary discussions of certain tax, regulatory, accounting and/or legal issues. Any such discussions and issues may be generic and may not be applicable to or complete for the recipient. While we have taken and will continue to take care that the information contained herein is true and correct, we do not guarantee the accuracy, timeliness or completeness of the information provided, and therefore disclaim any liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance upon the information. The document is protected by copyright and may not be altered without prior written consent from the Investment Managers.