

Reports and financial statements

FOUNDATION FUND SERIES

(An open-ended unit trust established as an umbrella fund
under the laws of Hong Kong)

- Foundation Global Income and Growth Fund

31 December 2024

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

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FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

ADMINISTRATION AND MANAGEMENT

MANAGER

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Hong Kong

DIRECTORS OF THE MANAGER

Liang Jiang, Michael
Mui Tze Wah, Vivian

LEGAL COUNSEL TO THE MANAGER

Simmons & Simmons
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979 King's Road

TRUSTEE

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Central, Hong Kong

CUSTODIAN

Industrial and Commercial Bank of China (Asia) Limited
33/F, ICBC Tower
3 Garden Road
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REGISTRAR AND TRANSFER AGENT

ICBC (Asia) Trustee Company Limited
33/F, ICBC Tower
3 Garden Road
Central, Hong Kong

AUDITOR

Ernst & Young
27/F, One Taikoo Place,
979 King's Road,
Quarry Bay, Hong Kong

REPORT OF THE MANAGER

Foundation Global Income and Growth Fund

Global Market Review

2024 is a year of rapid growth, with global stock markets rising overall and investor sentiment remaining optimistic. The focus continues to be on chips, technology, and artificial intelligence. The U.S. presidential election has introduced uncertainty regarding future interest rate policies, which has also affected the bond market.

The S&P 500 grew by 23.3% in 2024, with all sectors, except for biotechnology, experiencing varying degrees of gains. The technology sector continued to lead market growth, with the three best-performing sectors being Communication Services (40.0%), Information Technology (36.1%), and Financials (30.0%). The market was once concerned about the overvaluation of companies like NVIDIA, leading to a brief pullback during the summer, but the upward trend ultimately continued through the end of the year. Large Caps (S&P 500: +23.3%) outperformed Mid (S&P 400: +13.4%) and Small (Russell 2000: +10.0%). Growth (Russell 1000 Growth: +32.5%) exceeded Value (Russell 1000 Value: +11.9%).

On the fixed income side, the Bloomberg Barclays US Treasury Index was up 0.6%. The Global IG Bond Index loss 1.7%, while the Global High Yield Index gained 9.2%.

Portfolio Strategy Review

Foundation Global Income and Growth Fund achieved 29.6% return since its inception in March 2020, with smoothened volatility versus the Index (FTSE All-World Index + 50% Bloomberg Barclays Global Aggregate Total Return Index Value Unhedged USD).

For investors who opted for share classes with distribution, monthly 0.55% distribution has been consistently delivered every month since inception. The Fund showed strong downside protection with low annualized volatility of 10.4% since inception. In terms of sectors, we see long-term value in tech, semiconductor and consumer brands with innovative products and services and multi-year secular growth momentum. In terms of strategy, the Fund's flexible positioning of equities, debt securities and prudent hedging continues to offer better downside protection, income distribution and long-term capital growth.

For stock selection, we remain greatly focused on pursuit of our value investing philosophy by focusing on company fundamentals, quality of management, business model, free cash flow and valuations.

Market Outlook

Whether the semiconductor-related industries can maintain their gains from 2024 will be a key topic of discussion, with stock selection and market rotation likely becoming crucial. Changes in interest rates carry uncertainties due to the easing of inflation, and there is also the possibility of rate cuts. Overall, we think we are heading towards a new paradigm, with inflation and interest rates higher than what we were used to in 2010s. As active managers, we continue to find new ideas for inclusion in the portfolio that meet our strict criteria for quality and value creation. Our Fund's flexible position control and value-investing strategy should reduce short-term volatility and let investors focus on what our 'Foundation Model' can deliver over medium/long-term return.

FOUNDATION FUND SERIES
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REPORT OF THE TRUSTEE

We hereby confirm that, in our opinion, the Manager, Foundation Asset Management (HK) Limited, has in all material aspects, managed Foundation Global Income and Growth Fund in accordance with the provisions of the Trust Deed dated 20 September 2018 and as supplemental by the first supplemental deed dated 20 September 2018, as amended and restated on 31 December 2019, as supplemented by the second supplemental deed dated 31 December 2019 and the third supplemental deed dated 29 April 2020 for the years ended 31 December 2022 and 2023 respectively.

For and on behalf of
ICBC (Asia) Trustee Company Limited
30 April 2025

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Foundation Fund Series

(An open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Foundation Global Income and Growth Fund (Sub-Fund of Foundation Fund Series (the "Trust") and referred to as the "Sub-Fund") set out on pages 7 to 38, which comprise the statement of net assets as at 31 December 2024, and the statement of profit or loss and other comprehensive income, the statement of changes in net assets attributable to unitholders and statement of cash flows for the year ended 31 December 2024, and notes to the financial statements, including material accounting policy information .

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as issued by the International Accounting Standards Board (IASB). 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 Sub-Fund in accordance with the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Manager and the Trustee of the Sub-Fund are responsible for the other information. The other information comprises the information included in the Annual Report, other than 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.

INDEPENDENT AUDITOR'S REPORT (continued)

To the Unitholders of Foundation Fund Series

(Sub-Fund of Foundation Fund Series, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

Responsibilities of the Manager and the Trustee for the financial statements

The Manager of the Sub-Fund is responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards, and for such internal control as the Manager determines are 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 of the Sub-Fund is responsible for assessing the Sub-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 and either intend to liquidate the Sub-Fund or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager of the Sub-Fund is required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Principal Trust Deed dated 20 September 2018, the Amended and Restated Trust Deed dated 31 December 2019 and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds (the "SFC Code") issued by the Hong Kong Securities and Futures Commission.

The Trustee of the Sub-Fund has fiduciary duties and is responsible for overseeing the Manager's preparation of financial statements. The Trustee is also responsible to approve the financial statements.

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. Our report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

INDEPENDENT AUDITOR'S REPORT (continued)

To the Unitholders of Foundation Fund Series

(Sub-Fund of Foundation Fund Series, an open-ended unit trust established as an umbrella fund under the laws of Hong Kong)

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

As part of an audit in accordance with ISAs, 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 Sub-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 Sub-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 Sub-Fund to cease to continue as a going concern.
- 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 and the Trustee 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.

Report on matters under the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code

In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

Certified Public Accountants
Hong Kong
30 April 2025

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 USD	2023 USD
INCOME			
Dividend income		269,625	289,722
Interest income on bank deposits		58,239	81,073
Interest income on financial assets at fair value through profit or loss		-	808
		<u>327,864</u>	<u>371,603</u>
EXPENSES			
Management fees	3	(185,515)	(353,846)
Trustee fees	3	(15,460)	(29,485)
Custodian fees	3	(37,805)	(39,748)
Professional fees		(28,905)	(26,755)
Commission and transaction fee	4	(41,215)	(99,128)
Interest expense		-	(3)
Withholding tax expense	6	(27,626)	(28,462)
Other operating expenses		<u>(4,239)</u>	<u>(4,112)</u>
		<u>(340,765)</u>	<u>(581,539)</u>
NET LOSS BEFORE INVESTMENT AND EXCHANGE DIFFERENCES		(12,901)	(209,936)
INVESTMENT AND EXCHANGE DIFFERENCES			
Net realised gain/(loss) on financial assets and financial liabilities at fair value through profit or loss	7	2,056,579	(1,010,546)
Net change in unrealised gain on financial assets and financial liabilities at fair value through profit or loss	7	290,285	1,894,333
Net foreign exchange differences		<u>1,272</u>	<u>(332)</u>
		<u>2,348,136</u>	<u>883,455</u>
FINANCE COST			
Distribution to unitholders	11	<u>(157,227)</u>	<u>(251,611)</u>
NET INCREASE IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FOR THE YEAR		<u>2,178,008</u>	<u>421,908</u>

The accompanying notes are an integral part of these financial statements.

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

STATEMENT OF NET ASSETS

As at 31 December 2024

	Notes	2024 USD	2023 USD
ASSETS			
Financial assets at fair value through profit or loss	7	9,398,512	21,324,152
Due from brokers	9	256,380	459,621
Dividend receivables		7,466	8,904
Interest receivable on bank deposits		13	671
Cash and cash equivalents	8	134,422	1,253,001
TOTAL ASSETS		<u>9,796,793</u>	<u>23,046,349</u>
LIABILITIES			
Financial liabilities at fair value through profit or loss	7	-	106,730
Due to brokers	9	46,530	-
Management fees payable	3	12,985	29,083
Trustee fee payable	3	2,107	4,792
Redemption payable		61,895	35,762
Accrued expense and other payables		50,960	48,570
Withholding tax payable		1,988	1,870
TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS		<u>176,465</u>	<u>226,807</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	10	<u>9,620,328</u>	<u>22,819,542</u>
TOTAL LIABILITIES		<u>9,796,793</u>	<u>23,046,349</u>

For the number of units in issue, please refer to Note 10 for details.

Approved by the Trustee and Manager on 30 April 2025.

.....
For and on behalf of
ICBC (Asia) Trustee Company Limited

.....
For and on behalf of
Foundation Asset Management (HK) Limited

The accompanying notes are an integral part of these financial statements.

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 31 December 2024

	Number of units	USD
At 1 January 2023	27,501,956.23	24,131,656
Subscription of units	373,745.83	113,389
Redemption of units	(3,146,231.58)	(1,872,635)
Dividends reinvest	203,950.44	25,224
Increase in net assets attributable to unitholders during the year	-	421,908
At 31 December 2023 and 1 January 2024	<u>24,933,420.92</u>	<u>22,819,542</u>
Subscription of units	4,861,766.52	1,472,198
Redemption of units	(19,208,313.49)	(16,853,962)
Dividends reinvest	37,236.41	4,542
Increase in net assets attributable to unitholders during the year	-	2,178,008
At 31 December 2024	<u>10,624,110.36</u>	<u>9,620,328</u>

The accompanying notes are an integral part of these financial statements.

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

	Notes	2024 USD	2023 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Net increase in net assets attributable to unitholders for the year		2,178,008	421,908
Adjustments:			
Interest income on bank deposits		(58,239)	(81,073)
Interest income on financial assets at fair value through profit or loss		-	(808)
Interest expense		-	3
Dividend income, net of withholding tax		(241,999)	(261,260)
Distribution to unitholders	11	157,227	251,611
		<u>2,034,997</u>	<u>330,381</u>
Working capital adjustments:			
Decrease/(increase) in financial assets at fair value through profit or loss		11,925,640	(1,186,183)
Decrease in due from brokers		203,241	253,447
Decrease in other receivables		-	954,348
(Decrease)/increase in financial liabilities at fair value through profit or loss		(106,730)	106,730
Decrease in management fees payable		(16,098)	(5,742)
Decrease in trustee fee payable		(2,685)	(1,022)
Increase in accrued expense and other payables		2,390	1,405
Increase in due to brokers		46,530	-
Cash flows generated from operations		<u>14,087,285</u>	<u>453,364</u>
Interest received		58,897	82,060
Interest paid		-	(3)
Dividend received, net of withholding tax		243,555	309,822
Net cash flows generated from operating activities		<u>14,389,737</u>	<u>845,243</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of units		1,476,740	166,461
Payments on redemption of units		(16,827,829)	(5,836,873)
Distribution paid to unitholders		(157,227)	(251,611)
Net cash flows used in financing activities		<u>(15,508,316)</u>	<u>(5,922,023)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		<u>(1,118,579)</u>	<u>(5,076,780)</u>
Cash and cash equivalents at beginning of the year		<u>1,253,001</u>	<u>6,329,781</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	8	<u>134,422</u>	<u>1,253,001</u>
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS			
Cash at bank	8	15,922	25,361
Fixed deposits with original maturities of three months or less	8	118,500	1,227,640
		<u>134,422</u>	<u>1,253,001</u>

The accompanying notes are an integral part of these financial statements.

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

1. THE TRUST AND THE SUB-FUNDS

Foundation Fund Series (the "Trust") was constituted as an open-ended unit trust established as an umbrella fund under the laws of Hong Kong pursuant to a trust deed dated 20 September 2018, as amended and restated on 31 December 2019. Foundation China Equity Fund and Foundation Global Income and Growth Fund (the "Sub-Fund") are sub-funds under the Trust.

The manager of the Trust is Foundation Asset Management (HK) Limited (the "Manager") and the trustee is ICBC (Asia) Trustee Company Limited (the "Trustee"). The custodian is Industrial and Commercial Bank of China (Asia) Limited (the "Custodian").

The Trust and the Sub-Fund have been authorised by the Securities and Futures Commission of Hong Kong (the "SFC") under section 104(1) of the Hong Kong Securities and Futures Ordinance and are required to comply with the Code on Unit Trusts and Mutual Funds (the "SFC Code") established by the SFC. Authorisation by the SFC does not imply official approval or recommendation. As at 31 December 2024, the Trust has two sub-funds namely Foundation China Equity Fund and Foundation Global Income and Growth Fund, in respect of which separate class of unit was issued. Foundation China Equity Fund was launched on 11 July 2019. Foundation Global Income and Growth Fund was launched on 18 March 2020 (date of commencement of operations). On 18 March 2025, the Manager has decided to terminate Foundation China Equity Fund and the financial statements will be issued separately.

The investment objective of the Sub-Fund is to maintain a consistent value-investing approach with a focus on liquidity and high return by primarily investing in equities issued by companies that are incorporated in China or companies which have significant operations in or derive a significant portion of revenue or profits from China.

The investment objective of the Sub-Fund is to provide income distribution and long-term capital growth by investing in global equities and debt securities.

2.1 BASIS OF PREPARATION

The financial statements of the Sub-Fund have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Accounting Standards Committee of the IASB, and the relevant provisions of the Trust Deed and the relevant disclosure provisions specified in Appendix E to the SFC Code.

The financial statements have been prepared on a historical basis, except for financial assets and liabilities (including derivatives financial instruments) at fair value through profit or loss ("FVPL") that have been measured at fair value. The financial statements are presented in United States Dollar ("USD"), and all values are rounded to the nearest USD except where otherwise indicated.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

There are no changes in IFRS Accounting Standards for the Sub-Fund in current year's financial statements.

The accounting principles adopted in the current year are consistent with those of the prior year. There are no other standards, interpretations or amendments to existing standards that are effective for the first time for the current financial year that have a material impact on the Sub-Fund.

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS

The Sub-Fund has not applied the following amendments to IFRS Accounting Standards, that has been issued but are not yet effective, in these financial statements. The Sub-Fund intends to apply these amendments to IFRS Accounting Standards, if applicable when they become effective.

IFRS 18	<i>Presentation and Disclosure in Financial Statements²</i>
Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments¹</i>

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual/reporting periods beginning on or after 1 January 2027

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements ("PFS") and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from "profit or loss" to "operating profit or loss" and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2.3 ISSUED BUT NOT YET EFFECTIVE IFRS ACCOUNTING STANDARDS (continued)

IFRS 18 Presentation and Disclosure in Financial Statements (continued)

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Sub-Fund is currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements.

IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments

Amendments to IFRS 9 and IFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Sub-Fund's financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2.4 MATERIAL ACCOUNTING POLICIES

Financial instruments

In the current year, the Sub-Fund has adopted IFRS 9 *Financial Instruments*.

(i) *Classification*

In accordance with IFRS 9, the Sub-Fund classifies its financial assets and financial liabilities at initial recognition into the categories of financial assets and financial liabilities discussed below.

In applying that classification, a financial asset or financial liability is considered to be held for trading if:

- (a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- (b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or
- (c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument)

Financial assets

The Sub-Fund classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss on the basis of both:

- The entity's business model for managing the financial assets
- The contractual cash flow characteristics of the financial asset

Financial assets measured at amortised cost

A debt instrument is measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Sub-Fund includes in this category short-term non-financing receivables including cash and bank balances and due from brokers.

Financial assets measured at fair value through profit or loss ("FVPL")

A financial asset is measured at fair value through profit or loss if:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or
- (b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or
- (c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

- (i) *Classification* (continued)
Financial assets measured at fair value through profit or loss ("FVPL") (continued)

The Sub-Fund includes in this category:

- Instruments held for trading. This category includes listed and open-ended equity securities and depositary receipts which are acquired principally for the purpose of generating a profit from short-term fluctuations in price.

Financial liabilities measured at FVPL

A financial liability is measured at FVPL if it meets the definition of held for trading.

The Sub-Fund includes in this category, derivative contracts in a liability position and its redeemable shares in this category and the Sub-Fund's accounting policy regarding the redeemable participating shares is described within this note.

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at FVPL. The Sub-Fund include in this category management fees payable, due to brokers, performance fee payable, trustee fee payable and accrued expense and other payables.

- (ii) *Recognition*
The Sub-Fund recognises a financial asset or a financial liability when, and only when, it becomes a party to the contractual provisions of the instrument.

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Sub-Fund commit to purchase or sell the asset.

- (iii) *Initial measurement*
Financial assets and financial liabilities at fair value through profit or loss are recorded in the statement of net assets at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Financial assets and liabilities (other than those classified as at FVPL) are measured initially at their fair value plus any directly attributable incremental costs of acquisition or issue.

Derivatives embedded in other financial instruments are treated as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contract, and the host contract is not itself classified as held for trading or designated as at fair value through profit or loss. Embedded derivatives separated from the host are carried at fair value with changes in fair value recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iv) *Subsequent measurement*

After initial measurement, the Sub-Fund measures financial instruments which are classified as at fair value through profit or loss, at fair value. The fair value of financial instruments is based on their quoted market prices on a recognised exchange at the reporting date without any deduction for estimated future selling costs. Financial assets and financial liabilities are priced at their last traded prices where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Subsequent changes in the fair value of financial instruments are recorded in net gain or loss on financial assets and liabilities at fair value through profit or loss. Interest and dividend earned or paid on these instruments are recorded separately in interest income or expense and dividend income or expense.

Interest earned and dividend income elements of such instruments are recorded separately in "Interest income" and "Dividend income", respectively. Dividend expenses related to short positions are also recognised in profit or loss.

Debt instruments, other than those classified as at FVPL, are measured at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the debt instruments are derecognised or impaired, as well as through the amortisation process.

Financial liabilities, other than those classified as at fair value through profit or loss, are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, as well as through the amortisation process.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Sub-Fund estimate cash flows considering all contractual terms of the financial instruments, but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

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2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(v) *Derecognition*

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired or the Sub-Fund have transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either;

- (a) the Sub-Fund has transferred substantially all the risks and rewards of the asset, or
- (b) the Sub-Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Sub-Fund has transferred its rights to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Sub-Fund's continuing involvement in the asset. In that case, the Sub-Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Sub-Fund has retained.

The Sub-Fund derecognised a financial liability when the obligation under the liability is discharged, cancelled or has expired.

Fair value measurement

The Sub-Fund measure financial instruments at fair value at each reporting date.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations (last trade price), without any deduction for transaction costs. Securities defined in these accounts as 'listed' are traded in an active market.

For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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31 December 2024

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Sub-Fund determine whether transfers have occurred between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the beginning of each reporting period.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in note 7 to the financial statements.

Impairment of financial assets

The Sub-Fund holds only short-term receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses ("ECL") under IFRS 9 to all its short-term receivables. Therefore, the Sub-Fund does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

The Sub-Fund's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Sub-Fund use the provision matrix as a practical expedient to measuring ECLs on trade receivables, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature. The provision matrix is based on historical observed loss rates over the expected life of the receivables and is adjusted for forward-looking estimates.

Impaired debts, together with the associated allowance, are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Sub-Fund. If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a previous write-off is later recovered, the recovery is credited to the credit loss expense.

Interest income on impaired financial assets is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of net assets if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Net gain or loss on financial assets and liabilities at FVPL

This item includes changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as "held at fair value through profit or loss" and excludes interest and dividend income and expense.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised in the reporting period.

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2.4 MATERIAL ACCOUNTING POLICIES (continued)

Net gain or loss on financial assets and liabilities at FVPL (continued)

Realised gains and losses on disposals of financial instruments classified as "at fair value through profit or loss" are calculated using the average cost method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

Derivative financial instruments

Derivative financial instruments, which include future contracts, are initially recognised in the statement of net assets at cost and subsequently marked to market. Changes in their fair values are included in the statement of profit or loss and other comprehensive income. Derivatives are carried as assets when amounts are receivable by the Sub-Fund and as liabilities when amounts are payable by the Sub-Fund. Realised gains and losses on derivatives are recognised in the statement of profit or loss and other comprehensive income.

With respect to derivative financial instruments actively traded on any stock exchange, fair value is generally determined by reference to the last traded price within the bid-ask spread, respectively, at the close of business on the reporting date. Other derivative instruments are stated at their fair values as determined by the brokers, based on the estimated replacement value of the contracts at the reporting date.

Dividend income and expense

Dividend income is recognised on the date on which the investments are quoted ex-dividend or, where no ex-dividend is quoted, when the Sub-Fund's right to receive the payment is established. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in the statement of profit or loss and other comprehensive income. Dividend expense relating to equity securities sold short is recognised when the shareholders' right to receive the payment is established.

Distributions to unitholders

It is currently intended that distributions will be made once per month for the Distribution Classes of Units, subject to the Manager's discretion. However, there is no guarantee of regular distribution nor, where distribution is made, the amount being distributed. The Manager will also have the discretion to determine if and to what extent distributions will be paid out of capital attributable to the relevant Distribution Class.

A distribution to the Sub-Fund's unitholders are included in profit or loss. A distribution is recognised as a liability in the year in which it is approved by the Manager.

Interest income and expense

Interest income and expense are recognised in the statement of profit or loss and other comprehensive income for all interest-bearing financial instruments using the effective interest method.

Foreign currency transactions

Transactions during the year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

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2.4 MATERIAL ACCOUNTING POLICIES (continued)

Foreign currency transactions (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign currency transaction gains and losses on financial instruments classified as at fair value through profit or loss are included in profit or loss in the statement of comprehensive income as part of the "Net realised and change in unrealised gains or losses on investments". Foreign exchange differences on other financial instruments are included in profit or loss in the statement of profit or loss and other comprehensive income as "Net foreign exchange differences".

Cash and cash equivalents

Cash and cash equivalents in the statement of net assets comprise cash at bank and time deposits with an original maturity of three months or less and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, including time deposits, which are not restricted as to use.

Related parties

A party is considered to be related to the Sub-Fund if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Sub-Fund;
 - (ii) has significant influence over the Sub-Fund; or
 - (iii) is a member of the key management personnel of the Sub-Fund or of a parent of the Sub-Fund;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Sub-Fund are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Sub-Fund are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Sub-Fund or an entity related to the Sub-Fund;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity) ; and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Sub-Fund or to the parent of the Sub-Fund.

NOTES TO THE FINANCIAL STATEMENTS

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2.4 MATERIAL ACCOUNTING POLICIES (continued)

Due to/from broker

Due to/from broker include cash deposits held with prime broker and broker as collateral against open derivative contracts and receivables for securities sold (in a regular way transaction) that have been contracted for but not yet delivered on the reporting date.

Fees and commissions

Fees and commissions are recognised on an accrual basis. Legal fees are included within "Legal and professional fees".

Withholding taxes

The Sub-Fund are exempt from all forms of taxation in Hong Kong, including income, capital gains and withholding taxes. However, in some jurisdictions, investment income and capital gains are subject to withholding tax deducted at the source of the income. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income and is not significant for the Sub-Fund. The Sub-Fund present the withholding tax separately from the gross investment income in the statement of profit or loss and other comprehensive income. For the purpose of the statement of cash flows, cash inflows from investments are presented net of withholding taxes, when applicable.

Subscriptions and redemptions

The Sub-Fund recognises unitholders' subscriptions and allots units upon receipt of a valid subscription application and derecognises them upon receipt of a valid redemption application.

The Sub-Fund classify capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

The Sub-Fund issue redeemable units, which are redeemable at the unitholder's option and are classified as financial liabilities in accordance with IAS 32 (amendment).

Should the redeemable units' terms or conditions change such that they do not comply with the strict criteria contained in the amendment, the redeemable units would be reclassified to a financial liability from the date the instrument ceases to meet the criteria. The financial liability would be measured at the instrument's fair value at the date of reclassification. Any difference between the carrying value of the equity instrument and fair value of the liability on the date of reclassification would be recognised in liabilities.

Redeemable units can be put back to the respective Fund at any time for cash equal to a proportionate share of the respective Fund's trading net asset value calculated in accordance with the Trust Deed.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. FEES

Management fees

The Manager is entitled to receive a management fee from the Sub-Fund, at a rate of 1.5% per annum for Class A units and accrued on each valuation day and are paid monthly in arrears.

Management fees of the Sub-Fund for the year ended 31 December 2024 were USD185,515 (2023: USD353,846). As at 31 December 2024, management fees of USD12,985 (2023: USD29,083) were payable to the Manager, which is interest-free, unsecured and repayable with less than three months.

Trustee fees and custodian fees

The Trustee is entitled to receive trustee fees from the Sub-Fund, at current rates of 0.125% per annum based on the net asset value. A fee is payable to the custodian at current rate of 0.025% per annum based on the net asset value.

Trustee fees and custodian fees of the Sub-Fund for the year ended 31 December 2024 were USD15,460 and USD37,805 (2023: USD29,485 and USD39,748) respectively. As at 31 December 2024, trustee fees of USD2,107(2023: USD4,792) were payable to the Trustee. As at 31 December 2024 and 2023, no outstanding custodian fee was payable to the custodian.

4. COMMISSION AND TRANSACTION FEE

Commission and transaction fee is the cost incurred to acquire financial assets or financial liabilities at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction fee, when incurred, is immediately recognised in profit or loss as an expense.

5. ESTABLISHMENT COSTS

In accordance with the provisions of the Explanatory Memorandum, preliminary expenses of the Sub-Fund are amortised in the first five years. However, preliminary expenses as expensed as incurred, as required under IFRS Accounting Standards. A reconciliation of the net assets attributable to unitholders as reported in the statement of net assets attributable to unitholders as determined for the purpose of processing unit subscriptions and redemptions are provided below:

	31 December 2024 USD	31 December 2023 USD
Published net assets attributable to unitholders (calculated in accordance with Sub-Fund's Trust Deed)	9,620,328	22,828,915
Adjustment for establishment costs	-	(9,373)
Net assets attributable to unitholders (calculated in accordance with IFRS Accounting Standards)	<u>9,620,328</u>	<u>22,819,542</u>

NOTES TO THE FINANCIAL STATEMENTS

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6. WITHHOLDING TAXES

No provision for Hong Kong profits tax has been made for the Sub-Fund as the interest/dividend income and realised gain and disposal of investment of the Sub-Fund are excluded from the charge to profits tax under Section 14, Section 26 or Section 26A of the Hong Kong Inland Revenue Ordinance.

Further, in some jurisdictions, investment income and capital gains are subject to withholding tax deducted at source. Dividend income is subject to withholding tax in certain foreign jurisdictions and is the only item subject to taxation. Tax expense withheld on dividend income distributed by issuers of investments of the Sub-Fund for the year ended 31 December 2024 were USD27,626 (2023: USD28,462), respectively.

7. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2024 USD	31 December 2023 USD
Financial assets at fair value through profit or loss		
- Common stocks	4,313,054	8,279,719
- American depositary receipt	896,605	1,934,608
- Exchanged traded funds	1,760,190	-
- Open-end funds	2,411,468	11,109,825
- Future contracts	17,195	-
Total financial assets at fair value through profit or loss	<u>9,398,512</u>	<u>21,324,152</u>
Financial liabilities at fair value through profit or loss		
- Future contracts	-	106,730
Gain/(loss) recognised in relation to financial assets and liabilities at fair value through profit or loss:		
Net realised gain/(loss)	2,056,579	(1,010,546)
Net change in unrealised gain	<u>290,285</u>	<u>1,894,333</u>
Net gain on financial assets and liabilities at fair value through profit or loss	<u>2,346,864</u>	<u>883,787</u>

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the closing of trading on the year end date.

Valuation techniques

When fair values of publicly traded equity securities are based on quoted market prices, or binding dealer price quotations, in an active market for identical assets without any adjustments, the instruments are included in Level 1 of the hierarchy. An active market is a market in which transactions for the asset take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

In the absence of a quoted price in an active market, they are valued using observable inputs such as recently executed transaction prices in securities of the issuer or comparable issuers and yield curves. Adjustments are made to the valuations when necessary to recognise differences in the instrument's terms. To the extent that the significant inputs are observable, the Sub-Fund categorises these investments as Level 2.

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- Foundation Global Income and Growth Fund

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7. FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Valuation techniques (continued)

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets measured at fair value at 31 December 2024 and 2023:

	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
31 December 2024				
Financial assets at fair value through profit or loss				
- Common stocks	4,313,054	-	-	4,313,054
- American depository receipt	896,605	-	-	896,605
- Exchanged traded funds	1,760,190	-	-	1,760,190
- Open-end funds	-	2,411,468	-	2,411,468
- Futures contracts (note 14)	-	17,195	-	17,195
	<u>6,969,849</u>	<u>2,428,663</u>	<u>-</u>	<u>9,398,512</u>
	Level 1 USD	Level 2 USD	Level 3 USD	Total USD
31 December 2023				
Financial assets at fair value through profit or loss				
- Common stocks	8,279,719	-	-	8,279,719
- American depository receipt	1,934,608	-	-	1,934,608
- Open-end funds	-	11,109,825	-	11,109,825
	<u>10,214,327</u>	<u>11,109,825</u>	<u>-</u>	<u>21,324,152</u>
Financial liabilities at fair value through profit or loss				
- Futures contracts (note 14)	-	106,730	-	106,730
	<u>-</u>	<u>106,730</u>	<u>-</u>	<u>106,730</u>

There are no financial assets and liabilities classified within Level 3 and no transfers between levels during the year ended 31 December 2024 (2023: Nil).

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- Foundation Global Income and Growth Fund

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8. CASH AND CASH EQUIVALENTS

	31 December 2024 USD	31 December 2023 USD
Cash at bank	15,922	25,361
Fixed deposits with original maturities of three months or less	118,500	1,227,640
	<u>134,422</u>	<u>1,253,001</u>

The bank balances are held in interest bearing accounts with Industrial and Commercial Bank of China (Asia) Limited, an affiliate company of the Trustee. The carrying amount of bank balances approximates to their fair value.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Sub-Fund, and earn interest at the respective short term time deposit rates.

9. DUE TO/FROM BROKERS

	31 December 2024 USD	31 December 2023 USD
DUE FROM BROKERS		
Margin deposits	<u>256,380</u>	<u>459,621</u>
DUE TO BROKERS		
Payables for securities purchased but not yet settled	<u>46,530</u>	<u>-</u>

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

10. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

The consideration received or paid for units issued or re-purchased respectively is based on the value of the Sub-Fund's net asset value per unit at the date of the transaction. In accordance with the provisions of the Trust Deed, Sub-Fund's investment positions are valued based on the last traded market price or closing price for the purpose of determining the trading net asset value per unit for subscriptions and redemptions. The Sub-Fund's net asset value per unit is calculated by dividing the Sub-Fund's net assets with the total number of outstanding units.

Redeemable units can be issued and redeemed on each valuation day, i.e. every business day of the calendar year. The holders of redeemable units may subscribe or redeem the redeemable units on any business day by no later than 4:00p.m. (Hong Kong time) on the relevant business day. Both subscription and redemption prices are calculated by reference to the net asset value per unit of the relevant class as at the valuation day.

With a view to protecting the interests of all unitholders, the Manager may limit the number of units of any Sub-Fund redeemed on any redemption day to 10% of the total number of units of the relevant Sub-Fund in issue. In this event, the limitation will apply pro rata so that all unitholders of the relevant Sub-Fund who have validly requested to redeem units of the Sub-Fund on that redemption day will redeem the same proportion of such units of the Sub-Fund.

The following tables summarises the numbers of units in issue and net assets attributable to unitholders per unit of the relevant classes in the respective Sub-Fund.

	Class A HKD USD Units	Class A HKD (Dist) USD Units	Class A USD USD Units	Class A USD (Dist) USD Units
31 December 2024				
Net asset attributable to unitholders	162,199	267,457	7,349,068	1,841,604
Net asset value per unit	1.3039	0.9941	1.2962	0.9699
31 December 2023				
Net asset attributable to unitholders	49,833	564,459	19,980,117	2,225,133
Net asset value per unit	1.1563	0.9397	1.1435	0.9140

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

NOTES TO THE FINANCIAL STATEMENTS

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10. NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (continued)

The published net asset value per unit issued is calculated in accordance with the explanatory memorandum of the Sub-Fund while the net asset value per unit as reported in the statement of net assets included audit adjustment for recognition of all establishment costs incurred in profit or loss for the years ended 31 December 2024 and 2023.

	Unit price (per financial statements)	Published unit price:
31 December 2024		
Class A HKD units		
Net assets attributable to unitholders per unit	<u>HKD 1.3039</u>	<u>HKD 1.3039</u>
Class A HKD (Dist) units		
Net assets attributable to unitholders per unit	<u>HKD 0.9941</u>	<u>HKD 0.9941</u>
Class A USD units		
Net assets attributable to unitholders per unit	<u>USD 1.2962</u>	<u>USD 1.2962</u>
Class A USD (Dist) units		
Net assets attributable to unitholders per unit	<u>USD 0.9699</u>	<u>USD 0.9699</u>
31 December 2023		
Class A HKD units		
Net assets attributable to unitholders per unit	<u>HKD 1.1563</u>	<u>HKD 1.1569</u>
Class A HKD (Dist) units		
Net assets attributable to unitholders per unit	<u>HKD 0.9397</u>	<u>HKD 0.9401</u>
Class A USD units		
Net assets attributable to unitholders per unit	<u>USD 1.1435</u>	<u>USD 1.1441</u>
Class A USD (Dist) units		
Net assets attributable to unitholders per unit	<u>USD 0.9140</u>	<u>USD 0.9145</u>

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- Foundation Global Income and Growth Fund

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11. DISTRIBUTION TO UNITHOLDERS

The Manager may in its discretion make distributions to unitholders on a monthly basis as the Manager considers appropriate, having regard to the net income and capital assets of the Sub-Fund.

	2024 USD
USD DIST Class A (distribution)	
USD0.0055 on 1 unit paid on January 2024	13,388
USD0.0055 on 1 unit paid on February 2024	13,427
USD0.0055 on 1 unit paid on March 2024	8,698
USD0.0055 on 1 unit paid on April 2024	9,544
USD0.0055 on 1 unit paid on May 2024	9,993
USD0.0055 on 1 unit paid on June 2024	10,150
USD0.0055 on 1 unit paid on July 2024	11,141
USD0.0055 on 1 unit paid on August 2024	11,427
USD0.0055 on 1 unit paid on September 2024	11,440
USD0.0055 on 1 unit paid on October 2024	11,287
USD0.0055 on 1 unit paid on November 2024	11,203
USD0.0055 on 1 unit paid on December 2024	
HKD DIST Class A (distribution)	
HKD0.0055 on 1 unit paid on January 2024	3,304
HKD0.0055 on 1 unit paid on February 2024	3,313
HKD0.0055 on 1 unit paid on March 2024	1,328
HKD0.0055 on 1 unit paid on April 2024	1,980
HKD0.0055 on 1 unit paid on May 2024	1,993
HKD0.0055 on 1 unit paid on June 2024	2,031
HKD0.0055 on 1 unit paid on July 2024	2,028
HKD0.0055 on 1 unit paid on August 2024	2,185
HKD0.0055 on 1 unit paid on September 2024	1,574
HKD0.0055 on 1 unit paid on October 2024	1,581
HKD0.0055 on 1 unit paid on November 2024	1,613
HKD0.0055 on 1 unit paid on December 2024	1,550

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- Foundation Global Income and Growth Fund

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11. DISTRIBUTION TO UNITHOLDERS (continued)

	2023 USD
USD DIST Class A (distribution)	
USD0.0055 on 1 unit paid on January 2023	22,601
USD0.0055 on 1 unit paid on February 2023	22,879
USD0.0055 on 1 unit paid on March 2023	22,989
USD0.0055 on 1 unit paid on April 2023	21,540
USD0.0055 on 1 unit paid on May 2023	16,095
USD0.0055 on 1 unit paid on June 2023	16,134
USD0.0055 on 1 unit paid on July 2023	16,094
USD0.0055 on 1 unit paid on August 2023	16,094
USD0.0055 on 1 unit paid on September 2023	15,456
USD0.0055 on 1 unit paid on October 2023	13,806
USD0.0055 on 1 unit paid on November 2023	13,388
USD0.0055 on 1 unit paid on December 2023	13,388
HKD DIST Class A (distribution)	
HKD0.0055 on 1 unit paid on January 2023	3,192
HKD0.0055 on 1 unit paid on February 2023	3,398
HKD0.0055 on 1 unit paid on March 2023	3,404
HKD0.0055 on 1 unit paid on April 2023	3,415
HKD0.0055 on 1 unit paid on May 2023	3,427
HKD0.0055 on 1 unit paid on June 2023	3,448
HKD0.0055 on 1 unit paid on July 2023	3,457
HKD0.0055 on 1 unit paid on August 2023	3,485
HKD0.0055 on 1 unit paid on September 2023	3,478
HKD0.0055 on 1 unit paid on October 2023	3,464
HKD0.0055 on 1 unit paid on November 2023	3,480
HKD0.0055 on 1 unit paid on December 2023	3,499

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12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES

Investment in the Sub-Fund is subject to market fluctuations and other risks inherent in investing in securities and there can be no assurance that any appreciation in value will occur. The performance of the Sub-Fund will be affected by a number of risk factors, including the following:

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market variables such as interest rates, foreign exchange rates and equity prices. The maximum risk resulting from financial instruments equals their fair value.

The Sub-Fund assumes market risk in trading activities. The Sub-Fund distinguishes market risk as price risk, interest rate risk, and foreign exchange risk.

Price risk

The Sub-Fund's market price risk is managed through diversification of the investment portfolio as well as investing in securities with strong fundamentals. The Manager considers that the table below summarises the overall market exposures of the Sub-Fund and the impact of increases/decreases from the Sub-Fund's financial assets at fair value through profit or loss on the Sub-Fund's net asset values as at 31 December 2024 and 2023. The analysis is based on the assumption that the underlying investments in equity securities increased/decreased by a reasonable possible shift, with all other variables held constant. However, this does not represent a prediction of the future movement in the corresponding key markets.

	Carrying value of financial assets at fair value through profit or loss USD	Shift in underlying securities increase/ (decrease) %	Estimated possible change in net asset value increase/ (decrease) USD
As at 31 December 2024			
Financial assets at fair value through profit or loss	9,398,512	5 (5)	469,926 (469,926)
As at 31 December 2023			
Financial assets at fair value through profit or loss	21,324,152	5 (5)	1,066,208 (1,066,208)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Market risk (continued)

Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of interest-bearing assets and liabilities and their future cash flows.

The Sub-Fund has no significant interest-bearing financial assets and liabilities except for cash and cash equivalents and due from brokers amounted to USD134,422 (2023: USD1,253,001) and USD256,380 (2023: USD459,621) respectively. At the end of the reporting period, assuming all other factors unchanged, should interest rates increase/decrease by 50 basis points, increase/decrease in total comprehensive income of the Sub-Fund would amount to USD1,954 (2023: USD8,563).

Foreign exchange risk

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

The functional currency of the Sub-Fund is United States Dollar. The Sub-Fund is thus exposed to foreign currency risk which arises from its United States dollar and China renminbi financial assets at fair value through profit or loss, cash and cash equivalents and due from brokers. Management monitors this risk on an ongoing basis and considers the Sub-Fund's exposure to United States dollar to be minimal as the Hong Kong dollar is currently pegged to the United States dollar.

The Sub-Fund has no China renminbi denominated monetary items, and thus it is not exposed to foreign currency risk as at 31 December 2024 and 2023.

Liquidity risk

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Sub-Fund is exposed to the daily redemptions of the units by its investors. The investment in listed equity securities should be readily disposed of to meet the redemption payment within reasonable time.

In accordance with the Sub-Fund's policies, although the Manager will seek to select underlying equity securities which offer the opportunity to have their shares or unites redeemed within a reasonable timeframe, there can be no assurance that the liquidity of the equity securities will always be sufficient to meet redemption request. In particular, the underlying equity securities may impose redemption gates in certain situations, which means that the underlying equity securities may not always be able to satisfy redemption requests from the Sub-Fund as and when made.

The table below analyses the Sub-Fund's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of net assets date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Liquidity risk (continued)

As at 31 December 2024	On demand USD	Less than 3 months USD	3 – 12 months USD	Other USD	Total USD
Financial liabilities					
Due to brokers	-	46,530	-	-	46,530
Management fees payable	-	12,985	-	-	12,985
Trustee fee payable	-	2,107	-	-	2,107
Withholding tax payable	-	-	1,988	-	1,988
Redemption payable	-	61,895	-	-	61,895
Accrued expense and other payables	-	-	50,960	-	50,960
Net assets attributable to unitholders*	-	-	-	9,620,328	9,620,328
Total financial liabilities	-	123,517	52,948	9,620,328	9,796,793
As at 31 December 2023	On demand USD	Less than 3 months USD	3 – 12 months USD	Other USD	Total USD
Financial liabilities					
Financial liabilities at fair value through profit or loss	106,730	-	-	-	106,730
Management fees payable	-	29,083	-	-	29,083
Trustee fee payable	-	4,792	-	-	4,792
Withholding tax payable	-	-	1,870	-	1,870
Redemption payable	-	35,762	-	-	35,762
Accrued expense and other payables	-	-	48,570	-	48,570
Net assets attributable to unitholders*	-	-	-	22,819,542	22,819,542
Total financial liabilities	106,730	69,637	50,440	22,819,542	23,046,349

*Subject to the redemption policy stated in the Trust Deed.

The Sub-Fund invest a majority portion of the assets in equity securities. In particular, the Sub-Fund may invest in equity securities trading in Hong Kong or other countries and such investments are also easily disposed of for cash.

The following table illustrates the expected liquidity of assets held:

As at 31 December 2024	On demand USD	Less than 3 months USD	Other USD	Total USD
Financial assets				
Financial assets at fair value through profit or loss	9,398,512	-	-	9,398,512
Due from brokers	256,380	-	-	256,380
Dividend receivables	7,466	-	-	7,466
Interest receivable on bank deposits	13	-	-	13
Cash and cash equivalents	15,922	118,500	-	134,422
Total financial assets	9,678,293	118,500	-	9,796,793

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Liquidity risk (continued)

As at 31 December 2023	On demand USD	Less than 3 months USD	Other USD	Total USD
Financial assets				
Financial assets at fair value through profit or loss	21,324,152	-	-	21,324,152
Due from brokers	459,621	-	-	459,621
Dividend receivables	8,904	-	-	8,904
Interest receivable on bank deposits	671	-	-	671
Cash and cash equivalents	25,361	1,227,640	-	1,253,001
			-	
Total financial assets	<u>21,818,709</u>	<u>1,227,640</u>	<u>-</u>	<u>23,046,349</u>

Credit risk and counterparty risk

The Sub-Fund are exposed to credit risk, which is the risk that the counterparty will be unable to pay amounts in full when they fall due.

All transactions in collective investment schemes are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of the units of the collective investment schemes sold is only made when the brokers has received payment. Payment is only made on a purchase when the nits of the collective investment schemes have been received by the brokers. The trade will fail if either party fails to meet its obligation.

For credit risk, it primarily arises from investments in the underlying equity securities and cash and cash equivalents held with financial institutions. Credit risk arises from the underlying equity securities ability to realise their investments to meet any redemptions made by the Sub-Fund. This risk is measured by reference to the available net assets in the underlying equity securities.

Financial assets subject to IFRS 9's impairment requirements

The Sub-Fund's financial assets subject to the ECL model within IFRS 9 are dividend receivables, due from brokers, interest receivable on bank deposits and cash and cash equivalents. No loss allowance had been provided. There is not considered to be any concentration of credit risk within these assets. No assets are considered impaired and no amounts have been written off in the year.

In calculating the loss allowance, a provision matrix has been used based on historical observed loss rates over the expected life of the receivables adjusted for forward-looking estimates. At 31 December 2024 and 2023 no loss allowance had been provided. No assets are considered impaired and no amounts have been written off in the period.

In calculating the loss allowance, a provision matrix has been used based on historical observed loss rates over the expected life of the receivables adjusted for forward-looking estimates. Items have been grouped by their nature into the following categories: dividend receivables, other receivables, due from brokers and cash and cash equivalents. All the Sub-Fund's due from brokers and cash and cash equivalents are held in major financial institutions which the Manager believes are of high credit quality. The Manager considers the Sub-Fund are not exposed to significant credit risk and no loss allowance has been made.

Maximum exposure and year-end staging as at 31 December 2024 and 2023

The table below shows the credit quality and the maximum exposure to credit risk based on the Sub-Fund's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2024 and 2023:

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Financial assets subject to IFRS 9's impairment requirements (continued)

As at 31 December 2024	<u>12-month expected credit losses</u>	<u>Lifetime Expected Credit losses</u>		Simplified Approach USD	Total USD
	Stage 1 USD	Stage 2 USD	Stage 3 USD		
Financial assets					
Due from brokers					
- Not yet past due	256,380	-	-	-	256,380
Dividend receivables					
- Not yet past due	7,466	-	-	-	7,466
Interest receivable on bank deposits					
- Not yet past due	13	-	-	-	13
Cash and cash equivalents					
- Not yet past due	134,422	-	-	-	134,422
Total financial assets	398,281	-	-	-	398,281

As at 31 December 2023	<u>12-month expected credit losses</u>	<u>Lifetime Expected Credit losses</u>		Simplified Approach USD	Total USD
	Stage 1 USD	Stage 2 USD	Stage 3 USD		
Financial assets					
Due from brokers					
- Not yet past due	459,621	-	-	-	459,621
Dividend receivables					
- Not yet past due	8,904	-	-	-	8,904
Interest receivable on bank deposits					
- Not yet past due	671	-	-	-	671
Cash and cash equivalents					
- Not yet past due	1,253,001	-	-	-	1,253,001
Total financial assets	1,722,197	-	-	-	1,722,197

Financial assets not subject to IFRS 9's impairment requirements

The Sub-Fund are exposed to credit risk on equity securities and debt securities. These classes of financial assets are not subject to IFRS 9's impairment requirements as they are measured at FVPL. The carrying value of these assets, under IFRS 9 represents the Sub-Fund's maximum exposure to credit risk on financial instruments not subject to the IFRS 9's impairment requirements on the respective reporting dates.

The Sub-Fund's financial assets which are potentially subject to concentrations of counterparty risk consist principally of bank deposits and assets held with the custodians. The table below summarises the credit rating of banks, custodians and brokers with which the Sub-Fund's assets are held as at 31 December 2024 and 2023.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVE AND POLICIES (continued)

Financial assets not subject to IFRS 9's impairment requirements (continued)

As at 31 December 2024

	USD	Credit rating	Source of credit rating
<u>Bank</u>			
Industrial and Commercial Bank of China (Asia) Limited	134,422	A	Standard & Poor's
<u>Custodian</u>			
Industrial and Commercial Bank of China (Asia) Limited	9,381,317	A	Standard & Poor's

As at 31 December 2023

	USD	Credit rating	Source of credit rating
<u>Bank</u>			
Industrial and Commercial Bank of China (Asia) Limited	1,253,001	A	Standard & Poor's
<u>Custodian</u>			
Industrial and Commercial Bank of China (Asia) Limited	21,324,152	A	Standard & Poor's

Capital management risk

The Sub-Fund's objectives for managing capital are to invest the capital in investments in order to achieve its investment objective while maintaining sufficient liquidity to meet the expenses of the Sub-Fund, and to meet redemption requests as they arise.

13. TRANSACTIONS WITH THE TRUSTEE AND THE MANAGER AND THEIR CONNECTED PERSONS

Connected persons of the Manager are those as defined in the SFC Code. All transactions entered into during the year between the Sub-Fund and the Trustee, and the Manager and its connected persons were carried out in the normal course of business and on normal commercial terms. To the best of the Manager's knowledge, the Sub-Fund do not have any other transactions with connected persons except for those disclosed in note 3 to the financial statements.

(a) Bank deposits and investments held by the affiliate companies of the Trustee

The Sub-Fund's bank deposits, including cash balances and time deposits, and investments were held by Industrial and Commercial Bank of China (Asia) Limited, an affiliate company of the Trustee. Further details of the balances held are described in notes 7 and 8 to the financial statements. During the year, the Trustee has also provided foreign currency exchange services to the Sub-Fund. During the year, interest income on these bank balances were:

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NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

13. TRANSACTIONS WITH THE TRUSTEE AND THE MANAGER AND THEIR CONNECTED PERSONS (continued)

(a) Bank deposits and investments held by the affiliate companies of the Trustee (continued)

	31 December 2024 USD	31 December 2023 USD
Interest income	58,239	79,608

(b) Holdings in the Sub-Fund

The Sub-Fund allows the Manager, its connected persons and other funds managed by the Manager to subscribe for, and redeem, units in the Sub-Fund.

During the year ended 31 December 2024, Essence International Securities (Hong Kong) Limited, the broker of the Sub-Fund, made redemptions of 3,141,278.79 units amounted to HKD3,160,440.59 and dividend reinvestment of 36,033.30 units amounted to HKD 34,258.29 in Class A HKD (Dist) and 642,042.19 units amounted to USD845,929.63 in Class A USD in the Sub-fund. As at 31 December 2024, it does not have any holdings in the Sub-fund.

During the year ended 31 December 2024, the Manager had no subscriptions or redemptions in the Sub-fund. As at 31 December 2024, the Manager does not have any holdings in the Sub-fund.

During the year ended 31 December 2024, the Directors and senior management of the Manager had no subscriptions or redemptions in the Sub-fund.

As at 31 December 2024, the Directors and senior management of the Manager do not holds any units in the Sub-Fund.

During the year ended 31 December 2023, Essence International Securities (Hong Kong) Limited, the broker of the Sub-Fund, made subscriptions of 203,950.44 units amounted to HKD197,511.04 in Class A HKD (Dist) in the Sub-fund. As at 31 December 2023, it holds 642,042.19 units in Class A USD and 3,105,245.49 units in Class A HKD (Dist).

During the year ended 31 December 2023, the Manager had no subscriptions or redemptions in the Sub-Fund. As at 31 December 2023, the Manager does not have any holdings in the Sub-Fund.

During the year ended 31 December 2023, the Directors and senior management of the Manager had no subscriptions or redemptions in the Sub-Fund.

As at 31 December 2023, the Directors and senior management of the Manager do not holds any units in the Sub-Fund.

During the years ended 31 December 2024 and 31 December 2023, there were no investment holdings which were bought from other funds also managed by the Manager of the Sub-Fund.

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- Foundation Global Income and Growth Fund

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

14. DERIVATIVE FINANCIAL INSTRUMENTS

The derivative financial instruments held by the Sub-Fund as at 31 December 2024 and 2023 are summarised below:

Future contracts

Futures contracts are commitments to make or take future delivery of various commodities, currencies or financial instruments at a specified time and place. These commitments can be discharged by making or taking delivery of an approved grade of commodity, currency and financial instrument by cash settlement or by making an offsetting sale or purchase of an equivalent futures contract on the same (or a linked) exchange prior to the designated date of delivery.

The details of future contracts as at 31 December 2024 and 2023 are as follows:

Description	Lots Size	Position	Fair value	Notional value (at cost)
2024				
Financial liabilities at fair value through profit or loss				
CME E-Mini NASDAQ 100 Index Future Mar25	1	Short	USD17,195	USD441,725
2023				
Financial liabilities at fair value through profit or loss				
CME E-Mini NASDAQ 100 Index Future Mar24	5	Short	(USD57,322)	USD1,645,028
E-mini S&P 500 Futures Mar24	7	Short	(USD49,408)	USD1,637,592

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

15. SOFT COMMISSION ARRANGEMENT

The Manager and its connected persons may enter into soft commission arrangements with brokers under which certain goods and services used to support investment decision making will be received. The Manager and its connected persons will not make direct payment for these services but will transact an agreed amount of business with brokers on behalf of the Sub-Fund and commission will be paid on these transactions.

The goods and services must be of demonstrable benefit to the Sub-Fund and may include research and advisory services, economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis and data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment-related publications.

For the year ended 31 December 2024, the Manager had participated in soft commission arrangements in respect of transactions executed during the year amounted to USD33,150,813 (2023: USD83,911,434) for the Sub-Fund. USD1,624 (2023: USD19,869) have been paid by the Manager related to the investment research and monitoring services for the Sub-Fund respectively.

16. EVENTS AFTER THE REPORTING PERIOD

During the year between the reporting date and the date of authorisation of these financial statements, the Sub-Fund has subsequently received subscriptions in Class A HKD, Class A USD (Dist) and Class A USD amounted to USD6,999, USD7,892 and USD86,625, respectively, paid redemptions in Class A HKD (Dist), Class A HKD, Class A USD (Dist) and Class A USD amounted to USD5,818, USD44,718, USD74,009 and USD3,553,904, respectively, declared dividends in Class A HKD (Dist) and Class A USD (Dist) amounted to HKD45,466 and USD41,195, respectively and reinvested dividends in Class A HKD (Dist) amounted to USD130.

17. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Manager and the Trustee on 30 April 2025.

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

INVESTMENT PORTFOLIO (UNAUDITED)

As at 31 December 2024

<u>EQUITY SECURITIES</u>	Nominal value/ Holding	Fair value USD	% of net assets
Foundation China Equity Fund - Class A USD	2,106,356	1,990,085	20.67
HSBC Global Liquidity Funds plc - US Dollar ESG			
Liquidity Fund - Class A	421,383	421,383	4.38
iShares 1-3 Year Treasury Bond ETF	10,742	880,629	9.15
JPMorgan Ultra-Short Income ETF	17,462	879,561	9.14
Meta Platforms Inc - Class A	1,447	847,233	8.80
Microsoft Corp	2,045	861,968	8.95
NVIDIA Corp	6,271	842,133	8.75
Salesforce Inc	2,650	885,975	9.20
Taiwan Semiconductor Manufacturing Co Ltd	4,540	896,605	9.31
Visa Inc	2,771	875,747	9.10
Total equity securities		9,381,317	97.45
<u>FUTURES</u>			
CME E-Mini NASDAQ 100 Index Future Mar25	(1)	17,195	0.18
Underlying asset: Mini NASDAQ 100			
Issuer: Chicago Mercantile Exchange			
Total futures		17,195	0.18
Other net assets		221,816	2.31
Net asset attributable to unitholders as at 31 December 2024		9,620,328	100.00
Total investment, at cost		9,866,658	

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

Year ended 31 December 2024

	At 31 December 2023	<u>Movement in holdings</u>		At 31 December 2024
		Additions	Disposals	
<u>EQUITY SECURITIES</u>				
Adobe Inc	1,614	-	(1,614)	-
Alphabet Inc - Class A	-	2,506	(2,506)	-
Dell Technologies Inc	19,662	1,073	(20,735)	-
Foundation China Equity Fund - Class A USD	4,937,909	-	(2,831,553)	2,106,356
HSBC Global Liquidity Funds plc - US Dollar ESG Liquidity Fund - Class A	6,746,195	1,380,744	(7,705,556)	421,383
HSBC Global Liquidity Funds plc - US Dollar Liquidity Fund - Class A	-	1,850,000	(1,850,000)	-
iShares 1-3 Year Treasury Bond ETF	-	12,170	(1,428)	10,742
iShares Bitcoin Trust	-	22,775	(22,775)	-
JPMorgan Ultra-Short Income ETF	-	19,770	(2,308)	17,462
KE Holdings Inc	-	9,248	(9,248)	-
KraneShares CSI China Internet ETF	-	7,199	(7,199)	-
Meta Platforms Inc - Class A	1,420	1,557	(1,530)	1,447
Microsoft Corp	2,437	3,665	(4,057)	2,045
MicroStrategy Inc	1,478	-	(1,478)	-
NVIDIA Corp	2,995	11,352	(16,464)	6,271
PDD Holdings Inc	-	2,352	(2,352)	-
ProShares Bitcoin Strategy ETF	-	40,266	(40,266)	-
QUALCOMM Inc	-	6,275	(6,275)	-
Salesforce Inc	3,666	3,449	(4,465)	2,650
Taiwan Semiconductor Manufacturing Co Ltd	18,602	7,791	(21,853)	4,540
Visa Inc	3,888	3,556	(4,673)	2,771
<u>FUTURES</u>				
E-mini S&P 500 Futures Mar24	(7)	7	-	-
E-mini S&P 500 Futures Mar24	-	3	(3)	-
CME E-Mini NASDAQ 100 Index Future Mar24	(5)	5	-	-
CME E-Mini NASDAQ 100 Index Future Mar25	-	-	(1)	(1)
CME E-Mini NASDAQ 100 Index Future Jun24	-	2	(2)	-
CME E-Mini NASDAQ 100 Index Future Sep24	-	10	(10)	-
CME E-Mini NASDAQ 100 Index Future Dec24	-	7	(7)	-
CME E-Mini Russell 2000 Index Future Jun24	-	28	(28)	-
CME E-Mini Russell 2000 Index Future Sep24	-	27	(27)	-

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

PERFORMANCE TABLE (UNAUDITED)

31 December 2024

Published net assets attributable to unitholders
(Calculated in accordance with the Sub-Fund's Trust Deed)

	Net assets attributable to unitholders per unit	Net assets attributable to unitholders
As at 31 December 2024		
- Class A HKD	HKD1.3039	HKD1,259,892
- Class A HKD (Dist)	HKD0.9941	HKD2,077,495
- Class A USD	USD1.2962	USD7,349,068
- Class A USD (Dist)	USD0.9699	USD1,841,604
As at 31 December 2023		
- Class A HKD	HKD 1.1569	HKD389,335
- Class A HKD (Dist)	HKD 0.9401	HKD4,409,982
- Class A USD	USD 1.1441	USD19,990,152
- Class A USD (Dist)	USD 0.9145	USD2,226,250
As at 31 December 2022		
- Class A HKD	HKD 1.1166	HKD1,492,471
- Class A HKD (Dist)	HKD 0.9773	HKD4,427,562
- Class A USD	USD 1.1112	USD19,476,927
- Class A USD (Dist)	USD 0.9529	USD3,915,824

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

PERFORMANCE TABLE (UNAUDITED) (continued)

31 December 2024

Highest issue price and lowest redemption price per unit

	Highest issue price per unit	Lowest redemption price per unit
Year ended 31 December 2024		
- Class A HKD	HKD1.4517	HKD1.1483
- Class A HKD (Dist)	HKD1.1366	HKD0.9277
- Class A USD	USD1.4349	USD1.1357
- Class A USD (Dist)	USD1.1035	USD0.9024
Year ended 31 December 2023		
- Class A HKD	HKD 1.1837	HKD 1.1048
- Class A HKD (Dist)	HKD 1.0244	HKD 0.9326
- Class A USD	USD 1.1725	USD 1.0932
- Class A USD (Dist)	USD 0.9938	USD 0.9070
Year ended 31 December 2022		
- Class A HKD	HKD 1.3768	HKD 1.1136
- Class A HKD (Dist)	HKD 1.2724	HKD 0.9748
- Class A USD	USD 1.3715	USD 1.1089
- Class A USD (Dist)	USD 1.2434	USD 0.9508
Year ended 31 December 2021		
- Class A HKD	HKD 1.4381	HKD 1.3221
- Class A HKD (Dist)	HKD 1.3912	HKD 1.2626
- Class A USD	USD 1.4401	USD 1.3237
- Class A USD (Dist)	USD 1.3688	USD 1.2331
Period from 18 March 2020 (date of commencement of operations) to 31 December 2020		
- Class A HKD	HKD 1.3922	HKD 0.9968
- Class A HKD (Dist)	HKD 1.2901	HKD 0.9950
- Class A USD	USD 1.3945	USD 0.9978
- Class A USD (Dist)	USD 1.3551	USD 0.9978

FOUNDATION FUND SERIES
- Foundation Global Income and Growth Fund

INFORMATION ON EXPOSURE ARISING FROM FINANCIAL DERIVATIVE INSTRUMENTS (UNAUDITED)

31 December 2024

Gross exposure			Net exposure		
Highest	Lowest	Average exposure	Highest	Lowest	Average exposure
22.53%	13.95%	18.24%	22.53%	(13.95)%	0.1%

* The financial derivative instrument is considered as being acquired for hedging purpose, which is not subject to the 50% limit under Clause 7.26 of the SFC Code.