

For the financial year ended 31 December 2021

# ANNUAL REPORT INFINITY INVESTMENT SERIES

**Lion Global Investors Ltd**

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## DIRECTORY

### Manager

Lion Global Investors Limited  
65 Chulia Street #18-01  
OCBC Centre  
Singapore 049513

### Directors of Lion Global Investors Limited

Mr Khor Hock Seng (Chairman)  
Mr Gerard Lee How Cheng (Chief Executive Officer)  
Mr Tan Siew Peng  
Mr Ronnie Tan Yew Chye  
Ms Chong Chuan Neo  
Mr Leslie Teo Eng Sipp

### Trustee/Registrar

HSBC Institutional Trust Services (Singapore) Limited  
10 Marina Boulevard,  
Marina Bay Financial Centre, Tower 2,  
#48-01  
Singapore 018983

### Custodian

The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road  
Central, Hong Kong

### Independent Auditor

PricewaterhouseCoopers LLP  
7 Straits View, Marina One  
East Tower, Level 12  
Singapore 018936

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**PERFORMANCE OF THE FUND**

For the financial year ended 31 December 2021

**INFINITY U.S. 500 STOCK INDEX FUND**

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2021 in SGD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%)	
	Infinity U.S. 500 Stock Index Fund (SGD Class)	Benchmark* Returns (%)
3 months	10.0	10.1
6 months	11.4	11.8
1 year	30.0	30.7
3 years**	24.0	24.9
5 years**	15.3	16.2
10 years**	15.4	16.3
Since Inception** (31 May 2000)	5.0	6.0

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2021 in USD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%)	
	Infinity U.S. 500 Stock Index Fund (USD Class)	Benchmark* Returns (%)
3 months	10.7	10.9
6 months	11.1	11.4
1 year	27.5	28.2
3 years**	24.4	25.4
5 years**	17.0	17.8
10 years**	14.9	15.9
Since Inception** (17 October 2003)	9.3	10.3

Source: Morningstar/Lion Global Investors Ltd.

\*Benchmark:

S&P 500 Index

\*\* Returns of more than 1 year are annualised.

## REVIEW

For the year ended 31 December 2021, the Fund returned 30.0%, while the benchmark returned 30.7%, in SGD terms.

US equity markets continued their historic run in 2021. The S&P 500 notched 70 all-time highs during the year, second only to 1995. The year started off strong after Congress passed the \$1.9 trillion American Rescue Plan to sustain the economic recovery, and the Federal Reserve (Fed) maintained its accommodative stance. On the back of aggressive government stimulus, substantial pent-up consumer demand and successful vaccine rollouts, the US led the global economic recovery out of the pandemic slump. However, as demand collided with supply constraints, inflationary pressures began to intensify.

Major equity indices lost ground in the third quarter amid growing headwinds including a resurgence of COVID-19 cases, brinkmanship in Washington ahead of the debt ceiling deadline and fears of a potential financial market contagion from the troubled Chinese property market. Nevertheless, markets soon recovered following a strong earnings season that saw companies preserving profit margins despite rising input costs, though the rally was temporarily halted by the discovery of the Omicron variant.

Despite inflation climbing to a 39-year high by November 2021, the Fed's effective communication kept investors calm and its decision to accelerate the reduction of its monthly bond purchases fell in line with market expectations. By the end of 2021, sentiment improved and risk appetite returned as investors looked past the COVID-19 uncertainty and focused on the positive, including Biden's \$1.2 trillion bipartisan infrastructure bill and strong macroeconomic data that showcased the economy's resilience.

In SGD terms, Energy (+55.6%) was the best performing sector, followed by Financials (+37.0%). On the other hand, Consumer Staples (+20.0%) and Utilities (+18.9%) were the worst performing sectors.

The underlying fund in the Vanguard® Investment Series PLC has met the objectives of performing in-line with its benchmark before accounting for operating and transaction costs.

## STRATEGY AND OUTLOOK

The Fund will continue to pursue its objective of tracking the S&P 500 Index closely.

As of 3 February 2022.

**PERFORMANCE OF THE FUND**

For the financial year ended 31 December 2021

**INFINITY EUROPEAN STOCK INDEX FUND**

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2021 in SGD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%)	
	Infinity European Stock Index Fund (SGD Class)	Benchmark* Returns (%)
3 months	4.9	4.9
6 months	4.1	4.3
1 year	17.0	18.6
3 years**	13.6	14.5
5 years**	7.9	8.6
10 years**	7.6	8.6
Since Inception** (31 May 2000)	2.4	3.3

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2021 in USD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%)	
	Infinity European Stock Index Fund (USD Class)	Benchmark* Returns (%)
3 months	5.2	5.7
6 months	3.5	4.0
1 year	14.5	16.3
3 years**	14.0	14.9
5 years**	9.4	10.1
10 years**	7.2	8.2
Since Inception** (17 October 2003)	6.1	6.9

Source: Morningstar/Lion Global Investors Ltd.

\*Benchmark:

MSCI Europe

\*\* Returns of more than 1 year are annualised.

### REVIEW

For the year ended 31 December 2021, the Fund returned 17.0%, while the benchmark returned 18.6%, in SGD terms.

European equity markets started the year on a positive note, bolstered by hopes for the global economic recovery and an accommodative policy environment. The €672.5 billion Recovery and Resilience Facility was approved by the European parliament, providing pre-financing to European Union countries to alleviate the social and economic impacts of the pandemic.

Amid the rapid spread of COVID-19, the Euro zone's vaccine rollout significantly lagged most other developed countries. However, the region quickly caught up by the second quarter, which enabled the easing of restrictions and boosted consumer optimism. Euro zone businesses expanded activity at the fastest rate in 15 years in June 2021, but the surge in growth came at a cost as massive stimulus measures, pent-up savings and supply chain disruptions drove up inflationary pressures.

European equities were flat in the 3rd quarter of 2021 as the virus continued to pose a key headwind to economic growth. Renewed lockdowns and a surge in energy prices weighed on investor sentiment. Although inflation rose to a record high of 5% in December 2021, the European Central Bank cemented its dovish policy stance, providing a year-end boost to equity markets. The central bank pledged to continue its monetary accommodation into 2022, even as the Federal Reserve and Bank of England turned more hawkish, with the United Kingdom becoming the first major advanced economy to raise interest rates since the onset of the pandemic.

In SGD terms, Information Technology (+29.5%) was the best performing sector, followed by Energy (+28.3%). On the other hand, Real Estate (+2.7%) and Utilities (+2.8%) were the worst performing sectors.

The underlying fund in the Vanguard® Investment Series PLC has met the objectives of performing in-line with its benchmark before accounting for operating and transaction costs.

### STRATEGY AND OUTLOOK

The Fund will continue to pursue its objective of tracking the MSCI Europe Index closely.

As of 3 February 2022.

**PERFORMANCE OF THE FUND**

For the financial year ended 31 December 2021

**INFINITY GLOBAL STOCK INDEX FUND**

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2021 in SGD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%)	
	Infinity Global Stock Index Fund (SGD Class)	Benchmark* Returns (%)
3 months	7.4	7.0
6 months	8.3	8.1
1 year	24.2	24.3
3 years**	20.7	21.3
5 years**	12.7	13.5
10 years**	12.3	13.1
Since Inception** (31 May 2000)	4.0	4.9

Time Period	Fund Returns (%)	
	Infinity Global Stock Index Fund (SGD Class C)	Benchmark* Returns (%)
3 months	7.4	7.0
Since Inception (3 September 2021)	10.3	10.2

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2021 in USD terms, based on single pricing, with dividends reinvested net of all charges payable upon reinvestment.

Time Period	Fund Returns (%)	
	Infinity Global Stock Index Fund (USD Class)	Benchmark* Returns (%)
3 months	7.8	7.8
6 months	7.6	7.8
1 year	21.5	21.8
3 years**	21.1	21.7
5 years**	14.2	15.0
10 years**	11.9	12.7
Since Inception** (17 October 2003)	8.1	9.0

Source: Morningstar/Lion Global Investors Ltd.

\*Benchmark:

MSCI World

\*\*Returns of more than 1 year are annualised.

## REVIEW

For the year ended 31 December 2021, the Fund 24.2%, while the benchmark returned 24.3%, in SGD terms.

2021 brought hopes for a return to normalcy following 2020's COVID-19 led downturn. However, the virus continued to drive the market direction, with the emergence of the deadly Delta variant and more virulent Omicron variant later in the year dampening expectations for a full and durable global economic recovery.

Accommodative monetary policies and aggressive stimulus packages led to significant pent-up consumer demand, while fresh waves of the virus closed ports and factories worldwide, causing raw material shortages and supply-chain bottlenecks. As a result, major economies saw record-high inflation levels. For most of the year, developed market central banks largely dismissed inflation as “transitory”, but some, including the Federal Reserve, were eventually pressured to announce or signal the beginning of monetary policy normalization when inflation proved to be more persistent than anticipated. Emerging markets had a tougher road to recovery, as elevated inflation and a strengthening dollar compelled central banks to hike rates while an uneven vaccine rollout prolonged the fight against the pandemic. Performance was also weighed down by China, which advanced its “common prosperity” agenda and engaged in a broad-based regulatory crackdown and deleveraging across its private sectors.

Despite these challenges, above-trend economic growth and strong corporate earnings supported equity market gains throughout the year. Energy and Technology were among the best-performing sectors, driven by surging oil prices and an accelerated pace of digital transformation. Value stocks began the year strong on reopening trends, but markets rotated towards growth later in the year over COVID-19 concerns.

In SGD terms, by region, the US (+29.5%) and Europe (+19.5%) outperformed Japan (+4.9%) and Asia Pacific ex-Japan (-0.9%) over the period. Energy (+38.7%) was the best performing sector, followed by Information Technology (+29.9%), while Consumer Discretionary (+11.2%) and Utilities (+12.3%) were the worst performing sectors.

The underlying fund in the Vanguard® Investment Series PLC has met the objectives of performing in-line with its benchmark before accounting for operating and transaction costs.

## STRATEGY AND OUTLOOK

The Fund will continue to pursue its objective of tracking the MSCI World Index closely.

As of 3 February 2022.

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**DISCLOSURES ON THE FUND <sup>1</sup>**

For the financial year ended 31 December 2021

**INFINITY U.S. 500 STOCK INDEX FUND**

**1. DISTRIBUTION OF INVESTMENTS AS AT 31 DECEMBER 2021**

	Fair Value \$	Percentage of total net assets attributable to unitholders %
a) <u>By Asset Class</u>		
Fund	490,538,636	99.9
Financial derivatives	(1,428)	*
Cash and other net assets	363,208	0.1
<b>Net assets attributable to unitholders</b>	<b>490,900,416</b>	<b>100.0</b>
b) <u>By Credit Rating of Debt Securities</u>		
Not applicable		
c) <u>By Derivative Type</u>		
Foreign exchange spot contracts	(1,428)	*

Total net realised and unrealised losses from financial derivatives at the end of the year were \$4,678 and \$1,428 respectively.

**2. TOP 10 HOLDINGS**

**As at 31 December 2021**

	Fair Value \$	Percentage of total net assets attributable to unitholders %
Vanguard® U.S. 500 Stock Index Fund	490,538,636	99.9

\* denotes amount less than 0.1%

<sup>1</sup> As required by the Code on Collective Investment Schemes.

**2. TOP 10 HOLDINGS (continued)**

**As at 31 December 2020**

	<b>Fair Value</b>	<b>Percentage of total net assets attributable to unitholders</b>
	<b>\$</b>	<b>%</b>
Vanguard® U.S. 500 Stock Index Fund	141,662,335	99.7

**3. GLOBAL EXPOSURE**

The global exposure relating to derivative instruments is calculated using the commitment approach by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.

The global exposure of the Fund to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of the net asset value of the Fund at any time.

**4. COLLATERAL**

Nil

**5. SECURITIES LENDING OR REPURCHASE TRANSACTIONS**

Nil

**6. INVESTMENT IN OTHER UNIT TRUSTS, MUTUAL FUNDS AND COLLECTIVE INVESTMENT SCHEMES**

Please refer to Statement of Portfolio.

**7. BORROWINGS**

Nil

**8. SOFT DOLLAR COMMISSION RECEIVED BY THE MANAGERS**

The soft dollar commissions from various brokers for the financial year were utilised on research and advisory services, economic and political analyses, portfolio analyses, market analyses, data and quotation analyses and computer hardware and software used for and in support of the investment process of fund managers. Goods and services received were for the benefit of the scheme and there was no churning of trades. These brokers also execute trades for other funds managed by the managers. The trades are conducted on best available terms and in accordance with best practices.

## 9. OTHER MATERIAL INFORMATION

There is no other material information that will adversely impact the valuation of the Fund.

## 10. SUPPLEMENTAL INFORMATION ON UNDERLYING SUB-FUNDS<sup>2</sup>

	31 December 2021	31 December 2020
a) Ratio of expenses to average net assets	0.10%	0.10%
b) Turnover ratios	-44%	14%
c) Top 10 holdings		

### As at 31 December 2021

	Fair Value US\$ million	Percentage of total assets %
Apple Inc.	738.4	6.8
Microsoft Corp.	673.7	6.2
Alphabet Inc.	448.4	4.1
Amazon.com Inc.	387.9	3.6
Tesla Inc.	229.4	2.1
Meta Platforms Inc.	212.4	2.0
NVIDIA Corp.	196.2	1.8
Berkshire Hathaway Inc.	146.0	1.3
UnitedHealth Group Inc.	126.2	1.2
JPMorgan Chase & Co.	124.8	1.1

<sup>2</sup> Based on latest available information provided by the underlying sub-fund managers.

10. SUPPLEMENTAL INFORMATION ON UNDERLYING SUB-FUNDS<sup>2</sup> (continued)

As at 31 December 2020

	Fair Value US\$ million	Percentage of total assets %
Apple Inc.	605.7	6.6
Microsoft Corp.	486.4	5.3
Amazon.com Inc.	394.6	4.3
Alphabet Inc.	293.7	3.2
Facebook Inc.	192.7	2.1
Tesla Inc.	156.0	1.7
Berkshire Hathaway Inc.	128.5	1.4
Johnson & Johnson	119.3	1.3
JPMorgan Chase & Co.	110.1	1.2
Visa Inc.	110.1	1.2

<sup>2</sup> Based on latest available information provided by the underlying sub-fund managers.

**DISCLOSURES ON THE FUND <sup>1</sup>**

For the financial year ended 31 December 2021

**INFINITY EUROPEAN STOCK INDEX FUND**

**1. DISTRIBUTION OF INVESTMENTS AS AT 31 DECEMBER 2021**

	Fair Value \$	Percentage of total net assets attributable to unitholders %
a) <u>By Asset Class</u>		
Fund	11,509,098	99.6
Cash and other net assets	50,773	0.4
<b>Net assets attributable to unitholders</b>	11,559,871	100.0

b) By Credit Rating of Debt Securities

Not applicable

c) By Derivative Type

Total net realised losses from financial derivatives at the end of the year was \$715.

**2. TOP 10 HOLDINGS**

**As at 31 December 2021**

	Fair Value \$	Percentage of total net assets attributable to unitholders %
Vanguard® European Stock Index Fund	11,509,098	99.6

**As at 31 December 2020**

	Fair Value \$	Percentage of total net assets attributable to unitholders %
Vanguard® European Stock Index Fund	8,747,160	100.4

<sup>1</sup> As required by the Code on Collective Investment Schemes.

### 3. GLOBAL EXPOSURE

The global exposure relating to derivative instruments is calculated using the commitment approach by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.

The global exposure of the Fund to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of the net asset value of the Fund at any time.

### 4. COLLATERAL

Nil

### 5. SECURITIES LENDING OR REPURCHASE TRANSACTIONS

Nil

### 6. INVESTMENT IN OTHER UNIT TRUSTS, MUTUAL FUNDS AND COLLECTIVE INVESTMENT SCHEMES

Please refer to Statement of Portfolio.

### 7. BORROWINGS

Nil

### 8. SOFT DOLLAR COMMISSION RECEIVED BY THE MANAGERS

The soft dollar commissions from various brokers for the financial year were utilised on research and advisory services, economic and political analyses, portfolio analyses, market analyses, data and quotation analyses and computer hardware and software used for and in support of the investment process of fund managers. Goods and services received were for the benefit of the scheme and there was no churning of trades. These brokers also execute trades for other funds managed by the managers. The trades are conducted on best available terms and in accordance with best practices.

### 9. OTHER MATERIAL INFORMATION

There is no other material information that will adversely impact the valuation of the Fund.

**10. SUPPLEMENTAL INFORMATION ON UNDERLYING SUB-FUNDS<sup>2</sup>**

	<b>31 December 2021</b>	<b>31 December 2020</b>
a) Ratio of expenses to average net assets	0.12%	0.12%
b) Turnover ratios	-31%	17%
c) Top 10 holdings		

**As at 31 December 2021**

	<b>Fair Value US\$ Million</b>	<b>Percentage of total assets %</b>
Nestle SA	164.5	3.4
ASML Holding NV	138.9	2.9
Roche Holding AG	128.2	2.7
LVMH Moet Hennessy Louis Vuitton SE	96.0	2.0
Novartis AG	80.7	1.7
Novo Nordisk A/S	79.1	1.7
AstraZeneca plc	76.1	1.6
Royal Dutch Shell plc	71.6	1.5
SAP SE	62.1	1.3
Unilever	58.0	1.2

**As at 31 December 2020**

	<b>Fair Value US\$ Million</b>	<b>Percentage of total assets %</b>
Nestle SA	171.9	3.4
Roche Holding AG	126.4	2.5
Novartis AG	106.1	2.1
ASML Holding NV	106.1	2.1
LVMH Moet Hennessy Louis Vuitton SE	85.9	1.7
Unilever	80.9	1.6
SAP SE	70.8	1.4
Royal Dutch Shell plc	70.8	1.4
AstraZeneca plc	65.7	1.3
Novo Nordisk A/S	60.7	1.2

<sup>2</sup> Based on latest available information provided by the underlying sub-fund managers.

**DISCLOSURES ON THE FUND <sup>1</sup>**

*For the financial year ended 31 December 2021*

**INFINITY GLOBAL STOCK INDEX FUND**

**1. DISTRIBUTION OF INVESTMENTS AS AT 31 DECEMBER 2021**

	<b>Fair Value</b>	<b>Percentage of</b>
	<b>\$</b>	<b>total net assets</b>
		<b>attributable to</b>
		<b>unitholders</b>
		<b>%</b>
a) <u>By Asset Class</u>		
Fund	212,282,356	99.8
Cash and other net assets	344,088	0.2
<b>Net assets attributable to unitholders</b>	212,626,444	100.0

b) By Credit Rating of Debt Securities

Not applicable

c) By Derivative Type

Total net realised losses from financial derivatives at the end of the year was \$7,288.

**2. TOP 10 HOLDINGS**

**As at 31 December 2021**

	<b>Fair Value</b>	<b>Percentage of</b>
	<b>\$</b>	<b>total net assets</b>
		<b>attributable to</b>
		<b>unitholders</b>
		<b>%</b>
Vanguard® Global Stock Index Fund	212,282,356	99.8

<sup>1</sup> As required by the Code on Collective Investment Schemes.

**2. TOP 10 HOLDINGS (continued)**

As at 31 December 2020

	Fair Value \$	Percentage of total net assets attributable to unitholders %
Vanguard® Global Stock Index Fund	91,261,839	99.6

**3. GLOBAL EXPOSURE**

The global exposure relating to derivative instruments is calculated using the commitment approach by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.

The global exposure of the Fund to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of the net asset value of the Fund at any time.

**4. COLLATERAL**

Nil

**5. SECURITIES LENDING OR REPURCHASE TRANSACTIONS**

Nil

**6. INVESTMENT IN OTHER UNIT TRUSTS, MUTUAL FUNDS AND COLLECTIVE INVESTMENT SCHEMES**

Please refer to Statement of Portfolio.

**7. BORROWINGS**

Nil

**8. SOFT DOLLAR COMMISSION RECEIVED BY THE MANAGERS**

The soft dollar commissions from various brokers for the financial year were utilised on research and advisory services, economic and political analyses, portfolio analyses, market analyses, data and quotation analyses and computer hardware and software used for and in support of the investment process of fund managers. Goods and services received were for the benefit of the scheme and there was no churning of trades. These brokers also execute trades for other funds managed by the managers. The trades are conducted on best available terms and in accordance with best practices.

**9. OTHER MATERIAL INFORMATION**

There is no other material information that will adversely impact the valuation of the Fund.

**10. SUPPLEMENTAL INFORMATION ON UNDERLYING SUB-FUNDS<sup>2</sup>**

	<b>31 December 2021</b>	<b>31 December 2020</b>
a) Ratio of expenses to average net assets	0.18%	0.18%
b) Turnover ratios	-48%	11%
c) Top 10 holdings		

**As at 31 December 2021**

	<b>Fair Value US\$ Million</b>	<b>Percentage of total assets %</b>
Apple Inc.	672.4	4.6
Microsoft Corp.	549.4	3.8
Alphabet Inc.	390.3	2.7
Amazon.com Inc.	347.8	2.4
Tesla Inc.	203.5	1.4
Meta Platforms Inc.	183.4	1.3
NVIDIA Corp.	168.2	1.2
JPMorgan Chase & Co.	108.6	0.7
UnitedHealth Group Inc.	108.3	0.7
Johnson & Johnson	103.1	0.7

<sup>2</sup> Based on latest available information provided by the underlying sub-fund managers.

10. SUPPLEMENTAL INFORMATION ON UNDERLYING SUB-FUNDS<sup>2</sup> (continued)

As at 31 December 2020

	Fair Value US\$ Million	Percentage of total assets %
Apple Inc.	482.2	4.3
Microsoft Corp.	336.4	3.0
Amazon.com Inc.	291.6	2.6
Alphabet Inc.	224.3	2.0
Facebook Inc.	134.6	1.2
Tesla Inc.	112.1	1.0
Johnson & Johnson	89.7	0.8
JPMorgan Chase & Co.	78.5	0.7
Visa Inc.	78.5	0.7
Procter & Gamble Co.	78.5	0.7

<sup>2</sup> Based on latest available information provided by the underlying sub-fund managers.

## REPORT OF THE TRUSTEE

*For the financial year ended 31 December 2021*

The Trustee is under a duty to take into custody and to hold the assets of the sub-funds of Infinity Investment Series, namely Infinity U.S. 500 Stock Index Fund, Infinity European Stock Index Fund and Infinity Global Stock Index Fund (collectively referred to as the “Sub-Funds”) in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Sub-Funds during the financial year covered by these financial statements, set out on pages 25 to 67, in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee  
HSBC INSTITUTIONAL TRUST SERVICES (SINGAPORE) LIMITED

Authorised signatory

28 March 2022

## STATEMENT BY THE MANAGER

*For the financial year ended 31 December 2021*

In the opinion of Lion Global Investors Limited, the accompanying financial statements set out on pages 25 to 67, comprising the Statements of Total Return, Statements of Financial Position, Statements of Movements of Unitholders' Funds, Statements of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial positions and the portfolio holdings of the sub-funds of Infinity Investment Series, namely Infinity U.S. 500 Stock Index Fund, Infinity European Stock Index Fund and Infinity Global Stock Index Fund (collectively referred to as the "Sub-Funds") as at 31 December 2021, and the financial performance and movements in unitholders' funds for the financial year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Sub-Funds will be able to meet its financial obligations as and when they materialise.

For and on behalf of  
LION GLOBAL INVESTORS LIMITED

GERARD LEE HOW CHENG  
CEO

28 March 2022

## INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE INFINITY INVESTMENT SERIES

*(Constituted under a Trust Deed in the Republic of Singapore)*

### **Our Opinion**

In our opinion, the accompanying financial statements of the sub-funds of Infinity Investment Series, namely Infinity U.S. 500 Stock Index Fund, Infinity European Stock Index Fund and Infinity Global Stock Index Fund (collectively known as the "Sub-Funds") are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants, so as to present fairly, in all material respects, the financial position and portfolio holdings of the Sub-Funds as at 31 December 2021, and the financial performance and movements of unitholders' funds for the financial year ended on that date.

#### *What we have audited*

The financial statements of the Sub-Funds comprise:

- the Statements of Total Return for the financial year ended 31 December 2021;
- the Statements of Financial Position as at 31 December 2021;
- the Statements of Movements of Unitholders' Funds for the financial year ended 31 December 2021;
- the Statements of Portfolio as at 31 December 2021; and
- the notes to the financial statements, including a summary of significant accounting policies.

### **Basis for Opinion**

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Independence*

We are independent of the Sub-Funds in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

### **INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE INFINITY INVESTMENT SERIES**

*(Constituted under a Trust Deed in the Republic of Singapore)*

#### **Other Information**

The Sub-Funds' Manager (the "Manager") is responsible for the other information. The other information comprises all sections of the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of the Manager for the Financial Statements**

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" issued by the Institute of Singapore Chartered Accountants and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Sub-Funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Sub-Funds or to cease the Sub-Funds' operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Sub-Funds' financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

### INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF THE INFINITY INVESTMENT SERIES

*(Constituted under a Trust Deed in the Republic of Singapore)*

#### **Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Funds' 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-Funds' 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-Funds 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 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.

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants

Singapore, 28 March 2022

## STATEMENTS OF TOTAL RETURN

For the financial year ended 31 December 2021

		<b>Infinity U.S. 500 Stock Index Fund</b>	
		<b>2021</b>	<b>2020</b>
<b>Note</b>		<b>\$</b>	<b>\$</b>
<b>Expenses</b>			
	Audit fee	10,350	10,350
	Management fee	1,445,035	387,815
	Professional fees	18,690	12,727
	Registration fee	24,713	23,886
	Miscellaneous expenses	50,772	29,963
		<u>1,549,560</u>	<u>464,741</u>
	<b>Net expense</b>	<u>(1,549,560)</u>	<u>(464,741)</u>
<b>Net gains or losses on value of investments and financial derivatives</b>			
	Net gains on investments	76,495,678	15,071,983
	Net losses on foreign exchange spot contracts	(1,491)	(21,126)
	Net losses on foreign exchange forward contracts	(4,615)	-
	Net foreign exchange (losses)/gains	(48,337)	14,304
		<u>76,441,235</u>	<u>15,065,161</u>
	<b>Total return for the financial year before income tax</b>	74,891,675	14,600,420
	<b>Less: Income tax</b>	3                    -	-
	<b>Total return for the financial year</b>	<u>74,891,675</u>	<u>14,600,420</u>

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

**STATEMENTS OF TOTAL RETURN***For the financial year ended 31 December 2021*

		<b>Infinity European Stock Index Fund</b>	
		<b>2021</b>	<b>2020</b>
<b>Note</b>		<b>\$</b>	<b>\$</b>
<b>Expenses</b>			
	Audit fee	7,000	7,000
	Management fee	49,531	34,376
	Professional fees	5,000	9,939
	Registration fee	15,913	15,482
	Miscellaneous expenses	6,776	8,954
		<u>84,220</u>	<u>75,751</u>
	<b>Net expense</b>	<u>(84,220)</u>	<u>(75,751)</u>
<b>Net gains or losses on value of investments and financial derivatives</b>			
	Net gains on investments	1,730,179	454,400
	Net losses on foreign exchange spot contracts	(715)	(831)
	Net foreign exchange gains/(losses)	949	(1,438)
		<u>1,730,413</u>	<u>452,131</u>
	<b>Total return for the financial year before income tax</b>	1,646,193	376,380
	<b>Less: Income tax</b>	3 -	-
	<b>Total return for the financial year</b>	<u>1,646,193</u>	<u>376,380</u>

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

**STATEMENTS OF TOTAL RETURN**
*For the financial year ended 31 December 2021*

		<b>Infinity Global Stock Index Fund</b>	
		<b>2021</b>	<b>2020</b>
<b>Note</b>		<b>\$</b>	<b>\$</b>
<b>Income</b>			
	Interest on cash and bank balances	-	1
<b>Expenses</b>			
	Audit fee	10,350	10,350
	Management fee	666,649	334,265
	Professional fees	25,957	19,115
	Registration fee	20,745	20,176
	Transaction costs	-	(25)
	Miscellaneous expenses	45,063	22,378
		768,764	406,259
	<b>Net expense</b>	<b>(768,764)</b>	<b>(406,258)</b>
<b>Net gains or losses on value of investments and financial derivatives</b>			
	Net gains on investments	30,022,434	11,110,026
	Net (losses)/gains on foreign exchange spot contracts	(5,442)	4,019
	Net losses on foreign exchange forward contracts	(1,846)	-
	Net foreign exchange gains	127,772	7,520
		30,142,918	11,121,565
	<b>Total return for the financial year before income tax</b>	<b>29,374,154</b>	<b>10,715,307</b>
	<b>Less: Income tax</b>	-	-
	<b>Total return for the financial year</b>	<b>29,374,154</b>	<b>10,715,307</b>

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

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021

		<b>Infinity U.S. 500 Stock Index Fund</b>	
		<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
Portfolio of investment		490,538,636	141,662,335
Receivables	4	2,012,640	1,254,427
Financial derivatives at fair value	5	-	126
Cash and cash equivalents	6	2,433,852	2,046,353
<b>Total assets</b>		<u>494,985,128</u>	<u>144,963,241</u>
<b>LIABILITIES</b>			
Payables	7	2,330,689	480,701
Due to brokers	8	1,752,595	2,378,970
Financial derivatives at fair value	5	1,428	-
<b>Total liabilities</b>		<u>4,084,712</u>	<u>2,859,671</u>
<b>EQUITY</b>			
Net assets attributable to unitholders	9	<u>490,900,416</u>	<u>142,103,570</u>

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

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021

		<b>Infinity European Stock Index Fund</b>	
		<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
Portfolio of investment		11,509,098	8,747,160
Receivables	4	1,034	998
Cash and cash equivalents	6	102,787	52,317
<b>Total assets</b>		<u>11,612,919</u>	<u>8,800,475</u>
<b>LIABILITIES</b>			
Payables	7	53,048	87,099
<b>Total liabilities</b>		<u>53,048</u>	<u>87,099</u>
<b>EQUITY</b>			
Net assets attributable to unitholders	9	<u>11,559,871</u>	<u>8,713,376</u>

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

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2021

		Infinity Global Stock Index Fund	
		2021	2020
Note		\$	\$
<b>ASSETS</b>			
	Portfolio of investment	212,282,356	91,261,839
	Receivables	131,515	33,620
	Financial derivatives at fair value	-	28
	Cash and cash equivalents	1,190,213	742,501
	<b>Total assets</b>	213,604,084	92,037,988
<b>LIABILITIES</b>			
	Payables	977,640	143,494
	Due to brokers	-	264,330
	<b>Total liabilities</b>	977,640	407,824
<b>EQUITY</b>			
	Net assets attributable to unitholders	212,626,444	91,630,164

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

## STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 31 December 2021

	Note	Infinity U.S. 500 Stock Index Fund	
		2021	2020
		\$	\$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		142,103,570	54,143,436
<b>Operations</b>			
Change in net assets attributable to unitholders resulting from operations		74,891,675	14,600,420
<b>Unitholders' contributions/(withdrawals)</b>			
Creation of units		360,948,494	107,716,625
Cancellation of units		(87,043,323)	(34,356,911)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		273,905,171	73,359,714
Total increase in net assets attributable to unitholders		348,796,846	87,960,134
<b>Net assets attributable to unitholders at the end of the financial year</b>	9	490,900,416	142,103,570

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

**STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 31 December 2021*

	<b>Infinity European Stock Index Fund</b>		
	<b>Note</b>	<b>2021</b>	<b>2020</b>
		<b>\$</b>	<b>\$</b>
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		8,713,376	7,413,501
<b>Operations</b>			
Change in net assets attributable to unitholders resulting from operations		1,646,193	376,380
<b>Unitholders' contributions/(withdrawals)</b>			
Creation of units		3,147,909	3,478,298
Cancellation of units		(1,947,607)	(2,554,803)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		1,200,302	923,495
Total increase in net assets attributable to unitholders		2,846,495	1,299,875
<b>Net assets attributable to unitholders at the end of the financial year</b>	9	11,559,871	8,713,376

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

## STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 31 December 2021

	Note	Infinity Global Stock Index Fund	
		2021	2020
		\$	\$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		91,630,164	63,548,449
<b>Operations</b>			
Change in net assets attributable to unitholders resulting from operations		29,374,154	10,715,307
<b>Unitholders' contributions/(withdrawals)</b>			
Creation of units		173,777,960	38,275,011
Cancellation of units		(82,155,834)	(20,908,603)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		91,622,126	17,366,408
Total increase in net assets attributable to unitholders		120,996,280	28,081,715
<b>Net assets attributable to unitholders at the end of the financial year</b>	9	212,626,444	91,630,164

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

## STATEMENTS OF PORTFOLIO

As at 31 December 2021

## INFINITY U.S. 500 STOCK INDEX FUND

	Holdings at 31 December 2021	Fair value at 31 December 2021 \$	Percentage of total net assets attributable to unitholders at 31 December 2021 %	Percentage of total net assets attributable to unitholders at 31 December 2020 %
<b>QUOTED FUND</b>				
Vanguard® U.S. 500 Stock Index Fund	6,529,317	490,538,636	99.9	99.7
<b>Portfolio of investment</b>		490,538,636	99.9	99.7
<b>Other net assets</b>		361,780	0.1	0.3
<b>Net assets attributable to unitholders</b>		490,900,416	100.0	100.0

Information on investment portfolio by industry and geographical segments is not presented as the Sub-Fund is a feeder into another investment fund, which invests primarily in United States stocks.

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

## STATEMENTS OF PORTFOLIO

As at 31 December 2021

## INFINITY EUROPEAN STOCK INDEX FUND

	Holdings at 31 December 2021	Fair value at 31 December 2021 \$	Percentage of total net assets attributable to unitholders at 31 December 2021 %	Percentage of total net assets attributable to unitholders at 31 December 2020 %
<b>QUOTED FUND</b>				
Vanguard® European Stock Index Fund	271,247	11,509,098	99.6	100.4
<b>Portfolio of investment</b>		11,509,098	99.6	100.4
<b>Other net assets/(liabilities)</b>		50,773	0.4	(0.4)
<b>Net assets attributable to unitholders</b>		11,559,871	100.0	100.0

Information on investment portfolio by industry and geographical segments is not presented as the Sub-Fund is a feeder into another investment fund, which invests primarily in European stocks.

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

## STATEMENTS OF PORTFOLIO

As at 31 December 2021

## INFINITY GLOBAL STOCK INDEX FUND

	Holdings at 31 December 2021	Fair value at 31 December 2021 \$	Percentage of total net assets attributable to unitholders at 31 December 2021 %	Percentage of total net assets attributable to unitholders at 31 December 2020 %
<b>QUOTED FUND</b>				
Vanguard® Global Stock Index Fund	3,498,580	212,282,356	99.8	99.6
<b>Portfolio of investment</b>		212,282,356	99.8	99.6
<b>Other net assets</b>		344,088	0.2	0.4
<b>Net assets attributable to unitholders</b>		212,626,444	100.0	100.0

Information on investment portfolio by industry and geographical segments is not presented as the Sub-Fund is a feeder into another investment fund, which invests primarily in global stocks.

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

## NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2021*

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

### 1. GENERAL

Infinity Investment Series (the “Fund”) is a Singapore domiciled umbrella fund constituted by a Deed of Trust dated 23 May 2000 together with several Supplemental Deeds thereon (hereafter referred to as “Trust Deed”) between Lion Global Investors Limited (the “Manager”) and HSBC Institutional Trust Services (Singapore) Limited (the “Trustee”). The Trust Deed is governed by the laws of the Republic of Singapore.

The Fund comprises a collection of sub-funds, each of which has a separate investment objective. The sub-funds are established as feeder funds investing into various master funds.

The Fund currently comprises three sub-funds:

- Infinity U.S. 500 Stock Index Fund (“IUSI”);
- Infinity European Stock Index Fund (“IESI”); and
- Infinity Global Stock Index Fund (“IGSI”) (collectively referred to as the “Sub-Funds”).

IGSI offered three share classes as at 31 December 2021, namely SGD Class, SGD Class C and USD Class. Both IUSI and IESI offered two share classes as at 31 December 2021, namely SGD Class and USD Class.

IUSI feeds into the Vanguard® U.S. 500 Stock Index Fund, IESI feeds into the Vanguard® European Stock Index Fund, and IGSI feeds into the Vanguard® Global Stock Index Fund.

Subscriptions and redemptions of the Sub-Funds are denominated in Singapore Dollar and United States Dollar. Investors may subscribe in United States Dollar at the applicable rate of exchange from Singapore Dollar.

## 2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” (“RAP 7”) issued by the Institute of Singapore Chartered Accountants in July 2020 for the financial year beginning on or after 1 July 2020.

The adoption of the revised RAP 7 did not result in substantial changes to the accounting policies of the Sub-Funds and had no material effect of the amounts reported for the current or prior years.

(b) Recognition of income

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on a time proportion basis using the effective interest method.

(c) Financial derivatives

Financial derivatives are entered into for the purposes of efficient portfolio management, tactical asset allocation or specific hedging of financial assets held as determined by the Manager and in accordance with the provisions of the Trust Deed.

Financial derivatives outstanding at the end of the financial year are measured at their fair values using the marked-to-market method, and the resultant gains and losses are taken up in the Statements of Total Return.

(d) Investments

Investments are classified as financial assets at fair value through profit or loss.

(i) Initial recognition

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

(ii) Subsequent measurement

Investments are subsequently carried at fair value. Net change in the fair value of investments are included in the Statements of Total Return in the year in which they arise.

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(d) Investments (continued)

## (iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sale of investments are computed on the basis of the difference between the weighted average cost and selling price gross of transaction costs, and are taken up in the Statements of Total Return.

(e) Basis of valuation of investments

The fair value of investments held in underlying funds is the quoted net asset value of the underlying fund as determined by the underlying funds' administrator. Net changes in fair value of investments are included in the Statements of Total Return in the year which they arise.

(f) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

(g) Due from and due to brokers

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the Statements of Financial Position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

(i) Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**(j) Foreign currencies

## (i) Functional and presentation currency

Subscriptions and redemptions of the units in the Fund are denominated in Singapore Dollar and United States Dollar.

The performance is measured and reported to the investors in Singapore Dollar. In addition, the activities are substantially based in Singapore and expenses are predominantly in Singapore Dollar. Therefore, the Manager considers the Singapore Dollar as the currency which most faithfully represents the economic effects of the underlying transactions, events and conditions. The functional and presentation currency is the Singapore Dollar.

## (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in the Statements of Total Return. Translation differences on non-monetary financial assets and liabilities such as equities are also recognised in the Statements of Total Return within the net gain or loss on investments.

(k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Statements of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Sub-Funds or the counterparty.

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (l) Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Sub-Funds considers their investment in the Investee Fund to be investment in unconsolidated structured entities. The Sub-Funds invest in the Investee Fund whose objectives range from achieving short to long term capital growth and whose investment strategy does not include the use of leverage. The Investee Fund is managed by external asset managers and apply various investment strategies to accomplish their respective investment objectives. The Investee Fund finances their operations by issuing redeemable shares which are puttable at the holder's option and entitles the holder to a proportional stake in the respective fund's net assets. The Sub-Funds hold redeemable shares in each of its Investee Fund.

The change in fair value of the Investee Fund is included in the Statements of Total Return in "Net gains/losses on investments".

## 3. INCOME TAX

The Fund has been approved by the Monetary Authority of Singapore under the Enhanced-Tier Fund ("ETF") Scheme (section 13U\* of the Income Tax Act 1947 and the relevant Regulations). Subject to certain conditions being met on an annual basis, the Fund may enjoy Singapore corporate income tax exemption on "specified income" derived from "designated investments" for the life of the Fund. The tax exemption does not apply in the year when the relevant conditions are not met. Losses from "designated investments" are correspondingly disregarded. The terms "specified income" and "designated investments" are defined in the relevant income tax Regulations.

\* The Singapore Attorney General issued the Revised Edition of Acts 2020 effective 31 December 2021 which streamlined and renumbered various Acts, including for the Income Tax Act. The ETF Scheme previously provided under section 13X of the Income Tax Act is now provided under section 13U of the Income Tax Act 1947.

**4. RECEIVABLES**

	<b>Infinity U.S. 500 Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Amount receivable for creation of units	1,977,869	1,244,724
Other receivables	34,771	9,703
	<u>2,012,640</u>	<u>1,254,427</u>

	<b>Infinity European Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Other receivables	1,034	998

	<b>Infinity Global Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Amount receivable for creation of units	116,189	26,297
Other receivables	15,326	7,323
	<u>131,515</u>	<u>33,620</u>

**5. FINANCIAL DERIVATIVES AT FAIR VALUE**

As at 31 December 2021, financial derivatives comprise foreign exchange spot contracts due for settlement within 4 days (2020: 5 days) from the reporting date. The contracts or underlying principal amounts of these financial derivatives and their corresponding gross fair values at the reporting date are analysed below.

**As at 31 December 2021**

	<b>Infinity U.S. 500 Stock Index Fund</b>		
	<b>Contract or underlying principal amount</b>	<b>Fair value</b>	
		<b>Asset</b>	<b>Liability</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Foreign exchange spot contracts	539,260	-	1,428

**As at 31 December 2020**

	<b>Infinity U.S. 500 Stock Index Fund</b>		
	<b>Contract or underlying principal amount</b>	<b>Fair value</b>	
		<b>Asset</b>	<b>Liability</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Foreign exchange spot contracts	1,321,650	126	-

**As at 31 December 2020**

	<b>Infinity Global Stock Index Fund</b>		
	<b>Contract or underlying principal amount</b>	<b>Fair value</b>	
		<b>Asset</b>	<b>Liability</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
Foreign exchange spot contracts	264,330	28	-

**6. CASH AND CASH EQUIVALENTS**

The cash and cash equivalents are placed with a financial institution which is a related company of the Trustee.

**7. PAYABLES**

	<b>Infinity U.S. 500 Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Amount payable for cancellation of units	2,112,511	406,673
Amount due to the Manager	197,542	56,550
Amount due to the Registrar	6,433	3,417
Other payables	14,203	14,061
	<u>2,330,689</u>	<u>480,701</u>

	<b>Infinity European Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Amount payable for cancellation of units	25,952	63,399
Amount due to the Manager	4,557	3,531
Amount due to the Registrar	6,433	3,417
Other payables	16,106	16,752
	<u>53,048</u>	<u>87,099</u>

	<b>Infinity Global Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Amount payable for cancellation of units	888,197	89,022
Amount due to the Manager	68,793	36,715
Amount due to the Registrar	6,433	3,417
Other payables	14,217	14,340
	<u>977,640</u>	<u>143,494</u>

**8. DUE TO BROKERS**

	<b>Infinity U.S. 500 Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Purchases awaiting settlement	1,752,595	2,378,970

	<b>Infinity Global Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Purchases awaiting settlement	-	264,330

**9. UNITS IN ISSUE**

	<b>Infinity U.S. 500 Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>Units</b>	<b>Units</b>
Units at beginning of the financial year	64,126,438	28,026,226
Units created	139,762,889	53,759,229
Units cancelled	(33,390,558)	(17,659,017)
Units at end of the financial year	170,498,769	64,126,438
of which, units denominated in		
- USD	3,436,817	2,284,714
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders	490,900,416	142,103,570
Net asset value per unit	2.879	2.215

There is no difference between the net assets attributable to unitholders per the financial statements and the net assets attributable to unitholders for issuing/redeeming units at the reporting date for Infinity U.S. 500 Stock Index Fund.

**9. UNITS IN ISSUE (continued)**

	<b>Infinity European Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>Units</b>	<b>Units</b>
Units at beginning of the financial year	6,104,490	5,326,686
Units created	1,972,365	2,734,442
Units cancelled	(1,211,267)	(1,956,638)
Units at end of the financial year	<u>6,865,588</u>	<u>6,104,490</u>
of which, units denominated in - USD	<u>153,986</u>	<u>153,819</u>
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders	11,559,871	8,713,376
Net asset value per unit	<u>1.683</u>	<u>1.427</u>

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the reporting date is presented below:

	<b>Infinity European Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders per unit per financial statements	1.683	1.427
Effect for movement in the net asset value between the last dealing date and the financial year end date	<u>0.002</u>	<u>0.013</u>
Net assets attributable to unitholders per unit for issuing/redeeming units	<u>1.685</u>	<u>1.440</u>

**9. UNITS IN ISSUE (continued)**

	<b>Infinity Global Stock Index Fund</b>		
	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>Units</b>	<b>Units</b>	<b>Units</b>
	<b>SGD Class</b>	<b>USD Class</b>	<b>SGD Class C</b>
Units at beginning of the financial year	47,629,247	1,087,067	-
Units created	45,441,504	1,459,562	73,500,493
Units cancelled	(35,889,167)	(210,702)	(1,187,023)
Units at end of the financial year	<u>57,181,584</u>	<u>2,335,927</u>	<u>72,313,470</u>
	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>\$</b>	<b>US\$</b>	<b>\$</b>
Net assets attributable to unitholders	132,827,795	4,024,801	74,372,614
Net assets attributable to unitholders (SGD equivalent)	132,827,795	5,426,035	74,372,614
Net asset value per unit	2.322	1.722	1.028
Net asset value per unit (SGD equivalent)	<u>2.322</u>	<u>2.322</u>	<u>1.028</u>
	<b>Infinity Global Stock Index Fund</b>		
	<b>2020</b>	<b>2020</b>	<b>2020</b>
	<b>Units</b>	<b>Units</b>	<b>Units</b>
	<b>SGD Class</b>	<b>USD Class</b>	<b>SGD Class C</b>
Units at beginning of the financial year	36,718,111	1,423,958	-
Units created	22,783,434	458,941	-
Units cancelled	(11,872,298)	(795,832)	-
Units at end of the financial year	<u>47,629,247</u>	<u>1,087,067</u>	<u>-</u>
	<b>2020</b>	<b>2020</b>	<b>2020</b>
	<b>\$</b>	<b>US\$</b>	<b>\$</b>
Net assets attributable to unitholders	89,585,527	1,547,034	-
Net assets attributable to unitholders (SGD equivalent)	89,585,527	2,044,637	-
Net asset value per unit	1.880	1.423	-
Net asset value per unit (SGD equivalent)	<u>1.880</u>	<u>1.880</u>	<u>-</u>

**9. UNITS IN ISSUE (continued)**

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the reporting date is presented below:

	<b>Infinity Global Stock Index Fund</b>		
	<b>2021</b>	<b>2021</b>	<b>2021</b>
	<b>SGD Class</b>	<b>USD Class</b>	<b>SGD Class C</b>
	<b>\$</b>	<b>US\$</b>	<b>\$</b>
Net assets attributable to unitholders per unit per financial statements	2.322	1.722	1.028
Effect for movement in the net asset value between the last dealing date and the financial year end date	0.011	0.003	0.005
Net assets attributable to unitholders per unit for issuing/redeeming units	2.333	1.725	1.033

	<b>Infinity Global Stock Index Fund</b>		
	<b>2020</b>	<b>2020</b>	<b>2020</b>
	<b>SGD Class</b>	<b>USD Class</b>	<b>SGD Class C</b>
	<b>\$</b>	<b>US\$</b>	<b>\$</b>
Net assets attributable to unitholders per unit per financial statements	1.880	1.423	-
Effect for movement in the net asset value between the last dealing date and the financial year end date	(0.001)	(0.003)	-
Net assets attributable to unitholders per unit for issuing/redeeming units	1.879	1.420	-

## 10. FINANCIAL RISK MANAGEMENT

The Sub-Funds' activities expose them to a variety of market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Sub-Funds' overall risk management programme seeks to minimise potential adverse effects on the Sub-Funds' financial performance. The Sub-Funds may use financial futures contracts, options and/or currency forward contracts subject to the terms of the Trust Deed to moderate certain risk exposures. Specific guidelines on exposures to individual securities and certain industries are in place for the Sub-Funds at any time as part of the overall financial risk management to reduce the Sub-Funds' risk exposures.

The Sub-Funds' assets principally consist of investments in other mutual funds. They are held in accordance with the published investment policies of the Sub-Funds. The allocation of assets between the various types of investments is determined by the Manager to achieve their investment objectives.

COVID-19 pandemic continues to evolve and develop. The situation is dynamic with various cities and countries around the world responding in different ways to address the pandemic. As a result of the COVID-19 pandemic, global financial markets have experienced significant volatility. Given the extent of the crisis, it is difficult to estimate the impact or duration of the volatility on the portfolio of the Sub-Funds. The Manager is closely monitoring the development of the COVID-19 pandemic and its related impact.

The following is a summary of the main risks and risk management policies:

(a) Market risk

Market risk is the risk of loss to the value of financial investments because of changes in market conditions like interest and currency rate movements and volatility in security prices. External factors such as changes in economic environment, consumption patterns and investor's expectation contribute to market risk which may have a significant impact on the assets' value.

The underlying Sub-Funds' investments are substantially dependent on changes in market prices. The Manager monitors the underlying Sub-Funds' investments closely so as to assess changes in fundamentals and valuation. Although the Manager makes reasonable efforts in the choice of investments, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the asset value of the Sub-Funds.

The Sub-Funds' market risk is affected primarily by three main components: changes in actual market prices, interest rate volatility and foreign exchange movements.

**10. FINANCIAL RISK MANAGEMENT (continued)**

- (a) Market risk (continued)
- (i) Price risk

The Sub-Funds' sensitivity to the market is measured using their beta, a ratio that describes how the expected return of a portfolio is correlated to the return of the financial market as a whole. The daily Sub-Funds' price movements are measured against the daily price movement of the benchmark to derive the beta.

The Sub-Funds' beta was calculated based on the daily returns over the preceding 12 months for the Sub-Funds and their benchmark.

<b>Sub-Funds</b>	<b>Benchmark</b>	<b>Beta as of</b>	
		<b>2021</b>	<b>2020</b>
Infinity U.S. 500 Stock Index Fund	Standard & Poor's 500 Index	1.00	0.98
Infinity European Stock Index Fund	MSCI Europe Index	1.00	0.99
Infinity Global Stock Index Fund	MSCI World Index	1.00	0.99

The tables below summarise the impact of increases/decreases from the Sub-Funds' underlying investments in equities on the Sub-Funds' net assets attributable to the unitholders as at 31 December 2021 and 2020. The analysis was based on the assumptions that the index components within the benchmark index increased/decreased by a reasonable possible shift, with all variables held constant and that the fair value of the Sub-Funds' investments moved according to the beta.

<b>Sub-Fund</b>	<b>Benchmark</b>	<b>Impact of 8% (2020: 5%) movement in benchmark on net assets attributable to the unitholders</b>	
		<b>2021</b>	<b>2020</b>
		<b>\$</b>	<b>\$</b>
Infinity U.S. 500 Stock Index Fund	Standard & Poor's 500 Index	39,243,091	6,941,454

**10. FINANCIAL RISK MANAGEMENT (continued)**

(a) Market risk (continued)

(i) Price risk (continued)

Sub-Fund	Benchmark	Impact of 5% (2020: 8%) movement in benchmark on net assets attributable to the unitholders	
		2021	2020
		\$	\$
Infinity European Stock Index Fund	MSCI Europe Index	575,455	692,775

Sub-Fund	Benchmark	Impact of 8% (2020: 5%) movement in benchmark on net assets attributable to the unitholders	
		2021	2020
		\$	\$
Infinity Global Stock Index Fund	MSCI World Index	16,982,588	4,517,461

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Investment funds that invest in equity securities may be subject to interest rate risk as any interest rate change may affect the equity risk premium though at varying degrees. To manage this risk, the Manager analyses how interest rate changes may affect different industries and securities and then seeks to adjust the Sub-Funds' portfolio investments accordingly. However, the effects of changes in interest rates on the Sub-Funds' portfolio may not be quantified as the relationship between interest rates and the value of the equity securities is indirect. Hence, no separate sensitivity analysis has been presented.

(iii) Currency risk

The Sub-Funds have monetary financial assets/liabilities denominated in currencies other than the functional currency and the Sub-Funds may be affected favourably or unfavourably by exchange rate regulations or changes in the exchange rates between their functional currency and such other currencies. The Sub-Funds may enter into foreign currency contracts designed to either hedge some or all of this exposure, or alternatively increase exposure to preferred foreign currencies.

**10. FINANCIAL RISK MANAGEMENT (continued)**

- (a) Market risk (continued)
- (iii) Currency risk (continued)

The tables below summarise the Sub-Funds' exposure to key currencies at the end of the financial year. Monetary and non-monetary items have been taken into account for the analysis.

**Infinity U.S. 500 Stock Index Fund**

<b>As at 31 December 2021</b>	<b>USD</b>	<b>SGD</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Portfolio of investment	490,538,636	-	490,538,636
Receivables	1,427	2,011,213	2,012,640
Cash and cash equivalents	43,093	2,390,759	2,433,852
<b>Total assets</b>	<b>490,583,156</b>	<b>4,401,972</b>	<b>494,985,128</b>
<b>Liabilities</b>			
Due to brokers	1,752,595	-	1,752,595
Payables	19,998	2,310,691	2,330,689
<b>Total assets</b>	<b>1,772,593</b>	<b>2,310,691</b>	<b>4,083,284</b>
<b>Net financial assets</b>	<b>488,810,563</b>	<b>2,091,281</b>	
<b>Currency spots</b>	<b>539,260</b>	<b>(539,260)</b>	
<b>Net currency exposure</b>	<b>489,349,823</b>	<b>1,552,021</b>	
<b>As at 31 December 2020</b>			
	<b>USD</b>	<b>SGD</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Portfolio of investment	141,662,335	-	141,662,335
Receivables	19,864	1,234,563	1,254,427
Cash and cash equivalents	7,333	2,039,020	2,046,353
<b>Total assets</b>	<b>141,689,532</b>	<b>3,273,583</b>	<b>144,963,115</b>
<b>Liabilities</b>			
Due to brokers	2,378,970	-	2,378,970
Payables	-	480,701	480,701
<b>Total assets</b>	<b>2,378,970</b>	<b>480,701</b>	<b>2,859,671</b>
<b>Net financial assets</b>	<b>139,310,562</b>	<b>2,792,882</b>	
<b>Currency spots</b>	<b>1,321,650</b>	<b>(1,321,650)</b>	
<b>Net currency exposure</b>	<b>140,632,212</b>	<b>1,471,232</b>	

**10. FINANCIAL RISK MANAGEMENT (continued)**

- (a) Market risk (continued)
- (iii) Currency risk (continued)

**Infinity European Stock Index Fund**

<b>As at 31 December 2021</b>	<b>USD</b>	<b>SGD</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Portfolio of investment	11,509,098	-	11,509,098
Receivables	-	1,034	1,034
Cash and cash equivalents	13,793	88,994	102,787
<b>Total assets</b>	<b>11,522,891</b>	<b>90,028</b>	<b>11,612,919</b>
<b>Liabilities</b>			
Payables	-	53,048	53,048
<b>Total liabilities</b>	<b>-</b>	<b>53,048</b>	<b>53,048</b>
<b>Net financial assets</b>	<b>11,522,891</b>	<b>36,980</b>	
<b>Net currency exposure</b>	<b>11,522,891</b>	<b>36,980</b>	
<b>As at 31 December 2020</b>			
	<b>USD</b>	<b>SGD</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Portfolio of investment	8,747,160	-	8,747,160
Receivables	-	998	998
Cash and cash equivalents	1,501	50,816	52,317
<b>Total assets</b>	<b>8,748,661</b>	<b>51,814</b>	<b>8,800,475</b>
<b>Liabilities</b>			
Payables	-	87,099	87,099
<b>Total liabilities</b>	<b>-</b>	<b>87,099</b>	<b>87,099</b>
<b>Net financial assets/(liabilities)</b>	<b>8,748,661</b>	<b>(35,285)</b>	
<b>Net currency exposure</b>	<b>8,748,661</b>	<b>(35,285)</b>	

**10. FINANCIAL RISK MANAGEMENT (continued)**

 (a) Market risk (continued)

 (iii) Currency risk (continued)

**Infinity Global Stock Index Fund**

<b>As at 31 December 2021</b>	<b>USD</b>	<b>SGD</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Portfolio of investment	212,282,356	-	212,282,356
Receivables	-	131,515	131,515
Cash and cash equivalents	30,696	1,159,517	1,190,213
<b>Total assets</b>	<b>212,313,052</b>	<b>1,291,032</b>	<b>213,604,084</b>
<b>Liabilities</b>			
Payables	931	976,709	977,640
<b>Total liabilities</b>	<b>931</b>	<b>976,709</b>	<b>977,640</b>
<b>Net financial assets</b>	<b>212,312,121</b>	<b>314,323</b>	
<b>Net currency exposure</b>	<b>212,312,121</b>	<b>314,323</b>	
<b>As at 31 December 2020</b>			
	<b>USD</b>	<b>SGD</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Portfolio of investment	91,261,839	-	91,261,839
Receivables	-	33,620	33,620
Cash and cash equivalents	37,634	704,867	742,501
<b>Total assets</b>	<b>91,299,473</b>	<b>738,487</b>	<b>92,037,960</b>
<b>Liabilities</b>			
Due to brokers	264,330	-	264,330
Payables	-	143,494	143,494
<b>Total liabilities</b>	<b>264,330</b>	<b>143,494</b>	<b>407,824</b>
<b>Net financial assets</b>	<b>91,035,143</b>	<b>594,993</b>	
<b>Currency spots</b>	<b>264,330</b>	<b>(264,330)</b>	
<b>Net currency exposure</b>	<b>91,299,473</b>	<b>330,663</b>	

10. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)

(iii) Currency risk (continued)

Mutual fund investments are non-monetary financial assets and are exposed to both currency risk and price risk. As these financial assets are non-monetary, no separate sensitivity analysis has been performed to analyse currency risk. The impact of currency risk arising from these financial assets on the Sub-Funds' net asset value has been included in the above price risk sensitivity analysis.

The Sub-Funds' monetary assets/liabilities are measured for their sensitivity to exchange rate movements based on the balance of the monetary assets/liabilities, forecasted exchange rate movements and the net asset value of the Sub-Funds.

As of 31 December 2021 and 2020, the Sub-Funds' exposures to foreign currency fluctuations with respect to the monetary assets/liabilities are not considered to be significant and consequently no sensitivity analysis on foreign currency risk has been presented.

(b) Liquidity risk

The Sub-Funds are exposed to daily redemption of units. They therefore invest the majority of their assets in investments that are traded in active markets and can be readily disposed of.

The tables below analyse the Sub-Funds' financial liabilities into relevant maturity groupings based on the remaining period at the reporting 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.

**Infinity U.S. 500 Stock Index Fund**

<b>As at 31 December 2021</b>	<b>Less than 3 months \$</b>	<b>3 months- 1 year \$</b>	<b>1-5 years \$</b>	<b>Above 5 years \$</b>
Derivative financial instruments				
- inflows	(539,260)	-	-	-
- outflows	540,688	-	-	-
Payables	2,330,689	-	-	-
Due to brokers	1,752,595	-	-	-

**10. FINANCIAL RISK MANAGEMENT (continued)**

 (b) Liquidity risk (continued)

**Infinity U.S. 500 Stock Index Fund (continued)**

<b>As at 31 December 2020</b>	<b>Less than 3 months \$</b>	<b>3 months- 1 year \$</b>	<b>1-5 years \$</b>	<b>Above 5 years \$</b>
Payables	480,701	-	-	-
Due to brokers	2,378,970	-	-	-

**Infinity European Stock Index Fund**

<b>As at 31 December 2021</b>	<b>Less than 3 months \$</b>	<b>3 months- 1 year \$</b>	<b>1-5 years \$</b>	<b>Above 5 years \$</b>
Payables	53,048	-	-	-

<b>As at 31 December 2020</b>	<b>Less than 3 months \$</b>	<b>3 months- 1 year \$</b>	<b>1-5 years \$</b>	<b>Above 5 years \$</b>
Payables	87,099	-	-	-

**Infinity Global Stock Index Fund**

<b>As at 31 December 2021</b>	<b>Less than 3 months \$</b>	<b>3 months- 1 year \$</b>	<b>1-5 years \$</b>	<b>Above 5 years \$</b>
Payables	977,640	-	-	-

<b>As at 31 December 2020</b>	<b>Less than 3 months \$</b>	<b>3 months- 1 year \$</b>	<b>1-5 years \$</b>	<b>Above 5 years \$</b>
Payables	143,494	-	-	-
Due to brokers	264,330	-	-	-

**10. FINANCIAL RISK MANAGEMENT (continued)**(c) Credit risk

Credit risk is the risk that the counterparty will fail to perform contractual obligations, either in whole or in part, under a contract.

Concentrations of credit risk are minimised primarily by:

- ensuring counterparties, together with the respective credit limits, are approved,
- ensuring that transactions are undertaken with a large number of counterparties, and
- ensuring that the majority of transactions are undertaken on recognised exchanges.

All transactions in listed securities are settled/paid upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

For the purposes of impairment assessment, the Sub-Funds' assets which are measured as amortised cost are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses ("ECL"). The ECL for these assets as at the end of the reporting period is not significant.

Credit risk also arises from cash and cash equivalents and assets held with financial institutions.

The Sub-Funds may also enter into derivatives to manage their exposures to currency risk and price risk, including foreign exchange forward contracts and options. Hence, the Sub-Funds are also exposed to the risk that derivatives held with counterparties may not be recoverable in the event of any default by the parties concerned. The Manager minimises the Sub-Funds' credit risk by undertaking transactions with banks that are part of banking groups with good credit ratings assigned by Standard and Poor's ("S&P") or Moody's.

10. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

The tables below summarise the credit rating of banks and custodian in which the Sub-Funds' assets are held as at 31 December 2021 and 2020.

**Infinity U.S. 500 Stock Index Fund**

	<b>Credit rating ##</b>	<b>Source of credit rating</b>
<b>As at 31 December 2021</b>		

**Custodian**

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
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**Bank**

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
BNP Paribas	A+	S&P

	<b>Credit rating ##</b>	<b>Source of credit rating</b>
<b>As at 31 December 2020</b>		

**Custodian**

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
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**Bank**

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
The Bank of New York Mellon	A	S&P

10. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

**Infinity European Stock Index Fund**

**As at 31 December 2021**

**Custodian**

The Hongkong and Shanghai Banking Corporation Limited

**Credit rating <sup>##</sup>**

**Source of credit rating**

AA-

S&P

**Bank**

The Hongkong and Shanghai Banking Corporation Limited

AA-

S&P

**Credit rating <sup>##</sup>**

**Source of credit rating**

**As at 31 December 2020**

**Custodian**

The Hongkong and Shanghai Banking Corporation Limited

AA-

S&P

**Bank**

The Hongkong and Shanghai Banking Corporation Limited

AA-

S&P

10. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

**Infinity Global Stock Index Fund**

	<b>Credit rating <sup>##</sup></b>	<b>Source of credit rating</b>
<b>As at 31 December 2021</b>		

**Custodian**

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
---	-----	-----

**Bank**

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
---	-----	-----

	<b>Credit rating <sup>##</sup></b>	<b>Source of credit rating</b>
<b>As at 31 December 2020</b>		

**Custodian**

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
---	-----	-----

**Bank**

The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
The Bank of New York Mellon	A	S&P

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets.

The credit ratings are based on the Long-Term Issuer Ratings published by the rating agency.

<sup>##</sup> *Group credit ratings are presented for unrated subsidiaries.*

(d) Capital management

The Sub-Funds' capital are represented by the net assets attributable to unitholders. The Sub-Funds strive to invest the subscriptions of redeemable participating units in investments that meet the Sub-Funds' investment objectives while maintaining sufficient liquidity to meet unitholders' redemptions.

**10. FINANCIAL RISK MANAGEMENT (continued)**

(e) Fair value estimation

The Sub-Funds classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following tables analyse within the fair value hierarchy the Sub-Funds' financial assets and liabilities (by class) measured at fair value at 31 December 2021 and 2020:

**Infinity U.S. 500 Stock Index Fund**

**As at 31 December 2021**

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Portfolio of investment				
- Unit trust	490,538,636	-	-	490,538,636
<hr/>				
<b>Liabilities</b>				
Financial derivatives at fair value	-	1,428	-	1,428
<hr/>				

**As at 31 December 2020**

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Portfolio of investment				
- Unit trust	141,662,335	-	-	141,662,335
Financial derivatives at fair value	-	126	-	126
<hr/>				
	141,662,335	126	-	141,662,461
<hr/>				

**10. FINANCIAL RISK MANAGEMENT (continued)**

 (e) Fair value estimation (continued)

**Infinity European Stock Index Fund**
**As at 31 December 2021**

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Portfolio of investment				
- Unit trust	11,509,098	-	-	11,509,098

**As at 31 December 2020**

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Portfolio of investment				
- Unit trust	8,747,160	-	-	8,747,160

**Infinity Global Stock Index Fund**
**As at 31 December 2021**

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Portfolio of investment				
- Unit trust	212,282,356	-	-	212,282,356

**As at 31 December 2020**

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Portfolio of investment				
- Unit trust	91,261,839	-	-	91,261,839
Financial derivatives at fair value	-	28	-	28
	91,261,839	28	-	91,261,867

## 10. FINANCIAL RISK MANAGEMENT (continued)

### (e) Fair value estimation (continued)

Investments in open-ended investment funds whose net assets value is struck daily, price information is published and readily available, and units are subscribed and redeemed on demand at the published prices, are classified within Level 1.

Except for cash and cash equivalents which are classified as Level 1, the Sub-Funds' assets and liabilities not measured at fair value at 31 December 2021 and 2020 have been classified as Level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the reporting date.

## 11. INTEREST IN UNCONSOLIDATED STRUCTURED ENTITIES

The Sub-Fund's investment in the Investee Fund is subject to the terms and conditions of the Investee Fund's offering documentation and are susceptible to market price risk arising from uncertainties about future values of the Investee Fund. The Manager makes investment decisions after extensive due diligence of the Investee Fund, its strategy and the overall quality of the Investee Fund's manager. The Investee Fund in the investment portfolio is managed by portfolio managers who are compensated by the respective Investee Fund for their services. Such compensation generally consists of an asset based fee and is reflected in the valuation of the Sub-Fund's investments in each of the Investee Fund.

The Sub-Fund has right to request redemption of its investments in Investee Fund on a daily basis.

The exposure to investments in the Investee Fund at fair value is disclosed under the Statements of Portfolio. These investments are included within "Portfolio of investment" in the Statements of Financial Position.

The Sub-Fund's holding in the Investee Fund, as a percentage of the Investee Fund's total net asset value, will vary from time to time dependent on the volume of subscriptions and redemptions at the Investee Fund level. It is possible that the Sub-Fund may, at any point in time, hold a majority of an Investee Fund's total units in issue.

The Sub-Fund's maximum exposure to loss from its interests in the Investee Fund is equal to the total fair value of its investments in the Investee Fund.

Once the Sub-Fund has disposed of its shares in the Investee Fund, the Fund ceases to be exposed to any risk from it.

**12. RELATED PARTY TRANSACTIONS**

Management fee is paid to the Manager. This fee paid or payable by the Sub-Funds shown in the Statements of Total Return and in the respective notes to the financial statements are on terms set out in the Trust Deed.

In addition to the related party information shown elsewhere in the financial statements, the following significant transactions took place during the financial year between the Sub-Funds and related parties at terms agreed between the parties and within the provisions of the Trust Deed:

	<b>Infinity U.S. 500 Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Interest expenses incurred with a bank which is a related company of the Trustee	118	117
Registration fee charged by a related company of the Trustee	24,713	23,886
Bank service fees charged by a bank which is a related company of the Trustee	15,016	4,958
Cash transfer fees charged by a related company of the Trustee	17,379	10,533

	<b>Infinity European Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Interest expenses incurred with a bank which is a related company of the Trustee	10	-
Registration fee charged by a related company of the Trustee	15,913	15,482
Bank service fees charged by a bank which is a related company of the Trustee	2,079	1,025
Cash transfer fees charged by a related company of the Trustee	1,882	1,217

**12. RELATED PARTY TRANSACTIONS (continued)**

	<b>Infinity Global Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Interest expenses incurred with a bank which is a related company of the Trustee	9,709	-
Transaction fee charged by a related company of the Trustee	-	(25)
Registration fee charged by a related company of the Trustee	20,745	20,176
Bank service fees charged by a bank which is a related company of the Trustee	11,268	2,571
Cash transfer fees charged by a related company of the Trustee	12,872	6,645

**13. FINANCIAL RATIOS**

	<b>Infinity U.S. 500 Stock Index Fund</b>		<b>Infinity European Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Expense ratio (excludes underlying sub-fund's expense ratio) <sup>1</sup>	0.51	0.57	0.81	1.05
Expense ratio (includes underlying sub-fund's expense ratio) <sup>1</sup>	0.61	0.67	0.93	1.17
Portfolio turnover ratio <sup>2</sup>	2	1	6	18

**13. FINANCIAL RATIOS (continued)**

	<b>Infinity Global Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>
	<b>%</b>	<b>%</b>
Expense ratio (excludes underlying sub-fund's expense ratio) <sup>1</sup>		
- SGD Class	0.54	0.58
- USD Class	0.54	0.58
- SGD Class C	0.28	-
Expense ratio (includes underlying sub-fund's expense ratio) <sup>1</sup>		
- SGD Class	0.72	0.76
- USD Class	0.72	0.76
- SGD Class C	0.46	-
Portfolio turnover ratio <sup>2</sup>	28	5

<sup>1</sup> The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio was based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Sub-Funds do not pay any performance fee. The average net asset value is based on the daily balances.

	<b>Infinity U.S. 500 Stock Index Fund</b>		<b>Infinity European Stock Index Fund</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Total operating expenses	1,549,442	464,626	84,210	75,751
Average net asset value	304,965,872	81,763,082	10,425,998	7,228,474
Weighted average of the underlying funds' expense ratio	0.10%	0.10%	0.12%	0.12%



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