

For the financial year ended 31 December 2020

# 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 Ching Wei Hong (Deputy Chairman)  
Mr Gerard Lee How Cheng (Chief Executive Officer)  
Mr Tan Siew Peng  
Mr Ronnie Tan Yew Chye  
Ms Wee Ai Ning  
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 2020

**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 2020 in SGD terms, on a single pricing basis 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	8.2	8.4
6 months	14.9	15.4
1 year	14.7	15.7
3 years**	12.2	13.1
5 years**	12.0	12.9
10 years**	12.5	13.5
Since Inception** (31 May 2000)	3.9	4.9

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2020 in USD terms, on a single pricing basis 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	11.7	12.0
6 months	21.3	21.9
1 year	16.6	17.8
3 years**	12.6	13.5
5 years**	13.7	14.5
10 years**	12.2	13.2
Since Inception** (17 October 2003)	8.3	9.3

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 2020, the Fund returned 14.7%, while the benchmark returned 15.7%, in SGD terms.

The U.S. markets suffered the quickest fall into bear market territory on record, following the outbreak of COVID-19 pandemic, diving from all-time highs in February 2020 to close the chapter on an 11-year bull market. A measure of relative calm returned to the market by the end of March 2020, when U.S. legislators approved an unprecedented \$2 trillion rescue package and the Federal Reserve (Fed) instituted a multi-pronged stimulus plan intended to counter the Coronavirus carnage and partially finance the massive fiscal plan.

Despite a backdrop of murky economic fundamentals, a resurgent Coronavirus caseload, and brewing social unrest, the U.S. markets rallied from the low in March 2020, as sentiment remained bullish on stimulus and speculation that the Fed and Congress will continue to funnel large amounts of money into the economy.

U.S. equities remained buoyant in the 3rd quarter of 2020 as the Fed's response to below-target inflation led to upward pressure on risk assets, driving up equity prices. While election uncertainty continued to hover, and volatility ticked up, markets remained resilient and investors relatively unfazed. Towards the end of the year, U.S. equities gained on positive COVID-19 vaccine news, the signing of a \$900 billion Coronavirus relief bill, and the Fed's pledge to remain accommodative.

In SGD terms, Information Technology (+40.9%) was the best performing sector, followed by Consumer Discretionary (+30.6%). On the other hand, Financials (-4.1%) and Energy (-35.9%) 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 22 February 2021.

**PERFORMANCE OF THE FUND**

For the financial year ended 31 December 2020

**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 2020 in SGD terms, on a single pricing basis 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	12.7	11.9
6 months	14.8	14.5
1 year	3.4	3.6
3 years**	2.7	3.2
5 years**	4.5	5.3
10 years**	4.8	5.6
Since Inception** (31 May 2000)	1.8	2.6

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2020 in USD terms, on a single pricing basis 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	16.2	15.6
6 months	21.2	20.8
1 year	5.3	5.4
3 years**	3.0	3.6
5 years**	6.0	6.8
10 years**	4.4	5.3
Since Inception** (17 October 2003)	5.6	6.4

Source: Morningstar/Lion Global Investors Ltd.

\* Benchmark:

MSCI Europe

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

### REVIEW

For the year ended 31 December 2020, the Fund returned 3.4%, underperforming the benchmark which returned 3.6%, in SGD terms.

In Europe, equities tumbled as the Coronavirus exacted its toll on the region. The Euro zone's manufacturing activity suffered its steepest fall since the 2008 financial crisis, with factories in Italy contracting notably. In March 2020, equities rebounded as the spread of the virus slowed across most of the Euro zone while the promise of more stimulus helped encourage investors. European Commission (EC) President Ursula von der Leyen unveiled the EUR 750 billion Euro Recovery Fund to tackle the recession.

Equities remained relatively flat in the 3rd quarter of 2020 as markets faced downward pressure in reaction to the decreased demand for exports due to the Euro's sharp rally throughout the quarter. Further weighing on markets was a second surge of COVID-19 infections, most notably in France, Spain, and the United Kingdom.

Towards the end of the year, European markets gained strongly as heavily beaten-down markets such as France, Italy, and Spain rallied on positive COVID-19 vaccine news. Confidence rose on stimulus efforts, including the European Central Bank's expanded bond buying program. However, the Euro's sharp rally continued to hold back gains.

In SGD terms, Information Technology (+22.7%) was the best performing sector, followed by Utilities (+19.7%). On the other hand, Financials (-9.6%) and Energy (-29.2%) 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 22 February 2021.

**PERFORMANCE OF THE FUND**

For the financial year ended 31 December 2020

**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 2020 in SGD terms, on a single pricing basis 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	10.0	10.3
6 months	16.0	16.5
1 year	12.8	13.9
3 years**	9.2	10.1
5 years**	9.7	10.6
10 years**	9.3	10.2
Since Inception** (31 May 2000)	3.1	4.0

Past performance is not necessarily indicative of future performance. Cumulative returns for the Fund are calculated up to 31 December 2020 in USD terms, on a single pricing basis 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	13.5	14.0
6 months	22.3	23.0
1 year	15.0	15.9
3 years**	9.6	10.5
5 years**	11.3	12.2
10 years**	9.0	9.9
Since Inception** (17 October 2003)	7.4	8.3

Source: Morningstar/Lion Global Investors Ltd.

\* Benchmark:

MSCI World

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



### REVIEW

For the year ended 31 December 2020, the Fund returned 12.8%, underperforming the benchmark which returned 13.9%, in SGD terms.

Global equity markets started the year on an upbeat note, encouraged by the US-China phase one trade deal. Despite the early optimism, COVID-19 fears soon dominated headlines, which prompted governments and central banks to unleash their full firepower, launching fiscal stimulus and broad quantitative easing, to stem the market freefall.

Despite the decisive blow the pandemic delivered to economic activity and the uncertainties due to COVID-19 that remained, equities rebounded and remained buoyant, as investors were emboldened by a steady influx of liquidity injections by major central banks and the assurance that banks will not retract their accommodative stance anytime soon. Furthermore, while new waves of virus contagion threatened economic gains; however, renewed virus containment measures tended to be localized and targeted rather than broad-based.

Towards the end of the year, global equities gained on vaccine-induced optimism. Equity markets rotated away from pandemic winners towards the most beaten-down segments, including energy, hotels, airlines, and financials. Equities were further buoyed by central banks' commitments to remain accommodative for the foreseeable future. Emerging markets outperformed developed markets as investors rotated into the region. A weaker dollar further fuelled emerging markets' enthusiasm, boosting export gains. Other positive developments included the eleventh-hour Brexit deal and the U.S. election results. The Biden administration's approach is expected to encourage more collaborative trading relationships than that of the outgoing president's tariff offensive.

In SGD terms, by region, Asia Pacific ex-Japan (+20.7%) and the US (+19.3%) outperformed Japan (+13.9%) and Europe (+4.0%) over the period.

Information Technology (+43.1%) was the best performing sector, followed by Consumer Discretionary (+34.3%). On the other hand, Real Estate (-8.0%) and Energy (-29.8%) 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 World Index closely.

As of 22 February 2021.

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

For the financial year ended 31 December 2020

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

**1. DISTRIBUTION OF INVESTMENTS AS AT 31 DECEMBER 2020**

	Fair Value \$	Percentage of total net assets attributable to unitholders %
a) <u>By Asset Class</u>		
Fund	141,662,335	99.7
Financial derivatives	126	*
Cash and other net assets	441,109	0.3
<b>Net assets attributable to unitholders</b>	<b>142,103,570</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	126	*

Total net realised losses and unrealised gains from financial derivatives at the end of the year were \$21,252 and \$126 respectively.

**2. TOP 10 HOLDINGS**

**As at 31 December 2020**

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

\* 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 2019**

	<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	53,774,370	99.3

**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 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 2020</b>	<b>31 December 2019</b>
a) Ratio of expenses to average net assets	0.10%	0.10%
b) Turnover ratios	14%	14%
c) Top 10 holdings		

**As at 31 December 2020**

	<b>Fair Value US\$ million</b>	<b>Percentage of total assets %</b>
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.

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

As at 31 December 2019

	Fair Value US\$ million	Percentage of total assets %
Apple Inc.	354.7	4.6
Microsoft Corp.	346.9	4.5
Alphabet Inc.	231.3	3.0
Amazon.com Inc.	223.6	2.9
Facebook Inc.	138.8	1.8
Berkshire Hathaway Inc.	123.4	1.6
JPMorgan Chase & Co.	123.4	1.6
Johnson & Johnson	107.9	1.4
Visa Inc.	92.5	1.2
Procter & Gamble Co.	92.5	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 2020

**INFINITY EUROPEAN STOCK INDEX FUND**

**1. DISTRIBUTION OF INVESTMENTS AS AT 31 DECEMBER 2020**

	Fair Value \$	Percentage of total net assets attributable to unitholders %
a) <u>By Asset Class</u>		
Fund	8,747,160	100.4
Cash and other net liabilities	(33,784)	(0.4)
<b>Net assets attributable to unitholders</b>	8,713,376	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 were \$831.

**2. TOP 10 HOLDINGS**

**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

**As at 31 December 2019**

	Fair Value \$	Percentage of total net assets attributable to unitholders %
Vanguard® European Stock Index Fund	7,366,288	99.4

<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 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 2020</b>	<b>31 December 2019</b>
a) Ratio of expenses to average net assets	0.12%	0.12%
b) Turnover ratios	17%	11%
c) Top 10 holdings		

**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

**As at 31 December 2019**

	<b>Fair Value US\$ Million</b>	<b>Percentage of total assets %</b>
Nestle SA	163.2	3.4
Royal Dutch Shell plc	120.0	2.5
Roche Holding AG	115.2	2.4
Novartis AG	105.6	2.2
HSBC Holdings plc	81.6	1.7
Unilever	76.8	1.6
SAP SE	67.2	1.4
TOTAL SA	67.2	1.4
AstraZeneca plc	67.2	1.4
LVMH Moet Hennessy Louis Vuitton SE	67.2	1.4

<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 2020*
**INFINITY GLOBAL STOCK INDEX FUND**
**1. DISTRIBUTION OF INVESTMENTS AS AT 31 DECEMBER 2020**

	<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) <i>By Asset Class</i>		
Fund	91,261,839	99.6
Financial derivatives	28	*
Cash and other net assets	368,297	0.4
<b>Net assets attributable to unitholders</b>	<b>91,630,164</b>	<b>100.0</b>
b) <i>By Credit Rating of Debt Securities</i>		
Not applicable		
c) <i>By Derivative Type</i>		
Foreign exchange spot contracts	28	*

Total net realised and unrealised gains from financial derivatives at the end of the year were \$3,991 and \$28 respectively.

**2. TOP 10 HOLDINGS**
**As at 31 December 2020**

	<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	91,261,839	99.6

\* 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 2019**

	<b>Fair Value</b>	<b>Percentage of total net assets attributable to unitholders</b>
	<b>\$</b>	<b>%</b>
Vanguard® Global Stock Index Fund	63,047,457	99.2

**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 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 2020</b>	<b>31 December 2019</b>
a) Ratio of expenses to average net assets	0.18%	0.18%
b) Turnover ratios	11%	8%
c) Top 10 holdings		

**As at 31 December 2020**

	<b>Fair Value US\$ Million</b>	<b>Percentage of total assets %</b>
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.

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

As at 31 December 2019

	Fair Value US\$ Million	Percentage of total assets %
Apple Inc.	344.7	3.0
Microsoft Corp.	298.7	2.6
Alphabet Inc.	206.8	1.8
Amazon.com Inc.	195.3	1.7
Facebook Inc.	126.4	1.1
JPMorgan Chase & Co.	114.9	1.0
Johnson & Johnson	103.4	0.9
Visa Inc.	80.4	0.7
Nestle SA	80.4	0.7
Procter & Gamble Co.	80.4	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 2020*

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 (Cap. 289), 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 63, 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

26 March 2021

## STATEMENT BY THE MANAGER

*For the financial year ended 31 December 2020*

In the opinion of Lion Global Investors Limited, the accompanying financial statements set out on pages 25 to 63, 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 2020, and the financial performance and movements in unitholders' funds for the year then ended in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" 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

26 March 2021

## 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 Unit Trusts" 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 2020, 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 2020;
- the Statements of Financial Position as at 31 December 2020;
- the Statements of Movements of Unitholders' Funds for the financial year ended 31 December 2020;
- the Statements of Portfolio as at 31 December 2020; 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 Unit Trusts" 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, 26 March 2021

## STATEMENTS OF TOTAL RETURN

For the financial year ended 31 December 2020

		<b>Infinity U.S. 500 Stock Index Fund</b>	
		<b>2020</b>	<b>2019</b>
<b>Note</b>		<b>\$</b>	<b>\$</b>
<b>Expenses</b>			
	Audit fee	10,350	10,318
	Management fee	387,815	226,297
	Professional fees	12,727	17,846
	Registration fee	23,886	16,766
	Transaction costs	-	600
	Miscellaneous expenses	29,963	16,603
		<u>464,741</u>	<u>288,430</u>
	<b>Net expense</b>	<u>(464,741)</u>	<u>(288,430)</u>
<b>Net gains or losses on value of investments and financial derivatives</b>			
	Net gains on investments	15,071,983	11,587,190
	Net losses on foreign exchange spot contracts	(21,126)	(2,092)
	Net foreign exchange gains/(losses)	14,304	(389)
		<u>15,065,161</u>	<u>11,584,709</u>
	<b>Total return for the financial year before income tax</b>	14,600,420	11,296,279
	<b>Less: Income tax</b>	3 -	-
	<b>Total return for the financial year</b>	<u>14,600,420</u>	<u>11,296,279</u>

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

## STATEMENTS OF TOTAL RETURN

For the financial year ended 31 December 2020

		<b>Infinity European Stock Index Fund</b>	
		<b>2020</b>	<b>2019</b>
<b>Note</b>		<b>\$</b>	<b>\$</b>
<b>Expenses</b>			
	Audit fee	7,000	5,424
	Management fee	34,376	34,776
	Professional fees	9,939	9,883
	Registration fee	15,482	14,175
	Transaction costs	-	225
	Miscellaneous expenses	8,954	4,763
		<u>75,751</u>	<u>69,246</u>
	<b>Net expense</b>	<u>(75,751)</u>	<u>(69,246)</u>
<b>Net gains or losses on value of investments and financial derivatives</b>			
	Net gains on investments	454,400	1,443,580
	Net (losses)/gains on foreign exchange spot contracts	(831)	574
	Net foreign exchange losses	(1,438)	(2,437)
		<u>452,131</u>	<u>1,441,717</u>
	<b>Total return for the financial year before income tax</b>	376,380	1,372,471
	<b>Less: Income tax</b>	3	-
	<b>Total return for the financial year</b>	<u>376,380</u>	<u>1,372,471</u>

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

**STATEMENTS OF TOTAL RETURN**
*For the financial year ended 31 December 2020*

		<b>Infinity Global Stock Index Fund</b>	
		<b>2020</b>	<b>2019</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	11 334,265	281,214
	Professional fees	19,115	12,449
	Registration fee	11 20,176	16,571
	Transaction costs	(25)	525
	Miscellaneous expenses	22,378	14,118
		406,259	335,227
	<b>Net expense</b>	(406,258)	(335,227)
<b>Net gains or losses on value of investments and financial derivatives</b>			
	Net gains on investments	11,110,026	13,307,461
	Net gains on foreign exchange spot contracts	4,019	413
	Net foreign exchange gains/(losses)	7,520	(2,709)
		11,121,565	13,305,165
	<b>Total return for the financial year before income tax</b>	10,715,307	12,969,938
	<b>Less: Income tax</b>	3 -	-
	<b>Total return for the financial year</b>	10,715,307	12,969,938

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

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2020

		<b>Infinity U.S. 500 Stock Index Fund</b>	
		<b>2020</b>	<b>2019</b>
<b>Note</b>		<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
	Portfolio of investment	141,662,335	53,774,370
	Receivables	1,254,427	117,771
4	Financial derivatives at fair value	126	-
	Cash and bank balances	2,046,353	369,119
	<b>Total assets</b>	<u>144,963,241</u>	<u>54,261,260</u>
<b>LIABILITIES</b>			
	Payables	480,701	117,824
	Due to brokers	2,378,970	-
	<b>Total liabilities</b>	<u>2,859,671</u>	<u>117,824</u>
<b>EQUITY</b>			
	Net assets attributable to unitholders	<u>142,103,570</u>	<u>54,143,436</u>
8			

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

**STATEMENTS OF FINANCIAL POSITION***As at 31 December 2020*

		<b>Infinity European Stock Index Fund</b>	
		<b>2020</b>	<b>2019</b>
<b>Note</b>		<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
	Portfolio of investment	8,747,160	7,366,288
	Receivables	998	2,804
	Cash and bank balances	52,317	63,988
	<b>Total assets</b>	<u>8,800,475</u>	<u>7,433,080</u>
<b>LIABILITIES</b>			
	Payables	87,099	19,579
	<b>Total liabilities</b>	<u>87,099</u>	<u>19,579</u>
<b>EQUITY</b>			
	Net assets attributable to unitholders	<u>8,713,376</u>	<u>7,413,501</u>

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

## STATEMENTS OF FINANCIAL POSITION

As at 31 December 2020

		Infinity Global Stock Index Fund	
		2020	2019
Note		\$	\$
<b>ASSETS</b>			
	Portfolio of investment	91,261,839	63,047,457
	Receivables	33,620	24,528
4	Financial derivatives at fair value	28	-
	Cash and bank balances	742,501	608,877
	<b>Total assets</b>	92,037,988	63,680,862
<b>LIABILITIES</b>			
	Payables	143,494	132,413
	Due to brokers	264,330	-
	<b>Total liabilities</b>	407,824	132,413
<b>EQUITY</b>			
	Net assets attributable to unitholders	91,630,164	63,548,449
8			

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



**STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 31 December 2020*

	<b>Infinity U.S. 500 Stock Index Fund</b>		
	<b>Note</b>	<b>2020</b>	<b>2019</b>
		<b>\$</b>	<b>\$</b>
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		54,143,436	39,710,281
<b>Operations</b>			
Change in net assets attributable to unitholders resulting from operations		14,600,420	11,296,279
<b>Unitholders' contributions/(withdrawals)</b>			
Creation of units		107,716,625	15,333,801
Cancellation of units		(34,356,911)	(12,196,925)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		73,359,714	3,136,876
Total increase in net assets attributable to unitholders		87,960,134	14,433,155
<b>Net assets attributable to unitholders at the end of the financial year</b>	8	142,103,570	54,143,436

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

**STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS***For the financial year ended 31 December 2020*

	Note	Infinity European Stock Index Fund	
		2020	2019
		\$	\$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		7,413,501	6,612,279
<b>Operations</b>			
Change in net assets attributable to unitholders resulting from operations		376,380	1,372,471
<b>Unitholders' contributions/(withdrawals)</b>			
Creation of units		3,478,298	749,219
Cancellation of units		(2,554,803)	(1,320,468)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		923,495	(571,249)
Total increase in net assets attributable to unitholders		1,299,875	801,222
<b>Net assets attributable to unitholders at the end of the financial year</b>	8	8,713,376	7,413,501

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

## STATEMENTS OF MOVEMENTS OF UNITHOLDERS' FUNDS

For the financial year ended 31 December 2020

Note	Infinity Global Stock Index Fund	
	2020	2019
	\$	\$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>	63,548,449	54,235,255
<b>Operations</b>		
Change in net assets attributable to unitholders resulting from operations	10,715,307	12,969,938
<b>Unitholders' contributions/(withdrawals)</b>		
Creation of units	38,275,011	14,073,318
Cancellation of units	(20,908,603)	(17,730,062)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	17,366,408	(3,656,744)
Total increase in net assets attributable to unitholders	28,081,715	9,313,194
<b>Net assets attributable to unitholders at the end of the financial year</b>	8 91,630,164	63,548,449

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

## STATEMENTS OF PORTFOLIO

As at 31 December 2020

## INFINITY U.S. 500 STOCK INDEX FUND

	Holdings at 31 December 2020	Fair value at 31 December 2020 \$	Percentage of total net assets attributable to unitholders at 31 December 2020 %	Percentage of total net assets attributable to unitholders at 31 December 2019 %
<b>QUOTED FUND</b>				
Vanguard® U.S. 500 Stock Index Fund	2,463,524	141,662,335	99.7	99.3
<b>Portfolio of investment</b>		141,662,335	99.7	99.3
<b>Other net assets</b>		441,235	0.3	0.7
<b>Net assets attributable to unitholders</b>		142,103,570	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 2020

## INFINITY EUROPEAN STOCK INDEX FUND

	Holdings at 31 December 2020	Fair value at 31 December 2020 \$	Percentage of total net assets attributable to unitholders at 31 December 2020 %	Percentage of total net assets attributable to unitholders at 31 December 2019 %
<b>QUOTED FUND</b>				
Vanguard® European Stock Index Fund	245,258	8,747,160	100.4	99.4
<b>Portfolio of investment</b>		8,747,160	100.4	99.4
<b>Other net (liabilities)/assets</b>		(33,784)	(0.4)	0.6
<b>Net assets attributable to unitholders</b>		8,713,376	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 2020

## INFINITY GLOBAL STOCK INDEX FUND

	Holdings at 31 December 2020	Fair value at 31 December 2020 \$	Percentage of total net assets attributable to unitholders at 31 December 2020 %	Percentage of total net assets attributable to unitholders at 31 December 2019 %
<b>QUOTED FUND</b>				
Vanguard® Global Stock Index Fund	1,867,653	91,261,839	99.6	99.2
<b>Portfolio of investment</b>		91,261,839	99.6	99.2
<b>Other net assets</b>		368,325	0.4	0.8
<b>Net assets attributable to unitholders</b>		91,630,164	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 2020*

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”).

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 Unit Trusts” issued by the Institute of Singapore Chartered Accountants.

## 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

### (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.

#### (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.



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

(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) Cash and bank balances

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

(h) Payables

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

(i) 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.

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

## (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.

(j) 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 Fund considers its investment in the Investee Fund to be investment in unconsolidated structured entities. The Fund invests 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 related 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 Fund holds 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 13X of the Income Tax Act 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 Trustee of the Fund will ensure that the Fund fulfills its reporting obligations under the ETF Scheme.

**4. RECEIVABLES**

	<b>Infinity U.S. 500 Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Amount receivable for creation of units	1,244,724	111,976
Other receivables	9,703	5,795
	<u>1,254,427</u>	<u>117,771</u>

	<b>Infinity European Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Other receivables	998	2,804

	<b>Infinity Global Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Amount receivable for creation of units	26,297	12,491
Other receivables	7,323	12,037
	<u>33,620</u>	<u>24,528</u>

**5. CASH AND BANK BALANCES**

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

**6. PAYABLES**

	<b>Infinity U.S. 500 Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Amount payable for cancellation of units	406,673	80,134
Amount due to the Manager	56,550	23,765
Amount due to the Trustee	-	150
Amount due to the Registrar	3,417	3,425
Other payables	14,061	10,350
	<u>480,701</u>	<u>117,824</u>

	<b>Infinity European Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Amount payable for cancellation of units	63,399	4,598
Amount due to the Manager	3,531	3,055
Amount due to the Trustee	-	75
Amount due to the Registrar	3,417	3,425
Other payables	16,752	8,426
	<u>87,099</u>	<u>19,579</u>

	<b>Infinity Global Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Amount payable for cancellation of units	89,022	92,830
Amount due to the Manager	36,715	25,709
Amount due to the Trustee	-	100
Amount due to the Registrar	3,417	3,425
Other payables	14,340	10,349
	<u>143,494</u>	<u>132,413</u>

**7. DUE TO BROKERS**

	<b>Infinity U.S. 500 Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Purchases awaiting settlement	2,378,970	-

	<b>Infinity Global Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Purchases awaiting settlement	264,330	-

**8. UNITS IN ISSUE**

	<b>Infinity U.S. 500 Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>Units</b>	<b>Units</b>
Units at beginning of the year	28,026,226	26,271,752
Units created	53,759,229	8,673,243
Units cancelled	(17,659,017)	(6,918,769)
Units at end of the year	64,126,438	28,026,226
of which, units denominated in		
- USD	2,284,714	1,679,902
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders	142,103,570	54,143,436
Net asset value per unit	2.215	1.931

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

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.

	<b>Infinity European Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>Units</b>	<b>Units</b>
Units at beginning of the year	5,326,686	5,749,900
Units created	2,734,442	581,139
Units cancelled	(1,956,638)	(1,004,353)
Units at end of the year	<u>6,104,490</u>	<u>5,326,686</u>
of which, units denominated in		
- USD	<u>153,819</u>	<u>85,590</u>
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders	8,713,376	7,413,501
Net asset value per unit	<u>1.427</u>	<u>1.391</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>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders per unit per financial statements	1.427	1.391
Effect for movement in the net asset value between the last dealing date and the financial year end date	<u>0.013</u>	<u>0.002</u>
Net assets attributable to unitholders per unit for issuing/redeeming units	<u>1.440</u>	<u>1.393</u>

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

	<b>Infinity Global Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>Units</b>	<b>Units</b>
Units at beginning of the year	38,142,069	40,669,918
Units created	23,242,375	9,209,943
Units cancelled	(12,668,130)	(11,737,792)
Units at end of the year	<u>48,716,314</u>	<u>38,142,069</u>
of which, units denominated in - USD	<u>1,087,067</u>	<u>1,423,957</u>
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders	91,630,164	63,548,449
Net asset value per unit	<u>1.880</u>	<u>1.666</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 Global Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Net assets attributable to unitholders per unit per financial statements	1.880	1.666
Effect for movement in the net asset value between the last dealing date and the financial year end date	<u>(0.001)</u>	<u>-</u>
Net assets attributable to unitholders per unit for issuing/redeeming units	<u>1.879</u>	<u>1.666</u>

## 9. 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.

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 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.

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.



**9. 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>2020</b>	<b>2019</b>
Infinity U.S. 500 Stock Index Fund	Standard & Poor's 500 Index	0.98	0.99
Infinity European Stock Index Fund	MSCI Europe Index	0.99	0.99
Infinity Global Stock Index Fund	MSCI World Free Index	0.99	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 2020 and 2019. 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-Funds</b>	<b>Benchmark</b>	<b>Impact of 5% (2019: 8%) movement in benchmark on net assets attributable to the unitholders</b>	
		<b>2020</b> \$	<b>2019</b> \$
Infinity U.S. 500 Stock Index Fund	Standard & Poor's 500 Index	6,941,454	4,258,930
Infinity Global Stock Index Fund	MSCI World Free Index	4,517,461	4,993,359

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

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

Sub-Funds	Benchmark	Impact of 8% (2019: 8%) movement in benchmark on net assets attributable to the unitholders	
		2020 \$	2019 \$
Infinity European Stock Index Fund	MSCI Europe Index	692,775	583,410

- (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.

**9. 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 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 bank balances	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>	
<b>As at 31 December 2019</b>			
	<b>USD</b>	<b>SGD</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Portfolio of investment	53,774,370	-	53,774,370
Receivables	-	117,771	117,771
Cash and bank balances	50,591	318,528	369,119
<b>Total assets</b>	<b>53,824,961</b>	<b>436,299</b>	<b>54,261,260</b>
<b>Liabilities</b>			
Payables	24,255	93,569	117,824
<b>Total liabilities</b>	<b>24,255</b>	<b>93,569</b>	<b>117,824</b>
<b>Net financial assets</b>	<b>53,800,706</b>	<b>342,730</b>	
<b>Net currency exposure</b>	<b>53,800,706</b>	<b>342,730</b>	

## 9. FINANCIAL RISK MANAGEMENT (continued)

(a) Market risk (continued)(iii) Currency risk (continued)**Infinity European Stock Index Fund**

<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 bank balances	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>	
<b>As at 31 December 2019</b>			
	<b>USD</b>	<b>SGD</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Portfolio of investment	7,366,288	-	7,366,288
Receivables	-	2,804	2,804
Cash and bank balances	28,184	35,804	63,988
<b>Total assets</b>	<b>7,394,472</b>	<b>38,608</b>	<b>7,433,080</b>
<b>Liabilities</b>			
Payables	-	19,579	19,579
<b>Total liabilities</b>	<b>-</b>	<b>19,579</b>	<b>19,579</b>
<b>Net financial assets</b>	<b>7,394,472</b>	<b>19,029</b>	
<b>Net currency exposure</b>	<b>7,394,472</b>	<b>19,029</b>	

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

 (a) Market risk (continued)

 (iii) Currency risk (continued)

**Infinity Global Stock Index Fund**

<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 bank balances	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>	
<b>As at 31 December 2019</b>			
	<b>USD</b>	<b>SGD</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets</b>			
Portfolio of investment	63,047,457	-	63,047,457
Receivables	-	24,528	24,528
Cash and bank balances	22,672	586,205	608,877
<b>Total assets</b>	<b>63,070,129</b>	<b>610,733</b>	<b>63,680,862</b>
<b>Liabilities</b>			
Payables	-	132,413	132,413
<b>Total liabilities</b>	<b>-</b>	<b>132,413</b>	<b>132,413</b>
<b>Net financial assets</b>	<b>63,070,129</b>	<b>478,320</b>	
<b>Net currency exposure</b>	<b>63,070,129</b>	<b>478,320</b>	

**9. 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 2020 and 2019, 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 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	-	-	-

<b>As at 31 December 2019</b>	<b>Less than 3 months \$</b>	<b>3 months- 1 year \$</b>	<b>1-5 years \$</b>	<b>Above 5 years \$</b>
Payables	117,824	-	-	-

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

 (b) Liquidity risk (continued)

**Infinity European Stock Index Fund**

<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	-	-	-
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<b>As at 31 December 2019</b>	<b>Less than 3 months \$</b>	<b>3 months- 1 year \$</b>	<b>1-5 years \$</b>	<b>Above 5 years \$</b>
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Payables	19,579	-	-	-
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**Infinity Global Stock Index Fund**

<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>
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Payables	143,494	-	-	-
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Due to brokers	264,330	-	-	-
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<b>As at 31 December 2019</b>	<b>Less than 3 months \$</b>	<b>3 months- 1 year \$</b>	<b>1-5 years \$</b>	<b>Above 5 years \$</b>
-------------------------------	--------------------------------------	------------------------------------	-----------------------------	---------------------------------

Payables	132,413	-	-	-
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 (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.

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

(c) Credit risk (continued)

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.

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.

The tables below summarise the credit rating of banks and custodian in which the Sub-Funds' assets are held as at 31 December 2020 and 2019.

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

	<b>Credit rating ##</b>	<b>Source of credit rating</b>
<b>As at 31 December 2020</b>		
<b><u>Custodian</u></b>		
The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
<b><u>Bank</u></b>		
The Hongkong and Shanghai Banking Corporation Limited	AA-	S&P
The Bank of New York Mellon	A	S&P



9. FINANCIAL RISK MANAGEMENT (continued)

(c) Credit risk (continued)

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

	<b>Credit rating <sup>##</sup></b>	<b>Source of credit rating</b>
<b>As at 31 December 2019</b>		

**Custodian**

The Hongkong and Shanghai Banking  
Corporation Limited

AA-

S&P

**Bank**

The Hongkong and Shanghai Banking  
Corporation Limited

AA-

S&P

**Infinity European Stock Index Fund**

	<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

	<b>Credit rating <sup>##</sup></b>	<b>Source of credit rating</b>
<b>As at 31 December 2019</b>		

**Custodian**

The Hongkong and Shanghai Banking  
Corporation Limited

AA-

S&P

**Bank**

The Hongkong and Shanghai Banking  
Corporation Limited

AA-

S&P

9. 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 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

	<b>Credit rating <sup>##</sup></b>	<b>Source of credit rating</b>
<b>As at 31 December 2019</b>		

**Custodian**

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

**Bank**

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

**9. 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 2020 and 2019:

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

**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
	141,662,335	126	-	141,662,461

**As at 31 December 2019**

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Portfolio of investment				
- Unit trust	53,774,370	-	-	53,774,370

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

 (e) Fair value estimation (continued)

**Infinity European Stock Index Fund**
**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

**As at 31 December 2019**

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Portfolio of investment				
- Unit trust	7,366,288	-	-	7,366,288

**Infinity Global Stock Index Fund**
**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

**As at 31 December 2019**

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>Assets</b>				
Portfolio of investment				
- Unit trust	63,047,457	-	-	63,047,457

**9. 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 bank balances which are classified as Level 1, the Sub-Funds' assets and liabilities not measured at fair value at 31 December 2020 and 2019 have been classified as Level 2. The carrying amounts of these assets and liabilities approximate their fair values as at the reporting date.

**10. 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 investments" 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.

**11. RELATED PARTY TRANSACTIONS**

Management fees are paid to the Manager. These fees 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>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Interest expenses incurred with a bank which is a related company of the Trustee	117	-
Transaction fee charged by a related company of the Trustee	-	600
Registration fee charged by a related company of the Trustee	23,886	16,766
Cash transfer fees charged by a related company of the Trustee	10,533	6,030

	<b>Infinity European Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Transaction fee charged by a related company of the Trustee	-	225
Registration fee charged by a related company of the Trustee	15,482	14,175
Cash transfer fees charged by a related company of the Trustee	1,217	788

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

	<b>Infinity Global Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Transaction fee charged by a related company of the Trustee	(25)	525
Registration fee charged by a related company of the Trustee	20,176	16,571
Cash transfer fees charged by a related company of the Trustee	6,645	5,355

**12. FINANCIAL RATIOS**

	<b>Infinity U.S. 500 Stock Index Fund</b>		<b>Infinity European Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
Expense ratio (excludes underlying sub-fund's expense ratio) <sup>1</sup>	0.57	0.60	1.05	0.94
Expense ratio (includes underlying sub-fund's expense ratio) <sup>1</sup>	0.67	0.70	1.17	1.06
Portfolio turnover ratio <sup>2</sup>	1	5	18	2

	<b>Infinity Global Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>%</b>	<b>%</b>
Expense ratio (excludes underlying sub-fund's expense ratio) <sup>1</sup>	0.58	0.57
Expense ratio (includes underlying sub-fund's expense ratio) <sup>1</sup>	0.76	0.75
Portfolio turnover ratio <sup>2</sup>	5	6

**12. FINANCIAL RATIOS (continued)**

<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 at 31 December 2020 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>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Total operating expenses	464,626	287,830	75,751	69,021
Average net asset value	81,763,082	47,660,162	7,228,474	7,317,779
Weighted average of the underlying fund's expense ratio	0.10%	0.10%	0.12%	0.12%

	<b>Infinity Global Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
Total operating expenses	406,283	334,702
Average net asset value	70,175,341	59,157,337
Weighted average of the underlying sub-fund's expense ratio	0.18%	0.18%

The expense ratio is the sum of the Sub-Fund's expense ratio and the weighted average of the underlying funds' unaudited expense ratios. The expense ratios of the underlying funds are unaudited. There is no requirement for the expense ratios of the underlying funds to be published or audited.



**12. FINANCIAL RATIOS (continued)**

<sup>2</sup> The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratios was based on the lower of the total value of purchases or sales of the underlying investments divided by the average daily net asset value as follows:

	<b>Infinity U.S. 500 Stock Index Fund</b>		<b>Infinity European Stock Index Fund</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Total value of sales or purchases of the underlying investments	943,384	2,384,146	1,268,481	162,560
Average daily net asset value	<u>81,763,082</u>	<u>47,660,162</u>	<u>7,228,474</u>	<u>7,317,779</u>
			<b>Infinity Global Stock Index Fund</b>	
			<b>2020</b>	<b>2019</b>
			<b>\$</b>	<b>\$</b>
Total value of sales or purchases of the underlying investments			3,711,793	3,545,725
Average daily net asset value			<u>70,175,341</u>	<u>59,157,337</u>

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