

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

UNAUDITED FINANCIAL STATEMENTS

*For the financial period from 11 December 2014 (date of constitution) to
31 December 2015*

DIRECTORY

Manager

Atlas Asset Management Pte. Ltd.
80 Raffles Place
#57-01 UOB Plaza 1
Singapore 048624

Trustee, Administrator and Custodian

Asiaciti Trust Singapore Pte.Ltd.
163 Penang Road
#02-03 Winsland House II
Singapore 238463

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UNAUDITED FINANCIAL STATEMENTS

*For the financial period from 11 December 2014 (date of constitution) to
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LANG CAPITAL FUND

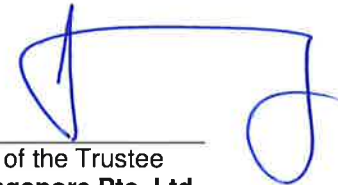
(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

REPORT OF THE TRUSTEE

*For the financial period from 11 December 2014 (date of constitution) to
31 December 2015*

The Trustee is under a duty to take into custody and hold the assets of Lang Capital Fund (the "Fund") in trust for the unitholder. In accordance with the Securities and Futures Act (Cap. 289), its subsidiary legislation and the Code on Collective Investment Schemes (collectively referred to as the "laws and regulations"), the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting period and report thereon to the unitholder in the unaudited financial statements.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Fund during the period covered by these financial statements, set out on pages 3 to 21, 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
Asiaciti Trust Singapore Pte. Ltd.

Date: 29 February 2016

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

STATEMENT BY THE MANAGER

*For the financial period from 11 December 2014 (date of constitution) to
31 December 2015*

In the opinion of the directors of Atlas Asset Management Pte. Ltd., the accompanying financial statements set out on pages 3 to 21, comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholder's Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial position of Lang Capital Fund (the "Fund") as at 31 December 2015 and the total return and changes in unitholder's funds for the financial period from 11 December 2014 (date of constitution) to 31 December 2015 in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Unit Trusts" issued by the Institute of Certified Public Accountants of Singapore. At the date of this statement, there are reasonable grounds to believe that the Fund will be able to meet its financial obligations as and when they materialise.



For and on behalf of directors of
Atlas Asset Management Pte. Ltd.

Date: 29 February 2016

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

STATEMENT OF TOTAL RETURN*For the financial period from 11 December 2014 (date of constitution) to 31 December 2015*

	Notes	For the financial period from 11 December 2014 (date of constitution) to 31 December 2015 US\$
Income		
Interest income on loan receivable	5	441,096
Bank interest income		15,223
Other income		1
		<u>456,320</u>
Expenses		
Management fees		887,171
Legal fees		613,069
Trustee, administrator and custodian fees		71,856
Other professional fees		47,295
Audit fee		35,335
Listing fees		14,866
Bank charges		3,137
Loss on foreign currency transactions - net		649
Others		1,156
		<u>1,674,534</u>
Net loss		(1,218,214)
Net loss on value of investment	6	<u>(233,835)</u>
Total return for the period		<u>(1,452,049)</u>

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

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	Notes	2015 US\$
ASSETS		
Bank balances	4	15,538,975
Receivables	5	32,157,215
Portfolio of investments	6	1,072,566
Prepayments		300
Total assets		48,769,056
LIABILITY		
Payables	7	221,105
Total liability		221,105
EQUITY		
Net assets attributable to unitholder	8	48,547,951

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

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

STATEMENT OF MOVEMENTS OF UNITHOLDER'S FUNDS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

	Note	For the financial period from 11 December 2014 (date of constitution) to 31 December 2015 US\$
Net assets attributable to unitholder at beginning of the financial period		<u>-</u>
Operations		
Change in net assets attributable to unitholder resulting from operations		(1,452,049)
Unitholder's contributions		
Subscription of units	8	<u>50,000,000</u>
Total increase in net assets attributable to unitholder		<u>48,547,951</u>
Net assets attributable to unitholder at end of the financial period		<u>48,547,951</u>

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

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

STATEMENT OF PORTFOLIO*As at 31 December 2015***Primary**

	Holdings at 31 December 2015	Fair value at 31 December 2015	Percentage of total net assets attributable to unitholder at 31 December 2015
By geography		US\$	%
Unquoted/Private			
Equities			
United States of America			
Movencorp Inc.	229,211	999,999	2.06
Sweden			
Tinitell AB	38,300	72,565	0.15
Hong Kong			
Kluisberg Investment Holdings Limited	1	1	*
Samoa			
Brest Holdings Limited	1	1	*
Portfolio of investments		1,072,566	2.21
Other net assets		47,475,385	97.79
Net assets attributable to unitholder		48,547,951	100.00

below 0.00%The accompanying notes form an integral part of these financial statements.*

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

STATEMENT OF PORTFOLIO*As at 31 December 2015***Primary (continued)**

	Percentage of total net assets attributable to unitholder at 31 December 2015
By geography (summary)	%
Unquoted/Private	
United States of America	2.06
Sweden	.15
Samoa	*
Hong Kong	*
Portfolio of investments	2.21
Other net assets	97.79
Net assets attributable to unitholder	100.00

below 0.00%*Secondary**

	Fair value at 31 December 2015	Percentage of total net assets attributable to unitholder at 31 December 2015
By industry	US\$	%
Financial services	999,999	2.06
Technology	72,565	0.15
Investment holding	2	*
Portfolio of investments	1,072,566	2.21
Other net assets	47,475,385	97.79
Net assets attributable to unitholder	48,547,951	100.00

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

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

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

1. General information

Lang Capital Fund (the "Fund") is a unit trust constituted by a Deed of Trust dated 11 December 2014 (and as amended, restated and supplemented from time to time) (hereafter referred to as "Trust Deed"). The Trust Deed is governed in accordance with the laws of the Republic of Singapore. The Manager of the Fund is Atlas Asset Management Pte. Ltd. (the "Manager") and the Trustee is Asiatic Trust Singapore Pte. Ltd. (the "Trustee").

The Fund was established to pursue investment opportunities in listed securities and private equity investments on a global basis which focuses on the developed markets and achieve steady capital appreciation. The portfolio of the listed securities and private equity investments will be diversified on a global basis, with emphasis on Europe and the emerging markets.

On 31 March 2015, the Fund was listed on the official list of Singapore Stock Exchange ("SGX"). The Fund will not be traded on SGX as the securities are not Central Depository eligible and hence unable to be settled through Central Depository.

2. Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Basis for preparation

The financial statements have been prepared under the historical cost convention, 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.

2.2 Recognition of income

Income is recognised to the extent that it is probable that the economic benefits will flow to the Fund and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

2. Significant accounting policies (continued)

2.3 Distribution policy

The Manager of the Fund shall have the sole discretion to determine whether a distribution is to be made and, as and when the Manager shall decide, the Manager may distribute such part or all of the assets of the Fund pursuant to the terms of the Trust Deed.

Distribution is accrued for at the reporting date if the necessary approvals have been obtained and a legal or constructive obligation has been created.

2.4 Financial assets at fair value through profit or loss

(i) Initial recognition

Purchase of investments is 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 is included in the Statements of Total Return in the period in which they arise.

(iii) Derecognition

Investments are derecognised on the trade date of disposal. The resultant realised gains and losses on the sales 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.

(iv) Investment valuation

The Fund's investments and the underlying investments held by its subsidiaries have been designated at fair value through profit or loss at inception as they are managed as portfolio and their performance is evaluated on a fair value basis in accordance with the Fund's offering document.

The investments are valued at fair value based on a valuation performed by an independent third party.

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

2. Significant accounting policies (continued)

2.5 Loans and receivables

Bank balances and receivables are initially recognised at their fair values plus transaction costs and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

The Fund assesses at the end of each reporting period whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significantly delay its payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

These assets are presented as current assets except for those that are expected to be realised later than twelve (12) months after the end of each reporting period, which are presented as non-current assets.

2.6 Payables

Payables are initially recognised at their fair values, and subsequently carried at amortised cost, using the effective interest method.

2.7 Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). The financial statements are presented in United States Dollar ("US\$"), which is the Fund's functional and presentation currency.

LANG CAPITAL FUND

(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

2. Significant accounting policies (continued)

2.7 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 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 fair value net gain or loss.

2.8 Investment entity and consolidation

These financial statements do not consolidate the financial performance and position of the subsidiaries.

The Fund's investors are not related to the Fund. The Fund holds multiple investments indirectly through its subsidiaries (Note 6). The Fund is deemed to meet the definition of an investment entity per FRS 110 as the following conditions exist:

- (a) The Fund has obtained funds for the purpose of providing investors with investment management services.
- (b) The Fund's business purpose, which was communicated directly to investors, is investing solely for returns from capital appreciation and investment income.
- (c) The performance of investments made through the subsidiaries are measured and evaluated on a fair value basis.

An investment entity accounts for:

- Investment property using the fair value model in IAS 40, 'Investment property'
 - Associates and joint ventures on a fair value basis by electing the exception from the equity method in IAS 28, 'Investment in associates'; and
 - Financial assets on fair value basis under IFRS 9.
-

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NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

2. Significant accounting policies (continued)

2.8 Investment entity and consolidation (continued)

As such, consolidated financial statements have not been prepared by the Fund. In these non-consolidated financial statements, the Fund's investment in its subsidiaries is carried at fair value.

2.9 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.

The Fund has determined that its investment in the subsidiaries (Note 6) is an investment in an unconsolidated structured entity. The Fund invests in the subsidiaries whose objectives range from achieving medium to long term capital growth and applies various investment strategies to accomplish its investment objectives. The subsidiaries finance its operations by issuing ordinary shares which entitles the holder to a proportionate stake in the subsidiaries' net assets.

3. Critical accounting estimates, assumptions and judgements

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements in applying the Fund's accounting policies

Functional currency

The Fund considers the S\$ to be the functional currency. The S\$ is the currency in which the Fund measures its performance and reports its results, as well as the currency in which the majority of expenses and future running costs will be incurred.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

4. Bank balances

Cash at bank is denominated in the following currencies:

	2015 US\$
United States Dollar	15,538,958
Singapore Dollar	17
	<u>15,538,975</u>

5. Receivables

	2015 US\$
Loans receivable:	
Subsidiary	19,701,381
Third party	10,000,000
Affiliate	<u>2,000,000</u>
Total loans receivable	31,701,381
Interest on loans receivable	441,096
Other receivables	<u>14,738</u>
	<u>32,157,215</u>

Subsidiary

The amount is composed of two loans. The first loan amounting to US\$ 19,634,714 is non-trade, interest-free and payable on demand. The second loan amounting to US\$ 66,667 is repayable on pari passu basis.

On 23 December 2015, the Fund entered into an agreement whereby the first loan shall be converted into the shares of the subsidiary within 60 days after the agreement date. Further, after the conversion, 1/3 of the shares will be sold to a third party.

Third party

The loan is non-trade, bears interest at 10% per annum and payable twelve months after utilisation date of 24 July 2015. The interest is due every six months starting from the utilisation date.

As at 31 December 2015, interest accrued and earned on the loan amounted to US\$ 441,096.

The carrying amount of the loan approximates its fair value as at the end of the reporting date due to its short-term nature.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

5. Receivables (continued)Affiliate

The loan is non-trade, interest-free and payable on demand.

The carrying amount of the loan approximates its fair value as at the end of the reporting date due to its short-term nature.

6. Portfolio of investments

The Fund's investments are denominated in the following currencies:

	2015 US\$
United States Dollar	1,000,001
Swedish Krona	72,565
	<u>1,072,566</u>

Included in the portfolio of investments are investments in two wholly-owned subsidiaries namely Kluisberg Investment Holdings Limited and Brest Holdings Limited.

7. Payables

	2015 US\$
Management fees payable	173,601
Accrued audit fee	35,335
Trustee, administrator and custodian fees payable	12,168
Other payable	1
	<u>221,105</u>

Payables are denominated in the following currencies:

	2015 US\$
United States Dollar	185,770
Singapore Dollar	35,335
	<u>221,105</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

8. Units in issue

During the period, the number of shares issued and outstanding are as follows:

	For the financial period from 11 December 2014 (date of constitution) to 31 December 2015 Number of Units
Balance at beginning of period	-
Issued on 19 December 2014	25,000,000.00
Issued on 29 May 2015	25,252,525.00
Balance at end of period	<u>50,252,525.00</u>
	US\$
Balance at beginning of period	-
Issued on 19 December 2014	25,000,000
Issued on 29 May 2015	25,000,000
Balance at end of period	<u>50,000,000</u>
Net assets attributable to unitholder	US\$ 48,547,951
Net asset value per unit	US\$ 0.97

9. Related-party transactions

Parties are considered to be related to the Fund if the Fund has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Fund and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties include the Manager and Trustee and parties by reason of their relationship with the Manager and Trustee.

The management fees paid to the Manager and the trustee, administrator and custodian fees charged by the Trustee are shown in the Statement of Total Return.

Other related-party transactions during the period include loan arrangements with a subsidiary and with an affiliate (see Note 5).

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NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

10. Financial risk management*Risk management objectives and policies*

The Fund's activities expose it to a variety of market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Fund's overall risk management programme seeks to minimise potential adverse effects on the Fund's financial performance. The Manager will implement various procedures and controls to manage the risks associated with an investment in the units. The Manager will ensure that the risk management and compliance procedures and controls adopted are adequate and that it has the necessary expertise to control and manage the risks relating to investments in the respective types of instruments. The Manager may modify the risk management and compliance procedures and controls as it deems fit and in the interests of the Fund.

(a) Market risk

Market risk is the risk of potential adverse changes to the value of financial instruments because of changes in market conditions such as interest rate and currency rate movements and volatility in security prices.

The Fund's investments are monitored by the Manager on a regular basis so as to assess changes in fundamentals and valuation. Although the Manager conducts detailed analysis before making investment decisions, events beyond reasonable control of the Manager could affect the prices of the underlying investments and hence the net asset value of the Fund. The Manager may also select other financial instruments within the investment guidelines as set out in the Fund's Trust Deed. Guidelines are set to reduce the Fund's risk exposure to market volatility through diversifying the portfolio by investing across various geographies and industry sectors.

(i) *Currency risk*

The assets and income of the Fund may be substantially denominated in currencies other than US\$. Currency fluctuations between foreign currencies and US\$ may affect the income and valuation of the assets of the Fund in ways unrelated to business performance. Managers generally do not hedge currency positions of the Fund unless exceptional circumstances require it to do so. In the event that the Managers do employ currency hedging techniques, they will do so to minimise the impact of the exchange rate fluctuations on the Fund and/or for the purpose of efficient portfolio management.

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(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

NOTES TO THE FINANCIAL STATEMENTS*For the financial period from 11 December 2014 (date of constitution) to 31 December 2015***10. Financial risk management (continued)****(a) Market risk (continued)****(i) *Currency risk* (continued)**

The table below summarises the Fund's exposure to foreign currency:

	SGD	SEK	<u>Total</u>
As at 31 December 2015			
Financial asset			
Portfolio of investments	-	72,565	72,565
Financial liability			
Accrued audit fee	<u>72,565</u>	<u>-</u>	<u>72,565</u>
Total	<u>72,565</u>	<u>72,565</u>	<u>72,565</u>

The following table shows the Fund's sensitivity to key foreign currency exposures should SEK increase/(decrease) by a reasonable possible shift with all other variables held constant.

	Reasonable possible foreign exchange increase/(decrease) 31 December 2015 %	Impact of increase/(decrease) in foreign exchange rates on the profit after tax to the Fund 31 December 2015 US\$
SEK	5 / (5)	<u>3,628 / (3,628)</u>

(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.

The Fund's exposure to interest rate arises primarily from the Company's loan receivable to a third party. The interest in loan receivable is fixed and thus, no sensitivity analysis has been prepared.

(b) Credit risk

The Fund takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due, including transactions with counterparties such as issuers, brokers, custodians and banks.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

10. Financial risk management (continued)**(b) Credit risk (continued)**

Impairment allowances are made for losses that have been incurred by the reporting date, if any. The Manager has in place procedures for proper credit screening and monitoring of credit risk, including the use of approved counterparties with credit limits set and subject to specified financial strength criteria. Exposure against all counterparties is then monitored on a regular basis.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets without taking into account the value of any collateral obtained. The Fund only deals with banks that have high credit-ratings assigned by international credit-rating agencies and a credit verification procedure is performed to counterparties who wish to engage in business with the Fund.

The Fund's cash accounts are held by a financial institution with a credit rating of AA-, as rated by Standard & Poor's. The credit rating refers to the long term default issuer rating of the financial institution.

As 31 December 2015, financial assets that are exposed to credit risk, are neither past due nor impaired.

(c) Liquidity risk

The Fund's liquidity risk arises mainly from redemptions of units. To minimise this risk, redemption is subject to a minimum redemption amount with a corresponding minimum holding amount. Redemptions may, at the discretion of the Manager, be effected in cash or in specie by a transfer to the relevant unitholder of assets of the Fund or a combination of both. The Manager shall have the sole discretion to select the assets of the Fund to be transferred, the value of which shall be calculated as at the appropriate dealing day in accordance with the terms of the Trust Deed.

The Trustee may at any time at the request of the Manager, make and vary arrangements for the borrowing by the Trustee for the account of the Fund in any currency and for any purposes as may be approved by the Trustee, including without limitation, the purpose of enabling the Manager to meet redemption requests or acquire investments for the account of the Fund.

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NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

10. Financial risk management (continued)**(c) Liquidity risk (continued)**

The Fund's financial liabilities are repayable within 12 months. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31 December 2015	Less than 1 year US\$
Payables	<u>221,105</u>

(d) Capital management

The Fund's capital is represented by the net assets attributable to unitholder. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for the unitholder, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Fund.

In order to maintain or adjust the capital structure, the Manager may call for additional subscriptions or distribute funds to the unitholder.

The Manager monitors capital on the basis of the value of the net assets attributable to the unitholder.

(e) Fair value estimation

The Fund classifies 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).

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NOTES TO THE FINANCIAL STATEMENTS*For the financial period from 11 December 2014 (date of constitution) to 31 December 2015***10. Financial risk management (continued)****(e) Fair value estimation (continued)**

The following table analyses within the fair value hierarchy the Fund's financial assets (by class) measured at fair value as at 31 December 2015:

As at 31 December 2015	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
Asset				
Financial assets designated at fair value through profit or loss				
Portfolio of investments	-	-	1,072,566	1,072,566
	-	-	1,072,566	1,072,566

The fair value of financial instruments that are not traded in an active market, are determined using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Techniques such as estimated discounted cash flows are used to determine fair value of these financial assets. These investments are included in Level 3.

The Fund's policy is to recognise transfer into and out of fair value hierarchy level as of the date of the event or change in circumstances that caused the transfer.

The Fund is of the view that the net asset value is an appropriate basis to represent the fair value of its investment in the subsidiaries as the performance of investments made through the subsidiaries are measured and evaluated on a fair value basis.

The following table presents the movement in Level 3 investment for the period from 11 December 2014 (date of constitution) to 31 December 2015:

	US\$
Financial assets at fair value through profit or loss	
Balance as at December 11, 2014	-
Additions	1,306,401
Unrealised loss in fair value of financial asset at fair value through profit or loss	(233,835)
End of financial period as at December 31, 2015	1,072,566
Total loss recognised in profit or loss for financial assets held at the end of the financial period	(233,835)

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(Constituted under a Trust Deed in the Republic of Singapore on 11 December 2014)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 11 December 2014 (date of constitution) to 31 December 2015

10. Financial risk management (continued)**(e) Fair value estimation (continued)**

The carrying amounts of financial assets (other than the portfolio of investments) and financial liabilities are recorded in the financial statements at their approximate fair values as at the end of the reporting date due to their short-term nature.

During the period, there were no transfers between Level 1 and 2 fair value measurements, and no transfers into and out of Level 3 fair value measurement.

11. Financial ratios

Expense ratio¹
3.54%

Turnover ratio²
2.76%

¹The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore. The calculation of the expense ratio was based on total expenses of US\$ 1,674,534 divided by the average net asset value of US\$ 47,304,997 for the period. The average net asset value is based on the month-end balances.

²The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the value of the purchased underlying investments of US\$ 1,306,401 divided by the average month-ended net asset value of US\$ 47,304,997.