

Audited Financial Statements

NORTH AMERICAN EQUITY FUND (MACAU)

For the period from 1 September 2025 (commencement of operations) to
31 December 2025

NORTH AMERICAN EQUITY FUND (MACAU)

CONTENTS

	Pages
INDEPENDENT AUDITOR'S REPORT	1 - 2
AUDITED FINANCIAL STATEMENTS	
Statement of net assets available for benefits	3
Statement of profit or loss and other comprehensive income	4
Statement of changes in net assets available for benefits attributable to members	5
Statement of cash flows	6
Notes to financial statements	7 - 19

INDEPENDENT AUDITOR'S REPORT
To the Management Company of North American Equity Fund (Macao)

We have audited the financial statements of North American Equity Fund (Macao) (the "Fund") set out on pages 3 to 19, which comprise the statement of net assets available for benefits as at 31 December 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in net assets available for benefits attributable to members and the statement of cash flows for the period from 1 September 2025 (commencement of operations) to 31 December 2025, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Management Company's responsibilities for the financial statements

The Management Company of the Fund is responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards promulgated by the Macau Special Administrative Region under the Order of the Secretary for Economy and Finance No. 44/2020 ("Macau Financial Reporting Standards"), in compliance with the Legal Framework of Private Pension Funds under Decree-Law no. 6/99/M of 8 February as amended by Law no. 10/2001 ("Legal Framework of Private Pension Funds") and the Notice No. 017/2025-AMCM, and for such internal control as the Management Company of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In addition, the Management Company of the Fund has the responsibilities to ensure that proper records of the Fund have been maintained to reflect the Fund's activities.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Auditing Standards issued by the Professional Committee of Accountants under the Notice no. 2/2021/CPC. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

INDEPENDENT AUDITOR'S REPORT (continued)
To the Management Company of North American Equity Fund (Macau)

Auditor's responsibility (continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Company of the Fund, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Fund as at 31 December 2025, and of its financial transactions and cash flows for the period from 1 September 2025 (commencement of operations) to 31 December 2025 in accordance with Macau Financial Reporting Standards and in compliance with the Legal Framework of Private Pension Funds.

Report on the requirements in accordance with the Notice No. 017/2025-AMCM

In our opinion:

- (a) proper records of the Fund have been maintained to reflect the Fund's activities;
- (b) all necessary information and explanations as and when requested, and where appropriate, have been satisfactorily obtained.

A handwritten signature in black ink, appearing to be 'Chan Wai', written over a horizontal line.

CHAN Wai CPA
Ernst & Young
Certified Public Accountants

Macau
29 June 2026

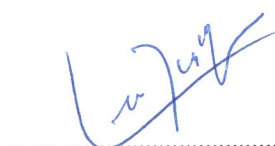
NORTH AMERICAN EQUITY FUND (MACAU)

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

As at 31 December 2025

	Notes	2025 MOP	2025 HKD
ASSETS			
Financial assets at fair value through profit or loss	3,4	42,743,467	41,498,512
Transfer-in receivable	5	17,084,803	16,587,187
Cash and cash equivalents	6	27,475	26,675
TOTAL ASSETS		59,855,745	58,112,374
LIABILITIES			
Transfer-out payable	7	6,705	6,510
Management fee payable	8(a)	52,509	50,980
Investment Payable		157,551	152,962
TOTAL LIABILITIES EXCLUDING NET ASSETS AVAILABLE FOR BENEFITS ATTRIBUTABLE TO MEMBERS		216,765	210,452
NET ASSETS AVAILABLE FOR BENEFITS ATTRIBUTABLE TO MEMBERS		59,638,980	57,901,922
TOTAL LIABILITIES AND NET ASSETS AVAILABLE FOR BENEFITS ATTRIBUTABLE TO MEMBERS		59,855,745	58,112,374
Unit in issue		5,625,551	
Unit price		10.602	10.293

For and on behalf of the Management Company
Manulife (International) Limited



Lee Ka Man May

The accompanying notes are integral part of these financial statements.

NORTH AMERICAN EQUITY FUND (MACAU)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

	Notes	2025 MOP	2025 HKD
EXPENSES			
Management fees	8(a)	(82,053)	(79,663)
Custody fees	8(b)	(831)	(807)
EXPENSES BEFORE INVESTMENT AND EXCHANGE DIFFERENCES		(82,884)	(80,470)
INVESTMENT AND EXCHANGE DIFFERENCES			
Net realised gains on financial assets at fair value through profit or loss	3	145	141
Net change in unrealised gains on financial assets at fair value through profit or loss	3	358,112	347,682
Interest income		2	2
		358,259	347,825
CHANGE IN NET ASSETS AVAILABLE FOR BENEFITS FROM OPERATIONS		275,375	267,355

The accompanying notes are integral part of these financial statements.

NORTH AMERICAN EQUITY FUND (MACAU)

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS ATTRIBUTABLE TO MEMBERS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

	2025 MOP	2025 HKD
Net assets available for benefits attributable to members as at 1 September	-	-
Contributions received and receivable during the period	2,325	2,257
Benefits paid and payable during the period	-	-
Transfer in during the period	60,513,569	58,751,037
Transfer out during the period	(1,152,289)	(1,118,727)
Change in net assets available for benefits from operations for the period	<u>275,375</u>	<u>267,355</u>
Net assets available for benefits attributable to members	<u>59,638,980</u>	<u>57,901,922</u>

The accompanying notes are integral part of these financial statements.

NORTH AMERICAN EQUITY FUND (MACAU)

STATEMENT OF CASH FLOWS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

	Notes	2025 MOP	2025 HKD
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in net assets available for benefits from operation		275,375	267,355
Adjusted for:			
Investment and exchange difference		(358,259)	(347,825)
Interest income		2	2
Changes in other assets and liabilities:			
Increase in financial assets at fair value through profit or loss		(42,385,355)	(41,150,830)
Increase in management fee payable		52,509	50,980
Increase in investment payable		157,551	152,962
Gains on disposal of investments		145	141
Net cash flows used in operating activities		<u>(42,258,032)</u>	<u>(41,027,215)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Contributions received		2,325	2,257
Transfer in		43,428,766	42,163,850
Transfer out		<u>(1,145,584)</u>	<u>(1,112,217)</u>
Net cash flows generated from financing activities		<u>42,285,507</u>	<u>41,053,890</u>
Net increase in cash and cash equivalents		27,475	26,675
Cash and cash equivalents at beginning of period		<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD		<u><u>27,475</u></u>	<u><u>26,675</u></u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash at bank	6	<u><u>27,475</u></u>	<u><u>26,675</u></u>

The accompanying notes are integral part of these financial statements.

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

1. THE FUND

Manulife (International) Limited (the "Management Company") participated in Macau Non-Mandatory Central Provident Fund System (the "System") on 2 July 2025 and North American Equity Fund (Macau) (the "Fund") is one of the funds under the System. The Fund, launched on 2 July 2025, is one of the ten private pension funds of the Management Company and authorised under the Macau Legal Framework for Private Pension Funds Decree-Law No.6/99/M of 8 February as amended by Law no. 10/2001 ("Legal Framework of Private Pension Funds"). The Management Company is a life insurance company and registered as a private pension fund Management Company with the Monetary Authority of Macau ("AMCM") in Macau.

The Management Company appointed Manulife Investment Management (Hong Kong) Limited (the "Investment Adviser") to assist in providing investment and related services to the Fund and the depository of the Fund is HSBC Institutional Trust Services (Asia) Limited.

2.1 BASIS OF PREPARATION

The financial statements of the Fund have been prepared in accordance with Financial Reporting Standards promulgated by the Macau Special Administrative Region under the Order of the Secretary for Economy and Finance No. 44/2020 ("MFRSs"), in compliance with the Legal Framework of Private Pension Funds and the Notice No. 017/2025-AMCM.

These financial statements have been prepared under the historical cost convention, except for the financial assets measured at fair value through profit or loss, as further explained below. These financial statements are presented in Macau patacas ("MOP") and Hong Kong dollars ("HKD"). All values are rounded to the nearest MOP and HKD except when otherwise indicated.

2.2 ISSUED BUT NOT YET EFFECTIVE NEW MACAU FINANCIAL REPORTING STANDARDS

Pursuant to Article 7(1) of Law No. 20/2020, Regulations on the Profession and Practice of Accountants, the Accounting Standards of the Macau Special Administrative Region (hereinafter referred to as the "New Macau Financial Reporting Standards"), was promulgated by the Professional Committee of Accountants on 19 December 2024 under Notice No. 2/2024/CPC. The New Macau Financial Reporting Standards shall be mandatorily applied to the preparation of financial statements for the financial years beginning on or after 1 January 2028. Early adoption of the New Macau Financial Reporting Standards is permitted for the financial years beginning on or after 1 January 2026.

The New Macau Financial Reporting Standards consists of the complete set of International Financial Reporting Standards included in the 2021 edition of the Bound Volume of International Financial Reporting Standards issued by the International Accounting Standards Board. The New Macau Financial Reporting Standards includes new standards, such as IFRS 16 – Leases, IFRS 17 – Insurance Contracts, and amendments to existing standards.

The Management Company has not applied the New Macau Financial Reporting Standards, which has been issued but are not yet effective, in these financial statements. The Management Company intends to apply the New Macau Financial Reporting Standards when they become effective. The Management Company is assessing the impact of these standards on the Fund's financial statements.

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial instruments

(i) Classification

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

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

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

Financial assets

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

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

Financial assets measured at amortised cost

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

Financial assets measured at fair value through profit or loss

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

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

The Fund includes in this category:

- Instruments held for trading. This category includes funds which are acquired principally for the purpose to provide medium to long term capital growth.

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) Classification (continued)

Financial liabilities

Financial liabilities measured at amortised cost

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Fund includes in this category benefits payable, management fee payable, investment payable and other payables.

(ii) Recognition

The Fund recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument.

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

(iii) Initial measurement

Financial assets and financial liabilities at fair value through profit or loss are recorded in the statement of net assets available for benefits at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

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

(iv) Subsequent measurement

After initial measurement, the Fund measures financial instruments which are classified as at fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in net change in unrealised gains on financial assets at fair value through profit or loss in profit or loss.

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

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest revenue or interest expense over the relevant period.

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iv) Subsequent measurement (continued)

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

(v) Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where (i) the rights to receive cash flows from the asset have expired; or (ii) the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and either the Fund has transferred substantially all the risks and rewards of the asset, or the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

Impairment of financial assets

For financial assets measured at amortised cost, impairment allowances are recognised under the general approach where expected credit loss ("ECL") are recognised in two stages. For credit exposures where there has not been a significant increase in credit risk since initial recognition, the Fund is required to provide for credit losses that result from possible default events within the next 12 months. For those credit exposures where there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure irrespective of the timing of the default.

Simplified approach

For receivables, the Fund applies the simplified approach in calculating ECLs. Under the simplified approach, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Fund has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Fund chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net assets available for benefits attributable to members

The members of the Fund through their employers are provided with the right to redeem their entitlement for cash (subject to forfeiture) equal to their proportionate share of the net asset value of the Fund. The existence of the option for the members through their employers to redeem their entitlement for cash (subject to forfeiture) requires the Fund to classify the entitlement as liabilities. Accordingly, the increase (decrease) in net assets available for benefits attributable to members is shown in the statement of changes in net assets available for benefits attributable to members. The subscriptions and redemptions by the members and the distributions to members are the increase or decrease of liabilities of the Fund.

The liabilities to members are presented in the statement of net assets available for benefits as "net assets available for benefits attributable to members" and are determined based on the residual assets of the Fund after deducting the Fund's other liabilities.

Translation of Hong Kong dollars to Macau patacas

All assets and liabilities in the statement of net assets available for benefits as at 31 December 2025 are translated using exchange rate of 1 HKD = 1.03 MOP. The gains and losses in the statement of profit or loss and other comprehensive income are translated using average exchange rate of 1 HKD = 1.03 MOP. The Fund is denominated in Hong Kong dollars. The Fund is priced in Hong Kong dollars, and the unit price in Macau patacas is derived by converting the Hong Kong dollar unit price at the exchange rate determined by the Management Company from time to time.

Revenue recognition

Realised gains and losses on securities are recognised on a trade date basis and are equal to the difference between the original cost, computed using weighted average cost method and sales proceeds.

Aggregate past service liability

Aggregate past service liability represents the aggregate of members' balances at the reporting date on the assumption that the Fund will continue.

Aggregate vested liability

Aggregate vested liability represents the aggregate of that portion of the members' balances at the year-end date, computed in accordance with the vesting rules of the Fund, that would be payable on the assumption that the Fund was terminated at that date.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Fund. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price or binding dealer price quotations (the last traded price), without any deduction for transaction costs.

For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances.

Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted) as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

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

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

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

Offsetting of financial instruments

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

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

Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investments or other purposes.

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions and benefit payments

Contributions and benefit payments are accounted for on an accrual basis.

Interest income

Interest income are recognised in profit or loss for all interest-bearing financial instruments using the effective interest method.

Net gain or loss on financial assets at fair value through profit or loss

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

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised in the reporting period. Realised gains and losses on disposals of financial instruments classified as at fair value through profit or loss are calculated using the weighted average cost method. They represent the difference between an instrument's initial carrying amount and disposal amount.

Related parties

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

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

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

3. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 MOP	2025 HKD
Cost of securities investment funds	42,385,355	41,150,830
Unrealised gains	358,112	347,682
	<u>42,743,467</u>	<u>41,498,512</u>
	2025 MOP	2025 HKD
Net gains on financial assets at fair value through profit or loss		
- Realised gains	145	141
- Change in unrealised gains	<u>358,112</u>	<u>347,682</u>

Valuation techniques

The underlying investments of the Fund which are valued at their net assets value ("NAV") are classified as Level 2. The NAVs are provided by the fund administrator.

4. FAIR VALUE HIERARCHY

Fair values

The fair values of financial assets are determined as follows:

- the fair values of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices on the year-end date. The Fund's financial instruments are valued using the bid prices.
- the fair values of the underlying investments of the Fund are based on their NAV quoted by the investment manager of the underlying investments of the Fund.
- the fair values of other financial assets are determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions.

The Management Company of the Fund considers that the carrying amounts of the financial assets in the financial statements approximate their fair values.

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

4. FAIR VALUE HIERARCHY (continued)

Fair values (continued)

The following tables illustrate the fair value measurement hierarchy of the Fund's financial instruments:

	Level 1 Quoted prices in active markets	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total fair value
31 December 2025				
Financial assets designated at fair value through profit or loss:				
Investment at fair value through profit or loss (MOP)	-	42,743,467	-	42,743,467
Investment at fair value through profit or loss (HKD)	-	41,498,512	-	41,498,512

There were no transfers between levels during the period from 1 September 2025 (commencement of operations) to 31 December 2025.

5. TRANSFER-IN RECEIVABLE

Transfer-in receivable represents transfer-in assets from funds managed by other management companies, transfer-in of funds from government managed sub-accounts of the System, and transfer-in assets from other in-house funds of the Management Company, as applicable.

6. CASH AND CASH EQUIVALENTS

Cash at banks earns interest at floating rates based on daily bank deposit rates. The carrying amounts of the cash and cash equivalents approximate to their fair values.

	2025 MOP	2025 HKD
Cash at Bank	27,475	26,675

7. TRANSFER-OUT PAYABLE

	2025 MOP	2025 HKD
Transfer-out assets to other in-house funds of the Management Company	6,705	6,510

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

8. FEES

(a) Management fee

Management fee of MOP 82,053 (equivalent to HKD 79,663) was incurred during the period from 1 September 2025 (commencement of operations) to 31 December 2025. As of 31 December 2025, management fee of MOP 52,509 (equivalent to HKD 50,980) was payable to the Management Company.

(b) Custody fee

Custody fee of MOP 831 (equivalent to HKD 807) was incurred during the period from 1 September 2025 (commencement of operations) to 31 December 2025.

(c) Audit fee

The Management Company would bear the audit fee of the fund.

9. PROFIT TAX

The Fund is a private pension fund, pursuant to Article 46 of Legal Framework of Private Pension Funds, the Fund is exempt from any taxes, fees, or duties in Macau.

10. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The objective of the Fund is to achieve medium to long-term capital growth. The Fund's investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The risk exposures inherent in the Fund and the risk management policies employed by the Fund are discussed below:

Market risk

Market risk includes such factors as changes in economic environment, consumption pattern and investors' expectation, etc. which may have a significant impact on the value of the investments. Market movement may therefore result in substantial fluctuation in the NAV per redeemable unit of the Fund. The Fund's activities expose the Fund primarily to the market risk of changes in market price and interest rates.

(a) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

10. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

(a) Price risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the fair values of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period.

		Carrying amount of equity investment	Increase/ (decrease) in profit before tax	Increase/ (decrease) in net assets available for benefits attributable to members
(In MOP'000)	Decrease in fair value			
2025	5%	26,779	(1,339)	(1,339)

		Carrying amount of equity investment	Increase/ (decrease) in profit before tax	Increase/ (decrease) in net assets available for benefits attributable to members
(In HKD'000)	Decrease in fair value			
2025	5%	25,999	(1,300)	(1,300)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Fund and its underlying investments are exposed to interest rate risk, which invest in interest-bearing securities and cash deposits.

Interest rates are determined by factors of supply and demand in the international money markets, which are influenced by macro-economic factors. Fluctuations in short term and/or long term interest rates may affect the value of the units.

At 31 December 2025, it is estimated that an increase of the interest rate by 50 basis points ("bps"), with all other variables held constant, would have resulted in a decrease in net assets attributable to members by the amount shown below:

	2025 MOP'000	2025 HKD'000
Change in interest rate (+50 bps)	(336)	(327)

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

10. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

Liquidity risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities earlier than expected.

The Fund provides members with the right to get their benefits for cash equal to their proportionate share of the NAV of the Fund under certain circumstances in accordance with the Legal Framework of Private Pension Funds and the offering memorandum of the Fund. The Fund is therefore potentially exposed to the request of benefit payments from the members. As such, the underlying investment of the Fund can be readily disposed of in order to meet the benefit payments as needed.

The table below summarises the maturity profile of the Fund's financial liabilities based on contractual undiscounted receipts and payments:

31 December 2025	On demand MOP	Less than 3 months MOP	3 to 12 months MOP	More than 1 year MOP	Total MOP
Transfer-out payable	-	6,705	-	-	6,705
Management fee payable	-	52,509	-	-	52,509
Investment Payable	-	157,551	-	-	157,551
Net assets available for benefits attributable to members	-	59,638,980	-	-	59,638,980
	-	59,855,745	-	-	59,855,745

	On demand HKD	Less than 3 months HKD	3 to 12 months HKD	More than 1 year HKD	Total HKD
Transfer-out payable	-	6,510	-	-	6,510
Management fee payable	-	50,980	-	-	50,980
Investment Payable	-	152,962	-	-	152,962
Net assets available for benefits attributable to members	-	57,901,922	-	-	57,901,922
	-	58,112,374	-	-	58,112,374

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Fund by failing to discharge an obligation. The Fund is exposed to the risk of credit-related losses that can occur as a result of a counterparty or issuer being unable or unwilling to honour its contractual obligations. These credit exposures exist within financing relationships, derivatives and other transactions. It is the Fund's policies to enter into financial instruments with reputable counterparties. The Management Company closely monitors the creditworthiness of the Fund's counterparties by reviewing their credit ratings, financial statements and press release on a regular basis.

NORTH AMERICAN EQUITY FUND (MACAU)

NOTES TO THE FINANCIAL STATEMENTS

For the period from 1 September 2025 (commencement of operations) to 31 December 2025

10. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (continued)

Credit risk (continued)

The carrying value of cash and cash equivalents, as disclosed in the statement of net assets available for benefits, represents the maximum credit exposure. The Management Company considers the exposure to credit risk on bank balances to be minimal as the cash are held at reputable bank. At 31 December 2025, the Fund's cash and cash equivalents and balances with the custodian were placed with financial institutions with the following credit ratings:

Counterparty	Role	Credit rating	Rating agency
The Hongkong and Shanghai Banking Corporation Limited	Bank	AA-	Standard & Poor's
HSBC Institutional Trust Services (Asia) Limited	Depository	AA-	Standard & Poor's

HSBC Institutional Trust Services (Asia) Limited is a wholly owned subsidiary of the Hongkong and Shanghai Banking Corporation Limited. The credit rating of the custodian is based on the rating of its parent bank.

Credit risk disclosures are segmented into two sections based on whether the underlying financial instrument is subject to IFRS 9's impairment disclosure or not.

Financial assets subject to IFRS 9's impairment requirements

The fund's financial assets subject to the ECL model within IFRS 9 are transfer-in receivable and cash and cash equivalents. Transfer-in receivable is short-term and is assessed to have low credit risk. The expected credit loss is considered immaterial. At 31 December 2025, no loss allowance had been provided. There is not considered to be any concentration of credit risk within these assets. No assets are considered impaired and no amounts have been written off in the period.

As only transfer-in receivable and cash and cash equivalents are impacted by the IFRS 9 ECL model, the Fund has adopted the simplified approach. The loss allowance shown, if any is therefore based on 12-month ECLs.

In calculating the loss allowance, a provision matrix has been used based on historical observed loss rates over the expected life of the receivables adjusted for forward-looking estimates.

Capital management

The capital structure of the Fund consists of net assets available for benefits attributable to members. The Management Company manages the capital to ensure that the Fund will be able to continue as a going concern while maximising the return to stakeholders and maintaining a strong capital base to support the development of the investment activities of the Fund.

11. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Management Company on 29 June 2026.