HANSA GLOBAL EQUITY FUND

HANSA, *investing to maximise long-term total return*

Half Yearly Report (Unaudited)
For the six months ended
30 June 2025

2025

COMPANY REGISTRATION AND NUMBER: The Company is registered in Guernsey under company number 34312.

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	30 June 2025	31 December 2024	Returns
Amounts due to Shareholders*	$529,019,030	$498,784,849	–
Price per share	$546.35	$505.61	8.1%
Performance Benchmark#	2.9%	4.7%	–
MSCI All Country World Index and Frontier Markets	3,168.24	2,878.15	10.1%

*Amounts due to Shareholders reflect the Net Asset Value of Hansa Global Equity Fund ("the Fund") and includes those amounts due to Participating Redeemable Preference Shareholders. The movement between the current and prior period will also reflect any subscriptions and redemptions which took place during the period. See Statement of Financial Position and Notes 7 and 8 to the accounts.

#The performance benchmark above is for the six months ended 30 June 2025 and twelve months ended 31 December 2024. The Benchmark Return is a 60:40 composite of US CPI Urban Consumers NSA (Non Seasonally Adjusted) and Eurozone CPI plus 2% per annum, the full description of which may be found in the Offering Memorandum. Performance disclosed is for the six months ended 30 June 2025 and the twelve months ended 31 December 2024.

10 YEAR SHARE PRICE PERFORMANCE (US$)

PORTFOLIO PERFORMANCE*

Performance	Year to date	1 Year	3 Year p.a.	5 Year p.a.	10 Year p.a.
Share Price Performance (%)	8.1%	11.8%	12.9%	7.6%	6.2%
Performance Benchmark (%)	2.9%	4.4%	5.1%	6.4%	4.8%
MSCI All Country World Index and Frontier Markets (%)	10.1%	16.2%	17.3%	13.6%	10.0%

*Note: Performance is based on a net price to price movement

Chair's Statement

During the half year period the share price of Hansa Global Equity Fund ("the Fund") rose by $40.74 to $546.35, an increase of 8.1%. Over the same period the Fund's benchmark, which is a composite of US and Eurozone rates of inflation, increased by 2.9% and the MSCI World Index increased by 10.1%.

In my previous Chair's Statement I commented that the impact of President Trump's high tariff programme and novel approach to diplomacy might have significant implications for markets and beyond. Six months later, the extreme level of tariffs initially announced on 'Liberation Day' have been negotiated down (in the aggregate) to a level that the market appears to find acceptable, although whether this was always part of the plan or a response to signs of unease in the bond market is open to debate. Whatever the reason and despite it being an uneven ride, equity markets once again provided investors with excellent returns during the period almost across the board, healthcare being the only sector detracting from the Fund's performance.

Away from markets, President Trump has stepped up his attacks on the Fed through an attempt to fire one of its governors due to alleged mortgage fraud. The basis for President Trump's attacks appears to be the Fed's reluctance to reduce interest rates due to concerns over inflation persistence, although Chairman Powell's most recent speech seemed to temper those concerns somewhat, thereby clearing the path for interest rate cuts over the rest of the year. Whilst there are no obvious indications that the independence of the Fed has been compromised at this stage, a wider concern over US stability may arise when the identity of Chairman Powell's replacement is announced in May 2026.

Global conflicts continue to weigh heavily in the media, although markets seem to be immune to a large degree. A meeting in August between Presidents Trump and Putin doesn't appear at this stage to have moved a peaceful solution to the conflict in Ukraine any closer, whilst President Trump's tariff policy and uneven diplomatic actions have seen countries such as India and China strengthen their political ties. The war in Gaza equally sees no end in sight, and the US continues to be supportive of Israel's actions despite increasing concern being raised by a number of Western governments on the manner in which that conflict is being waged.

It is evident that the role played by the US in global political, economic and military affairs has changed markedly since the election of President Trump. One of the key questions facing investment managers today against the shifting geopolitical landscape is whether corporate America will continue to outperform to the extent it has over recent decades, or whether a more diversified approach to portfolio management is required. This question is considered at some length in the Investment Manager's report which follows, together with a detailed macro commentary, a report on the Fund's performance and the performance of a number of the underlying funds.

I thank shareholders for their support as we strive to deliver the long-term investment strategy alongside the Investment Manager.

Susan Norman
Chair

Alternative Investment Fund Managers Directive

In accordance with the Alternative Investment Fund Managers Directive (the "Directive"), the Manager in its capacity as Alternative Investment Fund Manager ("AIFM") is required to disclose specific information in relation to the following aspects of the Fund's management.

LEVERAGE AND BORROWING

Leverage is defined as any method by which the Fund increases its exposure through borrowing or the use of derivatives. Exposure is defined in two ways, the "Gross method" and the "Commitment method", the AIFM ensures that the Fund, in line with the investment policies outlined in the Offering Memorandum, does not exceed maximum exposures under both methods.

Gross method exposure is calculated as the sum of all positions of the Fund (both positive and negative), that is, all eligible assets, liabilities and derivatives, including derivatives held for risk reduction purposes.

Commitment method exposure is also calculated as the sum of all positions of the Fund (both positive and negative), but after netting off derivative and security positions as specified by the Directive.

For the Gross method, the following has been excluded:

- The value of any cash and cash equivalents which are highly liquid investments held in the base currency of the Alternative Investment Fund that are readily convertible to a known amount of cash, and that is subject to an insignificant risk of changes in value;
- Cash borrowings that remain in cash and cash equivalents as defined above and where the amounts of that payable are known should be excluded from the calculation.

The total amount of leverage calculated as at 30 June 2025 is as follows:

Gross method: 0.99:1 (31 December 2024: 0.99:1)

Commitment method: 0:99:1 (31 December 2024: 1.00:1)

LIQUIDITY

In order to manage the liquidity of the Fund, the AIFM is not obliged to redeem more than 10% of the total shares in issue of the Fund on any dealing day and any redemption requests in excess of this will be satisfied on a pro rata basis. This policy has been applied consistently throughout the review period and as a result the AIFM has not introduced any new arrangements for managing the Fund's liquidity.

RISK MANAGEMENT POLICY NOTE

Please refer to Note 17, Financial instruments, in the Notes to the Financial Statements on pages 30 to 32, where the current risk profile of the Fund and the risk management systems employed by the AIFM to manage those risks, are set out.

REMUNERATION

In line with the requirements of the Directive, the AIFM is subject to a remuneration policy which is consistent with the principles outlined in the European Securities and Markets Authority guidelines on sound remuneration policies under the Directive.

The remuneration policies are designed to ensure that any relevant conflicts of interest can be managed appropriately at all times and that the remuneration of its staff is in line with the risk policies and objectives of the alternative investment funds it manages.

The Fund does not directly employ any staff members.

Fund Policies and Structure

INVESTMENT POLICY AND BENCHMARKS

The investment objective of the Fund is to maximise the long term total return on assets whilst maintaining preservation of capital. The Fund primarily invests in global equities either through specialist funds or direct investment. Un-invested cash balances may vary according to the investment outlook and may be a significant proportion of the Fund's assets during years of expected poor returns. The Fund may engage in "short sales" that is, the practice of selling securities which are borrowed from a third party, if future declines in the price of securities are expected. Performance is measured against the MSCI All Country World Index and Frontier Markets and the Fund's Performance Benchmark. The accounts are presented in United States Dollars.

DISTRIBUTION POLICY

The Company on behalf of the Fund did not declare or pay a distribution in respect to the period ended 30 June 2025 (2024: US$ Nil). The Fund did not declare or pay a distribution in respect to the year ended 31 December 2025 (2024: US$ Nil).

CAPITAL STRUCTURE

At 30 June 2025 the Fund had 968,272.97 (31 December 2024: 986,503.83) US$0.01 Participating Redeemable Preference Shares in issue.

Participating Redeemable Preference Shares carry the right to receive distributions out of the income of the Fund in such amounts and at such times that the Directors shall determine, and to receive a distribution on a return of capital of the assets of the Fund on a winding up, in proportion to the number of Shares held.

Performance disclosed is for the six months ended 30 June 2025 and the twelve months ended 31 December 2024.

Manager's Report

MARKET BACKGROUND

"Donald's Deal or No Deal"

Executive Summary

Like any good gameshow host, President Trump continued to keep the world guessing this quarter with 'liberation day' the key event from a market perspective. Trump announced tariffs on countries around the world, both allies and foes, based on a formula that can be distilled to their balance of trade for goods with the US. Using this overly simplistic view of trade, the Trump administration proposed a range of 'reciprocal tariffs' for countries around the world with a minimum global tariff of 10%. Markets unsurprisingly reacted negatively to this announcement with sharp declines seen in all major markets.

Ever the showman, this was intended as the starting point of Trump's grand re-negotiation. Being a self- described master negotiator, Trump always likes to go in with a maximalist approach before settling somewhere in the middle. The reaction from markets persuaded him to delay the implementation of the tariffs to allow time for negotiation with most countries willing to acquiesce to some degree. Where these negotiations ultimately end up is still uncertain but markets have responded positively to the apparent softening of Trump's opening gambit.

In a more volatile world the question of portfolio positioning becomes increasingly pertinent. As long term investors we have a default position of being fully invested, predominantly in equities. Our time horizon allows us to ride out volatility which is what we thought the market reaction to 'liberation day' was. We have long favoured the US market due to its entrepreneurship, innovation and willingness to change when needed. All of these advantages remain but we are concerned that higher valuations and its populist pivot make it less attractive than it was.

So, what are the alternatives to US equities? Europe has the same, well-rehearsed problems (it lacks entrepreneurship, innovation and a willingness to change) with its debt levels and Germany's struggling manufacturing sector being key impediments. However, Japan is making the necessary corporate governance changes which appear to be having an impact. We also think emerging markets look more attractive with relatively lower debt levels and a weaker dollar the catalysts. All benefit from valuations at a lower starting point than the US which provides a larger margin of safety. Higher yields have also made bonds a more viable investment option though high developed market debt levels and tight credit spreads give us pause for thought. We have, however, looked to add some exposure in this area.

Trump's penchant for unpredictability will inevitably lead to more volatility during the remaining years of his presidency. However, the strength of the US economy and its inherent advantages lead us to believe that it is still likely to be the best option for long term investors. However, we will continue to look to diversify the portfolio by country, style and asset class in the acknowledgement that other areas are looking more attractive and the US is not quite the no-brainer it once was.

From hero to zero

At the time of writing last quarter's House View the world seemed a very different place. Trump had gone from hero to zero as the market absorbed the impact of his tariff programme, culminating in his 'liberation day' announcement where he unveiled a swathe of tariffs that shocked the world in both size and scope with few escaping his wrath. Whilst the base level tariff was 10%, countries such as China saw tariffs as high as 34% and up to 50% for the highest tariffed countries. Markets unsurprisingly went into freefall, delivering the steepest falls since the onset of the COVID pandemic.

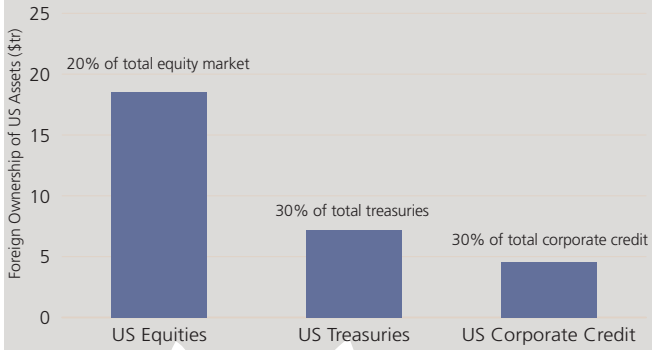
On the face of it, these falls appeared justified. Trump had gone from a chaotic and largely rhetoric-based leader in his first term, to one who appeared to have found ideology and was pursuing his goals with conviction. With some justification, he was of the view that much of the world was profiting at the expense of the US, applying inequitable trade policies and expecting the US to act as the policeman to the world both from a spending perspective but also with boots on the ground. He believed in a weaker dollar, lowering surpluses and other countries picking up the baton in terms of both their spend on defence budgets and lessening the US's role in other people's wars.

In the first instance, the levying of tariffs was seen as likely to cause a stagflationary decline in growth, and probably a recession, and higher prices as tariffs were passed on to the end consumer. To many, however, Trump's actions looked like the beginning of the end to 100 years of US hegemony. The US, which had arguably been one of the biggest beneficiaries of globalisation in terms of lower prices and access to cheap goods, was seen

Manager's Report
Continued

as potentially the greatest loser from its retreat from the global stage. Moreover, Trump's actions started to bring into question the trustworthiness of the US. With significant proportions of the US dollar, equity and Treasury markets.

Chart 1: Significant proportions of US Stocks, Treasuries and corporate credit are owned by foreign investors who may be spooked by Trump's rhetoric

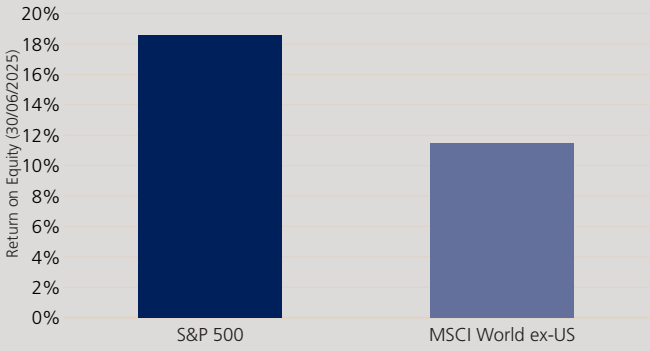


Source: Federal Reserve, MacroBond, Apollo Chief Economist

We, however, took a more benign view of these events. Partly this reflects the fact that whilst markets tend to swing from one extreme to another, the reality is often more nuanced. We do believe that Trump has more conviction this time around compared to his first term. Then, he appeared to be as surprised as the next man that he had gained power and was ill-prepared to both form a government and to execute a coherent strategy. In contrast this time around he has hit the ground running, forming a government that is aligned with his beliefs and launching policies to enact them. Nonetheless, our contrarian view reflected the fact that whilst Trump may have more conviction this time around, he remains a dealmaker at heart. Whilst he may enter negotiations asking for more than is reasonable, ultimately he backs off when markets start to go into freefall or as systemic panic rears its head. This was the case in his first term and appears to be exactly the same model he is applying again – go in hard and backtrack at the 11th hour. Precisely the wrong action in such a situation would be to panic after the event as this almost inevitably leads one to being whipsawed by the rebound.

The other reason for our differing stance is far more fundamental. For years the naysayers have been calling the end of the US revolution – it's too expensive, too much money has been thrown at AI, the dollar is overvalued, other markets are much cheaper, and the list goes on. These criticisms, however, ignore the simple fact that the US has been so much better than most other countries in many key areas. Its valuation has been higher than other markets simply because its companies have been so much better and generated higher returns. Through entrepreneurship, a desire to do business and the ability to change at points of stress have all driven US profitability to levels which have justified these higher valuations. Similarly, the US consumer continues to confound the critics. Time and again, when people are questioning whether or not the US consumer will draw back their horns, they have continued to spend with a vengeance.

Chart 2: The return on equity has been much higher in the US compared to the rest of the world justifying the higher valuation



Source: Bloomberg

Conversely, bad markets do not become good markets overnight. Ultimately, the reason why markets such as Europe have struggled is that in contrast to the US their corporate returns have been poor. Through a lack of entrepreneurship, poor government policy, thin capital markets, and an overdependence on markets such as China, these are challenges that will take many years to change and not something that can be achieved overnight, if ever.

Hence, we remained far less cautious than many commentators on the US, despite Trump's actions at the end of the first quarter, and we simply did not see the worst-case scenarios playing out for equities, at least in the near term. Hence, we remained true to our long-term approach by not panicking out of markets nor rapidly rotating from the US.

Chart 3: Markets have rallied strongly in the last quarter after a significant fall around 'liberation day' in April

Source: Bloomberg

Outlook

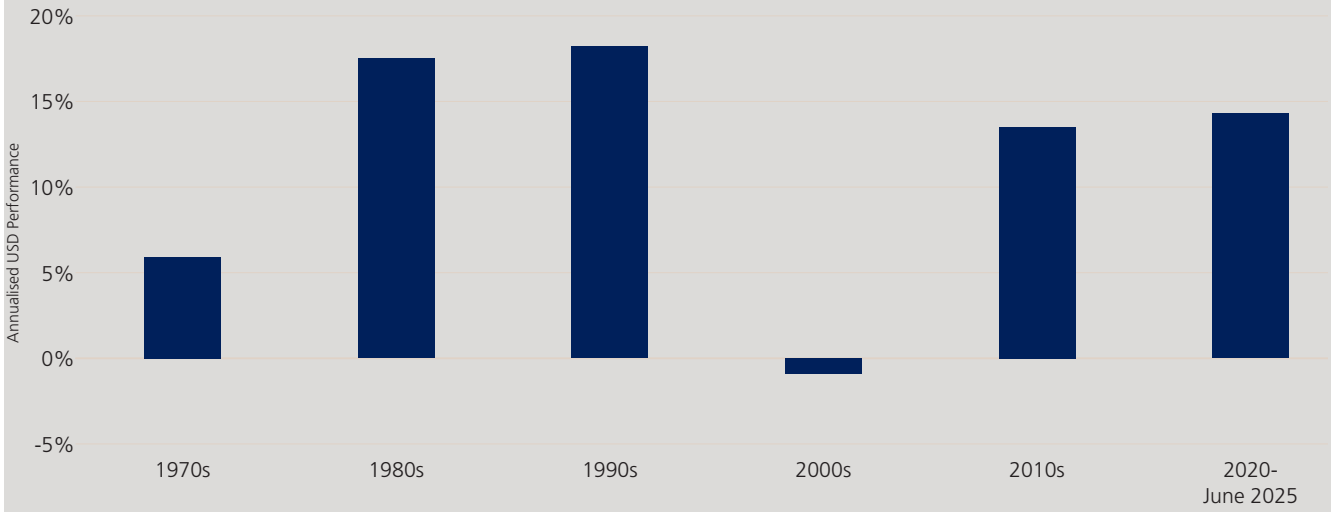
Despite our rather sanguine positioning, it is important to note that we do agree that the world has become a very different place. The last couple of decades were clearly a golden period for markets. Characterised by the rise of China, global economies benefited from cheap goods, diminishing inflation and falling interest rates. This in turn resulted in an abundance of capital helping to facilitate the creation of companies, especially in the technology space, and propelling stock markets ever higher.

This period appears to have now ended. With COVID acting as the catalyst, globalisation lost its momentum as countries sought to either diversify their supply chains or reshore key industries. Trump's tariff programme has added fuel to this process as countries further retreat from global trade and become more inward looking.

The fear is that this both weighs on growth and is inflationary and, importantly, prevents central banks from throwing liquidity at markets as they have done at the first whiff of slowing growth in the past.

Hence, whilst we're not in the camp of believing that we are entering a stagflationary funk or that the US has suddenly lost its mojo, we do believe that the supernormal returns achieved over the past couple of decades will be far harder to come by, especially given the high starting valuations in the US. We're still of the view that if you were to buy just one market and go away for a decade, the US would remain top of the list. It's just that we think the returns will be somewhat lower and more volatile.

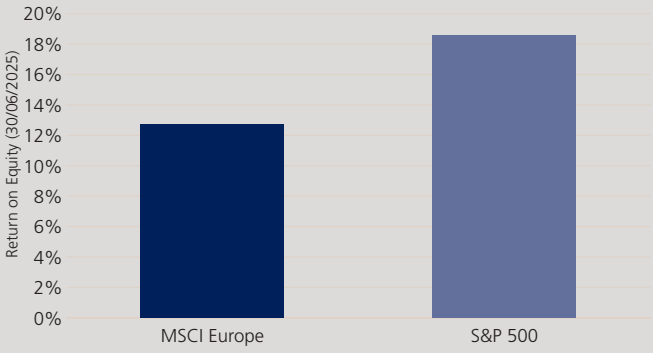
Chart 4: The US equity market has performed exceptionally strongly in multiple decades with the 2000s the notable exception



Source: Bloomberg

The other major global markets – Europe, the emerging markets and Japan – are more nuanced albeit have lower valuations in common. Europe, we remain to be convinced by. Whilst low valuations do provide areas of interest, we see little evidence that there will be a wholesale shift towards companies which generate consistently higher returns and even less convinced that Europe will develop their answer to the Magnificent 7 any time soon. Europe's largest economy, Germany, has the added challenge that whilst much of its past success was based on manufacturing and exporting to China, increasingly China is looking to become more self-sufficient and now domestically produces many of the goods that were previously seen as the domain of Germany. The decision by Germany to relax its deficit rules and its €1tn "whatever it takes" spending plan for defence and infrastructure gives considerable hope but time will tell if these words flow through into genuine action. The labyrinthine bureaucracy of the EU and internal politics in Germany are considerable hurdles to overcome that may ultimately lead to the money being poorly spent.

Chart 5: The return on equity in Europe is notably below that of the US

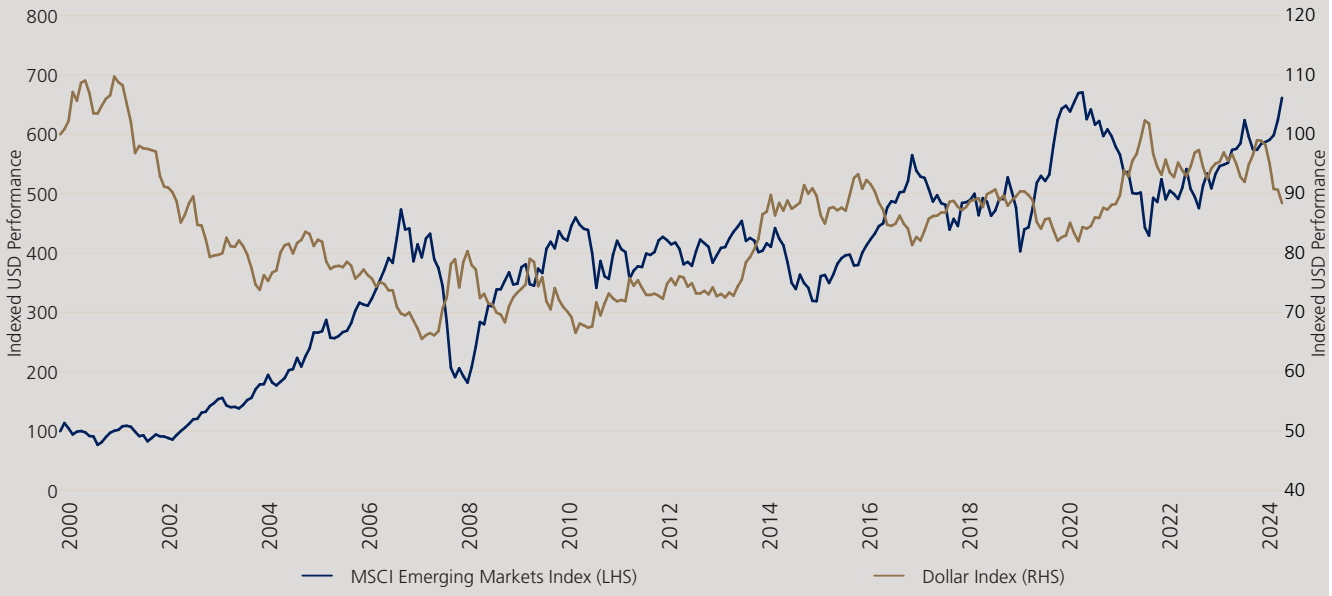


Source: Bloomberg

Emerging markets and Japan are potentially more interesting. We're not in the camp that believes that the emerging markets can be bought and held forever. With a few exceptions, most emerging economies have periods of strength only to see these gains given up as political turmoil, poor governance and a lack of the rule of law reappear. Nonetheless, there are periods when the emerging markets can do well and sometimes these periods can last for a protracted period of time, just as was the case in the mid-2000's as China started its journey towards the powerhouse that it is today. Potentially we may be entering

one of those periods now. Valuations are low following what, for many emerging markets, was a lost decade and a half. The financial positions of many emerging economies are the envy of the developed economies. Largely this was a function of necessity with the emerging economies not afforded the luxury of running large deficits and borrowings as has been the case for the developed markets. Perhaps most importantly, the dollar is weakening. Historically a weaker dollar goes hand in hand with strong EM performance as dollar linked borrowing costs fall, dollar import costs diminish and, typically, with the rise in commodity prices which is normally associated with a weakening dollar. The key question is whether this is yet another head fake with the demise of the dollar yet again overplayed with few real alternatives for global cash. Whilst the dollar does appear overvalued on a Purchasing Power Parity basis, in reality few investors are going to want to hold significant proportions of their assets in alternatives such as the renminbi or the euro which have their own challenges. Gold undoubtedly has an attraction, but, by virtue of its limited supply, will always be capped in its role within the global monetary policy framework.

Chart 6: Emerging markets typically perform more strongly when the US dollar is weaker



Source: Bloomberg

In many ways Japan represents the direct inverse of the US. Where the US has benefited from entrepreneurship, innovation and a willingness to change when needed, Japan has been characterised by a resistance to change and companies which were weighed down by complex cross-shareholdings and excessive levels of cash. Hence whilst the US has gone from strength to strength over the last 30 years, Japan never took the hard actions required to purge the excesses of the eighties resulting in three decades of stagnation.

Increasingly though, there has been a growing recognition within Japan that radical change is required, especially in light of the twin structural threats of an ever more powerful China and an aging population that is straining Japan's labour market and social security system. Hence, a number of important changes are being enacted, ranging from the unwinding of the complex holding company structure and forcing companies to eliminate excess cash levels. This programme of rejuvenation will take time with many of Japan's problems structural but we are starting to see the fruits of their efforts with improving returns versus the

rest of the world and companies paying out excess cash and selling non-core divisions. Activism, which for years was resisted within corporate Japan, is now playing a much more important role and, with government efforts to encourage the purchasing of equities, the outlook is looking rosier, especially in light of low valuations.

Shareholder activism is increasing in Japan which is leading to a higher return on equity

Japan firms face record activist shareholder proposals, raising reform pressure

Activists push Japan Inc to its 'great tipping point', says Suntory head

Management booted out as Japan's shareholders flex their muscles in AGMs

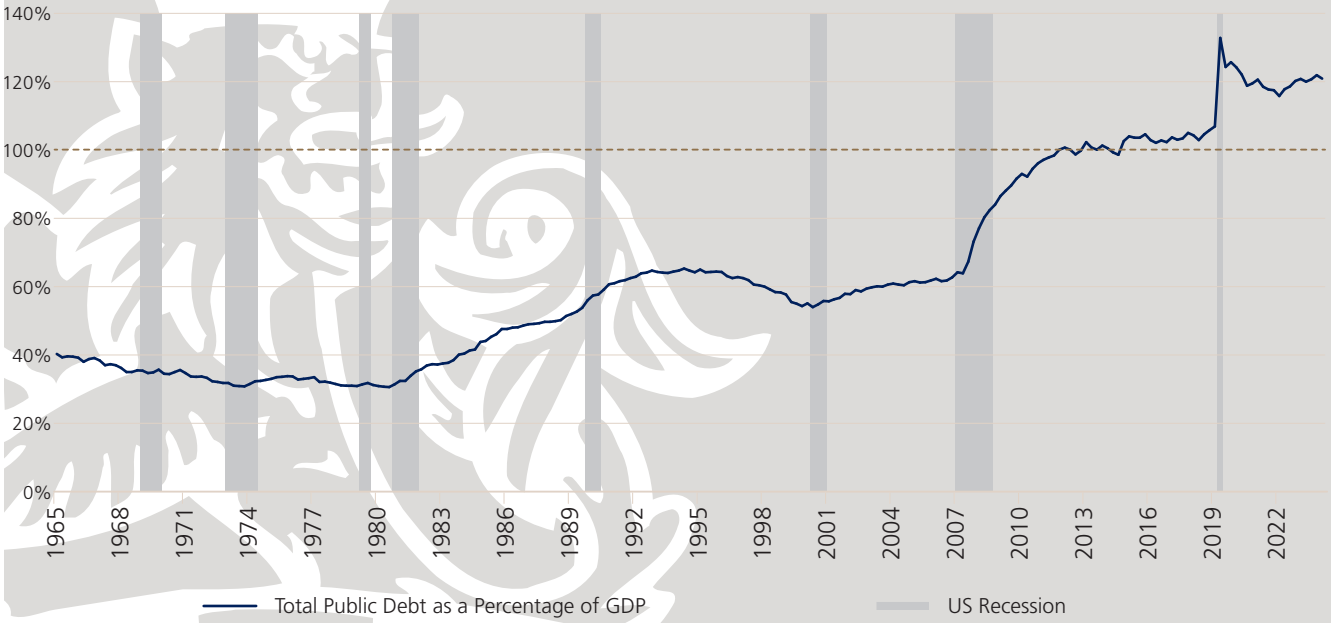
Source: Reuters, Financial Times

Tail risks

More seriously, Trump's actions have the potential to catalyse some of the more sinister tail risks within markets.

On the one hand, US debt levels look worryingly high. Like many countries in the developed world, US government policy shifted from a counter-cyclical approach where policy was loosened at points of cyclical weakness, to one of spending exceeding income irrespective of the cycle resulting in ever increasing debt levels. Trump's answer to this seems to be based on a pro-growth agenda centred around fiscal stimulus and haranguing the US Federal Reserve to cut rates. It is not inconceivable however that his policies have precisely the opposite effect. Spending more and cutting taxes will likely make the deficit situation worse in the near term, which, combined with potentially slower global growth due to his tariff programme, will only serve to exacerbate the US debt problem. With international investors potentially pulling back from funding the US market, this raises the spectre of a crisis in confidence and a disorderly unwind. In practice there are a number of safety valves linked to the dollar's reserve currency status and the ability to print more dollars but Trump is playing with fire.

Chart 7: The return on equity in Europe is notably below that of the US US debt levels are becoming an ever larger portion of GDP and no longer only increasing during recessions



Source: FRED, Bloomberg

The other issue we worry about is a geopolitical misstep. Trump campaigned on an agenda of pulling the US back from the global stage, both monetarily and militarily. Despite this he seems unable to resist engaging in areas of conflict and, contradicting his rhetoric on withdrawing from the global stage, his recent decision to bomb Iran seems to suggest otherwise.

Our fear is that the combination of Trump's unconventional negotiating style and the shifting sands as countries such as China and India grow in size and military might, raises the prospect that a flare up gets out of hand. History suggests that this is a risk that should not be underestimated.

Chart 8: While the US remains the globally dominant military, China is rapidly catching up in some areas

	Aircrafts	Tanks	Navy Fleet	Military Budget 2024 ($bn)
United States	13,043	4,640	440	968
China	3,309	6,800	754	235
Russia	4,292	5,750	419	145.9
Germany	584	296	61	86
United Kingdom	631	227	109	81.1
India	2,229	4,201	293	74.4
Japan	1,443	521	159	53

Source: The Military Balance 2025, Global Firepower

Action points

Distilling this backdrop down to the portfolio level is challenging! Trump relishes chaos and just when you think you can see a path through the chaos, he will come back with another curveball. Nonetheless, our long-term approach gives us a clear advantage over our peers, many of whom are forced to attempt to call markets in the short-term.

Manager's Report
Continued

1	**Retain an overweight position in equities**	Many times we have stated that a strong bias towards equities is essential for long-term investors such as ourselves, where we are trying to preserve and grow the spending power of money through tying our returns to the growth of corporate earnings. Occasionally we will pivot away from equities but the hurdle for doing so is high. Hence, whilst we see the future under Trump as a volatile one, and with returns over the coming decade likely to be somewhat lower than the past, we remain of the view that it is correct to retain our overweight stance in equities.
2	**Adding diversification at the country level**	As discussed above, the US retains a multitude of structural advantages that underpin its stock market. It remains our favoured economy and stock market by a wide margin. However, we also acknowledge that Trump has created considerable uncertainty and added to the risks facing the US economy. In contrast, whilst many other markets are challenged by Trump's actions, their valuations are lower and, in recognition that Trump is hard to trust, more self-help measures are being put into place. It is for this reason that we are increasingly looking to judiciously add to positions in the emerging, Asian and Japanese markets.
3	**Diversification at the style level**	In a world of low inflation and low rates, growth investing has the twin advantages of both getting a premium for the growth generated but also lower financing costs with cheap money used to fund companies in capital intensive growth sectors such as technology and biotechnology. In contrast, in a world of higher interest rates and inflation, the case for growth still exists, but becomes less compelling. With lower valuations providing a margin of safety in a more volatile world, we now look for a blend of both value and growth.
4	**Add diversification at the asset class level**	One of the main differences between the deflationary backdrop of recent years and a more inflationary environment has been the return of positive yields. In a zero-interest rate world, bonds became an extremely unattractive asset class in our opinion. We saw the risk profile as skewed to the downside unless markets remained deflationary forever. Now, with yields at higher levels, and indeed with positive real yields, bonds are becoming a viable asset class again. We do not however think that they are a blanket purchase. As highlighted above, many developed economies are highly indebted and any loss in confidence may lead to a disorderly unwinding. Similarly, credit spreads remain very tight by historical standards and provide little protection to a rise in the current low default rates. Even so, there are areas that look interesting and we have identified two excellent bond fund managers to dynamically play these opportunities. We will likely be searching for more names in this space. An area that is perhaps less suited to the current environment are the CTA managers. These funds target share price momentum and, historically, when combined with equities have produced better returns than the classic 60:40 equity:bond portfolio. Unfortunately, volatile markets can be their nemesis with the funds being caught in the initial sell-off only to be whipsawed in the rebound. Time will tell if markets eventually become immune to Trump's bluster but it seems likely that the rest of his term will remain a volatile one. Hence, this area is likely to be a source of cash for us.

Summary

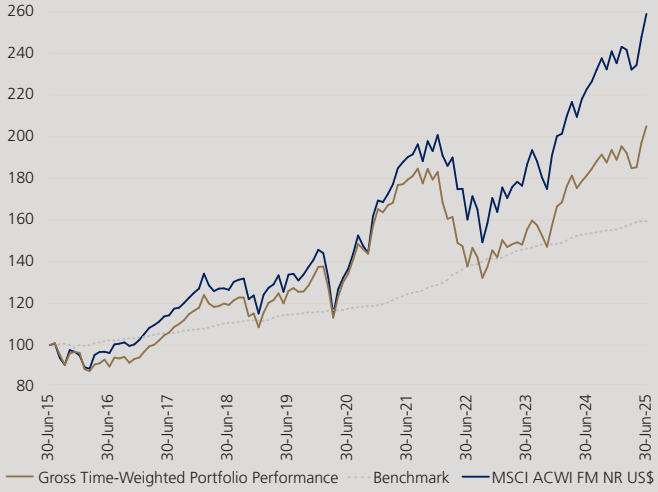
Yet again Trump has thrown the cat amongst the pigeons. Having shocked the world with the scale of his tariff programme, sending markets into turmoil in the process, he appears to have reverted to type and backed off at the last minute. Holding our nerve, playing to our long-term strengths, and resisting capitulation at precisely the wrong point served us well. The key question now is whether Trump comes back for another go (probable in our view) and if his actions ultimately cause a downturn or, worse, a recession. Fortunately, the US economy is starting from a position of strength albeit time will tell if this is enough to ward off the worst of Trump's actions.

Portfolios need to be managed very carefully in this backdrop and a tried and tested process is essential. No longer are we underpinned by the rising tide of falling inflation, low rates and abundant liquidity. Instead, we need to contend with the vagaries of one individual in a world where the geopolitical situation has become increasingly unstable. Nonetheless, we are blessed by the length of our investment horizon and not being required to mindlessly track indices. Diversification will be key in such a backdrop, something which we are well placed to apply at Hansa given our expertise across geographies, sectors and asset classes.

Alec Letchfield
Chief Investment Officer
July 2025

PORTFOLIO COMMENTARY

10 Year Cumulative Indexed Returns



Despite an initial jolt on the announcement of Trump's 'reciprocal' tariffs, globally equity markets rallied strongly as these were delayed or renegotiated. The fund rose 10.9% in the second quarter of 2025, taking its return over the first half of the year to 8.5%. The inflation-based benchmark was up 1.3% during the quarter and is now up 2.9% over the last six months. The fund's performance was slightly behind the MSCI ACWI FM index which gained 11.5% over the quarter and is up 10.1% over six months.

The fund's Core Regional holdings performed strongly this quarter, rebounding after a difficult start to the year. **Pershing Square Holdings Ltd** gained 11.9% over the quarter and is up 12.4% year-to-date. This manager runs a highly concentrated portfolio and although taking a slightly less activist approach than was the case in the past, its portfolio continues to look very different from the market. The fund has had a position in Alphabet (Google) for some time but made an investment in Amazon this quarter, significantly increasing its technology exposure. **Southpoint Qualified Offshore Fund Ltd** and **Select Equity Offshore Ltd** also had a better quarter gaining 8.3% and 8.6%, respectively, recovering from a more difficult start to the year with the year-to-date return now 5.8% and 4.2%. **iShares Core S&P 500 UCITS ETF** gained 11.7% this quarter and is now up 4.6% over the first half of the year.

Europe continued to perform strongly this quarter. **Helikon Long Short Equity Fund ICAV** once again performed particularly well, gaining 37.4%, taking its return since purchase in August 2024 to an exceptional 95.2%. The fund takes both long and short positions although the majority of its recent returns have come from its long positioning. The manager has recently been more conscious of the economic risk and has, as a result, hedged all of their exposure to the price of gold while maintaining positioning in the mining companies. The gross exposure of the fund has slightly declined as the manager has been concerned about rising valuations in some areas with the long opportunity set currently looking less attractive than it was. During the quarter the passive holding in **iShares Core MSCI Europe UCITS ETF** gained 12.0% taking it to a return of 23.5% year-to-date.

Manager's Report
Continued

The fund's Japanese holdings all gained this quarter and have delivered strong returns so far this year. **Arcus Japan Fund**, **Simplex Value Up Trust** and **Alma Capital Investment Fund** gained 8.9%, 12.0% and 11.3% this quarter taking their returns to 10.5%, 14.5% and 13.2%, respectively, year-to-date. Japanese equity markets strengthened following signs that a trade deal was being negotiated with the US which eased recession fears. Shareholder returns, through dividends and buybacks, were materially higher reflecting the slow improvement in corporate governance in Japan. The Alma fund is more index aware and benefitted from the broad market upswell while Simplex specifically targets companies that are improving their corporate governance, therefore particularly benefitting from the improvements.

The fund's emerging and frontier market holdings also did well this quarter. **BlackRock Frontiers Investment Trust PLC** gained 15.2% taking its performance over the first half of the year to 13.7%. After a muted first quarter, performance has been very strong with positions in banking across the portfolio contributing significantly. While the fund predominantly invests with a bottom-up stock selection process, it does apply a macroeconomic overlay believing you cannot ignore what is happening at a country level within frontier markets. The manager believes that the risk premium associated with investing in the US has increased under Trump and even a small move out of the US and into emerging and frontier markets would make a big difference to returns given most of these markets have been starved of capital over the last decade. **Redwheel Next Generation Emerging Markets Equity Fund**, which invests in smaller emerging and larger frontier markets, also had a strong quarter gaining 13.1% taking it return to 14.5% year-to-date. **iShares Core MSCI Emerging Markets IMI UCITS ETF** gained 12.8% this quarter and is up 15.1% so far this year.

Within the Thematic silo, technology was a strong contributor this quarter staging a strong recovery from the last quarter. The fund's investment in **Polar Global Technology Fund** gained an impressive 37.4% this quarter, taking its year-to-date return to 17.4%. The performance of technology stocks outside of the Magnificent 7 has been especially strong recently. AI developments continue to impress, with data around usage very strong, which drives AI infrastructure spend. Robust growth in AI semiconductors also drove impressive results at Broadcom, a top three position for the Polar fund that gained over 50% during the quarter. The Company's other technology position, the passive **iShares Expanded Tech Sector ETF** gained 24.0% this quarter to be up 10.2% over last six months. **Polar Capital Global Insurance Fund** had a weaker quarter after a period of good returns, gaining just 2.4% taking its year-to-date performance to 9.2%. The fund's US-listed bias slightly detracted given the weakness of the dollar. The manager continues to believe that book value growth will drive value creation in their portfolio, and they estimate this at 8% for the past six months despite a 2% drag from the California wildfires in January, leaving them on track for their 16% expectation for book value growth at the start of the year.

INVESTMENT PORTFOLIO PERFORMANCE

Asset Allocation	Portfolio Weighting as at 30 June 2025 %	Time Weighted Return for the 6 months ended 30 June 2025 %	Index Returns*(i) for the 6 months ended 30 June 2025 %
North America	45.1	3.3	6.5
Global Developed	12.6	10.1	9.5
Europe	9.1	41.1	23.0
Asia Pacific ex Japan	8.0	6.2	14.1
Technology	7.5	13.9	8.9
Japan	5.8	13.1	11.7
Financials	3.6	9.2	17.1
Health Care	3.4	(8.2)	1.1
Global Emerging Markets	2.9	14.9	15.3
Frontier Markets	0.8	13.7	20.0
Cash/Liquidity Funds	1.2	2.8	2.6

Notes:
(i) The indices used for comparison purposes are listed in Appendix II.

INVESTMENT PORTFOLIO PERFORMANCE AND ASSET ALLOCATION

Top 5 Contributors (in USD) for the 6 months ended 30 June 2025	Contribution %	Performance %	Gain $m
Helikon Long Short Equity Fund ICAV	2.0	61.3	9.7
iShares Core MSCI Europe UCITS ETF	0.9	23.5	4.2
iShares Core S&P 500 UCITS ETF	0.8	4.6	3.9
Polar Capital Global Technology Fund	0.6	17.4	3.1
Egerton Long – Short Fund Limited	0.5	18.6	2.4
TOTAL	**4.8**		**23.3**

Top 3 Detractors (in USD) for the 6 months ended 30 June 2025	Contribution %	Performance %	Loss $m
Armistice Capital Offshore Fund Ltd	(0.5)	(24.6)	(2.4)
RA Capital International Healthcare Fund	(0.4)	(22.7)	(2.1)
BA Beutel Goodman US Value Fund	(0.0)	(1.0)	(0.2)
TOTAL	**(0.9)**		**(4.7)**

Manager's Report
Continued

ASSET CLASS EXPOSURE at 30 June 2025

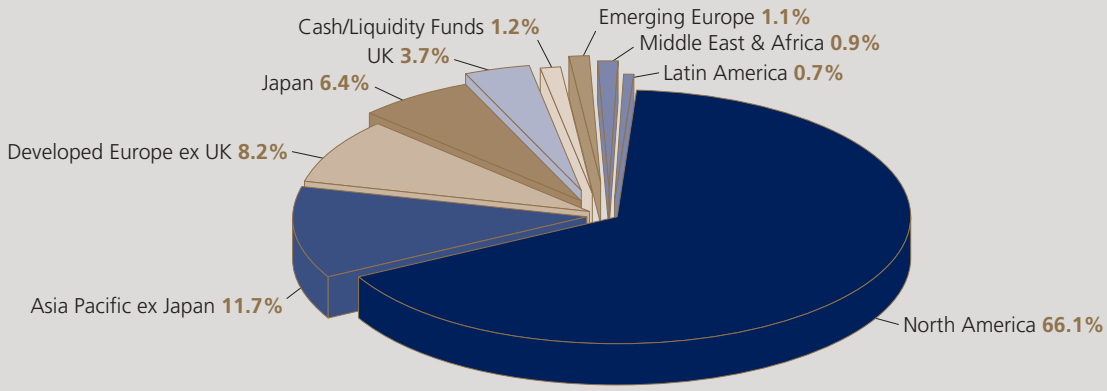
Theme	Investment Strategy	US$	% NAV
Core Regional			
	Long-Only Equity	349,290,485	66.0
	Long-Short Equity	97,299,908	18.4
Thematic Sector			
Technology	Long-Only Equity	39,424,036	7.5
Financials	Long-Only Equity	18,850,358	3.6
Health Care	Long-Only Equity	10,553,112	2.0
	Long-Short Equity	7,172,286	1.3
Cash		6,260,572	1.2
TOTAL		**528,850,757**	**100.0**

INVESTMENT STRATEGY

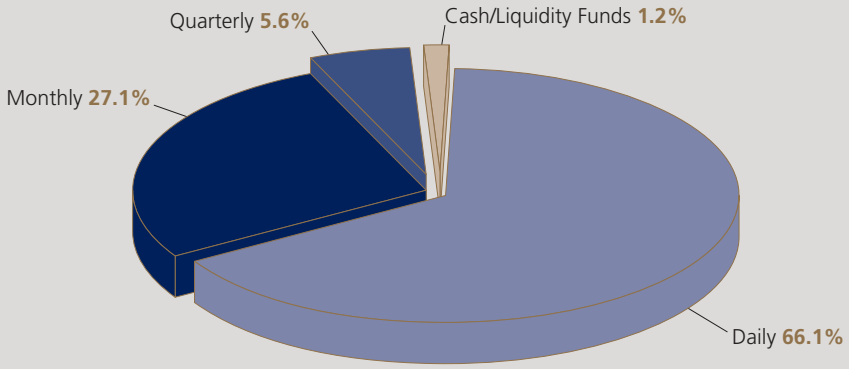
	US$	% NAV
Quoted Long Only	418,117,991	79.1
Long-Short	104,472,194	19.7
Cash/Liquidity	6,260,572	1.2
TOTAL	**528,850,757**	**100.0**

*The difference between the published net asset value of $528,849,973 (30 June 2024: $483,229,697, 31 December 2024: $499,461,695) and the net asset value per the Financial Statements of $529,019,030 (30 June 2024: $483,174,873, 31 December 2024: $498,784,849) is due to two factors. Firstly, due to the use of Mid market prices of investments for valuation and trading purposes compared to Bid market prices used in the Financial Statements in accordance with International Financial Reporting Standards and the Statement of Recommended Practice for financial statements of Authorised Funds issued by the Investment Association (the "IA SORP") and secondly, due to routine adjustments arising from the compilation of the financial statements.

GEOGRAPHICAL DISTRIBUTION at 30 June 2025*



DEALING FREQUENCY at 30 June 2025*



* Frequency at which underlying investments trade. Does not include notice periods, lock-up periods, or settlement terms.

Manager's Report
Continued

PORTFOLIO ACTIVITY*

Purchases – $29.7M

Security Name	Trade Date	Total Value ($m)
iShares Core S&P 500 UCITS ETF	January	25.0
Arcus Japan Fund	March	1.5
Alma Eikoh Japan Large Cap Equity Fund	March	1.5
Helikon Long Short Equity Fund ICAV	April	1.6
TOTAL		**29.6**

Sales – $43.5M

Security Name	Trade Date	Total Value ($m)	Profit/(Loss) ($m)
Findlay Park American Fund	January	17.4	14.4
Alma Capital Investment Fund	January	3.4	0.1
Arcus Japan Fund	January	3.4	0.3
Indus Japan Long Only Fund	February	5.2	0.6
iShares Core S&P 500 UCITS ETF	April	9.6	3.0
BlackRock Strategic Equity Hedge Fund	May	4.4	3.0
Total		**43.4**	**21.4**

*Additions or reductions to the Fund's position in the SSGA USD Liquidity Fund not included as this holding is not considered to be forming part of the Fund's strategic portfolio.

Hanseatic Asset Management LBG
July 2025

Portfolio Statement

as at 30 June 2025

	Nominal Holding	Market Value US$	% of Fund
iShares Core S&P 500 UCITS ETF	144,101.000	95,090,809	17.97%
Findlay Park American Fund	203,178.224	46,757,404	8.84%
Select Equity Offshore Ltd	97,165.409	39,981,166	7.56%
BlackRock Strategic Equity Hedge Fund	52,723.769	33,146,429	6.27%
Schroder ISF Asian Total Return Fund	61,296.140	27,361,696	5.17%
Helikon Long Short Equity Fund Icav	10,317.407	26,066,823	4.93%
iShares Core MSCI Europe UCITS ETF	222,105.000	22,308,102	4.22%
Polar Capital Funds PLC – Global Technology Fund	142,728.103	20,955,340	3.96%
Polar Capital Global Insurance Fund	1,044,132.920	18,850,358	3.56%
iShares Expanded Tech Sector ETF	164,400.000	18,460,476	3.49%
Top 10 Investments		**348,978,603**	**65.97%**
Schroder ISF Global Recovery	79,413.480	17,983,937	3.40%
BA Beutel Goodman US Value Fund	1,350,130.006	17,470,682	3.30%
Pershing Square Holdings Ltd	306,504.000	16,382,639	3.10%
Egerton Long – Short Fund Limited	556,342.763	15,450,966	2.92%
Southpoint Qualified Offshore Fund Ltd	4,473.774	15,352,757	2.90%
NTAsian Discovery Fund	22,383.044	15,092,782	2.85%
Simplex Value Up Trust	30,802.506	13,582,365	2.57%
Worldwide Healthcare Trust PLC	2,561,592.000	10,553,112	1.99%
iShares Core MSCI Emerging Markets IMI UCITS ETF	249,073.000	9,786,078	1.85%
Arcus Japan Fund	65,197.781	8,820,608	1.67%
Top 20 Investments		**489,454,529**	**92.52%**
Alma Capital Investment Fund	35,596.780	8,418,862	1.59%
RA Capital International Healthcare Fund	8,056.668	7,954,810	1.50%
Armistice Capital Offshore Fund Ltd	1,009.588	6,757,722	1.28%
Redwheel Next Generation Emerging Markets Equity Fund	34,358.358	5,691,806	1.08%
Blackrock Frontiers Investment Trust PLC	2,085,268.000	4,481,522	0.85%
Prosperity Quest Fund*	2,616.569	–	0.00%
Top 26 Investments		**522,759,251**	**98.82%**
SSGA USD Liquidity Fund**	127,635.190	1,666,188	0.31%
Total investments held at fair value through profit or loss		**524,425,439**	**99.13%**
Other net assets		4,593,591	0.87%
Total net assets		**529,019,030**	**100.00%**

* Prosperity Quest Fund value was reduced to zero during quarter 1 in 2022 as a result of its suspension from dealing.
** Liquidity Fund used for cash management purposes and therefore not forming part of the Fund's strategic portfolio.

Statement of Financial Position

as at 30 June 2025

	Notes	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
Non-Current assets				
Investments held at fair value through profit or loss	3	**524,425,439**	475,796,291	495,667,252
Current assets				
Accrued dividend income		**102,148**	139,607	22,394
Other receivables	5	**3,208,950**	7,397,810	54,059
Cash and cash equivalents	4	**1,846,921**	304,708	3,547,866
Total Current assets		**5,158,019**	7,842,125	3,624,319
Total Assets		**529,583,458**	483,638,416	499,291,571
Current liabilities				
Other payables and accruals	6	**(564,428)**	(463,543)	(506,722)
Total Current liabilities		**(564,428)**	(463,543)	(506,722)
Net assets attributable to Participating Redeemable Preference Shareholders	8	**529,019,030**	483,174,873	498,784,849
Net asset value per Participating Redeemable Preference Share*		**US$546.35**	US$488.69	US$505.61

* The difference between the published net asset value per share of $546.17 (30 June 2024: $488.74, 31 December 2024: $506.29) and the net asset value per share of the Financial Statements is due to two factors. Firstly, due to the use of Mid market prices of investments for valuation and trading purposes compared to Bid market prices used in the Financial Statements in accordance with International Financial Reporting Standards and the Statement of Recommended Practice for financial statements of Authorised Funds issued by the Investment Association (the "IA SORP") and secondly, due to routine adjustments arising from the compilation of the financial statements.

The accompanying notes on pages 24 to 33 form an integral part of these financial statements.

Statement of Comprehensive Income

For the six months ended 30 June 2025

	Notes	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$
Dividend and interest income		**647,110**	683,315
Fee rebates		**218,454**	170,113
Net movement in fair value of investments held at fair value through profit or loss	13	**41,066,144**	38,099,023
Other income		**1,258**	–
Net movement on foreign exchange		**212,075**	2,075
Total revenue		**42,145,041**	38,954,526
Expenditure			
Administration expenses		**(40,410)**	(28,813)
Administrator's fees	10	**(140,380)**	(132,912)
Auditors' remuneration		**(8,474)**	(10,808)
Custodian's fees	11	**(75,097)**	(70,762)
Directors' fees	16	**(20,419)**	(19,506)
Management fee	12,16	**(2,503,230)**	(2,358,724)
Operating expenses		**(2,788,010)**	(2,621,525)
Taxation		**(5,413)**	–
Net profit		**39,351,618**	36,333,001
Increase in net assets attributable to holders of Participating Redeemable Preference shares from continuing operations		**39,351,618**	36,333,001
Increase in net assets per Participating Redeemable Preference Share from continuing operations – basic and diluted	14	**US$40.24**	US$36.58

There were no sources of income or expense for the current or prior period other than these included in the Statement of Comprehensive Income above.

All activities derive from continuing operations.

The accompanying notes on pages 24 to 33 form an integral part of these financial statements.

Statement of Changes in Participating Redeemable Preference Shareholders' Equity of the Fund

For the six months ended 30 June 2025

	Notes	Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
1 January	8	**498,784,849**	**451,410,276**	**451,410,276**
Increase in net assets attributable to holders of Participating Redeemable Preference shares for the period/year from continuing operation		39,351,618	36,333,001	53,094,561
Proceeds from Participating Redeemable Preference Shares issued	7	–	–	271,644
Payments for Participating Redeemable Preference Shares redeemed	7	(9,117,437)	(4,568,404)	(5,991,632)
30 June/31 December	**8**	**529,019,030**	**483,174,873**	**498,784,849**

The accompanying notes on pages 24 to 33 form an integral part of these financial statements.

Cash Flow Statement of the Fund

For the six months ended 30 June 2025

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$
Cash flows from operating activities		
Increase in net assets attributable to holders of Participating Redeemable Preference shares	**39,351,618**	36,333,001
Adjustments for:		
Movement in investments held at fair value through profit or loss	**(41,066,144)**	(38,099,023)
Movement on foreign exchange	**(212,075)**	(2,075)
Operating cash flows before movements in working capital	**(1,926,601)**	(1,768,097)
Increase in other receivables	**(3,234,644)**	(7,051,211)
Decrease/(increase) in other payables	**57,706**	(1,350)
Net cash used in operating activities	**(5,103,539)**	(8,820,658)
Cash flows from investing activities		
Payment for purchases of investments held at fair value through profit or loss	**(33,252,901)**	(10,391,084)
Proceeds from sale of investments held at fair value through profit or loss	**45,560,857**	23,010,424
Net cash generated from investing activities	**12,307,956**	12,619,340
Cash flows from financing activities		
Amounts paid on redemption of shares	**(9,117,437)**	(4,568,404)
Net cash used in financing activities	**(9,117,437)**	(4,568,404)
Net decrease in cash and cash equivalents	**(1,913,020)**	(769,722)
Effect of foreign exchange rate changes	**212,075**	2,075
Cash and cash equivalents at beginning of the period	**3,547,866**	1,072,355
Cash and cash equivalents at end of the period	**1,846,921**	304,708
Cash and cash equivalents made up of:		
Cash at bank	**1,846,921**	304,708

The accompanying notes on pages 24 to 33 form an integral part of these financial statements

Notes to the Financial Statements (Unaudited)

1. GENERAL INFORMATION

Hansa Fund PCC Limited (the "Company") was incorporated as a protected cell company in Guernsey on 4 August 1998. The Company has two open-ended Cells: Hansa Harbour Fund and Hansa Global Equity Fund. These financial statements only show the results for the Hansa Global Equity Fund, also referred to as the "Fund". The Fund seeks to maximise the long-term total return on assets whilst maintaining preservation of capital. The Fund seeks to achieve its investment objective by investing predominantly in global equities either through specialist funds or direct investment.

The address of the Company's registered office is Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 2HT, Channel Islands.

The Fund has no employees.

The functional and presentational currency of the Fund is the United States Dollar ("US$").

The half-yearly report has not been audited or reviewed by the auditors RSM CI (Audit) Limited pursuant to the Auditing Practices Board guidance on 'Review of Interim Financial Information'.

2. ACCOUNTING POLICIES

a. Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The financial statements have been prepared under the historical cost basis, except for the revaluation of fair value through profit or loss investments, and in accordance with IFRS. Although the Company is not within the scope of the Statement of Recommended Practice for financial statements of Authorised Funds issued by the Investment Association (the "IA SORP"), consideration has been given to its recommendations in the preparation of the Company's financial statements, to the extent that it does not conflict with IFRS.

These financial statements show the results of the Fund for the period ended 30 June 2025.

b. Going concern

On 24 February 2022 Russian armed forces invaded Ukraine, which had an immediate and negative impact on equity markets globally but most particularly in Russia and Ukraine. The Fund does not have material directional exposure to either Russia or Ukraine. As at the date of these financial statements, the conflict remains ongoing, with periodic escalations and international diplomatic efforts continuing.

On 7 October 2023 the conflict in the Middle East between Israel and Palestine escalated, introducing volatility into the global economy with the potential for a more widespread war, as well as the unfolding humanitarian crisis. As at the date of these financial statements, the conflict between Israel and Hamas in the Gaza Strip remains unresolved, with intermittent hostilities and ongoing humanitarian challenges reported in the region. Diplomatic efforts have continued, but a sustained ceasefire has not yet been achieved. Entities with operations in the region may be directly affected, as well as indirectly impacted by continuing instability in global energy, petrochemical and capital markets.

The Directors therefore believe that it remains appropriate to prepare the financial statements on a going concern basis. The Directors believe that this basis is appropriate as the Fund has significant net assets, minimal creditors and is not dependent on any external finance or support from other parties and is expected to continue to operate profitably for the foreseeable future.

c. Standards and Interpretations

New and amended standards adopted by the Fund

Management have assessed all new standards and amendments to standards and interpretations that are effective for annual periods after 1 January 2025 and have deemed none to be applicable to the Fund.

New standards and interpretations not yet adopted

The following standards, amendments and interpretations in issue at the reporting date which are effective after 1 January 2026 are deemed to be material to the Fund:

- The issued amendments to IFRS 7, "Financial Instruments: Disclosures" and its accompanying Guidance on implementing IFRS 7, will:
  - clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

2. ACCOUNTING POLICIES (CONTINUED)

c. Standards and Interpretations (continued)

- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows; and
- update the disclosures for equity instruments designated at fair value through other comprehensive income.

The standard is effective for accounting periods beginning on or after 1 January 2026. It is unlikely that the amendment will have a material impact on the Fund's annual financial statements.

- IFRS 18, 'Presentation and Disclosure in Financial Statements", is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
  - the structure of the statement of profit or loss;
  - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
  - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The standard is effective for accounting periods beginning on or after 1 January 2027. The Fund is in the process of assessing the impact of this amendment on its annual financial statements.

d. Business and geographical segments

The Fund is operated as one segment by the Board of Directors (which is considered to be the chief operating decision maker).

e. Financial instruments

Financial instruments carried on the Statement of Financial Position include investments held at fair value through profit or loss, accrued dividend income, other receivables, cash and cash equivalents, other payables and accruals. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Disclosures about financial instruments to which the Fund is a party are provided in Note 17.

f. Investments held at fair value through profit or loss

Investments held at fair value through profit or loss are non-derivative financial assets that are either designated in this category or not classified in any of the other categories, identified by IFRS 9.

Investments held at fair value through profit or loss are initially recognised at cost, which is the fair value of the consideration given. The investments are subsequently re-measured at fair value based upon the most up to date NAV published by the fund administrator for mutual funds, investment companies or other similar vehicles or collective investment schemes. The fair value of these investments is based on bid prices quoted at the Statement of Financial Position date. Gains and losses arising from changes in the fair value of these securities are recognised through profit or loss in the Statement of Comprehensive Income.

All purchases and sales of investments and trading securities that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recognised at trade date, which is the date on which the Fund commits to purchase or sell the asset. In cases which are not within the time frame established by regulation or market convention, such transactions are recognised on settlement date. Any change in fair value of the asset to be received is recognised between the trade date and settlement date.

g. Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method if not receivable on demand. A provision for impairment is established, in line with the expected credit loss model as prescribed by IFRS 9, if there is objective evidence to suggest that the Fund may not collect all amounts due to it.

h. Cash and cash equivalents

Cash and cash equivalents comprise bank balances. The carrying value of these assets approximates to their fair value.

Notes to the Financial Statements (Unaudited)

2. ACCOUNTING POLICIES (CONTINUED)

i. Share capital

Participating Redeemable Preference Shares in issue are redeemable at the shareholder's option (see note 7), are designated liabilities in the Statement of Financial Position and are recorded at the contracted settlement amount.

Any distributions on the Participating Redeemable Preference Shares are recognised as finance costs in the Statement of Comprehensive Income.

j. Payables

Payables and accruals are initially recognised at their fair value and subsequently measured at amortised cost and are not discounted due to their short-term nature. The amounts are unsecured and usually paid within 30 days of recognition.

k. Net asset value per Participating Redeemable Preference Share

The net asset value per Participating Redeemable Preference Share is calculated by dividing the net assets attributable to Participating Redeemable Preference Shareholders included in the Statement of Financial Position by the number of Participating Redeemable Preference Shares in issue at the period end.

l. Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into US$ at exchange rates in effect at the date of the financial statements. Realised and unrealised gains and losses on foreign currency transactions are charged or credited to the Statement of Comprehensive Income as foreign currency gains and losses. The cost of investments, and income and expenditure are translated into US$ based on exchange rates on the date of the transaction.

m. Revenue recognition

Interest and dividend income comprises dividend income and interest on bank deposits and is recognised on an accrual basis.

n. Related parties

Related parties are individuals and entities where the individuals or entities have the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions.

o. Use of estimates and judgements

The preparation of the financial statements in conformity with applicable accounting standards and applicable Statute law requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimate with the most significant effects on the carrying amounts of the assets and liabilities in the financial statements is outlined below:

- Valuation of investments held at fair value through profit or loss – Mutual funds, investment companies or other similar vehicles or collective investment schemes are valued based on the NAV per share as determined by the underlying fund administrators.

3. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
Investments held at fair value through profit or loss	**524,425,439**	475,796,291	495,667,252

4. CASH AND CASH EQUIVALENTS

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
Cash at bank	**1,846,921**	304,708	3,547,866

Cash and cash equivalents comprise bank balances only. The carrying value of these assets approximates to their fair value.

5. OTHER RECEIVABLES

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
Investments purchased receivable	**3,122,000**	–	–
Outstanding amounts receivable on investment disposal	**–**	7,252,399	–
Fee rebate income receivable	**55,182**	24,321	50,476
Bank interest receivable	**2,058**	1,123	3,355
Sundry receivables	**29,710**	119,967	228
	3,208,950	7,397,810	54,059

6. OTHER PAYABLES AND ACCRUALS

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
Management fee	**435,060**	396,443	423,431
Custodian's fee	**13,052**	11,893	12,703
Auditors' remuneration	**10,517**	9,405	20,814
Administrator's fee	**24,315**	23,306	23,764
Directors' fees	**–**	–	3,519
Sundry creditors and accruals	**81,484**	22,496	22,491
	564,428	463,543	506,722

7. SHARES AND SHARE CAPITAL

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
a) Authorised			
5,000,000 Unclassified Shares of US$0.01 each	**50,000**	50,000	50,000
	50,000	50,000	50,000

Participating Redeemable Preference Shares carry the right to receive a distribution out of the income of the Fund in such amounts and at such times that the Directors shall determine, and to receive a distribution on a return of capital of the assets of the Fund on a winding up, in proportion to the number of Shares held.

	(Unaudited) 30 June 2025 Number	(Unaudited) 30 June 2024 Number	(Audited) 31 December 2024 Number
b) Issued			
Participating Redeemable Preference Shares			
In issue at the start of the period/year	**986,503.83**	998,344.49	998,344.49
Issued during the period/year	**–**	–	539.35
Redeemed during the period/year	**(18,230.86)**	(9,622.30)	(12,380.01)
In issue at the end of the period/year	**968,272.97**	988,722.19	986,503.83

Notes to the Financial Statements (Unaudited)

7. SHARES AND SHARE CAPITAL (CONTINUED)

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
Share Capital			
Participating Redeemable Preference Shares			
In issue at the start of the period/year	**9,865**	9,983	9,983
Issued during the period/year	**–**	–	6
Redeemed during the period/year	**(182)**	(96)	(124)
In issue at the end of the period/year	**9,683**	9,887	9,865
Share Premium			
Participating Redeemable Preference Shares			
Balance at the start of the period/year	**68,089,600**	73,809,470	73,809,470
On shares issued during the period/year	**–**	–	271,638
On shares redeemed during the period/year	**(9,117,255)**	(4,568,308)	(5,991,508)
Balance at the end of the period/year	**58,972,345**	69,241,162	68,089,600

8. NET ASSETS ATTRIBUTABLE TO HOLDERS OF PARTICIPATING REDEEMABLE PREFERENCE SHARES

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
Share capital	**9,683**	9,887	9,865
Share premium	**58,972,345**	69,241,162	68,089,600
Retained income	**(44,280,804)**	(40,143,497)	(42,354,203)
Capital reserves	**514,317,806**	454,067,321	473,039,587
	529,019,030	483,174,873	498,784,849

Share premium – Amount subscribed for share capital in excess of nominal value.

Retained income – All other net gains and losses and transactions not recognised in capital reserves.

Capital reserves – Transactions that are capital in nature and not recognised in retained earnings. These include movements on foreign exchange, gains/losses on investments held at fair value through profit or loss and fee rebates.

9. NET ASSET VALUE PER PARTICIPATING REDEEMABLE PREFERENCE SHARE

The net asset value per share of US$546.35 (30 June 2024: US$488.69, 31 December 2024: US$505.61) is based on the net assets at the period end of US$529,019,030 (30 June 2024: US$483,174,873, 31 December 2024: US$498,784,849) and on 968,272.97 Participating Redeemable Preference Shares, being the number of Participating Redeemable Preference Shares in issue at the period end (30 June 2024: 988,722.19, December 2024: 986,503.83).

10. ADMINISTRATOR'S FEES

The Administrator is entitled to an annual fee based on the net asset value of the Company payable as follows:

US$0 – US$200m	0.068% per annum (2024: 0.068%)
US$200m+	0.051% per annum (2024: 0.051%)

Such fees are calculated monthly, subject to an annual minimum fee of US$100,000 (2024: US$100,000), and payable monthly in arrears. The Administrator's fees are apportioned between the Fund and Hansa Harbour Fund pro rata to their net asset values.

11. CUSTODIAN'S FEES

The Custodian is entitled to an annual fee payable by the Fund which is not expected to exceed 0.05% (currently paid at 0.03%) of the net asset value. Such fee is calculated and payable monthly and is subject to an annual minimum fee of US$25,000 (31 December 2024: US$25,000), payable in equal monthly instalments in arrears. The Custodian is also entitled to receive transaction fees, as well as reimbursement for the fees of any sub-custodians.

12. MANAGEMENT FEES

The Manager receives a monthly fee from the Fund calculated at an annual rate equal to 1.00% of the Net Asset Value of the Fund, payable monthly in arrears.

The Manager is also entitled to an annual performance fee. Any performance fee only becomes payable at the end of an annual accounting year, and as such, the Manager is not entitled to a performance fee for the current period.

The performance fee is equal to 10% of the amount by which the Fund outperforms its Benchmark Return in any accounting year, subject to first having made good any underperformance on an individual investor basis. The Benchmark Return is a composite 60:40 of US CPI Urban Consumers NSA (Non Seasonally Adjusted) and Eurozone CPI plus 2% per annum, the full description of which may be found in the Offering Memorandum. For the year ended 31 December 2024, the Manager was entitled to a performance fee of US$102,556.

The performance fee is also payable on the redemption or transfer of any share and is equal to 10% of the amount by which the net asset value per share at the date of redemption or transfer exceeds the higher of the High Watermark and the net asset value per share at the end of the previous accounting period, adjusted by any dividend per share paid and the Benchmark Return. For the year ended 31 December 2024, the Manager was entitled to a performance fee of US$311.

The Manager is entitled, at its sole and absolute discretion, to reduce or rebate its management and/or its performance fee. Such reduction or rebate may be applied generally in respect of all investors in the fund, or may be applied with respect to a certain investor or investors only. Please refer to the Scheme Particulars for further details regarding the criteria and factors of consideration.

13. NET MOVEMENT IN THE FAIR VALUE OF INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$
Realised gains on disposal of investments held at fair value through profit or loss	**21,163,413**	6,838,610
Unrealised gains on investments held at fair value through profit or loss	**19,902,731**	31,260,413
	41,066,144	38,099,023

14. EARNINGS PER PARTICIPATING REDEEMABLE PREFERENCE SHARE

The earnings per share is based on a profit of US$39,351,618 (30 June 2024: US$36,333,001, 31 December 2024: US$53,094,561) on ordinary activities and a weighted average of 977,821.79 (30 June 2024: of 993,382.60, December 2024: 990,887.48) shares in issue.

There is no difference between the basic and diluted earnings per share calculations.

15. TAXATION

The Fund has been granted exempt status and therefore has no liability to Guernsey tax. With effect from 1 January 2010, Guernsey restructured its tax regime, and the standard rate of income tax for companies moved to 0%. However, the Company will continue to apply for a tax exempt status by paying the annual fee. With effect from 1 January 2024 the fee increased from £1,200 to £1,600 (2024: pro-rated to £1,400 for the year).

The Fund was granted reporting fund status by HM Revenue & Customs with effect from 1 January 2010, subject to it continuing to comply with the reporting fund regulations. The Directors conduct the affairs of the Fund with a view to ensuring that the appropriate conditions for reporting fund status will continue to be met.

Taxation disclosed in the Statement of Comprehensive Income comprises solely of withholding tax on dividend income deducted at source.

16. RELATED PARTY TRANSACTIONS

Directors

The Directors are regarded as related parties.

Total Directors' fees paid during the period amounted to US20,419 (30 June 2024: US$19,506, 31 December 2024: US$31,829). At 30 June 2025 prepaid Directors' fees amounted to US$21,806 (30 June 2024: US$15,894, 31 December 2024: US$3,519 outstanding and payable). These fees are all arms' length transactions.

Notes to the Financial Statements (Unaudited)

16. RELATED PARTY TRANSACTIONS (CONTINUED)

Directors (continued)

Directors' fees are based on a set annual fee per director which is apportioned between the Fund and Hansa Harbour Fund on a 60:40 split, with the Fund accounting for the 60% portion.

The Manager

Wayne Bulpitt, Managing Director of Hanseatic Asset Management LBG is also a Director of the Fund, and as a result the Manager is also regarded as a related party.

Total Manager's fee paid during the period amounted to US$2,503,230 (30 June 2024: US$2,358,724, 31 December 2024: US$4,882,863). At 30 June 2025, management fees of US$435,060 (30 June 2024: US$396,443, 31 December 2024: US$423,431) remained outstanding and payable by the Fund.

17. FINANCIAL INSTRUMENTS

Fair values

The carrying amounts of investments, other receivables, cash and cash equivalents and other payables approximate their fair values.

Management of Capital

The Fund manages its capital to ensure that it is able to continue as a going concern. The capital of the Fund is represented by net assets attributable to holders of Participating Redeemable Preference shares of the Fund on page 28. During the year and at the year end the Fund did not have any third party debt balances.

Investment and trading activities

The objective of the Fund is to maximise the long term total return on assets whilst maintaining the preservation of capital. The policy of the Board is to provide a framework within which the Manager can operate and deliver the objectives of the Fund.

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 most important types of financial risk to which the Fund is exposed are market price risk and currency risk.

Credit risk

Credit risk is the risk that an issuer or counterparty may be unable or unwilling to meet commitments it has entered into with the Fund.

The Fund's principal assets are bank balances and cash and investments as set out in the Statement of Financial Position which represents the Fund's maximum exposure to credit risk in relation to the financial assets.

Credit risk is the risk that an issuer or counterparty may be unable or unwilling to meet commitments it has entered into with the Fund.

The Fund's principal assets are bank balances and cash and investments as set out in the Statement of Financial Position which represents the Fund's maximum exposure to credit risk in relation to the financial assets.

The credit risk on bank balances is limited because the counterparty is a bank with a credit rating of A2 assigned by Standard and Poor's rating agency. The rating indicates that the bank has adequate capacity to meet its financial commitments.

All transactions in listed securities are settled upon delivery using approved brokers. The risk of default is considered minimal as delivery of securities sold 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 obligations.

The Fund's maximum exposure to credit risk is the carrying value of the assets on the Statement of Financial Position.

The Fund is obliged to use the impairment methodology in line with the expected credit loss model ("ECL model") as prescribed by IFRS 9. Under the ECL model, financial assets, including those subject to credit risk, are assessed for impairment based on potential lifetime credit losses, if there has been a significant increase in credit risk since initial recognition, or alternatively on a 12 month expected credit loss if the increase in credit risk since initial recognition is not deemed to be significant. These financial assets are reviewed for potential credit losses by the Manager and the Board.

Those financial assets held by the Fund and subject to credit risk, which includes cash and cash equivalents, accrued income and other receivables, are assessed for impairment on a 12 month expected credit loss basis as there has not been a significant change in credit risk since initial recognition. In addition to this, any potential impairment considered appropriate for these assets would be deemed immaterial and therefore no further analysis is provided or adjustments included in these financial statements.

17. FINANCIAL INSTRUMENTS (CONTINUED)

Market price risk

Market 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 similar financial instruments traded in the market. The Fund's exposure to market price risk is comprised mainly of movements in the value of the Fund's investments.

Price sensitivity

At 30 June 2025, if the market prices of the securities had been 10% higher with all other variables held constant, the net assets attributable to holders of Participating Redeemable Preference Shares would have been US$581,461,574 (30 June 2024: US$530,754,502, 31 December 2024: US$449,218,124), arising due to the increase in the fair value of investments held at fair value through profit or loss by US$52,442,544 (30 June 2024: US$47,579,629, 31 December 2024: US$49,566,725).

Liquidity risk

Liquidity risk is the risk that the Fund cannot meet its liabilities as they fall due. The Fund's primary source of liquidity consists of cash and cash equivalents and investments held at fair value through profit or loss.

The Fund's liabilities are short-term in nature and are payable in the normal operating cycle.

As at 30 June 2025, the Fund's exposure to liquidity risk was as follows:

	Less than 1 month US$	1 to 3 months US$	3 months to 1 year US$	Total US$
Non-Current Assets				
Investments held at fair value through profit or loss	351,039,619	114,645,384	58,740,436	524,425,439
Current Assets				
Accrued dividend income	102,148	–	–	102,148
Other receivables	3,208,950	–	–	3,208,950
Cash and cash equivalents	1,846,921	–	–	1,846,921
	353,075,638	**114,645,384**	**58,740,436**	**529,583,458**
Current Liabilities				
Accrued fees	(482,944)	–	–	(482,944)
Other payables and accruals	(81,484)	–	–	(81,484)
	(564,428)	**–**	**–**	**(564,428)**

As at 30 June 2024, the Fund's exposure to liquidity risk was as follows:

	Less than 1 month US$	1 to 3 months US$	3 months to 1 year US$	Total US$
Non-Current Assets				
Investments held at fair value through profit or loss	376,149,731	46,620,134	53,026,425	475,796,291
Current Assets				
Accrued dividend income	139,607	–	–	139,607
Other receivables	7,397,810	–	–	7,397,810
Cash and cash equivalents	304,708	–	–	304,708
	383,991,856	**46,620,134**	**53,026,425**	**483,638,416**
Current Liabilities				
Accrued fees	(396,443)	–	–	(396,443)
Other payables and accruals	(67,100)	–	–	(67,100)
	(463,543)	**–**	**–**	**(463,543)**

Notes to the Financial Statements (Unaudited)

17. FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity risk (continued)

As at 31 December 2024, the Fund's exposure to liquidity risk was as follows:

	Less than 1 month US$	1 to 3 months US$	3 months to 1 year US$	Total US$
Non-Current Assets				
Investments held at fair value through profit or loss	329,490,957	106,700,220	59,476,075	495,667,252
Current Assets				
Accrued dividend income	22,394	–	–	22,394
Other receivables	54,059	–	–	54,059
Cash and cash equivalents	3,547,866	–	–	3,547,866
	333,115,276	**106,700,220**	**59,476,075**	**499,291,571**
Current Liabilities				
Accrued fees	(504,421)	–	–	(504,421)
Other payables and accruals	(2,301)	–	–	(2,301)
	(506,722)	**–**	**–**	**(506,722)**

Currency risk

Currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Fund holds certain financial assets and liabilities denominated in currencies other than US dollar, the functional currency of the Fund. The Fund is therefore exposed to currency risk, as the value of those financial instruments will fluctuate due to changes in exchange rates. Exchange rate exposures are reviewed by the Manager and the Board.

The carrying amount of the Fund's foreign currency (net) exposure at the reporting date is as follows:

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
USD	**453,734,771**	420,480,864	437,251,431
GBP	**37,530,312**	41,544,034	32,222,013
EUR	**26,213,086**	–	14,928,328
JPY	**8,418,861**	16,762,176	14,383,077
CHF	**–**	4,387,800	–

Currency sensitivity

The following table details the Fund's sensitivity to a 10% weakening of the reporting currency against each of the relevant foreign exchange currencies. This analysis assumes that all variables, in particular interest rates remain constant. The analysis is performed on the same basis for the prior/year.

Increase/(decrease) in net assets attributable to holders of Participating Redeemable Preference Shares:

	(Unaudited) 30 June 2025 US$	(Unaudited) 30 June 2024 US$	(Audited) 31 December 2024 US$
GBP	**3,753,031**	4,154,403	3,222,201
EUR	**2,621,309**	–	1,492,833
JPY	**841,886**	1,676,218	1,438,308
CHF	**–**	438,780	–

18. FAIR VALUE MEASUREMENT

IFRS 13 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are as follows:

18. FAIR VALUE MEASUREMENT (CONTINUED)

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 fair value measurements are those derived from 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 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment of management, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table presents the Fund's financial assets and liabilities by level within the valuation hierarchy as of 30 June 2025:

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Financial assets				
Investments held at fair value through profit or loss	**177,062,738**	**347,362,701**	**–**	**524,425,439**

The following table presents the Fund's financial assets and liabilities by level within the valuation hierarchy as of 30 June 2024:

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Financial assets				
Investments held at fair value through profit or loss	138,751,897	337,044,394	–	475,796,291

The following table presents the Fund's financial assets and liabilities by level within the valuation hierarchy as of 31 December 2024:

	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Financial assets				
Investments held at fair value through profit or loss	147,714,547	347,952,705	–	495,667,252

The Fund invests in listed equities as well as investment funds which are not quoted in active markets and may be subject to restrictions on redemptions such as lock-up periods, redemption gates and side pockets. Investments in these investment funds are valued based on the NAV per share as determined by the underlying fund administrators.

Investments in listed equities have been classified as Level 1 investments. The investments in funds that the Fund is able to redeem at NAV as at the measurement date have been classified as Level 2 investments.

There were no transfers between levels during the period.

There were no changes to valuation techniques during the period.

19. ULTIMATE CONTROLLING PARTY

The Directors do not consider the Fund to have an ultimate controlling party.

20. POST BALANCE SHEET EVENTS

There are no material events subsequent to the period-end date which require disclosure in these financial statements.

Management and Administration

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Wayne Bulpitt CBE
Simon Livesey
Douglas Mackay (Alternate Director)

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