GCP FIXED INCOME MASTER FUND S.P.

(a Segregated Portfolio designated in respect of Cayman Emerging Manager Platform (2) SPC, an exempted segregated portfolio company incorporated with limited liability under the laws of the Cayman Islands and registered as a mutual fund under the Mutual Funds Act of the Cayman Islands).

AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD FROM 6 APRIL 2021 (DATE OF COMMENCEMENT OF OPERATIONS) TO 31 DECEMBER 2021

GCP FIXED INCOME MASTER FUND S.P.
(a Segregated Portfolio designated in respect of Cayman Emerging Manager Platform (2) SPC)

AUDITED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 6 APRIL 2021 (DATE OF COMMENCEMENT OF OPERATIONS) TO 31 DECEMBER 2021

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GCP FIXED INCOME MASTER FUND S.P.
(a Segregated Portfolio designated in respect of Cayman Emerging Manager Platform (2) SPC)

CORPORATE DATA

BOARD OF DIRECTORS:	Rayal Bodden Mariano Grandval William David Wiggin
SECRETARY:	Apex Fund Services (Cayman) Ltd 3rd Floor Zephyr House 122 Mary Street George Town, P.O. Box MP10085 Grand Cayman KY1-1001 Cayman Islands
REGISTERED OFFICE:	Apex Fund Services (Cayman) Ltd 3rd Floor Zephyr House 122 Mary Street George Town Grand Cayman KY1-1001 Cayman Islands
AUDITOR:	Deloitte & Touche LLP One Capital Place P.O. Box 1787 Grand Cayman, KY-1109 Cayman Islands
INVESTMENT MANAGER:	Emerging Asset Management Ltd 4th Floor Vallis Building 58 Par-la-Ville Road Hamilton HM11 Bermuda
INVESTMENT ADVISOR:	Geneva Capital Partners LLP 64 New Cavendish Street London, WIG 8TB United Kingdom
BANKER:	Northern Trust International Banking Corporation 50, S. LaSalle Chicago IL – 60607 United States of America
PRIME CUSTODIAN AND BROKER:	Cowen International Limited 11th Floor, 1 Snowden Street London, EC2A 2DQ United Kingdom

CORPORATE DATA (CONTINUED)

ADMINISTRATOR AND TRANSFER AGENT:	Apex Fund Services Ltd 4th Floor Vallis Building 58, Par-la-Ville Road Hamilton, HM11 Bermuda
SUB-ADMINISTRATOR AND SUB-TRANSFER AGENT:	Apex Fund Services (Mauritius) Ltd 4th Floor, 19 Bank Street Cybercity Ebène, 72201 Mauritius.
COMPANY'S LEGAL ADVISORS (CAYMAN ISLANDS LAW):	Walkers (Dubai) LLP Level 14, Burj Daman Dubai International Financial Centre P.O. Box 506513 Dubai United Arab Emirates
COMPANY'S LEGAL ADVISORS (U.S. LAW ONLY):	Morgan, Lewis & Bockius LLP One Federal Street Boston, MA 02110 United States of America

DIRECTORS' REPORT
FOR THE PERIOD FROM 6 APRIL 2021 (DATE OF COMMENCMENT OF OPERATIONS) TO 31 DECEMBER 2021

The Board of Directors of Cayman Emerging Manager Platform (2) SPC (the "Company") present their report and audited financial statements of GCP Fixed Income Master Fund S.P. (the "Segregated Portfolio") for the period ended 31 December 2021, being a segregated account constituted as a distinct class of shares in the Company, an exempted company incorporated with limited liability under the Companies Act of the Cayman Islands. The Segregated Portfolio was launched on 6 April 2021 and accordingly these financial statements cover a period less than 12 months from 6 April 2021 (date of commencement of operations) to 31 December 2021.

Geneva Capital Partner LLP (the "Investment Advisor") seeks to achieve medium-term capital gains through the implementation of widely diversified investment strategies. The Segregated Portfolio will predominantly, invest in fixed income securities globally.

Performance review

During the period under review, subscriptions into the Segregated Portfolio amounted to USD20,194,251 and there were no redemptions out of the Segregated Portfolio. The Segregated Portfolio recorded an increase in the net assets attributable to holders of redeemable shares of USD419,852. Net assets attributable to holders of redeemable shares at the end of the period amounted to USD20,614,103.

Results and distribution

The results for the period ended 31 December 2021 are as shown in the statement of profit or loss and other comprehensive income on page 6.

The Directors do not anticipate paying any dividends in respect of the Segregated Portfolio's shares.

Directors

The Directors of the Company who held office during the reporting period were:

Rayal Bodden
Mariano Grandval
William David Wiggin

Alternate directors have been appointed in the event that one of the directors is unable to fulfil his duties.

Events after the reporting period

The geopolitical situation in Eastern Europe intensified in late February 2022, with the commencement of Russia's military action against Ukraine. Political events and sanctions are continually changing and differ across the globe. There is currently no indication that there will be a significant impact on the Segregated Portfolio's financial performance, financial position and cash flows. The situation continues to be closely monitored by management to ensure that the interests of all its stakeholders are safeguarded."

For the period from 1 January 2022 to the date of signing these financial statements, there were subscriptions of USD1,204,590 whilst there were redemptions of USD1,415,845 from the Segregated Portfolio's shares. Furthermore, as at the date of the latest available published NAV, the Sub-Fund's net asset value decreased by 14%. Despite this significant decrease in the Segregated Portfolio's net asset value, management is confident that the Segregated Portfolio has the necessary resources to continue its activities for the next twelve months from the reporting date.

Approved by the Board of Directors and signed on its behalf on 28 June 2022 by:

Rayal Bodden
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for the preparation of financial statements in accordance with International Financial Reporting Standards, which give a true and fair view of the state of affairs of the Segregated Portfolio at the end of each financial period and of the profit or loss of the Segregated Portfolio for the period then ended.

In preparing the financial statements, the Directors should:

- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable; and
- Prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Segregated Portfolio will continue in business as a going concern.

The Directors are responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Segregated Portfolio and which enable the Directors to ensure that the financial statements comply with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Directors are also responsible for safeguarding the assets of the Segregated Portfolio, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Additionally, the Directors of the segregated portfolio company are responsible for ensuring that such separate records, accounts, statements and other records are kept as may be necessary to evidence the liabilities and assets of each segregated portfolio as distinct and separate from the assets and liabilities of other segregated portfolios in the same company.

GCP FIXED INCOME MASTER FUND S.P.
(a Segregated Portfolio designated in respect of Cayman Emerging Manager Platform (2) SPC)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM 6 APRIL 2021 (DATE OF COMMENCMENT OF OPERATIONS) TO 31 DECEMBER 2021

	Notes	For the period from 6 April 2021 (date of commencement of operations) to 31 December 2021
		USD
Operating income		
Interest income		1,357,763
Dividend income		11,404
Other income		2,066
Net foreign currency losses		(419,374)
Net unrealised losses on financial assets at fair value through profit or loss		(319,212)
Net realised gains on financial assets at FVPL		177,360
Total operating income		810,007
Operating expenses		
Management fees	3(a)	(34,006)
Advisory fees	3(b)	(96,772)
Performance fees	3(c)	(25,090)
Set up costs		(26,500)
Other expenses		(206,580)
Total operating expenses		(388,948)
Withholding tax		(1,207)
Increase in net assets attributable to holders of redeemable shares from operations		419,852

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

GCP FIXED INCOME MASTER FUND S.P.
(a Segregated Portfolio designated in respect of Cayman Emerging Manager Platform (2) SPC)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Notes	2021
		USD
Assets		
Financial assets at fair value through profit or loss ("FVPL")	7	37,148,421
Other receivables	5	532,162
Cash and cash equivalents	9	1,358,602
Total assets		39,039,185
Liabilities		
Financial liabilities at FVPL		2,241,582
Due to broker		16,089,511
Other payables and accruals	6	93,989
Total liabilities (excluding net assets attributable to holders of redeemable shares)		18,425,082
Net assets attributable to holders of redeemable shares		20,614,103
Represented by:		
Net assets attributable to holders of redeemable shares (as issued to shareholders)	13	20,636,203
Adjustment to the statement of financial position		(22,100)
Net assets attributable to holders of redeemable shares		20,614,103

These financial statements were approved by the Board of Directors, authorised for issue on 28 June 2022 and signed on its behalf by:

Rayal Bodden
Director

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

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE SHARES FOR THE PERIOD FROM 6 APRIL 2021 (DATE OF COMMENCMENT OF OPERATIONS) TO 31 DECEMBER 2021

	For the period from 6 April 2021 (date of commencement of operations) to 31 December 2021
	USD
Net assets attributable to holders of redeemable shares at the beginning of the period	-
Operations:	
Increase in net assets attributable to holders of redeemable shares from operations	419,852
Capital transactions:	
Issue of redeemable shares	20,194,251
Net assets attributable to holders of redeemable shares at end of the period	20,614,103

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

STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 6 APRIL 2021 (DATE OF COMMENCMENT OF OPERATIONS) TO 31 DECEMBER 2021

	For the period from 6 April 2021 (date of commencement of operations) to 31 December 2021
Cash flows used in operating activities	
Increase in net assets attributable to holders of redeemable shares from operations	419,852
Adjustments for:	
Interest income	(1,357,763)
Dividend income	(11,404)
Withholding tax	1,207
Changes in working capital	
Increase in financial assets and liabilities at FVPL	(34,457,141)
Increase in other receivables	(12,967)
Increase in due to broker	16,089,511
Increase in other payables and accruals	93,989
Cash used in operating activities	(19,684,414)
Interest received	838,568
Dividend received	11,404
Withholding tax paid	(1,207)
Net cash used in operating activities	(18,835,649)
Cash flows from financing activities	
Proceeds from issue of redeemable shares	20,194,251
Net cash from financing activities	20,194,251
Net increase in cash and cash equivalents	1,358,602
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period (note 9)	1,358,602

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

1. GENERAL

GCP Fixed Income Master Fund S.P. (the "Segregated Portfolio"), is a segregated portfolio designated in respect of Cayman Emerging Manager Platform (2) SPC (the "Company"), which is an exempted segregated portfolio company with limited liability under the laws of the Cayman Islands and registered as a mutual fund under the Mutual Funds Act of the Cayman Islands. The registered office of the Company is Apex Fund Services (Cayman) Ltd, 3rd Floor Zephyr House, 122 Mary Street, George Town, Grand Cayman, KY1-1001, Cayman Islands. The Segregated Portfolio operates pursuant to a Segregated Portfolio Supplement dated March 2021.

The assets and liabilities of the Segregated Portfolio are legally separate from those of the Company and its other segregated accounts. These financial statements present only the financial position and result of operations of the Segregated Portfolio.

The principal activity of the Company is to carry on the business of an investment fund.

The investment activities of the Segregated Portfolio are managed by Emerging Asset Management Ltd (the "Investment Manager"), an exempted company incorporated in Bermuda and the Administration of the Segregated Portfolio is delegated to Apex Fund Services (Mauritius) Ltd (the "sub-administrator"). The Investment Manager has appointed Geneva Capital Partners LLP to serve as the Investment Advisor.

The investment objective of the Segregated Portfolio is to achieve capital gains in the Net Asset Value of the Segregated Portfolio shares through the appointment of the Investment Advisor by the Investment Manager to implement investment strategies as described in the Segregated Portfolio Supplement and through the appointment of the Investment Manager to closely monitor and control risk in relation to the assets of the Segregated Portfolio. The investment strategies involve trading principally in fixed income securities globally as selected by the Investment Advisor.

The Segregated Portfolio will act as what is commonly referred to as a master fund in a “mini-master fund” structure. Certain eligible investors that are not U.S. Persons and / or are tax-exempt U.S. Persons (or entities comprised substantially of U.S. tax-exempt investors) may subscribe for shares of the Segregated Portfolio directly, and U.S. Persons that are subject to U.S. federal income tax may invest in the limited liability company interests of the GCP Fixed Income U.S. Feeder Fund (the “Feeder Fund”). The Feeder Fund will, in turn, invest substantially all of its assets in the Segregated Portfolio. The Segregated Portfolio has elected to be treated as a partnership for U.S. federal income tax purposes.

2. ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below:

2.1 BASIS OF PREPARATION

Statement of Compliance

The financial statements of the Segregated Portfolio have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

Basis of preparation

The financial statements are prepared under the historical cost convention, except for financial assets that have been measured at fair value. They are denominated in United States Dollar (“USD”) and all values are rounded to the nearest dollar, except where otherwise indicated.

2. ACCOUNTING POLICIES (CONTINUED)

2.2 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED DURING THE PERIOD

There has been amendments and interpretations that have become effective for the current year. The Segregated Portfolio has adopted the following new and amended IFRS:

Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Amendments)

Under the detailed rules of IFRS 9 Financial Instruments, modifying a financial contract can require recognition of a significant gain or loss in the income statement. However, the amendments introduce a practical expedient if a change results directly from IBOR reform and occurs on an 'economically equivalent' basis. In these cases, changes will be accounted for by updating the effective interest rate. A similar practical expedient will apply under IFRS 16 Leases for lessees when accounting for lease modifications required by IBOR reform.

The amendments also allow a series of exemptions from the regular, strict rules around hedge accounting.

The following disclosures will also be necessary:

- the nature and extent of risks to which the company is exposed arising from financial instruments subject to IBOR reform and how it manages those risks; and
- the company's progress in completing its transition to alternative benchmark rates and how it is managing that transition.

The amendments apply retrospectively with earlier application permitted. Hedging relationships previously discontinued solely because of changes resulting from the reform will be reinstated if certain conditions are met.

This amendment had no impact on the financial statements of the Segregated Portfolio.

2.3 STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

At the date of the authorisation of the financial statements, management anticipates that the following relevant new and revised standard that were issued but effective only in the future periods will not have a material impact on the financial statements of the Segregated Portfolio in the period of their initial adoption.

Annual Improvements to IFRS Standards 2018-2020

IFRS 9 Financial Instruments - The amendment clarifies that for the purpose of performing the ''10 per cent test" for derecognition of financial liabilities – in determining those fees paid net of fees received, a borrower includes only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

The amendments are not expected to have a material impact on the financial statements of the Segregated Portfolio.

2. ACCOUNTING POLICIES (CONTINUED)

2.3 STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (continued)

Classification of liabilities as current or non-current (Amendments to IAS 1)

Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the Board has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.

There is limited guidance on how to determine whether a right has substance and the assessment may require management to exercise interpretive judgement.

The existing requirement to ignore management's intentions or expectations for settling a liability when determining its classification is unchanged.

The amendment is effective for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted. The amendments are to be applied retrospectively from the effective date.

The amendments are not expected to have a material impact on the financial statements of the Segregated Portfolio.

Definition of accounting estimates (Amendments to IAS 8)

Distinguishing between accounting policies and accounting estimates is important because changes in accounting policies are generally applied retrospectively, while changes in accounting estimates are applied prospectively.

The changes to IAS 8 focus entirely on accounting estimates and clarify the following:

- The definition of a change in accounting estimates is replaced with a definition of accounting estimates.
- Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".
- Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.
- The Board clarified that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors.
- A change in an accounting estimate may affect only the current period's profit or loss, or the profit or loss of both the current period and future periods. The effect of the change relating to the current period is recognised as income or expense in the current period. The effect, if any, on future periods is recognised as income or expense in those future periods.

The effects of changes in inputs and / or measurement techniques are changes in accounting estimates. The definition of accounting policies remains unchanged.

The amendments are effective for periods beginning on or after 1 January 2023, with earlier application permitted, and will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the Segregated Portfolio applies the amendments.

The amendments are not expected to have a material impact on the financial statements of the Segregated Portfolio.

2. ACCOUNTING POLICIES (CONTINUED)

2.3 STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE (continued)

Disclosure Initiative: Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)

Making information in financial statements more relevant and less cluttered has been one of the key focus areas for the International Accounting Standards Board (the Board).

The Board has issued amendments to IAS 1 Presentation of Financial Statements and an update to IFRS Practice Statement 2 Making Materiality Judgements to help companies provide useful accounting policy disclosures. The key amendments to IAS 1 include:

- requiring companies to disclose their material accounting policies rather than their significant accounting policies;
- several paragraphs are added to explain how an entity can identify material accounting policy information and to give examples of when accounting policy information is likely to be material;
- clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed;
- clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company’s financial statements;
- accounting policy information may be material because of its nature, even if the related amounts are immaterial;
- accounting policy information is material if users of an entity’s financial statements would need it to understand other material information in the financial statements; and
- the amendments clarify that if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

The Board also amended IFRS Practice Statement 2 to include guidance and two additional examples on the application of materiality to accounting policy disclosures. The amendments are consistent with the refined definition of material.

The amendments are effective from 1 January 2023 but may be applied earlier.

The amendments are not expected to have a material impact on the financial statements of the Segregated Portfolio.

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Foreign currency

Functional and presentation currency

The financial statements are presented in USD which is also the currency of the primary economic environment in which the Segregated Portfolio operates (functional currency).

(b) Foreign currency translation

Transactions during the period, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Foreign currency translation (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign currency transaction gains and losses on financial assets classified as at FVPL are included in the statement of profit or loss and other comprehensive income.

(c) Interest income and dividend income

Interest income is recognised in the statement of profit or loss and other comprehensive income as it accrues, using the historical effective interest rate of the asset.

Dividend income is recognised in the statement of profit or loss and other comprehensive income when the right to receive income is established. For quoted equity securities this is usually the ex-dividend date. Dividend income from equity securities at FVPL is recognised in the statement of profit or loss and other comprehensive income as dividend income and to the extent that it is probable that future economic benefits will flow to the Segregated Portfolio and these can be measured reliably.

(d) Net gain or loss on financial assets at FVPL

This item includes changes in the fair value of financial assets designated upon initial recognition as 'at FVPL' and excludes interest and dividend income and expenses.

Unrealised gains and losses comprise changes in the fair value of financial assets for the year.

Realised gains and losses on disposals of financial assets classified as 'at FVPL' are calculated using the First-In, First-Out (FIFO) method. They represent the difference between an asset's last fair value and disposal amount. Investment transactions are recorded on a trade date basis.

(e) Expense recognition

All expenses, including management fees and advisory fees are accounted for in the statement of profit or loss and other comprehensive income on the accrual basis.

(f) Related parties

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

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments

Financial assets and financial liabilities are recognised when the Segregated Portfolio becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially recognised at their fair value plus directly attributable transaction costs for all financial assets or financial liabilities not classified at FVPL.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Segregated Portfolio has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or when the Segregated Portfolio transfers the financial asset and the transfer qualifies for derecognition.

Financial liabilities are derecognised when they are extinguished. This occurs when the obligation specified in the contract is discharged, cancelled or expired.

(i) Financial assets

The Segregated Portfolio classifies its financial assets as subsequently measured at amortised cost or measured at FVPL on the basis of both:

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

<u>Financial assets at amortised cost</u>

A financial asset 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. Financial assets measured at amortised cost include certain other receivables (representing amounts receivable for transactions contracted for but not yet delivered by the end of the period) and cash and cash equivalents.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Segregated Portfolio determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Segregated Portfolio determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective.

For financial assets at amortised cost, appropriate allowances for expected credit losses ('ECLs') are recognised in profit or loss in accordance with the Segregated Portfolio's accounting policy on ECLs.

The Segregated Portfolio includes its cash and cash equivalents and other receivables in this category.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(i) Financial assets (continued)

Financial assets at FVPL

A financial asset is measured at FVPL if 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 its contractual terms do not give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At initial recognition, the Segregated Portfolio may irrevocably designate a financial asset as measured at FVPL when doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Segregated Portfolio includes in this category, derivative contracts in an asset position, financial assets classified as held for trading, financial assets managed, evaluated and reported on a fair value basis in accordance with the Segregated Portfolio's documented investment strategy, and those financial investments whose contractual cash flows do not solely represent payments of principal and interest, which are mandatorily measured at FVPL.

For all financial assets which are quoted or otherwise traded in an active market, for exchange traded derivatives and for other financial assets for which quoted prices in an active market are available, fair value is determined directly from those quoted market prices.

Financial assets which are unquoted or otherwise not traded in an active market are valued using broker quotes and other methodology designed to assess the value after acquisition, having regard to market terms at the measurement date, including interest rates and liquidity and other factors. As a standard practice, the Investment Advisor will obtain an understanding of how the prices were determined to assess whether they are consistent with the fair value measurement objective (such as indicative prices vs. binding offers). The basis of valuation on each valuation date will be determined on the most appropriate basis to use, having regard to a) any relevant information generally available in the market at the time; and b) any other relevant information.

Gains and losses arising from a change in fair value are recognised in profit or loss in the period in which they arise. Where applicable, dividend income and interest income received from financial assets at FVPL are disclosed separately in profit or loss. Fair value gains and losses are recognised within net unrealised gains / (losses) on financial assets at FVPL.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Financial instruments (continued)

(i) Financial assets (continued)

Financial assets at FVPL (continued)

Derivative financial instruments

Derivative financial assets are classified as held for trading unless they are designated as effective hedging instruments. During the period, the Segregated Portfolio did not designate any of its derivative financial instruments in a hedging relationship for accounting purposes. After initial recognition, derivative financial instruments are measured at their fair value. Gains and losses arising from a change in fair value are recognised in profit or loss in the year in which they arise.

A forward currency contract involves an obligation to purchase or sell a specific currency at a future date, at a price set at the time the contract is made. Forward foreign exchange contracts are valued by reference to the forward price at which a new forward contract of the same size and maturity could be undertaken at the valuation date. The unrealised gain or loss on open forward currency contracts is calculated as the difference between the contract rate and this forward price and is recognised in the statement of profit or loss and other comprehensive income.

(ii) Financial liabilities

Financial liabilities at amortised cost

Financial liabilities are measured at amortised cost using the effective interest method, unless the effect of discounting is immaterial or they meet the definition of derivative financial liabilities, which are measured at FVPL. Other payables and accruals and net assets attributable to holders of redeemable shares are included in this category.

(h) Impairment

The Segregated Portfolio recognises a loss allowance for ECLs on financial assets at amortised cost.

Under IFRS 9, Financial Instruments, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months
- after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected
- life of a financial instrument.

The Segregated Portfolio measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured as 12-month ECLs:

- Financial assets that are determined to have a low credit risk at the reporting date; and
- Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Impairment (continued)

A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Segregated Portfolio considers a financial asset to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definitions. To the extent applicable, the Segregated Portfolio has applied the low credit risk assumption for the following class of financial assets – cash and cash equivalents.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Segregated Portfolio considers reasonable and supportable information that is relevant and available without undue cost or effort. In this regard, the Segregated Portfolio has an internal credit scoring system in place that analyses the credit quality of the counterparties accordingly. Such credit scoring system takes into consideration both quantitative and qualitative information and analysis, based on the Segregated Portfolio's historical experience and informed credit assessment, and also considers the counterparties' macroeconomic context.

The Segregated Portfolio has elected the rebuttable presumption from IFRS 9 by assuming that the credit risk on a financial asset has increased significantly if the financial asset is more than 30 days past due.

Moreover, unless the low credit risk assumption is applied, if the counterparty becomes downgraded by two notches (or more) based on the credit score assessment, the Segregated Portfolio deems the financial asset's credit risk to have increased significantly.

Moreover, the Segregated Portfolio considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Segregated Portfolio in full, without recourse by the Segregated Portfolio to actions such as realizing security (if any is held); or
- The financial asset is more than 90 days past due

The maximum period considered when estimated ECLs is the maximum contractual period over which the Segregated Portfolio is exposed to credit risk.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events: significant financial difficulty; a breach of contract, such as a default or past due event; the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or the disappearance of an active market for that financial asset because of financial difficulties

The Segregated Portfolio writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

For financial assets, the credit loss is the difference between all contractual cash flows that are due to the Segregated Portfolio in accordance with the contract and all the cash flows that the Segregated Portfolio expects to receive, discounted at the original effective interest rate. ECLs represent the weighted average of credit losses with the respective risks of a default occurring as the weights.

2. ACCOUNTING POLICIES (CONTINUED)

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Other receivables

Other receivables are measured at amortised cost and are not discounted, less any allowance for expected credit losses.

(j) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks.

(k) Due to broker

Due to broker represents margin loans from brokers and is classified as financial liabilities at amortised cost and is measured at their nominal value unless the value of discounting is material.

(l) Other payables and accruals

Other payables and accruals are stated at nominal value unless the effect of discounting is material.

(m) Net assets attributable to holders of redeemable shares

The liability to holders of redeemable shares is presented on the statement of financial position as "net assets attributable to holders of redeemable shares" and is determined based on the residual assets of the Segregated Portfolio after deducting the Segregated Portfolio's all other liabilities.

2.5 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Judgements

In the process of applying the Segregated Portfolio's accounting policies, management has made no judgements which can significantly affect the amounts recognised in the financial statements. At the reporting date, there were no key assumptions concerning the future, or any other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Going concern

The Directors have made an assessment of the Segregated Portfolio's ability to continue as a going concern and is satisfied that the Segregated Portfolio has the resources to continue in business for the foreseeable future. Furthermore, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Segregated Portfolio's ability to continue as a going concern. Therefore, the financial statements have been prepared on the going concern basis.

3. FEES

(a) Management fees

The Segregated Portfolio will pay the Investment Manager a management fee, payable monthly in arrears, in an amount equal to:

- 0.25% per annum for the first USD 20,000,000 of the Net Asset Value of the Segregated Portfolio;
- 0.20% per annum for the next USD 10,000,000 of the Net Asset Value of the Segregated Portfolio;
- 0.15% per annum for the next USD 10,000,000 of the Net Asset Value of the Segregated Portfolio;
- 0.12% per annum for the next USD 10,000,000 of the Net Asset Value of the Segregated Portfolio;
- 0.10% per annum for the next USD 10,000,000 of the Net Asset Value of the Segregated Portfolio;
- 0.07% per annum for the next USD 30,000,000 of the Net Asset Value of the Segregated Portfolio; and
- 0.05% per annum for the Net Asset Value of the Segregated Portfolio that exceeds USD 90,000,000.

This fee is subject to a minimum of USD1,000 per month (USD12,000 per annum). For the purposes of calculating the management fee, the Net Asset Value shall be the prevailing Net Asset Value as calculated on the most recent Valuation Day.

The management fee for the period ended 31 December 2021 amounted to USD34,006 out of which USD12,847 were still outstanding as at period end.

(b) Advisory fees

The Segregated Portfolio will pay the Investment Advisor advisory fees, payable monthly in arrears, in an amount equal to 0.06% of the Net Asset Value of each Series of the Segregated Portfolio Shares (0.72% annually). The advisory fee for the period under review amounted to USD 96,772 out of which USD 12,036 were still outstanding at period end.

(c) Performance fees

Generally at the end of each fiscal year, subject to the High Water Mark applicable to each Series, the Segregated Portfolio shall pay the Investment Advisor a Performance Fee equal to 10% of the Net New Appreciation, if any, achieved by such Series of the Segregated Portfolio during a calendar month, which in excess of the Hurdle Rate. In the event that the Net New Appreciation, if any, achieved by such Series does not exceed the Hurdle Rate in any fiscal year, such deficit for such Series shall not be carried forward to future fiscal years as part of the High Water Mark. For the avoidance of doubt, the Hurdle Rate will not be aggregated from year to year.

The performance fee for the period ended 31 December 2021 amounted to USD25,090 which were still outstanding as at period end.

(d) Administrative fee

The Company has appointed Apex Fund Services Ltd, 3rd Floor Zephyr House, 122 Mary Street, George Town, P.O. Box MP10085, Grand Cayman KY1-1001, Cayman Islands, as Administrator as per the administration agreement dated 28 April 2021.

Apex Fund Services (Mauritius) Ltd had been appointed as Sub-Administrator on 28 April 2021 to provide various administrative services to the Fund.

The administrative fee for the period under review amounted to USD 8,833 with no outstanding balance at period end.

4. TAXES

The Company is exempt from all forms of taxation in the Cayman Islands, including income, capital gains and withholding taxes for a period of 20 years from 10 June 2014. The Segregated Portfolio currently incurs withholding taxes imposed by certain countries on investment income. Such income is recorded gross of withholding taxes in the statement of profit or loss and other comprehensive income. Capital gains derived by the Segregated Portfolio in such jurisdictions generally will be exempt from foreign income or withholding taxes at source.

5. OTHER RECEIVABLES

	2021
	USD
Interest receivable on debt instruments	519,195
Amounts due from related party (note 10)	12,967
	532,162

6. OTHER PAYABLES AND ACCRUALS

	2021
	USD
Management fees payable (note 10)	12,847
Advisory fee payable (note 10)	12,036
Performance fee payable (note 10)	25,090
Accruals	44,016
	93,989

7. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES AT FVPL

Financial assets at FVPL

	2021
	USD
Investment in debt instruments	36,698,723
Forward foreign exchange contracts (note a)	449,698
	37,148,421

Financial liabilities at FVPL

	2021
	USD
Investment in debt instruments	2,241,582
	2,241,582

7. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES AT FVPL (CONTINUED)

(a) Forward foreign exchange contracts

Asset position	Details	Notional amount	Forward contracts at 31 December 2021
21-Jun-2024	USD / EUR	6,000,000	244,009
24-Jun-2024	USD / EUR	2,000,000	74,337
05-Aug-2024	USD / EUR	1,221,800	40,576
21-Jun-2024	USD / GBP	3,000,000	90,776
			449,698

(b) Fair value measurements

At 31 December 2021, the fair value of listed investments is based on quoted prices in an active market. The quoted market price used for financial assets held by the Segregated Portfolio is the price within the bid - ask spread that is most representative of the fair value in the circumstances to be used to measure fair value. 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 Segregated Portfolio classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Segregated Portfolio. The Segregated Portfolio 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 underlying investments are all publicly traded securities, and their fair values are based on quoted market prices in an active market.

7. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

(b) Fair value measurements (continued)

As at 31 December 2021, the Segregated Portfolio held the following financial assets and liabilities measured at fair value:

Financial assets at FVPL

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
2021				
Investment in bond instruments	36,698,723	-	-	36,698,723
Forward foreign exchange contracts (note (c))	-	449,698	-	449,698
	36,698,723	449,698	-	37,148,421

Financial liabilities at FVPL

	Level 1	Level 2	Level 3	Total
	USD	USD	USD	USD
2021				
Investment in bond instruments (sold short)	2,241,582	-	-	2,241,582
	2,241,582	-	-	2,241,582

At 31 December 2021, the carrying amounts of other payables and accruals approximated their fair values due to the short-term nature of these balances.

The puttable value of redeemable shares is calculated based on the net difference between total assets and all other liabilities of the Segregated Portfolio in accordance with the offering supplement. These shares are not traded in an active market. A demand feature is attached to these shares as they are redeemable at the holders' option and can be put back to the Segregated Portfolio at any dealing date for cash equal to a proportionate share of the Company's net asset value attributable to the share class. The fair value is based on the amount payable on demand, discounted from the first date that the amount could be required to be paid. The impact of discounting in this instance is not material. As such, Level 2 is deemed to be the most appropriate categorisation for net assets attributable to holders of redeemable shares.

The table below is a summary of the significant concentrations per domicile of the investment in bond instruments as at 31 December 2021.

Domicile	**Fair value**	**% of net assets**	**% of total assets**
Europe	33,828,816	163.93%	87.13%
United States	(396,065)	(1.92%)	(1.02%)
United Kingdom	1,024,390	4.96%	2.64%
	34,457,141	**166.97%**	**88.75%**

8. REDEEMABLE SHARES

The Company has an authorised share capital of USD50,000 divided into 100 voting non-participating shares of a par value of USD1.00 each, fully paid up (the "Management shares") and is offering up to 49,900,000 non-voting, participating, redeemable shares of a par value USD0.001 each which, at the discretion of the Directors may be issued as the Segregated Portfolio's Shares.

The Segregated Portfolio's shares will be issued on each Subscription Date, in successive series, at a price of USD1,000 per Segregated Portfolio Share.

	Number of shares 2021
At start of the period	-
Issue of redeemable shares	20,174.44
Balance at 31 December	20,174.44

The rights associated with the redeemable shares are as follows:

- Segregated Portfolio shares in any series may, subject to certain restrictions, be redeemed by the holder of redeemable shares at the Net Asset Value per Segregated Portfolio share in such series as of each Redemption Date by sending a written notice of redemption to the Administrator. Redemption requests must be received by the Administrator at least ten (10) business days prior to any Redemption Date in order to be acted on as of that Redemption Date unless the Directors, acting in their sole and absolute discretion, waive any of such conditions. A "Redemption Date" means the first Business Day of each month or any other date determined by the Directors in their sole and absolute discretion.
- The right of the holder of redeemable shares to redeem Segregated Portfolio shares is contingent upon the Segregated Portfolio having assets sufficient in the view of the Directors to discharge its liabilities on the relevant Redemption Date.

The amounts received and paid on the creation and redemption of shares are disclosed in the statement of changes in net assets attributable to holders of redeemable shares on page 7.

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

	2021 USD
Cash at bank	1,358,602

10. RELATED PARTY DISCLOSURES

The Investment Manager, Investment Advisor, Administrator and the Directors are considered related parties of the Segregated Portfolio due to direct or indirect common control. Furthermore, one of the Directors of the Company is also a director of the Investment Manager.

All transactions between the related parties are conducted at arm's length and are summarized below. There were no Directors' fees paid with respect to the period ended 31 December 2021. These were incurred by the Investment Manager on behalf of the Company.

Name of related party	Type of relationship	Nature of transaction	Volume of transactions 2021	Amount receivable/ (payable) as at 31 December 2021
			USD	USD
GCP Fixed Income U.S Feeder Fund	Feeder	Expenses paid on behalf	12,967	12,967
Emerging Asset Management Ltd	Investment Manager	Management fees	34,006	(12,847)
Geneva Capital Partners LLP	Investment Advisor	Advisory fees	96,772	(12,036)
Geneva Capital Partners LLP	Investment Advisor	Performance fees	**25,090**	**(25,090)**

At the reporting date, the Investment Advisor holds 4,814.80 founder shares with a value of redeemable participating shares of USD4,990,836.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Segregated Portfolio’s objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Segregated Portfolio’s activities, but it is managed through a process of on-going identification, measurement and monitoring, subject to risks limits and other controls. The process of risk management is critical to the Segregated Portfolio’s continuing profitability.

The Segregated Portfolio is exposed to liquidity risk, credit risk, custody risk, market risk (including interest rate risk, currency risk and price risk) arising from the financial instruments it holds. The Segregated Portfolio’s Investment Advisor is responsible for identifying and controlling risks. The Board of Directors supervises the Investment Advisor and is ultimately responsible for the overall risk management approach of the Segregated Portfolio. The risk management policies employed by the Segregated Portfolio to manage these risks are discussed below: -

Liquidity risk

Liquidity risk is the risk that the Segregated Portfolio will not be able to meet its financial obligations as they fall due. The Segregated Portfolio’s approach to managing liquidity is to ensure, as far as possible, that they will always have sufficient liquidity to meet their liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Segregated Portfolio’s reputation.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Liquidity risk (continued)

The Segregated Portfolio's policy and the Investment Advisor's approach to managing liquidity is to have sufficient liquidity to meet its liabilities, including estimated redemptions of shares, as and when due, without incurring undue losses or risking damage to the Segregated Portfolio's reputation.

The Segregated Portfolio's supplement provides for the monthly creation and monthly cancellation of shares and it is therefore exposed to the liquidity risk of meeting shareholder redemptions at each redemption date.

The Segregated Portfolio's liquidity risk is managed on a regular basis by the Investment Advisor in accordance with policies and procedures in place. The Segregated Portfolio's redemption policy only allows for redemptions on the first business day of each month and shareholders must provide 10 business days' notice to the Administrator, with payment to be made within 30 calendar days of the relevant redemption date, subject to certain restrictions. The Directors may suspend or defer redemptions and may delay redemption payments under certain circumstances.

At 31 December 2021, the Segregated Portfolio's liabilities had the following maturities:

	On demand	Within 3 months	Total
2021	USD	USD	USD
Due to broker	-	16,089,511	16,089,511
Other payables and accruals	-	93,989	93,989
Net assets attributable to holders of redeemable shares	20,614,103	-	20,614,103
	20,614,103	16,183,500	36,797,603

The gross amounts include interest payable where appropriate. The Segregated Portfolio's expected cash flows on these instruments do not vary significantly from this analysis, except for net assets attributable to the holders of redeemable shares which the Segregated Portfolio has a contractual obligation to redeem within 30 calendar days, subject to certain restrictions.

Credit risk

The Segregated Portfolio takes an exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Accordingly, the Investment Advisor monitors the Segregated Portfolio's credit position on a regular basis.

Financial assets that potentially expose the Segregated Portfolio to credit risk consist principally of investment in debt instruments, cash and cash equivalents and interest and other receivables. The extent of the Segregated Portfolio's exposure to credit risk in respect of these financial assets approximates their carrying values as at the reporting date.

The carrying amount of financial assets represents the maximum credit exposure.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (continued)

The following table summarises the Segregated Portfolio's exposure to the credit ratings of bond instruments by reputable credit rating agencies as at 31 December 2021

	As a % of total bond instruments
Debt instruments by credit rating	
AA-	(3.32%)
AAA	(3.19%)
B	2.66%
B-	7.84%
B+	14.65%
BB	2.17%
BB-	4.88%
BB+	8.95%
CCC	1.76%
CCC-	2.63%
CCC+	7.08%
Not rated	53.89%
	100.00%

The Segregated Portfolio’s cash and cash equivalents are held mainly with Cowen International Limited and Northern Trust International Banking Corporation which is rated A+ based on rating agency Standard & Poor’s ratings. Cowen International Limited is not rated. Additionally, the Segregated Portfolio’s receivables are not significant. Therefore, no impairment was recognised as at 31 December 2021.

The Segregated Portfolio’s activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed. For the vast majority of transactions, the Segregated Portfolio mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations. Settlement limits form part of the credit approval and limit monitoring processes described earlier.

No financial assets carried at amortised cost are considered past due or credit impaired at 31 December 2021.

Custody risk

The Segregated Portfolio is exposed to operational risks such as custody risk. Custody risk is the risk of a loss being incurred on financial instruments held in custody as a result of a custodian’s or prime broker’s insolvency, negligence, misuse of assets, fraud, poor administration or inadequate record-keeping. Although an appropriate legal framework is in place that reduces the risk of loss of value of the financial instruments held by the custodian or prime broker in the event of its failure, the ability of the Segregated Portfolio to transfer the securities might be temporarily impaired.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates, equity prices and credit spreads (not relating to changes in the issuer's credit standing) will affect the Segregated Portfolio's income or the fair value of its holdings of financial instruments.

The Segregated Portfolio's management of market risk is driven by its investment objective. The market risk is managed by the Investment Advisor of the Segregated Portfolio on a regular basis.

Interest rate risk

Interest rate movements may affect the level of income receivable on debt instrument and cash deposits which are invested at short term rates. The financial instruments of the Segregated Portfolio are interest bearing and cash at bank which earns interest at fixed and floating rates based on bank deposit rates, respectively.

As at the end of the reporting period, 98.64% of the financial assets and 12.17% of the financial liabilities of the Segregated Portfolio were interest bearing. As a result, the Segregated Portfolio is subject to risk due to fluctuations in the prevailing levels of market interest rates. The Segregated portfolio is exposed to fair value interest rate risk on debt instruments carrying a fixed interest rate and cash flow interest rate risk on assets carrying a floating rate of interest. The Segregated Portfolio's exposure to interest rate risk is summarised in the table below:

	2021 USD	% of net assets
Assets held at variable rates	**22,019,957**	**106.70**
Assets and liabilities held at fixed rates	**12,437,184**	**60.27**
	34,457,141	**166.97**

The Investment Advisor monitors the movement in interest rates and, where possible, reacts to material movements in such rates by restructuring its financing structure.

Currency risk

The Segregated Portfolio invests in financial instruments and enters into transactions that are denominated in currencies other than its functional currency. Consequently, the Segregated Portfolio is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the fair value or future cash flows of that portion of the Segregated Portfolio's financial assets or liabilities denominated in currencies other than the USD.

At the reporting date the carrying value of the Segregated Portfolio's financial assets and liabilities held in individual foreign currencies as a percentage of its net assets were as follows:

Currency	%
Euro	43.58
British Pound	15.65

Currency risk is monitored by the Investment Advisor of the Segregated Portfolio on a regular basis.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market risk (continued)

Price risk

Price risk is the risk of unfavourable changes in the fair values of equities as the result of changes in the levels of equity indices and the value of individual securities. The price risk exposure arises from the Segregated Portfolio's investments in debt securities. Price risk is mitigated by the Segregated Portfolio's Investment Advisor by constructing a diversified portfolio of instruments traded on various markets.

As at 31 December 2021, the Segregated Portfolio has exposure to price risk on its investments in listed securities of USD34,457,141.

Sensitivity analysis

For financial instruments held or issued, the Segregated Portfolio has used sensitivity analysis techniques that measure the change in the fair value of the Segregated Portfolio's financial instruments at the reporting date for hypothetical changes in the relevant market risk variables.

The sensitivity of profit or loss due to changes in the relevant risk variables are set out below. The amounts generated from the sensitivity analysis are forward-looking estimates of market risk assuming certain market conditions. Actual results in the future may differ materially from those projected results due to the inherent uncertainty of global financial markets. The sensitivity analysis is for illustrative purposes only, as in practice market rates rarely change in isolation and are likely to be interdependent.

If the exchange rates increased / decreased by 5% to the USD, with all other variables held constant, the increase / decrease in the net asset attributable to holders of participating shares arises mainly from a change in the fair value of cash and cash equivalents and financial assets at fair value through profit or loss which are denominated in a currency other than the USD would have been USD(-610,510 / +610,510)

The following table indicates the approximate change in the Segregated Portfolio's statement of comprehensive income and net assets attributable to redeemable shareholders in response to reasonably possible changes in the fair value of the underlying investments, with all other variables held constant as set out below.

The amounts generated from the sensitivity analysis are forward-looking estimates of market risk assuming certain market conditions. Actual results in the future may differ materially from those projected results due to the inherent uncertainty of global financial markets. The sensitivity analysis is for illustrative purposes only, as in practice market rates rarely change in isolation and are likely to be interdependent.

	Increase/ (decrease) in NAV price	Effects on net assets attributable to redeemable shareholders
31 December 2021	%	USD
Price in respect of investments	10%	3,445,714
	(10%)	(3,445,714)

In the Investment Advisor's opinion, the sensitivity analysis is unrepresentative of the inherent price risk as the period-end exposure does not reflect the exposure during the period.

12. CAPITAL MANAGEMENT DISCLOSURES

The redeemable shares issued by the Segregated Portfolio provide an investor with the right to require redemption for cash at a value proportionate to the investor's share in the Segregated Portfolio's net assets at each monthly redemption date and are classified as liabilities from the perspective of the Company. See note 8 for a description of the terms of the redeemable shares issued by the Segregated Portfolio. The Segregated Portfolio's objectives in managing the redeemable shares are to ensure a stable base to maximise returns to all investors, and to manage liquidity risk arising from redemptions. The Segregated Portfolio's management of the liquidity risk arising from redeemable shares is discussed above.

The Segregated Portfolio is not subject to any externally imposed capital requirements.

13. IAS 38 ADJUSTMENT

For the purpose of calculating the net asset value for share subscriptions and redemptions the Segregated Portfolio does not comply with IAS 38 in respect of organisation expenses and is amortising such costs over five years. This is not permitted in IFRS for the purposes of the preparation of financial statements and accordingly these costs should have been expensed in the period when they were incurred. The directors have determined that to comply with IFRS in this regard for dealing purposes could impose an unfair and inequitable burden upon the initial investors into the sub-fund, to their disadvantage, and to the advantage of subsequent investors.

The liabilities arising from the redeemable shares are carried at the redeemable amount that is payable at the statement of financial position date, being the net asset value calculated if the holder exercises the right to put the shares back in the Segregated Portfolio, in accordance with the offering supplement. The difference resulted in an adjustment to the net assets attributable to holders of redeemable shares.

The difference between the net asset value of the Segregated Portfolio derived from the offering supplement and that reported in the financial statements at the reporting date, are disclosed in the table below:

	2021 USD
Net asset value of investor shares as at official valuation date 31 December 2021	20,636,203
Effect of amortisation of organisation expenses	22,100
Net asset value of investor shares as per statement of financial position	20,614,103

14. COMPARATIVES

The Segregated Portfolio commenced its operations on 6 April 2021. There are no comparatives as these are the first set of financial statements since inception.

15. EVENTS AFTER REPORTING DATE

The geopolitical situation in Eastern Europe intensified in late February 2022, with the commencement of Russia’s military action against Ukraine. Political events and sanctions are continually changing and differ across the globe. There is currently no indication that there will be a significant impact on the Segregated Portfolio’s financial performance, financial position and cash flows. The situation continues to be closely monitored by management to ensure that the interests of all its stakeholders are safeguarded.

For the period from 1 January 2022 to the date of signing these financial statements, there were subscriptions of USD1,204,590 whilst there were redemptions of USD1,415,845 from the Segregated Portfolio’s shares.

SALIENT STATISTICS AND INFORMATION ABOUT THE SEGREGATED PORTFOLIO (UNAUDITED) FOR THE PERIOD FROM 6 APRIL 2021 (DATE OF COMMENCMENT OF OPERATIONS) TO 31 DECEMBER 2021

The Net Asset Value per share is determined by dividing the net asset value of investor shares by the shares in issue at the statement of financial position date.

Net Asset Value per investor share as per Offering Supplement

	31 December 2021		
	NAV per share	Shares in circulation	Total NAV
Class 1 USD	1,032.91	3,832.63	3,958,743
Class 1 USD 0521	1,014.66	531.88	539,674
Class 1 USD 0621	990.87	738.12	731,387
Class 1 USD 0721	1,005.57	276.80	278,345
Class 1 USD 0821	990.51	249.98	247,609
Class 1 USD 0921	980.94	233.04	228,597
Class 1 USD 1021	975.44	250.00	243,860
Class 1 USD 1121	997.16	30.00	29,915
Class 2 USD	1,034.73	4,937.89	5,109,398
Class 2 USD 0521	1,015.47	1,138.88	1,156,501
Class 2 USD 0621	990.87	69.95	69,310
Class 2 USD 0721	1,005.88	275.73	277,345
Class 2 USD 1021	975.44	2,000.00	1,950,880
Class Founder USD	1,036.56	5,609.54	5,814,640

Net Asset Value per investor share as per financial statements

	31 December 2021		
	NAV per share	Shares in circulation	Total NAV
Class 1 USD	1,031.80	3,832.63	3,954,503
Class 1 USD 0521	1,013.57	531.88	539,095
Class 1 USD 0621	989.81	738.12	730,604
Class 1 USD 0721	1,004.49	276.80	278,047
Class 1 USD 0821	989.45	249.98	247,344
Class 1 USD 0921	979.89	233.04	228,353
Class 1 USD 1021	974.40	250.00	243,599
Class 1 USD 1121	996.09	30.00	29,883
Class 2 USD	1,033.63	4,937.89	5,103,927
Class 2 USD 0521	1,014.38	1,138.88	1,155,262
Class 2 USD 0621	989.81	69.95	69,236
Class 2 USD 0721	1,004.80	275.73	277,048
Class 2 USD 1021	974.40	2,000.00	1,948,791
Class Founder USD	1,035.45	5,609.54	5,808,411

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Cayman Emerging Manager Platform (2) SPC

Opinion

We have audited the financial statements of GCP Fixed Income Master Fund S.P. (the "Segregated Portfolio") – a segregated portfolio designated in respect of Cayman Emerging Manager Platform (2) SPC (the "Company"), which comprise the statement of financial position as at 31 December 2021 and the statement of profit or loss and other comprehensive income, the statement of changes in net assets attributable to holders of redeemable shares and the statement of cash flows for the period from 6 April 2021 (date of commencement of operations) to 31 December 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Segregated Portfolio as at 31 December 2021 and its financial performance, its changes in net assets attributable to holders of redeemable shares and its cash flows for the period from 6 April 2021 (date of commencement of operations) to 31 December 2021 in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Segregated Portfolio in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the ,corporate data, directors' report and salient statistics and information about the Segregated Portfolio, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Segregated Portfolio's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Segregated Portfolio's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Segregated Portfolio's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Segregated Portfolio to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte & Touche LLP

28 June 2022