



JUNE 2025

ANNUAL REPORT



UTOS
UNIT TRUST OF SAMOA
Smart investment for a better future.

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KEY HIGHLIGHTS FY2025


Total Comprehensive
Income

\$22.16M

+8.97% vs.
FY2024 


Dividend
per Unit

0.08 sene

+0.05 sene
vs. FY2024 


Dividend
Distributed

\$10.95M

+17% vs.
FY2024 


Total Returns to
Unitholders

13.50%

+1.26% vs.
FY2024 


Total Investment
Portfolio

\$338M

+15% vs.
FY2024 


Net
Assets

\$258M

+15% vs.
FY2024 

Total Number of Unitholders

6,855

+14.6% vs.
FY2024 



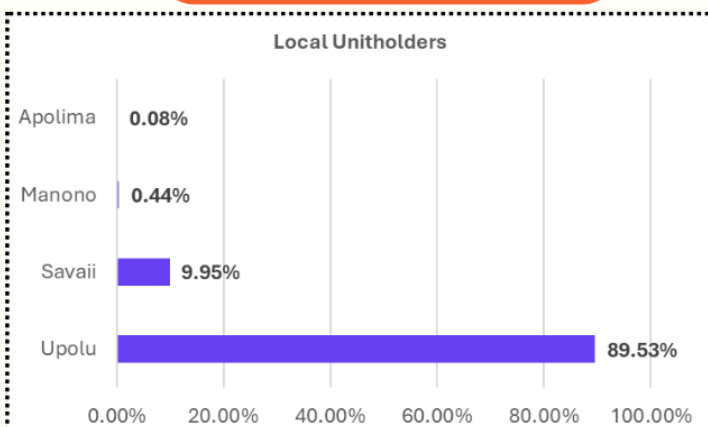
Local Unitholders

94%

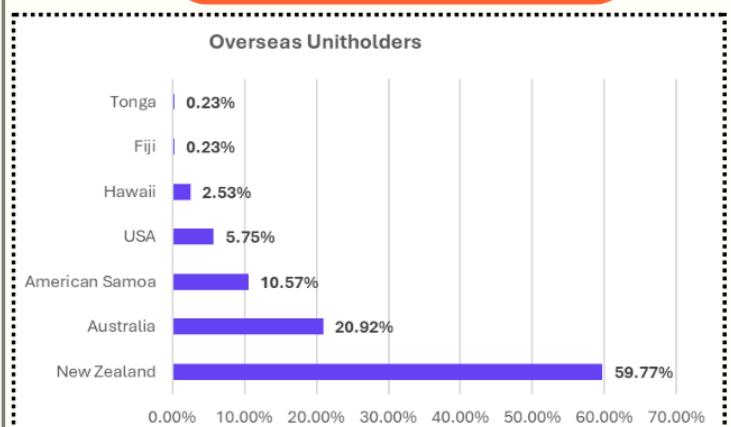
Overseas Unitholders

6%

Local Unitholders



Overseas Unitholders

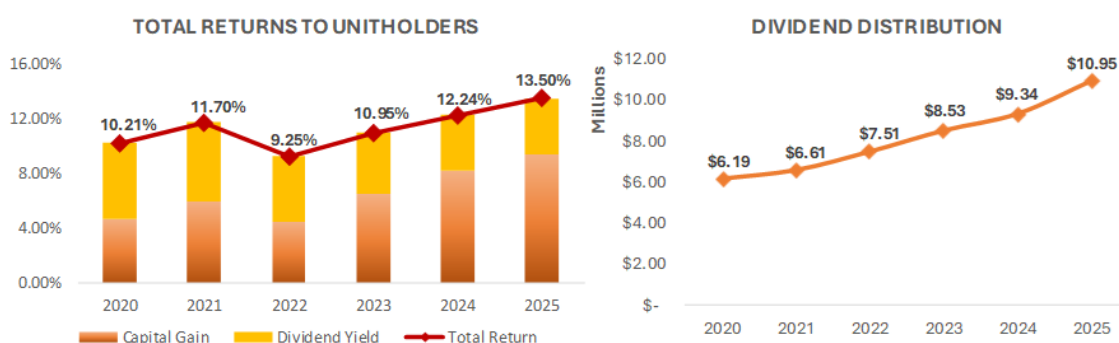


MANAGER'S REPORT

We are pleased to present the Unit Trust of Samoa's Annual Report, highlighting another year of steady growth, resilience, and commitment to empower Samoans through accessible and affordable investment opportunities. As at the end of June 2025, we successfully paid out SAT\$10.95 million in dividends to 6,855 registered unitholders, reflecting our unwavering commitment despite current investment challenges.

TRUST TOTAL RETURNS TO UNITHOLDERS

The Total Dividends distributed to Unitholders in the financial year 2025 were \$10.95 million. The dividend payout per unit was 0.080 sene in 2025 and dividend yields have remained attractive around 4.06% supporting consistent income for unitholders alongside the capital appreciation of 9.44%.



Total returns to unitholders combining dividend yield and capital growth reached 13.50% for 2025, a 1.26% increase from the previous financial year, reflecting an excellent overall performance.

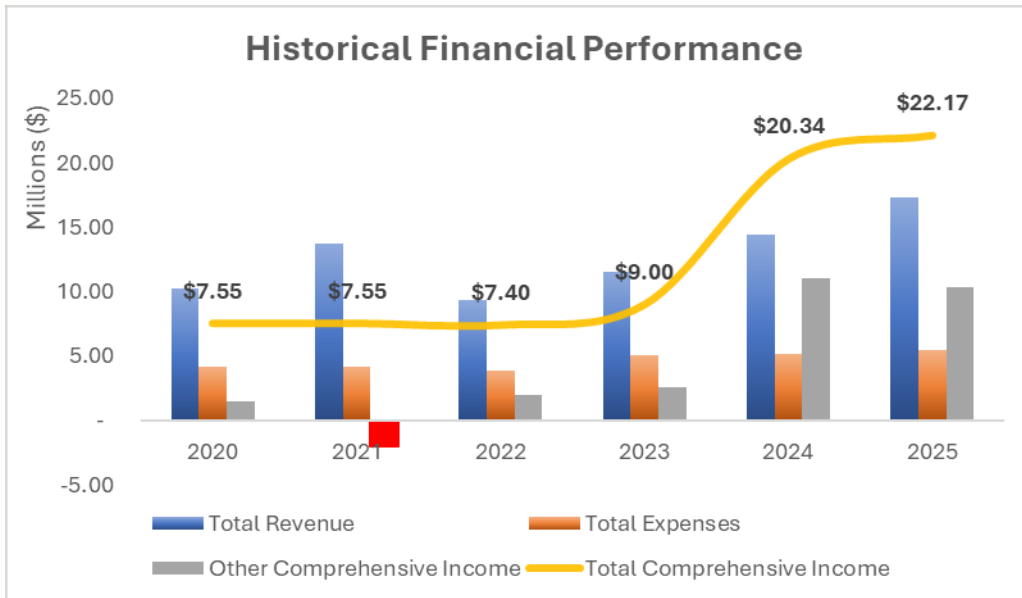
FINANCIAL PERFORMANCE

The Trust's Total Income for the year reached SAT\$17.35 million, which is a 20% increase compared with SAT\$14.41 million in the previous year. This improvement was mainly due to higher interest income and increased dividends. Dividends from equity investments rose by 56%, reflecting stronger performance from these investments during the year.

Total expenses increased from SAT\$9.31 million to SAT\$11.88 million, an increase of 28%. This was largely due to higher interest costs on convertible notes that were issued to help fund new investments and to better manage the timing of returns from the Trust's investment portfolio. Expenses also increased because of higher management fees, which rose in line with the growth in the Trust's Net Assets.

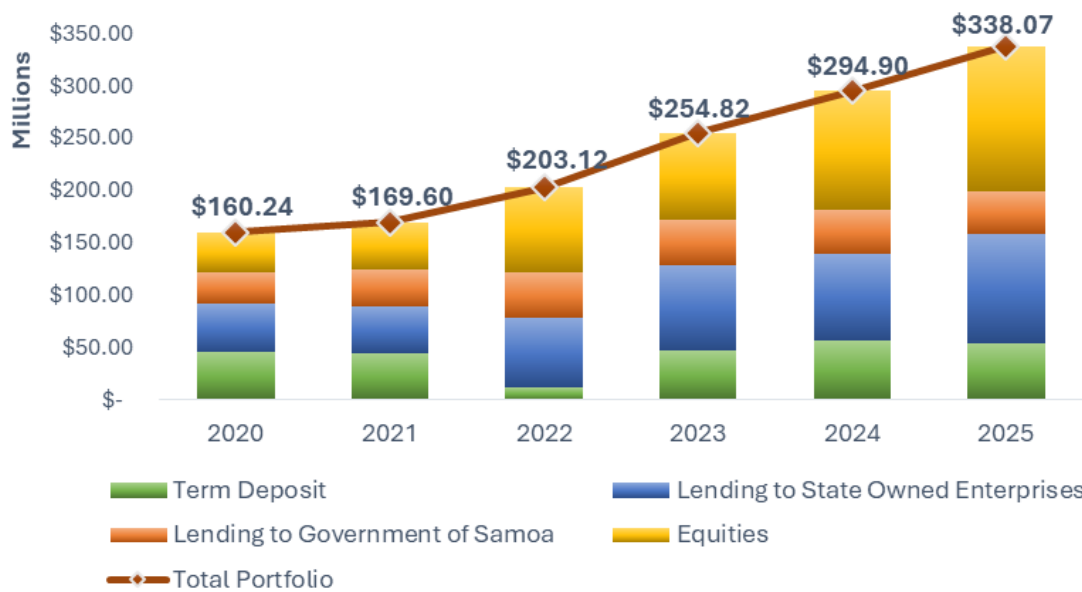
Other Comprehensive Income decreased slightly by 7%, from SAT\$11.03 million in the previous year to SAT\$10.29 million in the current year. While the value of some equity investments increased, this gain was partly offset by unfavorable movements in foreign exchange rates during the year.

Overall, the Trust continued to perform strongly. Total Comprehensive Income increased by 9%, rising from SAT\$20.34 million last year to SAT\$22.17 million, reflecting the Trust's solid financial position and the continued strength of its investment portfolio.



INVESTMENT PORTFOLIO

As of the end of June, the total investment portfolio stood at SAT\$338 million, marking a 15% increase compared to the previous year.



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The ongoing monitoring and rebalancing of the investment portfolio is conducted with meticulous attention to the Trust’s financial goals, risk tolerance, and investment time horizon. This approach ensures alignment not only with the Trust’s specific objectives but also with the overarching financial sector strategy.

¹ Lending to the Government of Samoa relates to funds for the Malo Samoa Centre and Wellington Chancery projects, with the Ministry of Finance as the borrower on behalf of the State. It also includes the Samoa Airways facility now paid for by Government through the Government Guarantee. Lending to State-Owned Enterprises includes facilities for Samoa Shipping Services, Samoa Housing Corporation, and Samoa Airport Authority.

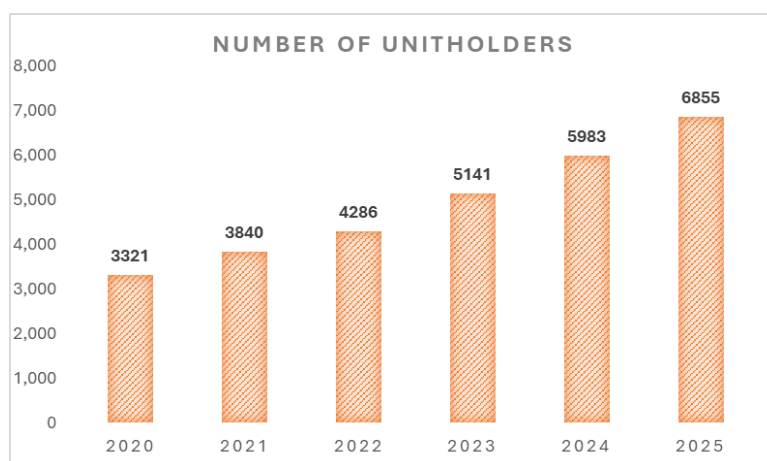
In recent years, there has been a discernible shift in the portfolio composition towards equity investments, which offer significant growth potential and attractive returns for unitholders, notwithstanding the inherent risks. During the financial year, the Trust received a total dividend income of SAT\$7.38 million, representing a 56.2% increase compared to the prior year and SAT\$10.30 million in fair value appreciation. The Unit Trust of Samoa remains committed to working closely with its investee companies to collectively achieve optimal and sustainable returns on investments.

The lending portfolio continues to serve as the principal source of income underpinning dividend distributions. The Trust is proactively exploring opportunities to expand its lending activities, both with current stakeholders and prospective unitholders.

We reaffirm our commitment to rigorous investment monitoring practices, which are essential to safeguarding the long-term financial interests of our unitholders while striving to maximize returns.

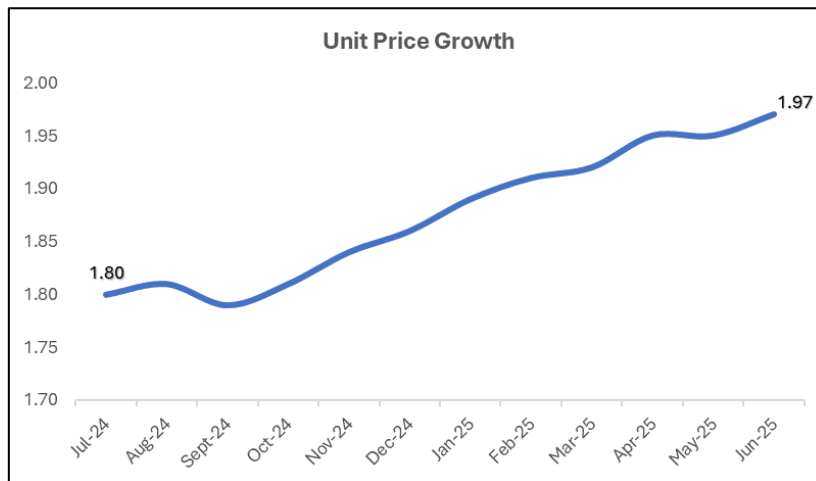
UNITHOLDERS

The Trust has continued to attract new unitholders and strengthen its relationship with local and overseas communities, resulting in a 14.6% increase in new investors. The total unitholder base has reached 6,855 from 5,983 recorded in the previous financial year. This growth is attributed to our diversified marketing programs through consistent community outreach, including ongoing rural programs in Savaii and Upolu and media appearances and pre-departure briefings for seasonal workers as well as awareness programs for both government and private sector organisations. Strategic enhancement of digital marketing is also driving the annual unitholder growth, while a core commitment to high-quality client services remains key to maintaining and retaining our current unitholder partners and the cornerstone of our operations.



UNITS REGISTRY

The unit registry operations remained active throughout the year. A total of 29.21 million units, valued at SAT\$54.31 million, were issued and sold. In contrast, 16.92 million units, valued at SAT\$31.11 million, were redeemed. This resulted in a net increase of 12.29 million units, with a net value of SAT\$23.20 million.



The trading price per unit rose from \$1.80 in July to \$1.97 at year-end. This growth was driven by strong gains in our equity investments.

INFORMATION TECHNOLOGY

The company successfully upgraded its Unit Registry System (URS), delivering improved functionality and enhanced security for unitholders accessibility. A key feature of the upgrade was the implementation of multifactor authentication, which significantly strengthens protection for online account access verification. In addition, UTOS became a registered payment biller on BSP Online Banking, enabling unitholders to conveniently top up their investment accounts directly through the BSP platform.

To further support secure and reliable service delivery, UTOS upgraded its core server infrastructure, with systems now secured through to 2031. An independent cyber insurability assessment by Willis Towers Watson Company (WTW) confirmed that UTOS' systems meet the necessary data protection standards. The organization also renewed its UpGuard security license for another two years, now featuring advanced capabilities such as typo squatting detection to prevent fraudulent duplication of the UTOS website, and identity breach monitoring to safeguard office email accounts.

The Management team also tested its Incident Response Plan through a cybersecurity exercise, reinforcing its readiness to respond effectively to potential threats and protect unitholder data.

GOVERNANCE

The Trust continues to operate under its robust governance framework through the Board of Directors of Unit Trust of Samoa (Management) Limited coupled with the oversight of the Trustees of the Unit Trust of Samoa (Trust), to safeguard the interests of its unitholders. Together, the Trustees and Board of Directors uphold the principles of good governance, ensuring that UTOS continues to deliver sustainable returns and remains a trusted investment vehicle for all Samoans.

FUTURE OUTLOOK

Looking ahead, the Trust remains committed to expanding its reach and impact both locally and across the Samoan diaspora. UTOS will strengthen its efforts to raise awareness about its offerings and the benefits of investing in the Trust, while continuing to contribute meaningfully to Samoa's economic development. A key priority will be ensuring that its digital platforms are user-

friendly, reliable, and readily available, thus enabling unitholders to access services efficiently and conveniently.

In addition, UTOS will continue to actively pursue strategic investment opportunities both within Samoa and offshore, with the goal of delivering sustainable returns and long-term value to its unitholders.

ACKNOWLEDGEMENT

During the year, the Management Company experienced several key changes in its leadership. We acknowledge the departure of our former Chairman, Afioga Magele Arthur Penn, who stepped down from his role on the Board of Directors. We extend our heartfelt gratitude to Afioga Magele for his many years of dedicated service and significant contributions as Chairman and Board Member. We wish him renewed strength and all the best in his future endeavors.

We are pleased to announce that the role of Chairperson has now been assumed by Afioga Seulupe Michelle Macdonald. We congratulate her on this appointment and offer our full support as she transitions from Director to Chairperson of the Board. Additionally, we warmly welcome Afioga Atoa Louis Tafunai as the newest member of the Board of Directors.

At the executive level, we bid farewell to Tofā Tevaga Viane Tagiilima, who concluded his tenure as Chief Executive Officer after six years of dedicated leadership. We thank him sincerely for his contributions and wish him and his family well as they embark on new opportunities abroad. We are proud to welcome Tofā Malaeulu Aysha Rimoni as the new Chief Executive Officer of the Management Company. We extend our best wishes to her as she steps into this important role.

At the time of this report, changes have also taken place at the Ministerial level following the swearing-in of a new Government. We thank Afioga Lautimuia Afoa Ueese Vaai, former Honourable Minister of Finance, for his service and contributions. We welcome back Afioga Honourable Mulipola Anarosa Molioo Ale as the Honourable Minister of Finance and look forward to continuing our collaboration with her.

In closing, we express our sincere appreciation to our unitholders for their ongoing trust and commitment. We remain grateful to the Government of Samoa and the many stakeholders who continue to support UTOS and its growth.

We also extend our thanks to the Trustees, Board of Directors, and the dedicated staff of the Management Company, whose daily efforts ensure the continued success of our operations throughout the year.

Ma le fa'aaloalo tele,



Seulupe Michelle Macdonald
CHAIRPERSON
UTOS(MANAGEMENT)LTD



Tufeao Fa'atuai Pulepule Fanolua
DIRECTOR
UTOS(MANAGEMENT)LTD

TRUSTEES' REPORT

It is with pleasure that we provide this report (in our role as Trustees of the Unit Trust of Samoa) to the Unitholders as part of the 15th Annual Report covering the 2024/2025 financial year.

Under the Unit Trust Act 2008 (the “**Act**”) and Trust Deed, we are vested with the investments and other properties of the Unit Trust of Samoa, to hold in trust on behalf of the Unitholders. This is the internal control mechanism which provides for a Trustee, acting on behalf of the Unitholders, independently of the Management Company. This requirement is made to ensure that all relevant transactions and reports affecting Unit-holders' funds are made in compliance with the provisions of the Master Trust Deed 2010, Amending Deed 2017, and the Act.

During the year we have worked closely with the Board of Directors, Chief Executive Officer, and staff of the Management Company in accordance with the Trust Deed and the Act, and with policies we agreed to with the Management Company. We have ensured that the Management Company has followed the requirements for investing the Trust funds in compliance with the Central Bank of Samoa Prudential Guidelines for Unit Trusts.

We are satisfied that the Management Company is exercising the principles of accountability and transparency in its task of investing the Unit-holders' funds.

Acknowledgements:

We join the Management Company in acknowledging the support from the Government of Samoa in promoting the investment portfolio of the Unit Trust among State Owned Enterprises (SOEs).

We extend our appreciation to Madam Chairperson of the Board of the Management Company, her Board of Directors, the Chief Executive Officer, and staff, for their hard work and dedication during the year.

Our sincere thanks to all unitholders for their trust and confidence placed in our role as Trustees of their investments.

Sincerely,



Taito John Roache

Director

TAFAILAGI TRUSTEE COMPANY LTD



Luana von Reiche Roache

Director

TAFAILAGI TRUSTEE COMPANY LTD

**UNIT TRUST OF SAMOA (TRUST)
CERTIFICATION BY TRUSTEE AND MANAGER
FOR THE YEAR ENDED 30 JUNE 2025**

We certify that the attached financial statements for the Unit Trust of Samoa (Trust) comprising of the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash flows and Notes to the financial statements for the financial year ended 30 June 2025:

- a) give a true and fair view of the results of the Trust for year;
- b) have been prepared in accordance with International Financial Reporting Standards;
- c) all related party transactions have been adequately recorded in the books of the Trust;
- d) at the date of this statement there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they fall due; and
- e) comply with the Public Finance Management Act 2001, Unit Trust Act 2008 and the Trust Deed.

We are not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 10/12/2025 on behalf of the



Seulupe Michelle Macdonald
Manager

UTOS Management Company Ltd
Apia, Samoa

10 /12 / 25



Taito John Roache
Trustee

Unit Trust of Samoa (Trust)
Apia, Samoa

10 /12 / 25

INDEPENDENT AUDIT REPORT

Telephone (685) 22298/20760
Facsimile (685) 21163
P.O. Box 535, Apia, (W) Samoa
Email: suarimoni@samoa.ws
Location: Lotopa, Apia, Samoa

AH CHONG *Public Accountants*

Chartered Accountants

INDEPENDENT AUDIT REPORT TO THE UNIT HOLDERS OF UNIT TRUST OF SAMOA (TRUST)

Audit Opinion

We have audited the accompanying financial statements of the Unit Trust of Samoa (Trust) for the year ended 30 June 2025 consisting of the statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, together with explanatory notes thereto which includes a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Unit Trust of Samoa (Trust) as at 30 June 2025 and of its financial performance, changes in equity and cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of Financial Statements* section of our report. We are independent of the Trust in accordance with ethical requirements that are relevant to our audit of financial statements in Samoa, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

Responsibilities of the Manager and Trustee for the Financial Statements

The Manager and Trustee are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, Public Finance Management Act 2001, Unit Trust Act 2008 and the Trust Deed, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager and Trustee are responsible for assessing the Trust'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 they either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDIT REPORT (cont'd)
TO THE UNIT HOLDERS OF
UNIT TRUST OF SAMOA (TRUST)**

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

As part of an audit in accordance with these International Standards on Auditing, 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' 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 Trust'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 Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager and Trustee regarding, among other matters, the significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

We have obtained all the information and explanations that we have required. In our opinion the Trust has kept proper accounting records, as far as appears from our examination of them and the financial statements of the Trust also complies with the Public Finance Management Act 2001, the Trust Act 2008 and the Trust Deed.

Apia, Samoa

Date: 10/12/2025


Su'a RD Ah Chong (Principal)
Chartered Accountant
Ah Chong Public Accountants

UNIT TRUST OF SAMOA (TRUST)
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$	2024 \$	2023 \$
EQUITY				
Unitholder's Fund 136,832,303 units fully paid (2024: 124,541,035)		221,161,684	198,222,673	166,951,841
Reserves	3	31,503,429	21,217,948	10,185,100
Retained earnings		6,287,773	5,354,524	5,387,805
		<u>258,952,886</u>	<u>224,795,145</u>	<u>182,524,746</u>
Represented by:				
ASSETS				
Cash and cash equivalents	4	14,455,836	25,671,081	22,703,631
Financial assets at amortized cost	5	186,692,078	159,607,769	149,488,366
Financial assets held at fair value through OCI	6	138,885,398	113,306,378	83,447,078
		<u>340,033,312</u>	<u>298,585,228</u>	<u>255,639,075</u>
LIABILITIES				
Payables & Accruals	8	1,055,456	1,581,120	452,065
Dividend payable	9	10,946,584	9,340,577	8,525,082
Due to Government	10	790,000	1,580,000	2,370,000
Promissory Notes	11	68,288,386	61,288,386	61,767,182
		<u>81,080,426</u>	<u>73,790,083</u>	<u>73,114,329</u>
NET ASSETS		<u>258,952,886</u>	<u>224,795,145</u>	<u>182,524,746</u>
		-	-	-

The relevant accompanying notes form an integral part of the above financial statement.

On behalf of UTOS (Management) Ltd
- Fund Manager;



Seulupe Michelle Macdonald
Manager

On behalf of the Trustee;



Taito John Roache
Trustee

UNIT TRUST OF SAMOA (TRUST)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
INCOME			
Dividends		7,380,376	4,724,620
Interest	7	9,972,859	8,545,312
Other Income	14	-	1,142,271
Total Income		<u>17,353,235</u>	<u>14,412,203</u>
EXPENSES			
Audit fee		34,885	22,600
Bank fees & charges		407	675
Expected Credit Loss (reversal)	5	(164,590)	38,463
Interest on convertible notes		2,606,147	2,251,985
Investment expense		-	11,743
Manager's fees	12	<u>2,996,553</u>	<u>2,779,440</u>
Total Expenses		<u>5,473,402</u>	<u>5,104,906</u>
Net Income from operation (restated for 2024)		<u>11,879,833</u>	<u>9,307,297</u>
Plus Other Comprehensive Income (OCI):			
Gain/(Loss) on Fair Value Equity Investments	6	14,282,631	13,658,075
Gain/(Loss) on Foreign Exchange component	6	<u>(3,997,150)</u>	<u>(2,625,227)</u>
Total Other Comprehensive Income		<u>10,285,481</u>	<u>11,032,848</u>
Total Comprehensive Income for the Year		<u>22,165,314</u>	<u>20,340,145</u>

The relevant accompanying notes form an integral part of the above financial statement.

UNIT TRUST OF SAMOA (TRUST)
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	2025	2024	2023
	\$	\$	\$
Unitholders Fund			
Balance at beginning of the year	198,222,673	166,951,841	149,076,061
Subscriptions from Unitholders	54,310,841	51,658,092	35,787,054
Redemptions by Unitholders	(29,208,394)	(19,677,780)	(12,917,297)
Losses on unit withdrawals 2025	(2,163,436)	-	-
Prior Period adjustments for losses on unit withdrawals- note 17	-	(709,480)	(4,993,977)
Balance as at 30 June (Restated for 2023 & 2024)	<u>221,161,684</u>	<u>198,222,673</u>	<u>166,951,841</u>
Reserves			
Balance at beginning of the year	21,217,948	10,185,100	7,547,090
Prior Period adjustment for exchange gains/ (losses)-Note 17	-	-	63,258
Restated balances at beginning of the year	21,217,948	10,185,100	7,610,348
Plus (Minus)			
Other Comprehensive Income (Loss)	10,285,481	11,032,848	2,574,752
Balance as at 30 June (Restated for 2023 & 2024)	<u>31,503,429</u>	<u>21,217,948</u>	<u>10,185,100</u>
Retained Earnings			
Balance at beginning of the year	5,354,524	5,387,805	2,554,431
Prior Period adjustment for exchange gains/ (losses)-Note 17			(63,258)
Prior Period adjustment for losses on unit withdrawals- note 17			4,993,977
Restated balances at beginning of the year	5,354,524	5,387,805	7,485,150
Add:			
Net Profit(restated for 2024 by \$709,480 losses on units withdrawal)	11,879,833	9,307,297	6,427,737
Less:			
Dividend declared 0.08 sene per unit (2024: 0.075sene)	(10,946,584)	(9,340,578)	(8,525,082)
Balance as at 30 June (Restated for 2023 & 2024)	<u>6,287,773</u>	<u>5,354,524</u>	<u>5,387,805</u>
Total Equity (restated for 2023 & 2024)	<u>258,952,886</u>	<u>224,795,145</u>	<u>182,524,746</u>

The relevant accompanying notes form an integral part of the above financial statement.

UNIT TRUST OF SAMOA (TRUST)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$	2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash was applied to:			
Dividend paid		(9,340,609)	(8,526,082)
Operating expenses		(2,787,492)	(2,319,082)
Net cash inflow/(outflow) from operating activities		<u>(12,128,101)</u>	<u>(10,845,164)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash was provided from(applied to):			
Interest		120,268	123,133
Dividends received		6,130,376	4,724,620
Cash was applied to:			
Movement in term deposits		(8,229,267)	(5,410,297)
Movement in Capital Notes/ Due from Government		(10,406,378)	6,235,571
Movement in Investment Securities		(9,682,427)	(17,984,183)
Investment in National Bank Of Samoa Shares	6(b)	(611,111)	-
Net cash (outflow)/inflow from investing activities		<u>(22,678,539)</u>	<u>(12,311,156)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash was provide from(applied to):			
Due to Government	10	(790,000)	(790,000)
Movement in Promissory Notes	11	7,000,000	(478,796)
Subscriptions from Unit Holders		52,524,634	50,144,594
Redemption to Unit Holders		(32,598,147)	(20,495,359)
Interest on notes		(2,545,092)	(2,256,669)
Net cash (outflow) inflow from financing activities		<u>23,591,395</u>	<u>26,123,770</u>
NET INCREASE/(DECREASE) IN CASH		(11,215,245)	2,967,450
Cash at Banks at beginning of year		25,671,081	22,703,631
Cash and cash equivalent	4	<u><u>14,455,836</u></u>	<u><u>25,671,081</u></u>

The relevant accompanying notes form an integral part of the above financial statement.

UNIT TRUST OF SAMOA (TRUST)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. GENERAL INFORMATION

Date of Formation

The Trust was established on the 9th July 2010

Unit Trust of Samoa ("Trust") is a unit trust incorporated and domiciled in Samoa. The address of its registered office and principal place of business is Level 3, Development Bank of Samoa Building,

Principal activity

The trust is an investment vehicle that allows investors monies to be pooled with other unitholders' monies that in return are re-issued with units and become unit holders in the unit trust. The pooled funds in the trust are then invested by the Unit Trust of Samoa (Management) Ltd, the "Fund Manager" in accordance with the investment guidelines contained in the prospectus and investment policy

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board, and required by the Unit Trust Act 2008 and Trust Deed.

(b) Basis of preparation

The financial statements have been presented in Samoan tala, which is the Trust's functional currency, rounded to the nearest tala. The financial statements are prepared on the basis of fair value measurement of assets and measurement at amortized cost for liabilities except where otherwise stated.

(c) Basis of Accounting - Going Concern

Notwithstanding recent novel corona virus (COVID-19) global outbreak and significant economic uncertainties resulting there from, the financial statements of the Trust have been prepared on a going concern basis. The directors consider the application of the going concern principle to be appropriate in the preparation of these financial statements as they believe with the plans and strategies put in place by the Trust, the Trust will generate and maintain required funding to meet its liabilities and commitments as and when they fall due over the next twelve months. Accordingly, directors believe that the classification and carrying amounts of the assets and liabilities as stated in the financial statements to be appropriate.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Manager and Trustee to exercise judgment in the process of applying the Trust's accounting policies and the reported amounts of assets, liabilities, income and expenses. These 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 estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The critical judgments and assumptions made in applying the accounting policies of the Trust have been disclosed under notes 2(g) and 6.

(e) Financial assets

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Trust becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI - debt investment; FVOCI - equity investment or FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Trust changes its business model for managing financial assets in which case all affected financial assets are reclassified on first day of the reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL;

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;

On initial recognition of an equity investment that is not held for trading, the Trust may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment by investment basis;

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivatives financial assets. On initial recognition, the Trust may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Trust makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level which best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual

(e) Financial assets (continued)

interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of assets;

- how the performance of the portfolio is evaluated and reported to the Trust's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the value of the assets managed or the contractual cash flows collected;
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Trust's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. Interest is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Trust considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Trust considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Trust's claim to cash flow from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of the principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Financial assets: Reclassifications

Financial assets are not reclassified subsequent to their recognition, except in the period after the Trust changes its business model for managing financial assets.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income are recognised in profit or loss.

(e) Financial assets (continued)

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchanges gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investment at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(iii) Derecognition

Financial Assets

The Trust derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Trust neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Trust enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Trust derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Trust also derecognises a financial liability when its terms are modified and the cash flow of the modified liability are substantially different, in which case a new financial liability based on the modified terms are recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Modifications of financial assets

If the cash flows of the modified asset carried at amortised cost are not substantially different then the modification does not result in derecognition of the financial asset. In this case, the Trust recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties to the borrower, then the gain or loss is presented together with impairment losses.

(e) Financial assets (continued)

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Trust currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and *settle the liability simultaneously*.

(f) Impairment of Financial Instruments

Financial instruments

The Trust recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost. No impairment loss is recognised on equity investment as these are measured at fair value.

The Trust measure loss allowances at an amount equal to lifetime ECL as well as 12 months ECL as follows:

- bank balances 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.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Trust considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Trust's historical experience and informed credit assessment and including forward-looking information. The Trust assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Trust considers a financial asset to be in default when:

- Trust took actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Trust considers a debt security to have low credit risk when its credit risk rating is equivalent to the generally understood definition of "investment grade".

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12 months ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months) The maximum period considered when estimating ECLs is the maximum contractual period over which the Trust is exposed to credit risk.

Measurement of ECLs

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies

Measurement of ECLs

Loss allowances for trade receivables, other receivables and investment securities are measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Trust's historical credit loss experience, adjusted for factors that are specific to the debtors such as the collateral or security for the asset.

Measurement of ECLs(continued)

Credit-impaired financial assets

At each reporting date, the Trust assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Trust on terms that the Trust would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Trust determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Trust's procedures for recovery of amounts due.

(g) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants or, in its absence the most advantageous market to which the fund has access at that date. Consistent with established practice, listed equity investments are measured at the closing share price or unit price on the market.

When available, the Trust measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as "active" if transactions for the asset or liabilities take place with sufficient frequency and volume to provide pricing information on an on-going basis. The fair value of other unlisted equities is estimated with the assistance of Independent valuers approved by the Manager and Trustee as per the investment policy. In line with the investment policy, the valuation of unlisted equities are performed by management annually and by an independent valuer every three years.

Where possible, the valuations use applicable price earnings ratios for similar listed companies, adjusted to reflect the specific circumstances of the issuer and may be based on following methodologies:

1. Discount Cash flow Model (DCF)
2. Net Tangible Asset Approach (NTA)
3. Future Maintainable Earnings Method (FME)
4. Capitalization of Dividends Method (CoD)

(g) Fair Value Measurement (continued)

If there is no quoted price in an active market, then the Trust uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique seeks to incorporate all of the factors that market participants would take into account in pricing a transaction. The Trust recognizes transfers between levels of the fair value hierarchy as at the end of the reporting period during which the changes have occurred.

(h) Revenue recognition

Revenue is recognised and measured at the fair value of the consideration received or receivable to the extent it is possible that the economic benefits will flow to the Trust and the revenue can be reliably measured. Interest income is recognised on an accrual basis using the effective interest method. Dividend income for listed or quoted securities is recognised when a market announcement is made, for unlisted and private equity holdings, dividend is recognised when it is formally notified that dividend is declared and the right to receive dividends is established.

(i) Manager's remuneration

Management fees are standard fees stated under the terms of the Trust Deed and based on 1.4% of the value of the Trust's Net Asset. This is payable after month end and is calculated on the net asset value of the unit trust at month end.

(j) Trustee's fee

A review of the Trustee fee was done by Management and the Board approved on the 31 January 2018 for the Trustee fee to be paid by the Management Company. The Trustee currently receives a fee of \$30,000 per annum plus 0.5% of the Trust comprehensive profit.

(k) Income tax

Under the Income Tax Amendment Act 2013, Part A (1)(v) the income of the Unit Trust of Samoa, the Unit Trust (Management) Limited or any other subsidiary of the Unit Trust of Samoa; is not subject to income tax.

(l) Vagst

The Trust main activity relates to financial services which is exempt supply. Where applicable expenses are recognised inclusive of vagst, and revenue such as interest and dividend are exempt from vagst.

(m) Cash and cash equivalents

Cash and cash equivalents comprises of cash balances at bank and excludes any term deposits regardless of period.

(n) Other receivables and accrued income

Other receivables include receivable amounts for sale of units by the "Management Ltd" plus dividend receivables, and accrued interest on term deposits.

(o) Payables

Payables are recognised for amounts to be paid in the future for goods and services recorded, whether or not billed to the Trust and include outstanding settlements on the purchase of investment. Payables are stated at cost as they are expected to be settled within next twelve months.

(p) Borrowings

As per Trust deed, borrowing by the Trust shall not exceed 75% of the value of its assets. Currently, total borrowing is 25% of the value of its assets.

(q) Unitholder's Funds

Unitholders' funds are classified as equity instruments.

(r) Conversion of Foreign Currencies

Foreign currency transactions during the year are converted at the foreign exchange rates ruling at the transaction date. Monetary assets and liabilities denominated in foreign currencies are converted at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are converted using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are converted using the foreign exchange rates ruling at the dates the fair value was measured.

(s) Comparative information

Comparative information has been reclassified where necessary to achieve consistency in disclosure with current financial year amounts, and facilitate appropriate comparison.

3. RESERVES

Reserves consists of the movements in fair value of equity investments classified as fair value through other comprehensive income that are not available for distribution to unit holders until realized. Movement in reserves are shown in statement of changes in equity. Dividend income on these equity investments are recognised as revenue in the profit and loss.

4. CASH AND CASH EQUIVALENTS

	2025	2024
<i>Cash at bank</i>	\$	\$
Bank of South Pacific	5,074,771	11,420,370
National Bank of Samoa	4,551	4,631
National Bank of Samoa (overnight)	9,375,966	14,246,425
BSP Dividend Account	548	(345)
Total cash and cash equivalents	<u>14,455,836</u>	<u>25,671,081</u>

5. FINANCIAL ASSETS AT AMORTIZED COST

Term Deposits	40,000,000	31,000,000
Loans and receivables:		
Other receivables	-	-
Interest receivables	386,849	383,288
Dividend receivables	1,250,000	-
Receivable from Management company	695,734	3,814,230
State Owned Enterprises (SOEs) - Capital Notes	103,762,648	82,861,668
Government of Samoa	40,941,897	42,058,224
Deduct Provision Expected Credit Loss	(345,050)	(509,640)
Total financial assets at amortized cost	<u>186,692,078</u>	<u>159,607,769</u>

5. FINANCIAL ASSETS AT AMORTIZED COST (continued)

Current	14,293,634	11,837,818
Non-current	172,743,494	148,279,591
	<u>187,037,128</u>	<u>160,117,409</u>
Movement per Provision Expected Credit Loss		
Opening balance	(509,640)	(471,177)
Write back on ECL / (Addition on ECL)	164,590	(38,463)
Bad debts written off against provision	-	-
Closing balance	<u>(345,050)</u>	<u>(509,640)</u>
Total financial assets at amortized cost	<u>186,692,078</u>	<u>159,607,769</u>
	-	-

6. FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025	2024
	\$	\$
(a) Listed Equities		
Unit Trust of Fiji (3,199,407 units)	20,824,713	19,446,080
ATH (6,928,710 shares)	7,820,406	9,298,013
BSP Financial Group - 1,467,136 shares	59,514,691	40,177,273
Rice Company of Fiji	3,094,594	-
Fiji Care Insurance Limited	1,689,213	-
Toyota Tsusho (South Seas) Ltd	713,922	-
(b) Unlisted Equities		
Vodafone Samoa - 25% shareholding	15,919,733	15,801,224
ATH Int Ventures (PNG Digitec Communication) - 30% shareholding	21,522,734	21,470,746
Samoa Submarine Cable Company - 20% shareholding	7,174,280	7,113,043
Shares in National Bank of Samoa	611,111	-
Financial Assets Held at Fair Value through OCI	<u>138,885,398</u>	<u>113,306,379</u>

Determining Fair Values

The trust measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in active market for an identical instrument.

Level 2: Valuation technique based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active market for similar instrument; quoted prices for identical or similar instrument in the market that are considered less than active; or other valuation techniques where all significant inputs are directly observable in the market, and are derived from market prices or rates or are estimated based on assumptions.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted price for similar instruments where significant unobservable adjustments or assumption are required to reflect differences between the instruments. Fair values of financial assets that are traded in active markets are based on quoted prices or dealer price quotations. For unlisted equity investments, the Trust determines fair values using valuation

6. FINANCIAL ASSETS HELD AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (continued) techniques. Some or all of the significant inputs these valuations use may not be observable in the market, and are derived from market prices or rates or are estimated based on assumptions.

Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. Management judgement and estimation are usually required for selection of the appropriate valuation model to be used and any key assumptions used in those valuation models such as appropriate price/earnings ratio. The Trust uses price/earnings ratios and other key assumptions based on observable inputs and adjusts these to reflect risks specific to the underlying investment and the Samoa environment such as size risk, country risk, liquidity risk etc.

EY Fiji conducted the independent valuation for FY2024.

The table below analyses financial assets measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized:

	Level 1	Level 3	Total	Total
	\$	\$	\$	\$
Opening balance	68,921,366	44,385,013	113,306,379	83,447,078
Additional investments	14,682,427	611,111	15,293,538	17,984,183
Disposal	-	-		842,270
Gain/(Loss) on FV revaluation	14,102,884	179,747	14,282,631	13,658,075
Gain/(Loss) on Foreign exchange	(4,049,137)	51,987	(3,997,150)	(2,625,227)
Balance at year end	<u>93,657,540</u>	<u>45,227,858</u>	<u>138,885,398</u>	<u>113,306,379</u>
			-	-

7. INTEREST INCOME

	2025	2024
	\$	\$
Interest on Term Deposits	774,294	931,469
Other Interest Income	120,278	123,098
Interest on Capital Notes (SOEs)	6,073,427	4,400,255
Interest on Government Loans	3,004,860	3,090,489
Total Interest Income	<u>9,972,859</u>	<u>8,545,312</u>

8. PAYABLES & ACCRUALS

	2025	2024
	\$	\$
Audit fee	25,185	15,270
Interest on Convertible Notes	275,214	214,158
Payable to UTOS Management Ltd	755,057	1,351,692
Total payables and accruals	<u>1,055,456</u>	<u>1,581,120</u>

9. DIVIDEND PAYABLE

	2025	2024
	\$	\$
Dividend payable	<u>10,946,584</u>	<u>9,340,577</u>

Final dividend was declared for unitholders as per Trust board meeting on the 8th July 2025 for the financial year ended 30 June 2025.

10. DUE TO GOVERNMENT

	2025	2024
	\$	\$
Current	790,000	790,000
Non - Current	-	790,000
	<u>790,000</u>	<u>1,580,000</u>

The balance is owed to Government for the 25% of Vodafone Samoa shares. The repayment commenced on the 1st July 2016 until it is fully paid. Repayment is \$65,833 per month.

11. PROMISSORY NOTES

	2025	2024
	\$	\$
Promissory Notes	<u>68,288,386</u>	<u>61,288,386</u>
Total Promissory notes	<u>68,288,386</u>	<u>61,288,386</u>

These represents a major source of funding for the Trust and are in effect a form of loan, with fixed term and interest rate. The movement in Promissory Notes during the year is \$7,000,000.

12. RELATED PARTY DISCLOSURES**Manager**

The Manager of the Trust is the Unit Trust of Samoa (Management) Limited.

The directors of the management company are:

- a) Magele Arthur Penn (resigned May 2025)
- b) Seulupe Michelle Macdonald
- c) Tufeao Fa'atuai Pulepule Fanolua
- d) Lemalu Patricia Ah Chong Fruen
- e) Salote Peteru

Manager's fees

Under the terms of the Trust Deed, the Manager is entitled to receive manager's remuneration approved by both the Trustee and the Manager. The approved managers fee is 1.2% of the Trust's net asset value. This is payable at month end and is calculated on the Trust Net Asset at month end.

Trustee

The current Trustee of the Trust is "Tafailagi Trustee Company Ltd".

The present directors of the Trustee Company are:

- a) Taito John Roache
- b) Luana Roache

All transactions with related parties are conducted on normal commercial terms and conditions.

	2025	2024
	\$	\$
Major Transactions with related parties		
Managers fees	2,996,553	2,779,440
Board, Management & Staff - Unit balances	1,666,437	1,961,659
Owing by Related Parties		
Net amount due from/(to)Managers	(59,321)	2,162,539

13. FINANCIAL RISK MANAGEMENT

The Trust's activities expose it to a variety of financial risks: market risk (including interest rate risk, credit risk, performance risk and price risk), liquidity risk and operational risk. The Trust's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Trust's focuses on the unpredictability of financial markets financial performance. The Manager has the overall responsibility for the establishment and oversight of the Trust's risk management framework. The Trust's risk management policies are established to identify and analyse the risks faced by the Trust, to be set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Trust's activities.

Market risk

i) Interest rate

This is the risk borne by interest bearing assets such as term deposits and capital notes due to the changes in interest rates. Through its investment policy the Trust aims to balance its portfolio through short term deposits, capital notes and medium to long term Government bonds. At the reporting date the interest rate profile of the Trust's interest-bearing financial instruments was:

Capital Notes	103,762,648	82,861,668
Government of Samoa loan	40,941,897	42,058,224
Term deposits	40,000,000	31,000,000
	<u>184,704,545</u>	<u>155,919,892</u>

ii) Credit risk

This refers to the risk of losing investment funds due to companies, banks and financial institutions the Trust has deposits with and providing short term capital notes defaulting on their repayments of interest and principal. For deposits with banks and financial institutions, only reputable parties with known sound financial standing are accepted. The Trust minimizes credit risk by conducting thorough due diligence on any investments it makes.

The total exposure of credit risk in the Trust's portfolio is as follows:

Capital Notes	103,762,648	82,861,668
Government of Samoa loan	40,941,897	42,058,224
Cash and term deposits at bank	54,455,836	56,671,081
Listed and unlisted equities	138,885,398	113,306,379
Total Gross	<u>338,045,779</u>	<u>294,897,352</u>

The Trust only issues Capital Notes to State Owned Enterprises.

iii) Performance risk

This risk relates to the performance of the investment in which the Trust has invested. The return on a particular investment such as a share is affected by the performance of the issuer of the investment. Different investments tend to perform differently under the same operating environment. Therefore The Trust at all times will try to have different types of investments in its portfolio.

13. FINANCIAL RISK MANAGEMENT (Continue)

(iv) Liquidity risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they fall due. The Trust aims to maintain a buffer fund in liquid assets at all times to meet expected normal redemptions. Under the Trust Deed, the manager, with the concurrence of the Trustee, may suspend the redemption of units for such time as may be necessary to realise sufficient liquid funds to meet any unusual redemption requests. The table below analyses the Trust's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	No Specific Maturity	Less than 6 months	Between 6 months & 1 year	Total
As at 30 June 2025				
Cash & Cash equivalents	-	14,455,836	-	14,455,836
Term Deposits	-	40,000,000	-	40,000,000
Investment Securities	144,704,545	2,332,583	-	147,037,128
Listed & Unlisted equities	138,885,398	-	-	138,885,398
	283,589,943	56,788,418	-	340,378,362
	No Specific Maturity	Less than 6 months	Between 6 months & 1 year	Total
As at 30 June 2024				
Cash & Cash equivalents	-	25,671,081	-	25,671,081
Term Deposits	-	31,000,000	-	31,000,000
Investment Securities	124,919,891	4,197,518	-	129,117,409
Listed & Unlisted equities	113,306,379	-	-	113,306,379
	238,226,270	60,868,599	-	299,094,869

(v) Operational risk

i) Data risk

This is the risk of losing information including unit holder account details even though there is dual system storage of a hard copy filing system and electronic database. The Manager ensures confidentiality and security of all unit holders information. The Trust has developed a Unit Registry System to store information. Daily backups of electronic information are being done by the Management and Staff.

ii) Legal risk

Legal risks refer to the risk of being legally non compliant due to changes in Government and Regulators current policies and regulations. All processes and applications are endorsed by the Attorney General's Office including Prospectus and the Trust Deed.

iii) Operational risk

Operational risk is defined as the risk arising from the Trust's and its related entities business functions and from the practical implementation of the Manager's strategy for growing the Trust. The Manager has developed a three year strategic plan and annual key performance indicators to ensure performance of the Trust. The Manager also conducts third party due diligence on new investments before recommending any investment to Trustees.

14. OTHER INCOME	2025	2024
	\$	\$
Commitment fee	-	300,000
Gain on disposal equity Investment (note 15)	-	842,271
Administration fees	-	-
	<u>-</u>	<u>1,142,271</u>

15. GAIN ON DISPOSAL OF EQUITY INVESTMENT

This relate to a swap of shares between Amalgamated Telecom Holdings Limited (ATH) and Unit Trust

16. CHANGES IN ACCOUNTING POLICIES

- a** Loss on Unit Withdrawals was previously accounted for as an expense in the Statement of Profit and loss. However in line with IAS 32 this has been changed on the rationale that units are considered as equity in the Trust and any changes relating to buying and selling of units should be passed through changes in equity instead of through profit and loss.
- b** Given that Foreign Exchange movements are not realized until an investment is disposed and it relates to long term equity investment whose fair value movements are recognised as Other Comprehensive Income, the Board has therefore approved the change in the treatment of the related Foreign Exchange movements to be an OCI item as opposed to a P&L item in line with IAS21 Section 30.

17. PRIOR PERIOD ADJUSTMENTS (PPA)

Prior Period Adjustments to 2023 balances;

Reserves	\$
2023 Reserve balance before PPA	10,121,842
PPA - Exchange Gain(losses) - Note 16	<u>63,258</u>
Restated 2023 Reserves balance	<u>10,185,100</u>

Prior Period Adjustments to 2024 balances;

Reserves	\$
2024 Reserve balance before PPA	21,154,690
2023 PPA - Exchange Gain(losses)	<u>63,258</u>
Restated 2024 Reserves balance	<u>21,217,948</u>

Unit Holders Funds

2023 Unit Holders balance before PPA	171,945,818
PPA - Losses on Unit Withdrawals - Note	<u>(4,993,977)</u>
Restated 2023 Unit Holders Funds	<u>166,951,841</u>

Unit Holders Funds

2024 Unit Holders balance before PPA	203,926,130
2023 PPA - Losses on Unit Withdrawals	<u>(4,993,977)</u>
2024 PPA - Losses on Unit Withdrawals	<u>(709,480)</u>
Restated 2024 Unit Holders Funds	<u>198,222,673</u>

Retained Earnings

2023 Retained earnings balance before F	457,086
PPA - Exchange gain(losses) - Note 16	<u>(63,258)</u>
PPA - Losses on Unit Withdrawals - Note	<u>4,993,977</u>
Restated 2023 Retained Earnings	<u>5,387,805</u>

Retained Earnings

2024 Retained earnings before PPA	(285,674)
2023 PPA - Exchange gain(losses)	<u>(63,258)</u>
2023 PPA - Losses on Unit Withdrawals	<u>4,993,977</u>
2024 PPA - Losses on Unit Withdrawals	<u>709,480</u>
Restated 2024 Retained Earnings	<u>5,354,524</u>

18. CONTINGENT LIABILITIES & CAPITAL COMMITMENTS

The Trustee and the Manager are not aware of any contingent liabilities or capital commitments at year end

19. EVENTS AFTER REPORTING DATE

The Trustee & Manager are not aware of any events after balance date that may affect the financial statements or require disclosure in the notes to the accounts