

## CICC Fund Series

### CICC China Equity Fund

For the period from 1 January 2024 to 21 February 2025  
(date of termination)

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## Administration and management

### **Manager**

China International Capital  
Corporation  
Hong Kong Asset Management  
Limited  
29/F, One International Finance  
Centre  
1 Harbour View Street  
Central  
Hong Kong

### **Legal Counsel to the Manager**

Deacons  
5/F, Alexandra House  
18 Chater Road  
Central  
Hong Kong

### **Auditor**

KPMG  
8/F, Prince's Building  
10 Chater Road  
Central  
Hong Kong

*Public Interest Entity Auditor  
registered in accordance with the  
Accounting and Financial Reporting  
Council Ordinance*

### **Directors of the Manager**

Mr. Diao Zhihai (effective on 30 September 2024)  
Mr. Lee Hung Hing  
Mr. Lin Ning  
Ms. Ma Kui  
Mr. Xu Yicheng

### **Trustee and Registrar**

Brown Brothers Harriman Trustee Services  
(Hong Kong) Limited  
13/F, Man Yee Building  
68 Des Voeux Road Central  
Central  
Hong Kong

### **Service Agent**

HK Conversion Agency Services Limited  
8/F, Two Exchange Square  
8 Connaught Place  
Central  
Hong Kong

# Manager's report

## CICC China Equity Fund

### **Introduction**

The CICC China Equity Fund (the "Sub-Fund"), a sub-fund of the CICC Fund Series (the "Trust"), was launched on 21 July 2022. It is a Hong Kong unit trust authorised under the Securities and Futures Ordinance (Cap. 571) of Hong Kong. The manager of the Sub-Fund is China International Capital Corporation Hong Kong Asset Management Limited (the "Manager") and the trustee is Brown Brothers Harriman Trustee Services (Hong Kong) Limited (the "Trustee").

### **Performance of the Sub-Fund**

The investment objective of the Sub-Fund is to primarily invest in companies of the People's Republic of China (the "PRC") to achieve long-term capital growth through exposure to PRC related companies. There can be no assurance that the Sub-Fund will achieve its investment objective.

On 17 October 2024, the Manager exercised its discretion to terminate CICC China Equity Fund (the "Sub-Fund") and a termination notice was issued to the Sub-Fund's Unitholders on 14 November 2024. On 21 February 2025, all remaining units in the Sub-Fund were compulsorily redeemed and the proceeds were proportionally distributed to Unitholders. From 14 February 2025 (the "Last Dealing Day") onwards, the Manager commenced the disposal of the Sub-Fund's underlying investments. As the result, from the Last Dealing Day onwards, the Sub-Fund was no longer be able to meet its stated investment objective and policy.

This report covers the reporting period from 1 January 2024 to 21 February 2025 (date of termination).

China International Capital Corporation Hong Kong Asset Management Limited

## Trustee's report CICC China Equity Fund

We hereby confirm that, in our opinion, the Manager of the Sub-Fund within the Trust has, in all material respects, managed the Sub-Fund in accordance with the provisions of the Trust Deed dated 5 November 2018, as amended from time to time for the period from 01 January 2024 to the period ended 21 February 2025 (date of termination).

)  
) For and on behalf of  
) Brown Brothers Harriman Trustee Services  
) (Hong Kong) Limited,  
) Trustee  
) 19 June 2025

# Independent auditor's report to the unitholders CICC China Equity Fund

## **Opinion**

We have audited the financial statements of CICC China Equity Fund ("the Sub-Fund") of CICC Fund Series (the "Trust") set out on pages 8 to 35, which comprise the statement of assets and liabilities as at 21 February 2025 (date of termination), the statement of comprehensive income, the statement of changes in net assets attributable to unitholders and the statement of cash flows for the period from 1 January 2024 to 21 February 2025 (date of termination) and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund of the Trust as at 21 February 2025 (date of termination) and of its financial transactions and cash flows for the period from 1 January 2024 to 21 February 2025 (date of termination) in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standard Board ("IASB").

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing ("ISAs") issued by the International Auditing and Assurance Standards Board ("IAASB"). 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 Trust and its Sub-Fund in accordance with the International Ethics Standards Board for *Accountants' Code of Ethics for Professional Accountants* ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Emphasis of matter**

We draw attention to the fact that the Manager and the Trustee of the Trust and its Sub-Fund resolved to terminate the Sub-Fund and therefore the Sub-Fund is no longer considered to be a going concern. Details about the basis of preparation of the financial statements are set out in note 2(b) to the financial statements. Our opinion is not modified in respect of this matter.

# Independent auditor's report to the unitholders CICC China Equity Fund (continued)

## **Information other than the financial statements and auditor's report thereon**

The Manager and the Trustee of the Trust and its Sub-Fund are responsible for the other information. The other information comprises all the information included in the annual report, other than 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 the Manager and the Trustee of the Trust and its Sub-Funds**

The Manager and the Trustee of the Trust and its Sub-Fund are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRSs issued by the IASB and for such internal control as the Manager and the Trustee 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 the Trustee of the Trust and its Sub-Fund are responsible for assessing the Trust and its Sub-Fund's ability to continue as a going concern and disclosing matters related to going concern. The Manager and the Trustee of the Trust and its Sub-Fund consider that the Sub-Fund is no longer a going concern and have prepared the financial statements on the basis as set out in note 2(b) thereto.

In additions, the Manager and the Trustee of the Trust and its Sub-Fund are required to ensure that the financial statements have been properly prepared in accordance with the relevant provisions of the Trust Deed dated 5 November 2018, as amended ("Trust Deed") from time to time, and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds (the "SFC Code") issued by the Hong Kong Securities and Futures Commission.

## Independent auditor's report to the unitholders CICC China Equity Fund (continued)

### **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. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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. In addition, we are required to assess whether the financial statements of the Sub-Fund of the Trust have been properly prepared, in all material respects, in accordance with the relevant provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 Sub-Fund of Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager and the Trustee.
- Conclude on the appropriateness of the Manager's and the Trustee's judgement that the Sub-Fund is no longer a going concern based on the audit evidence obtained.
- 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.

## Independent auditor's report to the unitholders CICC China Equity Fund (continued)

### **Auditor's responsibilities for the audit of the financial statements (continued)**

We communicate with the Manager and the Trustee of the Trust and its Sub-Fund 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.

*Report on matters under the relevant provision of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code*

In our opinion, the financial statements of the Sub-Funds of the Trust have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant provisions of Appendix E of the SFC Code.

*Certified Public Accountants*

8th Floor, Prince's Building  
10 Chater Road  
Central, Hong Kong

19 June 2025

## Statement of assets and liabilities as at 21 February 2025 (date of termination) and 31 December 2023

		21 February 2025 Note (date of termination) HKD	31 December 2023 HKD
<b>Assets</b>			
Financial assets at fair value through profit or loss	5,6(c)	–	60,530,489
Cash and cash equivalents	6(c)	782,873	2,813,857
Dividend receivables		–	88,822
		782,873	63,433,168
<b>Liabilities</b>			
Amount due to brokers		–	(779,151)
Audit fee payables		–	(124,525)
Management fee payables	6(c)	(752,831)	(403,002)
Administration fee payables	6(c)	(3,431)	(47,588)
Trustee and registrar fees payables	6(c)	(11,822)	(19,343)
Custody fee payables	6(c)	(1,522)	(16,230)
Transaction costs payables	6(c)	(11,621)	(47,982)
Other payables and accruals		(1,646)	(31,205)
		(782,873)	(1,469,026)
<b>Net assets attributable to unitholders</b>		–	61,964,142
<b>Representing:</b>			
<b>Total equity</b>		–	61,964,142
<b>Total number of units in issue</b>	8	–	874,820
<b>Net asset value per unit</b>	8	–	70.83

The notes on pages 14 to 35 form part of these financial statements.

Statement of assets and liabilities  
as at 21 February 2025 (date of termination)  
and 31 December 2023 (continued)

Approved by the Manager and the Trustee on 19 June 2025.

)  
) For and on behalf of  
) China International Capital Corporation  
) Hong Kong Asset Management Limited,  
) Manager  
)  
)  
) For and on behalf of  
) Brown Brothers Harriman Trustee Services  
) (Hong Kong) Limited,  
) Trustee

## Statement of comprehensive income for the period from 1 January 2024 to 21 February 2025 (date of termination) and the period from 21 July 2022 (date of inception) to 31 December 2023

		<i>Period from 1 January 2024 to 21 February 2025 (date of termination)</i>	<i>Period from 21 July 2022 (date of inception) to 31 December 2023</i>
	<i>Note</i>	HKD	HKD
<b>Income</b>			
Interest income	6(c)	76,142	106,143
Dividend income	2(f)	2,041,018	1,860,110
Net gains/(losses) from financial assets at fair value through profit or loss	3	12,682,799	(23,076,023)
Net foreign exchange losses		<u>(32,542)</u>	<u>(89,260)</u>
<b>Total net income/(loss)</b>		<u>14,767,417</u>	<u>(21,199,030)</u>
<b>Expenses</b>			
Management fee	6(c)	(752,831)	(1,291,689)
Establishment cost expenses	6(c)	–	(304,040)
Administration expenses	6(c)	(95,525)	(211,290)
Audit fee		(152,113)	(124,525)
Trustee and registrar expenses	6(c)	(96,408)	(115,149)
Custody expense	6(c)	(35,903)	(76,806)
Interest expenses		–	(35)
Transaction costs	10	(842,789)	(1,919,952)
Other operating expenses		<u>(15,313)</u>	<u>(127,982)</u>
<b>Total expenses</b>		<u>(1,990,882)</u>	<u>(4,171,468)</u>
Taxation	4	<u>(156,761)</u>	<u>(147,360)</u>
<b>Increase/(decrease) in net assets attributable to unitholders and total comprehensive income for the period</b>		<u>12,619,774</u>	<u>(25,517,858)</u>

The notes on pages 14 to 35 form part of these financial statements.

**Statement of changes in net assets attributable to unitholders  
for the period from 1 January 2024 to  
21 February 2025 (date of termination) and the period from  
21 July 2022 (date of inception) to 31 December 2023**

		<i>Period from 1 January 2024 to 21 February 2025 Note (date of termination)</i>	<i>Period from 21 July 2022 (date of inception) to 31 December 2023</i>
		HKD	HKD
<b>Net assets attributable to unitholders at the beginning of the period</b>		61,964,142	–
Subscription of units	9	–	87,482,000
Redemption of units	9	(74,583,916)	–
<b>Increase/(decrease) in net assets attributable to unitholders and total comprehensive income for the period</b>		<u>12,619,774</u>	<u>(25,517,858)</u>
<b>Net assets attributable to unitholders at the end of the period</b>	9	<u>–</u>	<u>61,964,142</u>
<b>Units issued and redeemed</b>			
<b>Balance at the beginning of the period</b>		874,820	–
Subscription of units		–	874,820
Redemption of units		<u>(874,820)</u>	<u>–</u>
<b>Balance at the end of the period</b>	8	<u>–</u>	<u>874,820</u>

The notes on pages 14 to 35 form part of these financial statements.

## Statement of cash flows for the period from 1 January 2024 to 21 February 2025 (date of termination) and the period from 21 July 2022 (date of inception) to 31 December 2023

	<i>Period from 1 January 2024 to 21 February 2025 (date of termination)</i>	<i>Period from 21 July 2022 (date of inception) to 31 December 2023</i>
	HKD	HKD
<b>Operating activities</b>		
<b>Increase/(decrease) in net assets attributable to unitholders and total comprehensive income for the period</b>	12,619,774	(25,517,858)
Adjustments for:		
Net (gains)/losses from financial assets at fair value through profit or loss	<u>(12,682,799)</u>	<u>23,076,023</u>
<b>Operating losses before changes in working capital</b>	(63,025)	(2,441,835)
Purchase of financial assets at fair value through profit or loss	(156,597,604)	(356,304,879)
Proceeds from sale of financial assets at fair value through profit or loss	229,810,892	272,698,367
Decrease/(increase) in dividend receivables	88,822	(88,822)
(Decrease)/increase in amount due to brokers	(779,151)	779,151
(Decrease)/increase in audit fee payables	(124,525)	124,525
Increase in management fee payables	349,829	403,002
(Decrease)/increase in administration fee payables	(44,157)	47,588
(Decrease)/increase in trustee and registrar fees payables	(7,521)	19,343
(Decrease)/increase in custody fee payables	(14,708)	16,230
(Decrease)/increase in transaction costs payables	(36,361)	47,982
(Decrease)/increase in other payables and accruals	(29,559)	31,205
<b>Net cash flows generated from/(used in) operating activities</b>	<u>72,552,932</u>	<u>(84,668,143)</u>

The notes on pages 14 to 35 form part of these financial statements.



## Notes to the financial statements

### 1 The Trust

CICC Fund Series (the “Trust”) is a Hong Kong umbrella unit trust established under a trust deed dated 5 November 2018 and as amended from time to time (the “Trust Deed”) between China International Capital Corporation Hong Kong Asset Management Limited (the “Manager”) and Brown Brothers Harriman Trustee Services (Hong Kong) Limited (the “Trustee”), and governed by the laws of Hong Kong. The Amended and Restated Trust Deed was dated on 12 November 2019, and further supplemented on 23 April 2020, 9 November 2020, 16 September 2021, 1 March 2022 and 5 July 2022.

As at 21 February 2025 (date of termination), there are three active (2023: six) sub-funds under the Trust. The names of the sub-funds, their relevant benchmark and date of commencement of operations are set out as below:

<i>Sub-Funds</i>	<i>Benchmark index</i>	<i>Date of commencement of operations</i>
CICC Bloomberg China Treasury 1-10 Years ETF*	Bloomberg China Treasury 1-10 Years Index	7 December 2018
ICBC CICC USD Money Market ETF	–	14 June 2019
CICC Hong Kong Equity Fund	–	14 May 2020
CICC HKD Money Market ETF	–	30 November 2020
CICC Carbon Futures ETF**	ICE EUA Carbon Futures Index (Excess Return)	21 March 2022
CICC China Equity Fund***	–	21 July 2022

\* The sub-fund was delisted from the SEHK and deauthorized from the SFC on 21 March 2024.

\*\* The sub-fund was delisted from the SEHK and deauthorized from the SFC on 31 December 2024.

\*\*\* The sub-fund was deauthorized from the SFC on 28 March 2025.

The dates of inception and the dates of listing on the Stock Exchange of Hong Kong of each active sub-fund are set out below:

<i>Sub-Funds</i>	<i>Dates of inception</i>	<i>Dates of listing</i>
ICBC CICC USD Money Market ETF	14 June 2019	18 June 2019
CICC Hong Kong Equity Fund	14 May 2020	N/A
CICC HKD Money Market ETF	30 November 2020	2 December 2020

These financial statements have been prepared for CICC China Equity Fund (the “Sub-Fund”) for the period from 1 January 2024 to 21 February 2025 (date of termination). On 17 October 2024, the Manager exercised its discretion to terminate the Sub-Fund with an effective termination date of 21 February 2025 and issued a termination notice to unitholders on 14 November 2024. The Sub-Fund was deauthorized from the SFC on 28 March 2025.

## **1 The Trust (continued)**

The investment objective of CICC China Equity Fund is to primarily invest in companies of the PRC to achieve long-term capital growth through exposure to PRC related companies. There can be no assurance that the Sub-Fund will achieve its investment objectives.

The Trust Deed does not contain any requirement that a combined set of financial statements for the Trust itself be prepared.

The investment activities of the Trust are managed by the Manager and the administration of the Trust is delegated to Brown Brothers Harriman & Co. (the “Administrator”).

## **2 Material accounting policies**

### **(a) Statement of compliance**

The financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“IFRSs”), which collective term includes all applicable individual International Financial Reporting Standards, International Accounting Standards (“IASs”), and Interpretations issued by International Accounting Standards Board (“IASB”), the relevant disclosure provisions of the Trust Deed and the relevant disclosure requirements of the Code issued by the Hong Kong Securities and Futures Commission (the “SFC”). A summary of the material accounting policies adopted by the Sub-Fund is set out below.

The Sub-Fund has not applied any new standard or interpretation that is not yet effective for the current accounting period. The IASB has issued certain new and revised IFRSs that are available for early adoption for the current accounting year of the Sub-Fund.

### **(b) Basis of preparation**

The financial statements are presented in Hong Kong dollars (“HKD”), which is the Sub-Fund’s functional currency. All values are rounded to the nearest HKD except when otherwise indicated.

The financial statements are prepared on a fair value basis for financial assets and financial liabilities at fair value through profit or loss. Other financial assets and financial liabilities are stated at amortised cost.

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

## **2 Material accounting policies (continued)**

### **(b) Basis of preparation (continued)**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year/period in which the estimate is revised if the revision affects only that period.

As explained in note 1, the Sub-Fund was fully redeemed and the Manager exercised its discretion to terminate the Sub-Fund. Accordingly, the Sub-Fund is no longer a going concern. The financial statements did not include any provision for the future costs in connection with the termination except to the extent that such costs were incurred at the end of the reporting date.

The Manager expects this will be the last set of financial statements for the Sub-Fund. Therefore, the current financial period covers a period from 1 January 2024 to 21 February 2025 (date of termination). The previous financial statements were prepared in respect of the period from 21 July 2022 (date of inception) to 31 December 2023. Consequently, the comparative figures shown on the statement of comprehensive income, statement of changes in net assets attributable to unitholders, statement of cash flows and related notes are therefore not comparable with those of the current period.

### **(c) Foreign currency translation**

Foreign currency transactions during the year/period are translated into the functional currency of the Sub-Fund at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the foreign exchange rates ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currency that are measured at fair value are re-translated into the functional currencies at the exchange rate at the date on which the fair value was determined. Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are recognised in profit or loss.

### **(d) Financial assets and financial liabilities**

#### **(i) Classification**

On initial recognition, the Sub-Fund classifies financial assets as measured at amortised cost or FVTPL.

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; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI").

All other financial assets of the Sub-Fund are measured at FVTPL.

## 2 Material accounting policies (continued)

### (d) Financial assets and financial liabilities (continued)

#### (i) Classification (continued)

##### *Business model assessment*

In making an assessment of the objective of the business model in which a financial asset is held, the Sub-Fund considers all of the relevant information about how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual 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 the assets;
- how the performance of the portfolio is evaluated and reported to the Sub-Fund'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 the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- 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 Sub-Fund's continuing recognition of the assets.

The Sub-Fund has determined that it has two business models.

- Held-to-collect business model: this includes amounts due from brokers, expenses reimbursement receivables from the Manager and cash and cash equivalents. These financial assets are held to collect contractual cash flow.
- Other business model: this includes equity securities and collective investment schemes. These financial assets are managed, and their performance is evaluated, on a fair value basis, with frequent sales taking place.

##### *Assessment whether contractual cash flows are SPPI*

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 (e.g. liquidity risk and administrative costs), as well as a profit margin.

## **2 Material accounting policies (continued)**

### **(d) Financial assets and financial liabilities (continued)**

#### **(i) Classification (continued)**

In assessing whether the contractual cash flows are SPPI, the Sub-Fund 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 Sub-Fund considers:

- contingent events that would change the amount or timing of cash flows;
- leverage features;
- prepayment and extension features;
- terms that limit the Sub-Fund's claim to cash flows from specified assets (e.g. non-recourse features); and
- features that modify consideration for of the time value of money (e.g. periodical reset of interest rates).

The Sub-Fund classifies its investments based on the business model and contractual cash flows assessment. Accordingly, the Sub-Fund classifies all its investments, including equity securities and collective investment schemes into financial assets at FVTPL category. Financial assets measured at amortised cost include amounts due from brokers, amounts due from unitholders, interest, dividends and other receivables and cash and cash equivalents.

#### *Reclassifications*

Financial assets are not reclassified subsequent to their initial recognition unless the Sub-Fund was to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

#### **(ii) Recognition**

The Sub-Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

A regular way purchase of financial assets is recognised using trade date accounting. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded.

#### **(iii) Measurement**

Financial instruments are measured initially at fair value (transaction price). Transaction costs on financial assets and liabilities at fair value through profit or loss are expensed immediately.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss are measured at fair value with changes in their fair values recognised in profit or loss.

## **2 Material accounting policies (continued)**

### **(d) Financial assets and financial liabilities (continued)**

#### **(iii) Measurement (continued)**

Financial assets, other than those at fair value through profit or loss, are carried at amortised cost using the effective interest rate method, less allowance for impairment, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate method.

#### **(iv) Fair value measurement principles**

“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 in the principal or, in its absence, the most advantageous market to which the Sub-Fund has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Sub-Fund 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 liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Sub-Fund uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Sub-Fund recognises transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change has occurred.

Net gains and losses on investments are included in the statement of comprehensive income. Net realised gains and losses from financial instruments at fair value through profit or loss are calculated using the average cost method.

The Sub-Fund measures the financial assets at fair value through profit or loss using the last traded price in an active market or quoted price by trading brokers.

#### **(v) Impairment**

The Sub-Fund recognises loss allowances for expected credit losses (“ECL”) on financial assets measured at amortised cost.

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

- financial assets that are determined to have 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 asset) has not increased significantly since initial recognition.

## **2 Material accounting policies (continued)**

### **(d) Financial assets and financial liabilities (continued)**

#### **(v) Impairment (continued)**

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Sub-Fund 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 Sub-Fund's historical experience and informed credit assessment and including forward-looking information.

The Sub-Fund assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Sub-Fund considers a financial asset to be in default when:

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

The Sub-Fund considers a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of 'investment grade'. The Sub-Fund considers this to be Baa3 or higher per Moody's or BBB- or higher per Standard & Poor's.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month 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 Sub-Fund is exposed to credit risk.

#### *Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Sub-Fund expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

#### *Credit-impaired financial assets*

At each reporting date, the Sub-Fund 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.

## **2 Material accounting policies (continued)**

### **(d) Financial assets and financial liabilities (continued)**

#### **(v) Impairment (continued)**

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; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

#### *Presentation of allowance for ECLs 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 when the Sub-Fund has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

#### **(vi) Derecognition**

A financial asset is derecognised when the contractual rights to receive the cash flows from the financial asset expire, or where the financial asset together with substantially all the risks and rewards of ownership, have been transferred.

Financial assets at fair value through profit or loss that are sold are derecognised and corresponding receivables from the brokers are recognised as of the date the Sub-Fund commits to sell the assets.

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled, or expires.

On derecognition of a financial asset, the difference between the carrying value of the asset and the consideration received is recognised in the statement of comprehensive income.

#### **(vii) Offsetting**

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Sub-Fund has a legal right to offset the amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis for gains and losses from financial instruments at fair value through profit or loss and foreign exchange gains and losses.

## **2 Material accounting policies (continued)**

### **(e) Cash and cash equivalents**

Cash comprises cash held with banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Bank overdrafts that are repayable on demand form an integral part of the Sub-Fund's cash management and are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

### **(f) Dividend income**

Dividend income relating to exchange-traded equity securities are recognised in the statement of comprehensive income on the ex-dividend date.

In some cases, the Sub-Fund may choose to receive dividends in the form of additional shares rather than cash. In such cases the Sub-Fund recognises the dividend income for the amount of the cash dividend alternative with the corresponding debit treated as an additional investment.

### **(g) Expenses**

All expenses, including management fees and trustee fees, are recognised in the statement of comprehensive income on an accrual basis.

### **(h) Foreign exchange gains and losses**

Foreign exchange gains and losses on financial instruments at fair value through profit or loss are recognised together with other changes in the fair value. Net foreign exchange gains or losses are foreign exchange gains or losses on monetary financial assets and financial liabilities other than those classified at fair value through profit or loss.

### **(i) Related parties**

(a) A person, or a close member of that person's family, is related to the Sub-Fund if that person:

- (i) has control or joint control over the Sub-Fund;
- (ii) has significant influence over the Sub-Fund; or
- (iii) is a member of the key management personnel of the Sub-Fund.

(b) An entity is related to the Sub-Fund if any of the following conditions applies:

- (i) The entity and the Sub-Fund are members of the same group (which means that each parent, subsidiary, and fellow subsidiary is related to the others);

## **2 Material accounting policies (continued)**

### **(i) Related parties (continued)**

- (b) An entity is related to the Sub-Fund if any of the following conditions applies (continued):
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) Both entities are joint ventures of the same third party;
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the group;
  - (vi) The entity is controlled or jointly controlled by a person identified in (a);
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the group or to the group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

### **(j) Subscriptions and redemptions**

The Sub-Fund recognises unitholders' subscriptions and allots units upon receipt of a valid subscription application and derecognises them upon receipt of a valid redemption application.

### **(k) Units in issue**

The Sub-Fund classifies capital instruments as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

A puttable financial instrument is classified as an equity instrument if it has all of the following features:

- It entitles the holder to a pro rata share of the Sub-Fund's net assets in the event of the Sub-Fund's liquidation.
- The instrument is in the class of instruments that is subordinate to all other classes of instruments.
- All financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features.

## 2 Material accounting policies (continued)

### (k) Units in issue (continued)

- The instrument does not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro rata share of the Sub-Fund's net assets.
- The total expected cash flows attributable to the instrument over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Sub-Fund over the life of the instrument.

During the period, the Sub-Fund has only one class of units in issue. The only class of units in issue of the Sub-Fund meets all the conditions for equity classification and was classified as equity instruments.

### (l) Distributions to holders of redeemable units

Distributions to holders of redeemable units are recognised in the statement of changes in net assets attributable to unitholders and presented in note 9, if any.

Distribution of income is recognised in accordance with the Trust Deed, with over-distributions in one period permitted to be adjusted as a deduction of distributable income in the following period.

### (m) Segment reporting

An operating segment is a component of the Sub-Fund that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Sub-Fund's other components, whose operating results are reviewed regularly by the chief operating decision maker to make decisions about information is available. Segment results that are reported to the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The chief operating decision maker of the Sub-Fund is identified as the Manager.

## 3 Net gains/(losses) from financial assets at fair value through profit or loss

	<i>Period from 1 January 2024 to 21 February 2025 (date of termination)</i>	<i>Period from 21 July 2022 (date of inception) to 31 December 2023</i>
	HKD	HKD
Net realised gains/(losses) on financial assets at FVTPL	7,167,069	(17,560,293)
Net movement in unrealised gains/(losses) on financial assets at FVTPL	5,515,730	(5,515,730)
	12,682,799	(23,076,023)

#### 4 Taxation

No provision for Hong Kong profits tax has been made in the financial statements as the Sub-Fund is exempt from taxation under section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

Interest income and dividend income received by the Sub-Fund may be subject to non-recoverable withholding tax imposed in the country of origin. Interest income and dividend income are recorded gross of such taxes and the withholding tax is recognised in profit or loss as taxation expenses as incurred.

Realised gains on disposal of investment securities received by the Sub-Fund may be subject to capital gains tax imposed in the country in which the investment security is listed. Realised gains are recorded gross of such taxes and the capital gains tax is recognised in profit or loss as taxation expenses as incurred.

#### 5 Financial assets at fair value through profit or loss

	21 February 2025 <i>(date of termination)</i> HKD	31 December 2023 HKD
<b>Financial assets at fair value through profit or loss</b>		
Listed equity		
<i>The United States of America</i>	–	6,273,348
<i>Hong Kong</i>	–	43,134,160
<i>Mainland China</i>	–	11,122,981
<b>Total</b>	–	60,530,489

#### 6 Transactions with the Trustee, Manager and Connected Persons

The following is a summary of significant related party transactions or transactions entered into during the period between the Sub-Fund and the Trustee, the Manager, and their Connected Persons. Connected Persons are those as defined in the SFC Code. All transactions during the period between the Sub-Fund and the Trustee, the Manager and their Connected Persons were entered into in the ordinary course of business and under normal commercial terms. To the best of the knowledge of the Trustee and the Manager, the Sub-Fund did not have any other transactions with Connected Persons except for those disclosed below.

- (a) The management fee is calculated as a percentage of the net asset value of the Sub-Fund, and the Sub-Fund's management fee is accrued daily and calculated as at each Dealing Day. It is payable out of the Sub-Fund monthly in arrears.

The Sub-Fund is subject to paying all of its fees, costs and expenses which included the following:

- (i) Management Fee of 1.25% per annum of its NAV;
- (ii) Trustee Fee of up to 1.00% per annum of its NAV; and
- (iii) Cap on the ongoing charges figure at 3% per annum of its NAV;

## 6 Transactions with the Trustee, Manager and Connected Persons (continued)

- (a) each of which are accrued daily and calculated as at each Dealing Day and payable out of the Sub-Fund monthly in arrears.
- (b) Information relating to balances outstanding as at the date of financial statements, the administrator fee, trustee fee and transfer agent fee paid during the period is set out in note 6(c).
- (c) **Information relating to related party transactions is set out below:**

As of 21 February 2025 (date of termination), certain payables related to the Trustee and BBH & Co., an affiliated company of the Trustee, can only be accrued on a best estimate basis. The Manager will settle any variance between the estimated and actual payable amounts once the invoice is received, and such variance will be reimbursed by deducting the adjustment from the management fee payable as at the period end (refer to note 16).

	<i>Period from 1 January 2024 to 21 February 2025 (date of termination)</i>	<i>Period from 21 July 2022 (date of inception) to 31 December 2023</i>
	HKD	HKD
Rate of management fee (note 6(a))	1.25%	1.25%
Management fee for the period, net of reimbursement of unamortised establishment cost (note 13)	752,831	1,291,689
Management fee payables at the period end (note 16)	752,831	403,002
Establishment costs expenses	–	304,040
Administration fee for the period	95,525	211,290
Administration fee payables at the period end	3,431	47,588
Trustee and registrar fees for the period	96,408	115,149
Trustee and registrar fees payables at the period end	11,822	19,343
Interest income earned from cash deposit in the Custodian	76,142	106,143
Custody fee for the period	35,903	76,806
Custody fee payables and transaction costs payables at the period end	13,143	64,212
Bank balance under the Custodian	782,873	2,813,857
Securities balance under the Custodian	–	60,530,489

## 6 Transactions with the Trustee, Manager and Connected Persons (continued)

### (d) Transactions with the funds and mandates managed by the Manager and/or its affiliates

During the period ended 21 February 2025 (date of termination) and 31 December 2023, the units of the Sub-Fund were issued and redeemed by the Manager and/or its affiliates at prevailing net assets value per unit on the trade date.

	<i>Period from 1 January 2024 to 21 February 2025 (date of termination)</i>	<i>Period from 21 July 2022 (date of inception) to 31 December 2023</i>
	Units	Units
Subscription of units	–	874,820
Redemption of units	(874,820)	–

### (e) Investment transactions with connected persons of the Manager

China International Capital Corporation Hong Kong Securities Limited, acting as the broker of Sub-Funds, is the affiliate of the Manager.

	Aggregate value of purchases and sales of securities HKD	Total Commission paid HKD	% of the Sub-Fund's total transactions during the period %	Average Commission rate %
Period from 1 January 2024 to 21 February 2025 (date of termination)	12,876,512	16,540	3.34%	0.13%
Period from 21 July 2022 (date of inception) to 31 December 2023	50,318,088	87,762	8.00%	0.17%

### (f) Investment transactions with connected persons of the Trustee

During the period ended 21 February 2025 (date of termination), the Sub-Fund did not enter into foreign exchange transactions for hedging purpose (2023: Nil).

## 6 Transactions with the Trustee, Manager and Connected Persons (continued)

### (g) Holdings of units

The holdings of units by the Manager and their affiliates in the Sub-Fund. On 21 February 2025, the Manager processed a compulsory redemption to the investors remaining in the Sub-Fund after 14 February 2025.

	21 February 2025 (date of termination)	31 December 2023
	Units	Units
<b>Manager and its affiliates</b>		
China International Capital Corporation Hong Kong Securities Limited	—	90,000
China International Capital Corporation Hong Kong Asset Management Limited – CICCWI5	—	784,820

## 7 Soft dollar arrangements

No soft dollar arrangements were entered into with brokers by the Trust and the Sub-Fund during the period (2023: Nil).

## 8 Units in issue

### *Number of units in issue as at:*

	21 February 2025 (date of termination)	31 December 2023
	Units	Units
- Class A	—	874,820

### *Net assets attributable to unitholders as at:*

	21 February 2025 (date of termination)	31 December 2023
	HKD	HKD
<b>Net assets attributable to unitholders</b>		
- Class A	—	61,964,142
<b>Net asset value per unit</b>		
- Class A	—	70.83

## 9 Distributions

On 21 February 2025, the Manager processed a compulsory redemption amounting of HKD 74,583,916 based on the Last Net Asset Value of HKD 85.2563 to the investors remaining in the Sub-Fund after 14 February 2025.

	<i>Period from 1 January 2024 to 21 February 2025 (date of termination)</i>	<i>Period from 21 July 2022 (date of inception) to 31 December 2023</i>
	HKD	HKD
<b>Amount available for distribution at the beginning of the period</b>	61,964,142	–
Subscription of units	–	87,482,000
Redemption of units	(74,583,916)	–
Profit/(loss) before distributions	12,619,774	(25,517,858)
<b>Amount available for distribution at the end of the period</b>	<u>–</u>	<u>61,964,142</u>

## 10 Transaction costs

The transaction costs for the Sub-Fund pertain to the following expenses:

	<i>Period from 1 January 2024 to 21 February 2025 (date of termination)</i>	<i>Period from 21 July 2022 (date of inception) to 31 December 2023</i>
	HKD	HKD
Trading commission	443,091	1,016,380
Trading expense	281,972	634,794
Handling fee	117,726	268,778
<b>Total transaction costs</b>	<u>842,789</u>	<u>1,919,952</u>

## **11 Financial instruments and associated risks**

Before the date of termination, the Sub-Fund maintained investment portfolios of listed financial instruments as dictated by investment management strategy. The investment objective of the Sub-Fund is disclosed in note 1.

The Sub-Fund's investing activities exposed it to various types of risks that are associated with the financial instruments and markets in which it invested. The Manager and the Trustee have set out below the most important types of financial risks inherent in each type of financial instruments. The Manager and the Trustee would like to highlight that the following list of associated risks only sets out some of the risks but does not purport to constitute an exhaustive list of all the risks inherent in an investment in the Sub-Fund. Unitholders should note that additional information in respect of risks associated with investment in the Sub-Fund can be found in its offering document.

The asset allocation is determined by the Manager who managed and monitored the distribution of the assets to achieve the investment objectives.

The nature and extent of the financial instruments outstanding at the reporting date and the risk management policies employed by the Sub-Fund are discussed below.

### **(a) Price risk**

Price risk is the risk that value of the instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

#### *Price sensitivity*

As at 21 February 2025 (date of termination), the Sub-Fund did not hold any investments. At 31 December 2023, the impact of a 10% increase in value of the investments, with all other variables held constant, would increase the net assets attributable to unitholders by approximately HKD 6,053,049. An equal change in the opposite direction would have reduced the net asset value by an equal but opposite amount.

### **(b) Interest rate risk**

As at 21 February 2025 (date of termination) and 31 December 2023, all the Sub-Fund's financial assets and liabilities are non-interest bearing. As a result, the Sub-Fund is not subject to significant amount of risk due to fluctuations in the prevailing levels of market interest rates.

### **(c) Currency risk**

The Sub-Fund invests less than 30% of their NAV into non-HKD-denominated and settled short-term deposits and high quality money market instruments. The Manager may hedge any non-HKD-denominated and settled investments into HKD to manage any material currency risk. At 21 February 2025 (date of termination), all financial instruments for the Sub-Fund were denominated in HKD, which is Sub-Fund's functional currency, therefore this Sub-Fund was not subject to any significant currency risk. The following table sets out the total exposure to foreign currencies as at 31 December 2023:

## 11 Financial instruments and associated risks (continued)

### (c) Currency risk (continued)

As at 31 December 2023

	Assets	Liabilities	Net Assets	% Currency Risk	Risk Sensitivity
Currency	HKD	HKD	HKD		HKD
RMB	11,122,981	-	11,122,981	5.00%	556,149
USD*	6,276,118	-	6,276,118		
HKD	46,034,069	(1,469,026)	44,565,043		
	<u>63,433,168</u>	<u>(1,469,026)</u>	<u>61,964,142</u>		

\* As the HKD is pegged to the USD, the Sub-Fund is not subject to any significant currency risk.

### (d) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Sub-Fund. The Sub-Fund's exposure to credit risk is monitored by the Manager on an ongoing basis until the termination date of the Sub-Fund.

At 21 February 2025 (date of termination) and 31 December 2023, part of the Sub-Fund's financial assets was exposed to credit risk. These include investments in financial assets and cash and cash equivalents, if any, placed with Brown Brothers Harriman & Co. (the "Custodian").

At 21 February 2025 (date of termination) and 31 December 2023, there were no significant concentration of credit risk to counterparties except to the Custodian. The cash and investments held by the Sub-Fund were deposited with the Custodian who had a credit rating of A+ as at 21 February 2025 as rated by Fitch (2023: A+). Bankruptcy or insolvency of the Custodian may cause delays or limitations of the Sub-Fund's ability to access its assets. The credit risk of the Custodian was considered insignificant.

The carrying amounts of financial asset best represent the maximum credit risk exposure at the date of statement of assets and liabilities.

### (e) Liquidity risk

Liquidity risk is the risk that the Sub-Fund will encounter difficulty in meeting obligations arising from their financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Sub-Fund. The Sub-Fund's prospectus provides for the daily creation and redemption of units and it is therefore exposed to the liquidity of meeting unitholder redemptions daily.

The Sub-Fund's policy is to regularly monitor current and expected liquidity requirements to ensure that they maintain sufficient reserves of cash and readily realisable marketable securities to meet their respective liquidity requirements in the short and longer term.

## **11 Financial instruments and associated risks (continued)**

### **(e) Liquidity risk (continued)**

All of Sub-Fund's investments are listed investments which are considered to have insignificant exposures to liquidity risk as they are all readily realisable under normal market conditions.

All other financial liabilities disclosed in the statement of assets and liabilities mature within three months from the date of the statement of assets and liabilities or are repayable on demand.

The Sub-Fund's liquidity risk is managed on a daily basis by the Manager in accordance with the policies and procedures in place. The Sub-Fund's redemption policy permits investors to submit redemption request through the Trustee/Registrar or an appointed distributor until 14 February 2025 (the Last Dealing Day).

### **(f) Capital management**

The Sub-Fund's capital as at the reporting date is represented by the respective net assets attributable to unitholders.

The Sub-Fund's objective in managing the capital is safeguard the company's ability to repay debts before termination. The Manager manages the capital of the Sub-Fund in accordance with the Sub-Fund's investment objectives and policies stated in the Sub-Fund's Prospectus.

There were no changes in the policies and procedures during the period with respect to the Sub-Fund's approach to its capital management.

The Sub-Fund is not subject to externally imposed capital requirements.

The amount and the movement of equity are stated in the statement of changes in equity. As the redeemable units are redeemed on demand at the unitholders' option, the actual level of redemption may differ significantly from historical experience. All the Sub-Fund's units were compulsorily redeemed on 21 February 2025 (date of termination).

## 12 Fair value information

The Sub-Fund's financial instruments are measured at fair value at the reporting date. Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instruments. Usually, fair values can be reliably determined within a reasonable range. For certain other financial instruments, including amounts due from brokers, interest and dividends receivables, cash at banks, amounts due to brokers, distribution payable, accruals and other payables, the carrying amounts approximate fair values due to the immediate or short-term nature of these financial instruments.

### ***Valuation of financial instruments***

The Sub-Fund's accounting policy on fair value measurements is detailed in the significant accounting policy in note 2(d)(iii) and 2(d)(iv).

The Sub-Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). The category includes instruments valued using quoted market price in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which 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 prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

When fair values of listed and quoted investments at the reporting date are based on quoted market prices or binding dealer price quotations in an active market, without any deduction for transactions costs, the instruments are included within Level 1 of the hierarchy. When fair values of debt securities at the reporting date represent quoted prices in markets that are considered less than active or consensus prices derived by third parties using valuation techniques where all significant inputs are directly or indirectly observable from market data, those debt securities are included within Level 2 of the hierarchy. Fair values of derivatives are determined by valuation techniques. Level 3 investment consisted of equity instrument which has been suspended for trading and in these financial statements it is revalued from last traded price before suspension based on relevant news and information. For all other financial instruments, their carrying amounts approximate fair value due to the intermediate or short-term nature of these financial instruments.

## 12 Fair value information (continued)

The following analyses financial instruments at fair value through profit or loss at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised.

There were no financial instruments held by the Sub-Fund as at 21 February 2025 (date of termination).

### As at 31 December 2023

	Level 1 HKD	Level 2 HKD	Level 3 HKD	Total HKD
<b>Financial assets at fair value through profit or loss</b>				
Listed equity securities	60,530,489	-	-	60,530,489
	<u>60,530,489</u>	<u>-</u>	<u>-</u>	<u>60,530,489</u>

There were no transfers of financial instruments between Level 1 and Level 2, or transfers into or out of Level 3 during the current period and the previous period. The Sub-Fund accounts for investments it transfers in and out of each level at the end of the period.

## 13 Reconciliation of net asset value

The following schedule shows the reconciliation between the net assets attributable to unitholders determined in accordance with the Prospectus of the Trust and the net assets attributable to unitholders determined in accordance with IFRS.

The Prospectus of the Trust states that the establishment costs are capitalized and amortised over 5 years starting from the inception of the Sub-Fund until 20 July 2027, while the IFRS requires establishment costs to be expensed immediately. As at 21 February 2025 (date of termination), the unamortised amount for CICC China Equity Fund was HKD 124,043 (31 December 2023: HKD 188,751) and has been borne by the Manager.

### CICC China Equity Fund

	21 February 2025 (date of termination) HKD	31 December 2023 HKD
Net assets attributable to unitholders as determined for the purposes of processing unit subscriptions and redemptions	-	62,152,893
Adjustment to establishment costs	-	<u>(188,751)</u>
<b>Net assets attributable to unitholders (per financial statements)</b>	<u>-</u>	<u>61,964,142</u>

### 13 Reconciliation of net asset value (continued)

#### CICC China Equity Fund

	21 February 2025 <i>(date of termination)</i> HKD	31 December 2023 HKD
Net assets per unit as determined for the purposes of processing unit subscriptions and redemptions	–	71.05
<b>Net assets per unit (per financial statements)</b>	–	<b>70.83</b>

### 14 Segment information

The Manager makes the strategic resource allocation on behalf of the Sub-Fund and determines the operating segments based on the internal reporting used to make strategic decisions.

The Manager’s asset allocation decisions are based on one single and integrated investment strategy for the Sub-Fund, and the Sub-Fund’s performance is evaluated on an overall basis. Accordingly, the Manager considers that the Sub-Fund has one single operating segment which is investing in a portfolio of financial instruments to generate investment returns in accordance with the investment objectives stipulated in the Prospectus.

All revenues and losses generated from investments by the Sub-Fund are disclosed in the statement of comprehensive income. The segment information provided to the Manager is the same as that disclosed in the statement of comprehensive income and the statement of assets and liabilities.

### 15 Contingent liabilities and capital commitments

As at 21 February 2025 (date of termination) and 31 December 2023, there were no contingent liabilities or capital commitments outstanding.

### 16 Subsequent Events

The Manager has evaluated the effect of all subsequent events occurring through 19 June 2025, the date the financial statements were available to be issued, and has determined that there are no material events that would require disclosure in the Sub-Fund’s financial statements other than those listed below:

On 19 March 2025, the Manager bore a total amount of HKD 5,132 for the Sub-Fund due to under-accrued expenses, which includes an administration fee of HKD 282, trustee and registrar fees of HKD 1,277 and custody, transaction, and other fees of HKD 3,573. The Sub-Fund has settled all the payables in full by cash in the amount of HKD 782,873 on 19 March 2025. In addition, the Sub-Fund was deauthorized from the SFC on 28 March 2025.

## Statement of movements in portfolio holdings for the period ended 21 February 2025 (date of termination) (Unaudited)

### CICC China Equity Fund

	<i>Beginning holding balance as at 31 December 2023</i>	<i>Additions</i>	<i>Corporate Actions</i>	<i>Disposals</i>	<i>Closing holding balance as at 21 February 2025</i>
Investments					
Agricultural Bank of China Ltd - A	300,000	100,000	–	(400,000)	–
Agricultural Bank of China Ltd - H	630,000	–	–	(630,000)	–
AIA Group Ltd	–	8,000	–	(8,000)	–
Air China Ltd - H	–	266,000	–	(266,000)	–
Alibaba Group Holding Ltd	41,000	39,300	–	(80,300)	–
Alibaba Group Holding Ltd ADR	1,600	–	–	(1,600)	–
Amer Sports Inc	–	2,800	–	(2,800)	–
Angelalign Technology Inc	5,000	–	–	(5,000)	–
Anhui Heli Co Ltd - A	–	24,000	–	(24,000)	–
Anhui Yingliu Electromechanical Co Ltd - A	–	69,000	–	(69,000)	–
ANTA Sports Products Ltd	–	11,000	–	(11,000)	–
Baidu Inc - A	19,000	–	–	(19,000)	–
Baidu Inc ADR	600	–	–	(600)	–
Bank of China Ltd - A	240,000	–	–	(240,000)	–
Bank of China Ltd - H	460,000	420,000	–	(880,000)	–
Baozun Inc ADR	18,000	–	–	(18,000)	–
BeiGene Ltd	8,000	–	–	(8,000)	–
Beijing Kingsoft Office Software Inc - A	1,403	–	–	(1,403)	–
Beijing Roborock Technology Co Ltd - A	2,000	1,000	360	(3,360)	–
Bilibili Inc - W	–	11,200	–	(11,200)	–
Bosideng International Holdings Ltd	–	150,000	–	(150,000)	–
BYD Co Ltd - H	2,500	–	–	(2,500)	–
BYD Electronic International Co Ltd	34,000	10,000	–	(44,000)	–
China Coal Energy Co Ltd - H	–	100,000	–	(100,000)	–
China Construction Bank Corp - H	300,000	433,000	–	(733,000)	–

## Statement of movements in portfolio holdings for the period ended 21 February 2025 (date of termination) (Unaudited) (continued)

CICC China Equity Fund (continued)

<i>Investments</i>	<i>Beginning holding balance as at 31 December 2023</i>	<i>Additions</i>	<i>Corporate Actions</i>	<i>Disposals</i>	<i>Closing holding balance as at 21 February 2025</i>
China Hongqiao Group Ltd	–	30,000	–	(30,000)	–
China Life Insurance Co Ltd - H	30,000	90,000	–	(120,000)	–
China Longyuan Power Group Corp Ltd - H	–	50,000	–	(50,000)	–
China Medical System Holdings Ltd	–	160,000	–	(160,000)	–
China Mengniu Dairy Co Ltd	44,000	163,000	–	(207,000)	–
China Merchants Bank Co Ltd - H	–	75,000	–	(75,000)	–
China Mobile Ltd	8,000	51,000	–	(59,000)	–
China Petroleum & Chemical Corp - H	–	310,000	–	(310,000)	–
China Power International Development Ltd	–	120,000	–	(120,000)	–
China Resources Beer Holdings Co Ltd	–	58,000	–	(58,000)	–
China Resources Gas Group Ltd	–	50,000	–	(50,000)	–
China Resources Power Holdings Co Ltd	–	40,000	–	(40,000)	–
China Shenhua Energy Co Ltd - H	25,000	36,000	–	(61,000)	–
China Telecom Corp Ltd - H	150,000	278,000	–	(428,000)	–
China Unicom Hong Kong Ltd	–	130,000	–	(130,000)	–
Chinasoft International Ltd	200,000	50,000	–	(250,000)	–
Chow Tai Fook Jewellery Group Ltd	90,000	–	–	(90,000)	–
CMOC Group Ltd - H	–	108,000	–	(108,000)	–
CNOOC Ltd	115,000	76,000	–	(191,000)	–
Contemporary Amperex Technology Co Ltd - A	–	5,500	–	(5,500)	–

## Statement of movements in portfolio holdings for the period ended 21 February 2025 (date of termination) (Unaudited) (continued)

CICC China Equity Fund (continued)

<i>Investments</i>	<i>Beginning holding balance as at 31 December 2023</i>	<i>Additions</i>	<i>Corporate Actions</i>	<i>Disposals</i>	<i>Closing holding balance as at 21 February 2025</i>
COSCO SHIPPING					
Holdings Co Ltd - H	–	75,000	–	(75,000)	–
Cowell e Holdings Inc	–	56,000	–	(56,000)	–
East Buy Holding Ltd	23,000	–	–	(23,000)	–
Ecovacs Robotics Co					
Ltd - A	–	11,000	–	(11,000)	–
ENN Energy Holdings Ltd	–	12,000	–	(12,000)	–
Eoptolink Technology Inc					
Ltd - A	–	8,000	–	(8,000)	–
First Tractor Co Ltd - H	–	70,000	–	(70,000)	–
FIT Hon Teng Ltd	–	100,000	–	(100,000)	–
Flat Glass Group Co					
Ltd - H	–	32,000	–	(32,000)	–
GCL Technology Holdings					
Ltd	–	900,000	–	(900,000)	–
GDS Holdings Ltd - A	–	113,800	–	(113,800)	–
Giant Biogene Holding Co					
Ltd	–	12,000	–	(12,000)	–
Giant Network Group Co					
Ltd - A	40,000	10,000	–	(50,000)	–
Gree Electric Appliances					
Inc of Zhuhai - A	–	18,000	–	(18,000)	–
Guangdong CHJ Industry					
Co Ltd - A	–	80,000	–	(80,000)	–
Guangdong Investment					
Ltd	–	210,000	–	(210,000)	–
Gushengtang Holdings					
Ltd	9,000	–	–	(9,000)	–
H World Group Ltd	50,000	60,000	–	(110,000)	–
Haidilao International					
Holding Ltd	–	30,000	–	(30,000)	–
Haier Smart Home Co					
Ltd - H	–	20,000	–	(20,000)	–
Hainan Jinpan Smart					
Technology Co Ltd - A	–	36,000	–	(36,000)	–

## Statement of movements in portfolio holdings for the period ended 21 February 2025 (date of termination) (Unaudited) (continued)

CICC China Equity Fund (continued)

<i>Investments</i>	<i>Beginning holding balance as at 31 December 2023</i>	<i>Additions</i>	<i>Corporate Actions</i>	<i>Disposals</i>	<i>Closing holding balance as at 21 February 2025</i>
Hangzhou First Applied Material Co Ltd - A	–	16,000	–	(16,000)	–
Hangzhou Yindu Kitchen Equipment Co Ltd - A	–	26,000	–	(26,000)	–
Hexing Electrical Co Ltd - A	–	14,000	–	(14,000)	–
Hisense Home Appliances Group Co Ltd - H	–	84,000	–	(84,000)	–
Hisense Visual Technology Co Ltd - A	–	24,000	–	(24,000)	–
HSBC Holdings PLC	18,000	35,000	–	(53,000)	–
Huagong Tech Co Ltd - A	–	15,000	–	(15,000)	–
Huaneng Power International Inc - H	70,000	–	–	(70,000)	–
Hygeia Healthcare Holdings Co Ltd - C	–	135,000	–	(135,000)	–
Iflytek Co Ltd - A	13,000	–	–	(13,000)	–
Industrial & Commercial Bank of China Ltd - H	–	640,000	–	(640,000)	–
Inner Mongolia Yili Industrial Group Co Ltd - A	–	26,000	–	(26,000)	–
JCET Group Co Ltd - A	10,000	–	–	(10,000)	–
JD Logistics Inc	–	141,000	–	(141,000)	–
JD.com Inc - SW	23,000	35,000	–	(58,000)	–
Jiangsu King's Luck Brewery JSC Ltd - A	5,000	–	–	(5,000)	–
Jiangsu Yoke Technology Co Ltd - A	–	6,000	–	(6,000)	–
Kanzhun Ltd ADR	–	6,800	–	(6,800)	–
KE Holdings Inc ADR	10,000	–	–	(10,000)	–
Kingdee International Software Group Co Ltd	–	266,000	–	(266,000)	–
Kingsoft Corp Ltd	–	72,000	–	(72,000)	–
Kuaishou Technology - B	16,000	28,000	–	(44,000)	–

## Statement of movements in portfolio holdings for the period ended 21 February 2025 (date of termination) (Unaudited) (continued)

CICC China Equity Fund (continued)

<i>Investments</i>	<i>Beginning holding balance as at 31 December 2023</i>	<i>Additions</i>	<i>Corporate Actions</i>	<i>Disposals</i>	<i>Closing holding balance as at 21 February 2025</i>
Kweichow Moutai Co Ltd - A	200	–	–	(200)	–
Lao Feng Xiang Co Ltd - A	5,000	8,000	–	(13,000)	–
Leader Harmonious Drive Systems Co Ltd - A	3,000	2,000	–	(5,000)	–
Lenovo Group Ltd	60,000	50,000	–	(110,000)	–
Li Auto Inc - A	6,000	–	–	(6,000)	–
Li Ning Co Ltd	–	60,000	–	(60,000)	–
Luxshare Precision Industry Co Ltd - A	–	13,000	–	(13,000)	–
Luzhou Laojiao Co Ltd A	3,000	–	–	(3,000)	–
Maoyan Entertainment	–	60,000	–	(60,000)	–
Meitu Inc	–	120,000	–	(120,000)	–
Meituan W	6,000	55,900	–	(61,900)	–
Midea Group Co Ltd A	–	9,000	–	(9,000)	–
MINISO Group Holding Ltd	29,000	16,000	–	(45,000)	–
Nanjing Cosmos Chemical Co Ltd - A	–	8,000	8,000	(16,000)	–
NAURA Technology Group Co Ltd - A	–	1,500	–	(1,500)	–
NetEase Inc	4,000	7,000	–	(11,000)	–
New China Life Insurance Co Ltd - A	12,000	–	–	(12,000)	–
New Oriental Education & Technology Group Inc	20,000	11,000	–	(31,000)	–
Nexteer Automotive Group Ltd	100,000	–	–	(100,000)	–
Nongfu Spring Co Ltd - H	–	10,000	–	(10,000)	–
Orient Overseas International Ltd	4,000	2,000	–	(6,000)	–
PDD Holdings Inc ADR	2,000	750	–	(2,750)	–
PetroChina Co Ltd - H	100,000	400,000	–	(500,000)	–
Pharmaron Beijing Co Ltd - A	8,000	–	–	(8,000)	–

## Statement of movements in portfolio holdings for the period ended 21 February 2025 (date of termination) (Unaudited) (continued)

CICC China Equity Fund (continued)

<i>Investments</i>	<i>Beginning holding balance as at 31 December 2023</i>	<i>Additions</i>	<i>Corporate Actions</i>	<i>Disposals</i>	<i>Closing holding balance as at 21 February 2025</i>
Pharmaron Beijing Co Ltd - H	14,000	–	–	(14,000)	–
PICC Property & Casualty Co Ltd - H	–	110,000	–	(110,000)	–
Ping An Insurance Group Co of China Ltd - H	18,000	45,000	–	(63,000)	–
Pop Mart International Group Ltd	51,000	35,000	–	(86,000)	–
Power Assets Holdings Ltd	–	49,000	–	(49,000)	–
Remegen Co Ltd - H	7,000	–	–	(7,000)	–
Samsonite International SA	24,000	–	–	(24,000)	–
Semiconductor Manufacturing International Corp	–	146,500	–	(146,500)	–
Shaanxi Coal Industry Co Ltd - A	–	34,000	–	(34,000)	–
Shandong Gold Mining Co Ltd - H	–	52,000	–	(52,000)	–
Shanghai Moons' Electric Co Ltd - A	6,000	–	–	(6,000)	–
Shanghai Taisheng Wind Power Equipment Co Ltd - A	–	60,000	–	(60,000)	–
Shanxi Lu'an Environmental Energy Development Co Ltd - A	–	22,000	–	(22,000)	–
Shenzhen International Group Holdings Ltd	13,000	15,000	–	(28,000)	–
Sieyuan Electric Co Ltd - A	–	6,000	–	(6,000)	–
Sinotruk Hong Kong Ltd	–	94,000	–	(94,000)	–
Sunny Optical Technology Group Co Ltd	20,000	–	–	(20,000)	–

## Statement of movements in portfolio holdings for the period ended 21 February 2025 (date of termination) (Unaudited) (continued)

CICC China Equity Fund (continued)

<i>Investments</i>	<i>Beginning holding balance as at 31 December 2023</i>	<i>Additions</i>	<i>Corporate Actions</i>	<i>Disposals</i>	<i>Closing holding balance as at 21 February 2025</i>
Sunresin New Materials Co Ltd - A	10,500	–	–	(10,500)	–
Super Hi International Holding Ltd	–	20,000	–	(20,000)	–
Suzhou Dongshan Precision Manufacturing Co Ltd - A	–	20,000	–	(20,000)	–
Taiwan Semiconductor Manufacturing Co Ltd ADR	–	950	–	(950)	–
TCL Electronics Holdings Ltd	–	120,000	–	(120,000)	–
Techtronic Industries Co Ltd	–	10,000	–	(10,000)	–
Tencent Holdings Ltd	6,200	13,400	–	(19,600)	–
Trip.com Group Ltd	4,000	7,600	–	(11,600)	–
Uni-President China Holdings Ltd	–	140,000	–	(140,000)	–
Venustech Group Inc - A	20,000	–	–	(20,000)	–
Vipshop Holdings Ltd ADR	4,000	5,000	–	(9,000)	–
Wasion Holdings Ltd	–	198,000	–	(198,000)	–
Weibo Corp ADR	3,000	3,000	–	(6,000)	–
Weichai Power Co Ltd - H	–	70,000	–	(70,000)	–
WUS Printed Circuit Kunshan Co Ltd - A	30,000	–	–	(30,000)	–
Wuxi Best Precision Machinery Co Ltd - A	–	18,000	8,460	(26,460)	–
XD Inc	–	45,000	–	(45,000)	–
Xiaomi Corp W	–	145,800	–	(145,800)	–
Xinyi Solar Holdings Ltd	–	180,000	–	(180,000)	–
XPeng Inc - A	14,000	6,000	–	(20,000)	–
Xuji Electric Co Ltd - A	–	14,000	–	(14,000)	–
Yadea Group Holdings Ltd	–	140,000	–	(140,000)	–

## Statement of movements in portfolio holdings for the period ended 21 February 2025 (date of termination) (Unaudited) (continued)

CICC China Equity Fund (continued)

<i>Investments</i>	<i>Beginning holding balance as at 31 December 2023</i>	<i>Additions</i>	<i>Corporate Actions</i>	<i>Disposals</i>	<i>Closing holding balance as at 21 February 2025</i>
Yankuang Energy Group Co Ltd - H	–	134,000	18,600	(152,600)	–
Yantai Jereh Oilfield Services Group Co Ltd - A	–	32,000	–	(32,000)	–
Yum China Holdings Inc	–	4,000	–	(4,000)	–
Yutong Bus Co Ltd - A	–	44,000	–	(44,000)	–
Zhaojin Mining Industry Co Ltd - H	101,000	–	–	(101,000)	–
Zhejiang Shuanghuan Driveline Co Ltd - A	10,000	–	–	(10,000)	–
Zhejiang XCC Group Co Ltd - A	–	22,000	–	(22,000)	–
Zhongji Innolight Co Ltd - A	7,000	–	1,400	(8,400)	–
Zijin Mining Group Co Ltd - H	–	96,000	–	(96,000)	–
Zoomlion Heavy Industry Science and Technology Co Ltd - H	–	80,000	–	(80,000)	–
ZTO Express Cayman Inc	–	6,400	–	(6,400)	–

## Performance record (Unaudited)

### 1 Price record

	<i>Highest net asset value per unit HKD</i>	<i>Lowest net asset value per unit HKD</i>
14 February 2025 (the Last Dealing Day) <sup>1</sup>	87.83	62.13
31 December 2023 <sup>2</sup>	100.33	68.45

<sup>1</sup> The financial period of the Sub-Fund from 1 January 2024 to 21 February 2025 (date of termination).

<sup>2</sup> The first financial period of the Sub-Fund from 21 July 2022 to 31 December 2023.

### 2 Total net asset value and net asset value per unit

	<i>Total net asset value HKD</i>	<i>Net asset value per unit HKD</i>
<i>As at</i>		
14 February 2025 (the Last Dealing Day)	74,520,500	85.18
31 December 2023	62,152,893	71.05

### 3 Performance of the Sub-Fund

	<i>Performance</i>
The period from 1 January 2024 to 14 February 2025 (the Last Dealing Day)	19.89%
The period from 21 July 2022 (date of inception) to 31 December 2023	(28.95%)

Investors should note that investments involve risks and not all investment risks are predictable. Prices of Sub-Fund's units may go up as well as down and past performance information presented is not indicative of future performance. Investors should read the Prospectus of the Trust including the full text of the risk factors stated therein (such as the arrangement in the event that the Sub-Fund is delisted) in detail before making any investment decision.

## Statement of disclosure - ESG (Unaudited)

According to the Climate-related Risk Relevance Assessment and Materiality Assessment of the Sub-Fund conducted with data as at 30 September 2024, it is determined that climate-related risks are relevant and material to the Sub-Fund.

In view of the results, the portfolio carbon footprint of CICC China Equity Fund is 58.4 tons CO<sub>2</sub>e/\$M invested as of 14 February 2025 (the Last Dealing Day).

### Notes

1. The data above represents unaudited data that reflects 95.7% of the CICC China Equity Fund's coverage as of 14 February 2025 (the Last Dealing Day).
2. Sub-Fund included for disclosure of portfolio carbon footprint are those deemed to have relevant and material to climate-related risks, and of which the Manager is responsible for the overall operation of the Sub-Fund.
3. The portfolio carbon footprint measures the carbon emissions for which an investor is responsible, per USD million invested, by their equity ownership.
4. The portfolio carbon footprint and the carbon emissions data of the Sub-Fund's underlying portfolio companies are provided by MSCI ESG Research.
5. A limitation of the portfolio carbon footprint figure is the asset class coverage. The figure currently covers listed equities, corporate and sovereign bonds in the MSCI Climate Change Metrics Coverage universe.
6. A limitation of the portfolio carbon footprint figure is the omission of Scope 3 carbon emissions. The data availability of Scope 3 emissions is limited due to challenges in data collection. Thus, estimation is often adopted that relies on modelled estimates. The Manager will consider the disclosure of Scope 3 emissions accordingly in the future.