ANNUAL REPORT

CCB INTERNATIONAL FUND SERIES
CCB INTERNATIONAL - CHINA POLICY DRIVEN FUND
(A sub-fund of an open-ended unit trust established as an umbrella fund under the laws of the Hong Kong)

FOR THE YEAR ENDED 31 DECEMBER 2024

CCB INTERNATIONAL FUND SERIES
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31 December 2024

CONTENTS **Pages**

ADMINISTRATION AND MANAGEMENT	1
REPORT OF THE TRUSTEE	2
INDEPENDENT AUDITOR'S REPORT	3 - 5
Statement of net assets	6
Statement of profit and loss and other comprehensive income	7
Statement of changes in net assets attributable to unitholders	8
Statement of cash flows	9
Notes to the financial statements	10 - 37
PORTFOLIO STATEMENT (unaudited)	38 - 39
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (unaudited)	40 - 41
PERFORMANCE RECORD (unaudited)	42

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ADMINISTRATION AND MANAGEMENT

Manager

CCB International Asset Management Limited
12/F, CCB Tower
3 Connaught Road Central
Central
Hong Kong

Directors of the Manager

Li Lu
Lee Yat Chun
Wei Yucheng

Trustee and registrar

HSBC Institutional Trust Services (Asia) Limited
1 Queen's Road Central
Hong Kong

Auditors

Ernst & Young
27/F One Taikoo Place,
979 King's Road,
Quarry Bay,
Hong Kong

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REPORT OF THE TRUSTEE

We hereby confirm that, in our opinion, the Sub-fund has, in all material respects, been managed in accordance with the provisions of the Amended and Restate Trust Deed dated 22 April 2020, as amended, for the year ended 31 December 2024.

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)
) For and on behalf of
) HSBC Institutional Trust Services
) (Asia) Limited
)
)

INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF CCB INTERNATIONAL – CHINA POLICY DRIVEN FUND

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of CCB International – China Policy Driven Fund (a "Sub-Fund" of CCB International Fund Series) set out on pages 6 to 37, which comprise the statement of net assets as at 31 December 2024, and the statement of profit and loss and other comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Sub-Fund as at 31 December 2024, and of its financial performance and its cash flows for the year then ended, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). 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 Sub-Fund in accordance with the HKICPA's 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.

Other Information

The Manager and the Trustee of the Sub-Fund are responsible for the other information. The other information comprises the information included in this 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 for the Financial Statements

The Manager and the Trustee of the Sub-Fund are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS Accounting Standards as 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 Sub-Fund are responsible for assessing the Sub-Fund'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 the Manager and the Trustee either intend to liquidate the Sub-Fund or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager and the Trustee of the Sub-Fund are required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the Trust Deed dated 22 April 2020 and the supplemental deed dated 6 November 2024, as amended, and Appendix E of the Code on Unit Trusts and Mutual Funds ("the SFC Code") issued by the Hong Kong Securities and Futures Commission.

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 auditor's report that includes our opinion. Our 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 HKSAs 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 have been properly prepared, in all material respects, in accordance with the relevant disclosure 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 HKSAs, 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.

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

- 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'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 and the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund'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 Sub-Fund 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 the Trustee of the 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 disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code

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

Certified Public Accountants
Hong Kong
29 April 2025

CCB INTERNATIONAL FUND SERIES
- CCB INTERNATIONAL - CHINA POLICY DRIVEN FUND

STATEMENT OF NET ASSETS

AS AT 31 DECEMBER 2024

	Notes	2024 HK$	2023 HK$
ASSETS			
Current Assets			
Financial assets at fair value through profit or loss	6, 8(f)	59,482,860	59,253,890
Interest receivable		3,216	10,357
Dividend receivable		139,520	150,000
Amounts due from unitholders on subscription of units		66,014	85,079
Prepaid expense		12,000	12,000
Cash and cash equivalents	7, 8(b)	16,016,398	20,948,413
Total assets		75,720,008	80,459,739
LIABILITIES			
Current Liabilities			
Amounts due to brokers		1,827,117	-
Amounts due to unitholders on redemption of units		151,868	100,238
Management fee payable	8(a)	110,889	117,129
Trustee fee payable	8(c)	62,059	60,094
Transaction fee payable	8(c)	2,135	2,735
Other payables		199,923	205,657
Total liabilities		2,353,991	485,853
Equity			
Net assets attributable to unitholders	10	73,366,017	79,973,886

Approved by the Trustee and the Manager on 29 April 2025.

.....	.....
For and on behalf of	For and on behalf of
HSBC Institutional Trust Services (Asia) Limited	CCB International Asset Management Limited

The accompanying notes on pages 10 to 37 are an integral part of these financial statements.

CCB INTERNATIONAL FUND SERIES
- CCB INTERNATIONAL - CHINA POLICY DRIVEN FUND

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 HK$	2023 HK$
INCOME			
Dividend income		2,589,767	2,916,529
Interest income	8(b)	604,612	595,204
Net gains/(losses) on financial assets at fair value through profit or loss	4	11,970,593	(15,237,699)
Net foreign exchange losses		(14)	(33,040)
Total income/(losses)		15,164,958	(11,759,006)
EXPENSES			
Management fee	8(a)	(1,336,412)	(1,756,627)
Trustee fee	8(c)	(743,044)	(737,201)
Transaction fee	8(c), 12	(25,572)	(58,866)
Auditor's remuneration		(188,500)	(209,070)
Brokerage commission and other transaction costs	12	(178,921)	(936,668)
Safe custody and bank charges	8(b)	(20,980)	(25,819)
Legal and professional fees		(47,484)	(9,600)
Other expenses		(12,000)	(12,000)
Total expenses		(2,552,913)	(3,745,851)
Profit/(loss) before taxation		12,612,045	(15,504,857)
Tax expenses	5	(189,982)	(205,017)
Total comprehensive income/(loss) for the year		12,422,063	(15,709,874)

The accompanying notes on pages 10 to 37 are an integral part of these financial statements.

CCB INTERNATIONAL FUND SERIES
- CCB INTERNATIONAL - CHINA POLICY DRIVEN FUND

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 Number of units	2024 HK$	2023 Number of units	2023 HK$
Balance at beginning of 1 January		12,614,507	79,973,886	16,850,017	124,825,071
Total comprehensive income/(loss) for the year		-	12,422,063	-	(15,709,874)
Issue of units					
HKD Class	9	2,536,287	18,388,785	929,049	6,504,190
Redemption of units					
HKD Class	9	(5,388,665)	(37,418,717)	(5,164,559)	(35,645,501)
Total transactions with unitholders		(2,852,378)	(19,029,932)	(4,235,510)	(29,141,311)
Balance at end of 31 December		9,762,129	73,366,017	12,614,507	79,973,886

The accompanying notes on pages 10 to 37 are an integral part of these financial statements.

CCB INTERNATIONAL FUND SERIES
- CCB INTERNATIONAL - CHINA POLICY DRIVEN FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 HK$	2023 HK$
Cash flows from operating activities			
Total comprehensive income/(loss) for the year		12,422,063	(15,709,874)
Adjustments for:			
Dividend income		(2,589,767)	(2,916,529)
Interest income		(604,612)	(595,204)
Withholding taxes		189,982	205,017
Net cash generated from/(used in) operating activities before working capital changes		9,417,666	(19,016,590)
(Increase)/decrease in financial assets at fair value through profit or loss		(228,970)	49,494,092
Increase in amounts due to brokers		1,827,117	-
Decrease in management fee payable		(6,240)	(66,904)
Increase/(decrease) in trustee fee payable		1,965	(89,649)
Decrease in transaction fee payable		(600)	(4,087)
Decrease in other payables		(5,734)	(1,335)
Cash generated from operations		11,005,204	30,315,527
Dividend received		2,600,247	2,766,529
Interest received		611,753	587,624
Tax paid		(189,982)	(205,017)
Net cash generated from operating activities		14,027,222	33,464,663
Cash flows from financing activities			
Proceeds from issue of units		18,407,850	6,499,659
Payments on redemption of units		(37,367,087)	(35,806,984)
Net cash used in financing activities		(18,959,237)	(29,307,325)
Net (decrease)/ increase in cash and cash equivalents		(4,932,015)	4,157,338
Cash and cash equivalents at beginning of the year		20,948,413	16,791,075
Cash and cash equivalents at end of the year	8(b)	16,016,398	20,948,413
Analysis of balances of cash and cash equivalents:			
Cash at bank	7	307,579	346,329
Time deposits with original maturities of three months or less	7	15,708,819	20,602,084
		16,016,398	20,948,413

The accompanying notes on pages 10 to 37 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

1. General information

CCB International Fund Series (the "Trust") was constituted as an open-ended unit trust established as an umbrella fund under the laws of Hong Kong pursuant to a trust deed dated 12 January 2009 (the "Trust Deed") between CCB International Asset Management Limited (the "Manager") and HSBC Institutional Trust Services (Asia) Limited (the "Trustee").

CCB International - China Policy Driven Fund (the "Sub-Fund") was constituted as a separate sub-fund of the Trust on 21 January 2009. The Sub-Fund is an open-ended unit trust and authorised by the Hong Kong Securities and Futures Commission under section 104(1) of the Hong Kong Securities and Futures Ordinance and is governed by the Hong Kong Code on Unit Trusts and Mutual Funds issued by the Hong Kong Securities and Futures Commission (the "SFC Code"). The Sub-Fund is also a collective investment scheme which is included as permissible investment under the Capital Investment Entrant Scheme.

The purpose of the Sub-Fund is to achieve capital growth over the long-term for the unitholders through investing in a broad range of companies listed primarily on Hong Kong stock exchange and/or any international securities exchanges and to benefit from the policies in place and/or to be made by the government and/or statutory bodies of Mainland China, Hong Kong, Macau and Taiwan.

2. Summary of material accounting policies

(a) Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), the relevant disclosure provisions of the Trust Deed, and the relevant disclosure requirements specified in Appendix E of the SFC Code. A summary of the material accounting policies adopted by the Sub-Fund is set out below.

(b) Basis of preparation of the financial statements

The functional and presentation currency of the Sub-Fund is the Hong Kong dollar ("HK$").

The financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss which are measured at fair value (the "FVPL").

The preparation of financial statements in conformity with IFRS Accounting Standards requires the management to make judgments, estimates and assumptions that affect the application of accounting 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.

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.

2. Summary of material accounting policies (continued)

(c) Standards and amendments to existing standards effective 1 January 2024

The Sub-Fund has applied the following revised IFRS Accounting Standards for the first time for its annual reporting period commencing 1 January 2024:

Amendments to IAS 1	*Classification of Liabilities as Current or Non-current (the "2020 Amendments")*
Amendments to IAS 1	*Non-current Liabilities with Covenants (the "2022 Amendments")*

Amendments to IAS 1 *Classification of Liabilities as Current or Non-current and Amendments to IAS 1 Non-current Liabilities with Covenants*

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Sub-Fund has reassessed the terms and conditions of its liabilities as at 1 January 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Sub-Fund.

2. Summary of material accounting policies (continued)

(d) New standards, amendments and interpretations which are relevant to the Sub-Fund and effective for the financial year after 1 January 2024 and have not been early adopted

The Sub-Fund has not early applied any of the new and revised IFRS Accounting Standards that have been issued but are not yet effective for the accounting year ended 31 December 2024 in these financial statements. Among these new and revised IFRS Accounting Standards, the following are expected to be relevant to the Sub-Fund's financial statements upon becoming effective:

IFRS 18	*Presentation and Disclosure in Financial Statements*[2]
Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*[1]
Annual Improvements to IFRS Accounting Standards – Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7[1]

[1] Effective for annual periods beginning on or after 1 January 2026
[2] Effective for annual/reporting periods beginning on or after 1 January 2027

IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from IAS 1 with limited changes, IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in IAS 1 are moved to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as IAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of IFRS 18, limited, but widely applicable, amendments are made to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other IFRS Accounting Standards. IFRS 18 and the consequential amendments to other IFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Sub-Fund is currently analysing the new requirements and assessing the impact of IFRS 18 on the presentation and disclosure of the Sub-Fund's financial statements.

2. Summary of material accounting policies (continued)

(d) New standards, amendments and interpretations which are relevant to the Sub-Fund and effective for the financial year after 1 January 2024 and have not been early adopted (continued)

Amendments to IFRS 9 and IFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Sub-Fund's financial statements.

Annual Improvements to IFRS Accounting Standards – Volume 11 set out amendments to IFRS 1, IFRS 7 (and the acSub-Funding *Guidance on implementing IFRS 7*), IFRS 9, IFRS 10 and IAS 7. Details of the amendments that are expected to be applicable to the Sub-Fund are as follows:

- IFRS 7 *Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of IFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing IFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing IFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Sub-Fund's financial statements.

- IFRS 9 *Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 of IFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of IFRS 9 and Appendix A of IFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Sub-Fund's financial statements.

- IAS 7 *Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of IAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Sub-Fund's financial statements.

2. Summary of material accounting policies (continued)

(e) Foreign currency

(i) Functional and presentation currency

The subscriptions and redemptions of the redeemable units denominated in HK$ for HKD Class and in RMB for RMB Class. The performance of the Sub-Fund is measured and reported to the investors in HK$ for HKD Class and in RMB for RMB Class. The Manager considers HK$ as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The financial statements are presented in HK$, which is the Sub-Fund's functional and presentation currency. During the years, there were no outstanding units for RMB Class.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the statement of financial position date.

Foreign exchange gains and losses arising from translation are included in the statement of profit and loss and other comprehensive income.

Foreign exchange gains and losses relating to cash and cash equivalents are presented in the statement of profit and loss and other comprehensive income within 'net foreign exchange gains or losses'.

Foreign exchange gains and losses relating to the financial assets carried at FVPL are presented in the statement of profit and loss and other comprehensive income within 'net gains/(losses) on financial assets at fair value through profit or loss'.

2. Summary of material accounting policies (continued)

(f) Financial instruments

(i) Classification

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

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

(a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or

(b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or

(c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

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

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

Financial assets measured at amortised cost

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

2. Summary of material accounting policies (continued)

(f) Financial instruments (continued)

(i) Classification (continued)

Financial assets (continued)
Financial assets measured at fair value through profit or loss (FVPL)
A financial asset is measured at fair value through profit or loss if:

(a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding; or

(b) It is not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell; or

(c) At initial recognition, it is irrevocably designated as measured at FVPL when doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Sub-Fund includes in this category:

- Listed equities: These include investments that are held under a business model to manage them on a fair value basis for investment income and fair value gains.

Financial liabilities
Financial liabilities measured at amortised cost
This category includes all financial liabilities, other than those measured at FVPL. The Sub-Fund includes in this category management fee payable, trustee fee payable, transaction fee payable, amounts due to unitholders on redemption of units and other payables.

(ii) Recognition
The Sub-Fund recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument.

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

(iii) Initial measurement
Financial assets and financial liabilities at FVPL are recorded in the statement of net assets at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

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

2. Summary of material accounting policies (continued)

(f) Financial instruments (continued)

(iv) Subsequent measurement

After initial measurement, the Sub-Fund measures financial instruments which are classified as at FVPL. Subsequent changes in the fair value of those financial instruments are recorded in 'Net gains / (losses) on financial assets at fair value through profit or loss'. Divided and interest earned of such financial assets is recorded separately in 'Dividend income' and 'Interest income' respectively.

Debit instruments, other than those classified as at FVPL, are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

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

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating and recognising the interest income or interest expense in profit or loss over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the Sub-Fund estimates cash flows considering all contractual terms of the financial instruments, but does not consider expected credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(v) Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Sub-Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Sub-Fund has:

(a) Transferred substantially all of the risks and rewards of the asset; or

(b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

2. Summary of material accounting policies (continued)

(f) Financial instruments (continued)

(v) Derecognition (continued)
The Sub-Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

(vi) Fair value estimation
The Sub-Fund measures its investments in financial instruments, such as interest bearing investments at fair value at each reporting date.

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

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Sub-Fund.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

For all other financial instruments not traded in an active market, the fair value is determined by using appropriate valuation techniques, such as, recent arm's length market transactions, quotes from brokers and market makers, deemed to be appropriate in the circumstances.

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

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

2. Summary of material accounting policies (continued)

(f) Financial instruments (continued)

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

(vii) Impairment of financial assets
The Sub-Fund holds only short-term receivables with no financing component and which have maturities of less than 12 months at amortised cost and, as such, has chosen to apply an approach similar to the simplified approach for expected credit losses (ECL) under IFRS 9 to all its short-term receivables. Therefore, the Sub-Fund does not track changes in credit risk, but instead, recognises a loss allowance based on lifetime ECLs at each reporting date.

The Sub-Fund's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Sub-Fund uses the provision matrix as a practical expedient to measuring ECLs on trade receivables, based on days past due for groupings of receivables with similar loss patterns. Receivables are grouped based on their nature. The provision matrix is based on historical observed loss rates over the expected life of the receivables and is adjusted for forward-looking estimates.

The Sub-Fund assesses at each reporting date whether a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that have occurred after the initial recognition of the asset (an incurred loss event) and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

(viii) Offsetting financial instruments
Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Sub-Fund currently has a legally enforceable right to set-off the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(g) Amount due from and due to brokers

Amounts due from and to brokers represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of net assets date respectively.

2. Summary of material accounting policies (continued)

(h) Cash and cash equivalents

Cash and cash equivalents in the statement of net assets comprise cash at bank and short-term deposits in banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months of less.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts when applicable.

(i) Transactions costs

Transaction costs are costs incurred to acquire financial assets at fair value through profit or loss. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction fee, when incurred, are immediately recognised in profit or loss as an expense.

(j) Taxation

Under the section 26A(1A) of the Hong Kong Inland Revenue Ordinance, the Sub-Fund is exempt from paying income taxes.

The Sub-Fund currently incurs withholding taxes imposed by the People's Republic of China (the "PRC") on investment income. Such income is recorded gross of withholding taxes in the statement of profit and loss and other comprehensive income. Withholding taxes are shown as a separate item in the statement of profit and loss and other comprehensive income.

(k) Income

Dividend income
Dividend income is recognised on the date on which the investments are quoted ex-dividend or, where no ex-dividend date is quoted when the Sub-Fund's right to receive the payment is established. Dividend income is presented gross of any non-recoverable withholding taxes.

Interest income
Interest income is recognised using the effective interest rate method.

Net gains or losses on financial assets through profit or loss
This item includes changes in the fair value of financial assets held for trading and excludes interest and dividend income.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of prior period's unrealised gains and losses for financial instruments which were realised in the reporting period.

Realised gains and losses on disposals of financial instruments classified as at FVPL are calculated using the weighted average method. They represent the difference between an instrument's initial carrying amount and disposal amount.

2. Summary of material accounting policies (continued)

(l) Expenses

All expenses are recognised in statement of profit and loss and other comprehensive income on an accrual basis.

(m) Related parties

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

(a) the party is a person or a close member of that person's family and that person
  (i) has control or joint control over the Sub-Fund;
  (ii) has significant influence over the Sub-Fund; or
  (iii) is a member of the key management personnel of the Sub-Fund or of a parent of the Sub-Fund; or

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

(n) 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.

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

(o) Redeemable units

The Sub-Fund issue redeemable units, which are redeemable at the unitholder's option and are classified as equity in accordance with IAS 32 for the years ended 31 December 2024 and 2023.

2. Summary of material accounting policies (continued)

(o) Redeemable units (continued)

A class of share 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 share is in the class of instruments that is subordinate to all other classes of instruments.
- All shares in the class of instruments that is subordinate to all other classes of instruments have identical features.
- The share 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 share 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.

In addition to the share having all the above features, the Sub-Fund must have no other financial instrument or contract that has:

- Total cash flows 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, and
- The effect of substantially restricting or fixing the residual return to the shareholders.

The Sub-Fund continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features or meet all the conditions set out to be classified as equity, the Sub-Fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Sub-Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

Redeemable units can be put back to the respective Sub-Fund at any time for cash equal to a proportionate share of the respective Sub-Fund's trading net asset value calculated in accordance with the Trust Deed.

3. Critical accounting estimates and assumptions

The Manager makes estimates and assumptions concerning the future. The resulting accounting estimates may, by definition, not equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements

In preparing these financial statements, the Manager has made certain judgements which are dependent on what might happen in the future. The judgements made by the Manager may not equal the related actual results.

No significant accounting estimates and critical judgements are made for the Sub-Fund.

4. Net gains/(losses) on financial assets at fair value through profit & loss

	2024 HK$	2023 HK$
Net gains/(losses) on financial assets at FVPL		
- Realised gains/(losses)	1,705,662	(8,300,335)
- Change in unrealised gains/(losses)	10,264,931	(6,937,364)
	11,970,593	(15,237,699)

5. 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.

Certain dividend income received by the Sub-Fund is subject to withholding tax imposed in the PRC which is charged at 10% of dividends received.

6. Financial assets at fair value through profit or loss

	2024 HK$	2023 HK$
Financial assets at FVPL		
- Listed equities	59,482,860	59,253,890
Investments, at cost	51,401,570	61,437,531
Net unrealised appreciation/(depreciation) in value of investments	8,081,290	(2,183,641)
Investments, at market value	59,482,860	59,253,890

7. Cash and cash equivalents

	2024 HK$	2023 HK$
Cash at banks	307,579	346,329
Time deposits	15,708,819	20,602,084

The cash at banks of the Sub-Fund is being held in an interest bearing account with The Hong Kong and Shanghai Banking Corporation Limited at normal commercial terms, an affiliate company of the Trustee. As at 31 December 2024, the time deposits of the Sub-Fund is being held in The Hong Kong and Shanghai Banking Corporation Limited, an affiliate company of the Trustee and China Minsheng Bank Corp., Ltd (2023: The Hong Kong and Shanghai Banking Corporation Limited, an affiliate company of the Trustee and China Minsheng Bank Corp., Ltd) with interest bearing ranged 1.88% to 5.94% per annum (2023: 0.31% to 5.53% per annum). The original maturities of the time deposits are less than three months.

8. Transactions with the Manager, Trustee and Custodian and their connected persons

The following is a summary of significant related parties transactions/transactions entered into during the year between the Sub-Fund and the Manager, Trustee and Custodian and their connected persons. Connected Persons of the Manager and Trustee are those as defined in the SFC Code. All transactions entered into during the year between the Sub-Fund and Manager, Trustee and Custodian and their Connected Persons were carried out in the normal course of business and on normal commercial terms. To the best of the Manager's knowledge, the Sub-Fund does not have any other transactions with Connected Persons except for those disclosed below:

8. Transactions with the Manager, Trustee and Custodian and their connected persons (continued)

(a) Management fee

The Manager receives a management fee, payable monthly in arrears, equivalent to 1.75% per annum of the net asset value of the Sub-Fund accrued on each dealing day, which is defined in the Sub-Fund's prospectus as every business day. The management fees charged and payable for the year are as follows:

	2024 HK$	2023 HK$
Management fees charged for the year	1,336,412	1,756,627
Management fees payable as at year end	110,889	117,129

The Manager is not entitled to receive a performance fee for the years ended 31 December 2024 and 2023.

(b) Bank balances

The Sub-Fund maintains bank accounts with The Hongkong and Shanghai Banking Corporation Limited, which is the immediate holding company of the Trustee. The balances of the bank accounts amounted to HK$10,977,579 as at 31 December 2024 (2023: HK$8,696,329).

Interest income amounted to HK$318,860 (2023: HK$9,015) was earned from the bank balances of The Hongkong and Shanghai Banking Corporation Limited during the year. Safe custody and bank charges of HK$20,980 (2023: HK$25,819) were charged during the year.

(c) Trustee and transaction fees

The Trustee receives a fee equivalent to 0.125% per annum for the first US$50 million of the net asset value of the Sub-Fund and 0.10% per annum thereafter. It is accrued on each dealing day, payable monthly in arrears, subject to a minimum fee of US$40,000 per annum. In addition, the Trustee provides valuation services to the Sub-Fund for a fee of US$130 per valuation day and provide oversight services required under the revised Unit Trust Code for a fee of US$4,000 per annum. The trustee fees charged and payable for the year are as follows:

	2024 HK$	2023 HK$
Trustee fees charged for the year	743,044	737,201
Trustee fees payable as at year end	62,059	60,094

8. Transactions with the Manager, Trustee and Custodian and their connected persons (continued)

(c) Trustee and transaction fees

The Trustee also receives a charge of US$50, US$30 and US$25 for each investment buy/sell transaction of the Sub-Fund in the PRC market, South Korea market and Hong Kong market, respectively. The transaction fees charged and payable for the year are as follows:

	2024 HK$	2023 HK$
Transaction fees charged for the year	25,572	58,866
Transaction fees payable as at year end	2,135	2,735

(d) Brokerage services

The Sub-Fund may use the brokerage services of a fellow subsidiary of the Manager to purchase and sell investments. During the years ended 31 December 2024 and 2023, there are no such transactions executed with the Manager and Trustee and their connected persons during the year.

(e) Manager's and its connected persons' holding in the Sub-Fund

As at 31 December 2024, a related company of the Manager, CCB International (Holdings) Limited ("CCBIH"), holds 390,000 (2023: 3,120,000) units of the Sub-Fund. The Manager does not hold units of the Sub-Fund as at 31 December 2024 and 2023.

The movement of the units held by CCBIH during the year is as follows:

	2024 CCBIH	2023 CCBIH
Number of units in issue brought forward	3,120,000	6,240,000
Units redeemed during the year	(2,730,000)	(3,120,000)
Number of units in issue as at 31 December	390,000	3,120,000

(f) Investments

	2024 HK$	2023 HK$
Equity securities held with:		
The Hongkong and Shanghai Banking Corporation Limited	59,482,860	59,253,890

9. Soft commission arrangements

The Manager has entered into soft commission arrangements with brokers under which certain goods and services used to support investment decision making are received by the Manager. The Manager does not make direct payment for these services but transacts an agreed amount of business with the brokers on behalf of the Sub-Fund. Commission is paid from the Sub-Fund on these transactions.

The services utilised for the Sub-Fund include the following:

- research and advisory services;
- economic and political analysis;
- portfolio analysis, including valuation and performance measurement;
- market analysis, data and quotation services;
- computer hardware and software incidental to the above goods and services; and
- clearing and custodian services and investment - related publications.

10. Units in issue and net asset value per unit

Two classes of units, namely HKD Class and RMB Class, are available for the Sub-Fund. For the years ended 31 December 2024 and 2023, there are no RMB class issued and redeemed during 2024 and 2023.

	2024 HKD Class	2023 HKD Class
Number of units in issue brought forward	12,614,507	16,850,017
Units issued during the year	2,536,287	929,049
Units redeemed during the year	(5,388,665)	(5,164,559)
Number of units in issue as at 31 December	9,762,129	12,614,507

	2024 HKD Class HK$	2023 HKD Class HK$
Net asset value per unit	7.52	6.34

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

11. Financial instruments and associated risks

The Sub-Fund's investing activities expose them to various types of risks that are associated with the financial instruments and markets in which they invest. 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 the Sub-Fund's offering document.

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

(a) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment or its issuer, or factors affecting all instruments traded in the market. The Sub-Fund is exposed to price risk as changes in market prices of its investments will affect the valuation of the Sub-Fund. Price risk can be mitigated by constructing a diversified portfolio of investments across different issuers, different sectors, or traded in different markets in accordance with the investment objective of the Sub-Fund.

The Sub-Fund is not directly correlated with any market index. The impact on a 5% increase in value of the investments at year end, with all other variables held constant, is shown below. An equal change in the opposite direction would have reduced the net asset value by an equal but opposite amount. The Manager has used its view of what would be a "reasonable possible shift" in each key market to estimate the change in the sensitivity analysis below. However, this does not represent a prediction of the future movement in the corresponding key markets.

	2024		2023	
	HK$	Changes in net assets if equity price changes by 5% +/-	HK$	Changes in net assets if equity price changes by 5% +/-
Market exposure				
Listed equities	59,482,860	2,974,143	59,253,890	2,962,695

11. Financial instruments and associated risks (continued)

(b) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of market interest rates on the fair value of financial assets and liabilities and future cash flow.

The Sub-Fund has no significant interest-bearing financial assets and liabilities except for cash and cash equivalents amounted to HK$16,016,398 (2023: HK$20,948,413). At the date of statement of net assets, assuming all other factors unchanged, should interest rates increase/decrease by 50 basis points, increase/decrease in total comprehensive income of the Sub-Fund would amount to HK$80,082 (2023: HK$104,742).

(c) Currency risk

The Sub-Fund has no significant currency risk because its business is principally conducted in Hong Kong and most of the transactions are denominated in HKD. Accordingly, no sensitivity analysis on currency risk is presented.

11. Financial instruments and associated risks (continued)

(d) Credit risk

Credit risk is the risk that a counterparty to a financial instrument fails 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.

Investments in listed securities are quoted on recognised stock exchanges. Transactions involving convertible instrument is with counterparty of sound credit standing. Management regularly reviews their latest credit standing and did not expect any investment counterparties fail to meet its obligations.

As at 31 December 2024 and 2023, the Sub-Fund's financial assets subject to the expected credit loss model within IFRS 9 are amounts due from unitholders on subscription of units, interest receivable, dividend receivable, amounts due from unitholders on subscription of units and cash and cash equivalents.

The Sub-Fund has adopted general approach for these financial assets subject to IFRS 9's impairment requirements. The loss allowance shown, if any, is therefore based on 12-month or life time ECLs for general approach depending on the credit quality of each respective financial assets.

The carrying amount of the Sub-Fund's financial assets at FVTPL as disclosed in note 6 to these financial statements, which are held by the custodian, best represents their respective maximum exposure to credit risk. The Sub-Fund holds no collateral over any of these balances.

In calculating the loss allowance, a provision matrix has been used based on historical observed loss rates over the expected life of the receivables adjusted for forward-looking estimates. As at 31 December 2024 and 2023, no loss allowance had been provided. No assets are considered impaired and no amounts have been written off in the period.

Credit risk arising from transaction with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered low due to the short settlement period involved and the high credit quality of the brokers used.

The carrying amounts of financial assets represent the maximum credit risk exposure at the date of statement of net assets. The Sub-Fund measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Management consider both historical analysis and forward looking information in determining any expected credit loss. Credit risk on amount due from unitholders on subscription of units is minimal as the Sub-Fund closely monitors the aging of the receivables balances. Follow up action is taken in case of overdue balances as part of the Sub-Fund's process of monitoring the credit risk. The Management consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Sub-Fund.

11. Financial instruments and associated risks (continued)

(d) Credit risk (continued)

The table below summarises the net exposure to the Sub-Fund's counterparties as at 31 December 2024 together with its credit rating.

	HK$	Credit ratings	Source of credit ratings
Banks			
The Hongkong and Shanghai Banking Corporation Limited	10,977,579	AA-	S&P
China Minsheng Banking Corp., Ltd.	5,038,819	BBB-	S&P
Custodian			
The Hongkong and Shanghai Banking Corporation Limited	59,482,860	AA-	S&P

The table below summarises the net exposure to the Sub-Fund's counterparties as at 31 December 2023 together with its credit rating.

	HK$	Credit ratings	Source of credit ratings
Banks			
The Hongkong and Shanghai Banking Corporation Limited	8,696,329	AA-	S&P
China Minsheng Banking Corp., Ltd.	12,252,084	BBB-	S&P
Custodian			
The Hongkong and Shanghai Banking Corporation Limited	59,253,890	AA-	S&P

(e) Liquidity risk

Liquidity risk arises from the risk that the Sub-fund may not be able to convert investments into cash to meet liquidity needs in a timely manner. The Sub-Fund is exposed to daily liquidity risk on redemption of units.

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

11. Financial instruments and associated risks (continued)

(e) Liquidity risk (continued)

The Sub-Fund may periodically invest in unlisted equity investments that are not traded in an active market. As a result, the Sub-Fund may not be able to liquidate quickly its investment at an amount close to its fair value to meet its liquidity requirements. The Sub-Fund therefore manages its liquidity risk by investing predominantly in listed investments, which under normal market conditions, are readily convertible to cash within one month.

	On demand HK$	Less than 1 month HK$	More than 1 month but less than 1 year HK$	Total HK$
As at 31 December 2024				
Financial assets				
Financial assets at fair value through profit or loss	-	59,482,860	-	59,482,860
Interest receivable	-	3,216	-	3,216
Dividend receivable	-	139,520	-	139,520
Amount due from unitholders on subscription of units	-	66,014	-	66,014
Cash and cash equivalents	307,579	15,708,819	-	16,016,398
	307,579	75,400,429	-	75,708,008
Financial liabilities				
Amounts due to brokers	-	1,827,117	-	1,827,117
Amounts due to unitholders on redemption of units	-	151,868	-	151,868
Management fee payable	-	110,889	-	110,889
Trustee fee payable	-	62,059	-	62,059
Transaction fee payable	-	2,135	-	2,135
Other payables	-	1,823	198,100	199,923
	-	2,155,891	198,100	2,353,991

11. Financial instruments and associated risks (continued)

(e) Liquidity risk (continued)

	On demand HK$	Less than 1 month HK$	More than 1 month but less than 1 year HK$	Total HK$
As at 31 December 2023				
Financial assets				
Financial assets at fair value through profit or loss	-	59,253,890	-	59,253,890
Interest receivable	-	10,357	-	10,357
Dividend receivable	-	150,000	-	150,000
Amount due from unitholders on subscription of units	-	85,079	-	85,079
Cash and cash equivalents	346,329	20,602,084	-	20,948,413
	346,329	80,101,410	-	80,447,739
Financial liabilities				
Amounts due to unitholders on redemption of units	-	100,238	-	100,238
Management fee payable	-	117,129	-	117,129
Trustee fee payable	-	60,094	-	60,094
Transaction fee payable	-	2,735	-	2,735
Other payables	-	1,857	203,800	205,657
	-	282,053	203,800	485,853

(f) Concentration risk

At 31 December 2024, two (2023: two) unitholders held more than 10% of the Sub-Fund's issued units.

(g) Capital risk management

The capital of the Sub-Fund is represented by the net assets attributable to unitholders of redeemable units. The amount of net asset attributable to unitholders of redeemable units can change significantly on a daily basis, as the Sub-Fund is subject to daily subscriptions and redemptions at the discretion of unitholders. The Sub-Fund's objective when managing capital is to safeguard the Sub-Fund's ability to continue as a going concern in order to provide returns for unitholders, provide benefits for other stakeholders and maintain a strong capital base to support the development of the investment activities of the Sub-Fund.

11. Financial instruments and associated risks (continued)

(g) Capital risk management (continued)

In order to maintain or adjust the capital structure, the Sub-Fund's policy is to perform the following:

- Monitor the level of daily subscriptions and redemptions relative to the assets it expects to be able to liquidate daily and adjust the amount of distributions the Sub-Fund pays to redeemable unitholders.
- Redeem and issue new units in accordance with the constitutional documents of the Sub-Fund, which include the ability to restrict redemptions and require certain minimum holdings and subscriptions.

The Manager and Trustee monitors capital on the basis of the value of net assets attributable to unitholders.

(h) Fair value estimation

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the year end date. The Sub-Fund utilises the last traded market price for both financial assets. If a significant movement in fair value occurs subsequent to the close of trading up to midnight in Hong Kong on the year end date, valuation techniques will be applied to determine the fair value.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The fair value of financial assets that are not traded in an active market is determined by using valuation techniques. The Sub-Fund uses a variety of methods and makes assumptions that are based on market conditions existing at each year end date. Valuation techniques used for non-standardised financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

For instruments for which there is no active market, the Sub-Fund may use internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

11. Financial instruments and associated risks (continued)

(h) Fair value estimation (continued)

The carrying value less impairment provision of receivables and payables are assumed to approximate their fair values.

The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The following table analyses within the fair value hierarchy the Sub-Fund's assets (by class) measured at fair value at 31 December 2024 and 2023. The investments below are listed in the Hong Kong stock exchange. Countries below represent where the issuers of the investments were incorporated.

For the years ended 31 December 2024 and 2023, there were no transfers between levels.

The Sub-Fund's other assets and liabilities are carried at amortised cost; their carrying values are a reasonable approximation of fair value.

11. Financial instruments and associated risks (continued)

(h) Fair value estimation (continued)

	As at 31 December 2024	As at 31 December 2023
	Level 1 HK$	Level 1 HK$
Investments		
Listed equities:		
Canada		
Basic materials	-	1,867,600
Cayman Islands		
Communications	14,435,090	9,128,800
Consumer, cyclical	-	-
Consumer, non-cyclical	420,700	-
Financial	1,868,800	-
Industrial	375,000	-
Technology	1,367,400	1,350,480
China		
Basic materials	480,760	-
Communications	2,610,320	2,393,600
Consumer, cyclical	6,182,610	3,038,960
Energy	2,326,100	-
Financial	12,685,280	18,012,120
Utilities	-	659,300
Hong Kong		
Communications	5,902,400	5,104,400
Diversified	-	2,730,000
Energy	2,887,120	1,638,000
Financial	884,400	4,818,950
Industrial	1,463,400	1,636,200
Technology	-	1,310,400
Utilities	5,593,480	5,565,080
Total investments	59,482,860	59,253,890

12. Transaction fees and brokerage commission and other transaction costs

Brokerage commission and other transactions costs pertain to the broker commission for every transaction made through the broker at the average market rate based on the transaction value and the fees such as trading fee and transaction levy for every transaction made on the exchange.

The transaction fees represented the fees paid to the Trustee disclosed at note 7(c) to these financial statements.

13. Distribution policy

The Manager does not presently intend to make cash distributions in respect of the Sub-Fund. Income earned by the Sub-Fund will be reinvested in the Sub-Fund and reflected in the value of its units.

14. Approval of the financial statements

The financial statements were approved and authorised for issue by the Trustee and the Manager on 29 April 2025.

CCB INTERNATIONAL FUND SERIES
- CCB INTERNATIONAL - CHINA POLICY DRIVEN FUND

PORTFOLIO STATEMENT (UNAUDITED)

AS AT 31 DECEMBER 2024

	Holdings shares	Market value HK$	% of NAV
Listed equities:			
Hong Kong			
AAC TECHNOLOGIES HOLDINGS INC	10,000	375,000	0.51
AGRICULTURAL BANK OF CHINA-H	220,000	974,600	1.33
ALIBABA GROUP HOLDING LTD	22,200	1,829,280	2.49
BANK OF CHINA LTD-H	210,000	833,700	1.14
BANK OF COMMUNICATIONS CO LTD-H	220,000	1,405,800	1.92
BYD CO LTD	8,000	2,132,800	2.91
C L P HOLDINGS LTD	42,000	2,742,600	3.74
CHINA CITIC BANK-H	284,000	1,525,080	2.08
CHINA MERCHANTS BANK CO LTD-H	34,000	1,360,000	1.85
CHINA MOBILE LTD	37,500	2,872,500	3.91
CHINA OVERSEAS PROPERTY HOLDINGS LIMITED	365,000	1,868,800	2.55
CHINA PETROLEUM AND CHEMICAL CORPORATION-H	174,000	774,300	1.06
CHINA RESOURCES POWER HOLDINGS CO LTD	151,000	2,850,880	3.89
CHINA SHENHUA ENERGY CO LTD-H	28,000	940,800	1.28
CHINA TELECOM CORPORATION LTD-H	536,000	2,610,320	3.56
CHINA UNICOM HONG KONG LTD	410,000	3,029,900	4.13
CNOOC LTD	151,000	2,887,120	3.94
FUYAO GLASS INDUSTRY GROUP-H	18,000	1,007,100	1.37
HAIER SMART HOME CO LTD-H	18,000	495,000	0.67
HONG KONG EXCHANGES AND CLEARING LTD	3,000	884,400	1.21
INDUSTRIAL AND COMMERCIAL BANK OF CHINA-H	560,000	2,917,600	3.98
JD COM INC	6,200	843,200	1.15

CCB INTERNATIONAL FUND SERIES
- CCB INTERNATIONAL - CHINA POLICY DRIVEN FUND

PORTFOLIO STATEMENT (UNAUDITED)

AS AT 31 DECEMBER 2024

	Holdings shares	Market value HK$	% of NAV
Listed equities (continued)			
Hong Kong (continued)			
MEITUAN	18,300	2,776,110	3.78
MIDEA GROUP CO LTD	9,000	679,950	0.93
MTR CORP LTD	54,000	1,463,400	1.99
PETROCHINA CO LTD-H	100,000	611,000	0.83
PING AN INSURANCE (GROUP) CO LTD-H	18,000	828,900	1.13
PSBC	620,000	2,839,600	3.87
SEMICONDUCTOR MANUFACTURING	43,000	1,367,400	1.86
SHANGHAI PHARMACEUTICALS HOLDING CO LTD H	148,000	1,867,760	2.55
TENCENT HOLDINGS LTD	11,500	4,795,500	6.54
TRIP.COM GROUP LTD	1,500	810,000	1.10
WH GROUP LTD ORD	70,000	420,700	0.57
XIAOMI CORP	98,000	3,381,000	4.61
ZIJIN MINING GROUP CO LTD-H	34,000	480,760	0.65
Total listed equities		59,482,860	81.08
Other net assets		13,883,157	18.92
Total net assets		73,366,017	100.00
Total listed equities (at cost)		51,401,570	

CCB INTERNATIONAL FUND SERIES
- CCB INTERNATIONAL - CHINA POLICY DRIVEN FUND

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

AS AT 31 DECEMBER 2024

	Holdings			
	1 January 2024	Additions	Disposals	31 December 2024
	Shares	Shares	Shares	Shares
Listed equities				
Hong Kong				
AAC TECHNOLOGIES HOLDINGS INC	-	10,000	-	10,000
AGRICULTURAL BANK OF CHINA-H	1,000,000	-	780,000	220,000
AIA GROUP LTD	59,000	-	59,000	-
ALIBABA GROUP HOLDING LTD	-	27,000	4,800	22,200
BANK OF CHINA LTD-H	870,000	-	660,000	210,000
BANK OF COMMUNICATIONS CO LTD-H	220,000	-	-	220,000
BYD CO LTD	-	8,000	-	8,000
C L P HOLDINGS LTD	-	42,000	-	42,000
CGN MINING CO LTD	-	460,000	460,000	-
CHINA CITIC BANK-H	710,000	84,000	510,000	284,000
CHINA GOLD INTERNATIONAL RESOURCES CORP LTD	56,000	-	56,000	-
CHINA LIFE INSURANCE CO LTD-H	206,000	-	206,000	-
CHINA MERCHANTS BANK CO LTD-H	-	34,000	-	34,000
CHINA MOBILE LTD	45,500	8,000	16,000	37,500
CHINA OVERSEAS PROPERTY HOLDINGS LIMITED	-	510,000	145,000	365,000
CHINA PETROLEUM AND CHEMICAL CORPORATION-H	-	174,000	-	174,000
CHINA RESOURCES POWER HOLDINGS CO LTD	300,000	-	149,000	151,000
CHINA SHENHUA ENERGY CO LTD-H	-	28,000	-	28,000
CHINA TELECOM CORPORATION LTD-H	640,000	76,000	180,000	536,000
CHINA UNICOM HONG KONG LTD	440,000	100,000	130,000	410,000
CITIC LTD	350,000	-	350,000	-
CNOOC LTD	126,000	80,000	55,000	151,000
FUYAO GLASS INDUSTRY GROUP-H	-	18,000	-	18,000
GIANT BIOGENE HOLDING CO LTD	-	35,000	35,000	-
HAIER SMART HOME CO LTD-H	-	18,000	-	18,000
HISENSE HOME APPLIANCES GROUP CO LTD	80,000	-	80,000	-
HONG KONG AND CHINA GAS CO LTD	146,000	130,000	276,000	-
HONG KONG EXCHANGES AND CLEARING LTD	3,000	1,500	1,500	3,000
HUADIAN POWER INTERNATIONAL COMP-H	190,000	-	190,000	-

CCB INTERNATIONAL FUND SERIES
- CCB INTERNATIONAL - CHINA POLICY DRIVEN FUND

STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

AS AT 31 DECEMBER 2024

	Holdings			
	1 January 2024	Additions	Disposals	31 December 2024
	Shares	Shares	Shares	Shares
Listed equities (continued)				
Hong Kong (continued)				
INDUSTRIAL AND COMMERCIAL BANK OF CHINA-H	710,000	-	150,000	560,000
JD COM INC	-	9,000	2,800	6,200
KINGSOFT CORP LTD	-	68,000	68,000	-
KUAISHOU TECHNOLOGY	-	30,000	30,000	-
LENOVO GROUP LTD	120,000	-	120,000	-
MEITUAN	-	22,100	3,800	18,300
MIDEA GROUP CO LTD	-	9,000	-	9,000
MTR CORP LTD	54,000	-	-	54,000
PETROCHINA CO LTD-H	-	100,000	-	100,000
PICC PROPERTY AND CASUALTY CO LTD-H	150,000	-	150,000	-
PING AN INSURANCE (GROUP) CO LTD-H	-	18,000	-	18,000
PSBC	680,000	100,000	160,000	620,000
SEMICONDUCTOR MANUFACTURING	68,000	-	25,000	43,000
SHANGHAI PHARMACEUTICALS HOLDING CO LTD-H	148,000	-	-	148,000
TENCENT HOLDINGS LTD	20,000	-	8,500	11,500
TRIP.COM GROUP LTD	6,000	3,000	7,500	1,500
WH GROUP LTD ORD	-	70,000	-	70,000
XIAOMI CORP	102,000	20,000	24,000	98,000
XINYI SOLAR HOLDINGS LTD	-	320,000	320,000	-
ZIJIN MINING GROUP CO LTD-H	-	34,000	-	34,000

	% of net assets	
	2024	2023
Listed equities		
Hong Kong	81.08	74.09
Total investments	81.08	74.09
Other net assets	18.92	25.91
Total net assets	100.00	100.00

CCB INTERNATIONAL FUND SERIES
- CCB INTERNATIONAL - CHINA POLICY DRIVEN FUND

PERFORMANCE RECORD (UNAUDITED)

(a) Price record (Dealing NAV)

	Lowest		Highest	
	HKD Class	RMB Class	HKD Class	RMB Class
Year/period ended 31 December	HK$	RMB	HK$	RMB
2024	5.96	-	8.05	-
2023	6.17	-	8.43	-
2022	6.03	-	11.47	-
2021	11.02	-	17.40	-
2020	8.49	8.62	14.04	10.66
2019	8.42	8.34	10.24	10.20
2018	8.38	8.42	12.11	11.13
2017	9.59	9.47	11.64	11.19
2016	9.35	-	11.64	-
2015	10.86	-	18.82	-
2014	10.93	-	15.43	-
2013	8.21	-	12.40	-
2012	7.39	-	10.32	-
2011	9.46	-	19.05	-
2010	14.85	-	19.22	-
2009 (since inception)	9.94	-	17.79	-

(b) Total net asset value

	2024	2023	2022
	HK$	HK$	HK$
Total net asset value			
– HKD Class	73,366,017	79,973,886	124,825,071

(c) Net asset value per unit

	2024	2023	2022
	HK$	HK$	HK$
Net asset value per unit			
– HKD Class	7.52	6.34	7.41