# ANNUAL REPORT

# CCB INTERNATIONAL RMB FUND SERIES
# - CCB INTERNATIONAL - RMB FIXED INCOME 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 RMB FUND SERIES**
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**31 December 2024**

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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**
BOCI-Prudential Trustee Limited
Suites 1501-1507 & 1513-1516,
15/F, 1111 King's Road
Taikoo Shing
Hong Kong

**Custodian**
Bank of China (Hong Kong) Limited
14/F, Bank of China Tower
1 Garden Road
Hong Kong

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

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## TRUSTEE'S REPORT

We hereby confirm that, in our opinion, the Manager, CCB International Asset Management Limited, has, in all material respects, managed CCB International RMB Fund Series - CCB International RMB Fixed Income Fund for the year ended 31 December 2024 in accordance with the provisions of the Trust Deed dated 29 December 2010 and the supplemental deed dated 6 November 2024.

On behalf of
BOCI-Prudential Trustee Limited, the Trustee
29 April 2025

**INDEPENDENT AUDITOR'S REPORT**
**TO THE UNITHOLDERS OF**
**CCB INTERNATIONAL RMB FUND SERIES (THE "FUND")**

## Report on the Financial Statements

### Opinion

We have audited the financial statements of CCB International RMB Fixed Income Fund (the "Sub-Fund" of CCB International RMB Fund Series) set out on pages 6 to 44, which comprise the statement of financial position as at 31 December 2024, and the statement of 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 issued by the International Accounting Standards Board ("IASB").

### Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") 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 issued by the ISAB, and for such internal control as the Manager and the Trustee determine are 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 of the Sub-Fund dated 29 December 2010 and the supplemental deed dated 6 November 2024 (The "Trust Deed") 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.

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

- 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 of the Sub-Fund.

- 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 RMB FUND SERIES**
**- CCB INTERNATIONAL - RMB FIXED INCOME FUND**

## STATEMENT OF FINANCIAL POSITION

**As at 31 December 2024**

| | Notes | 2024<br>RMB | 2023<br>RMB |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Financial assets at fair value through profit or loss | 4(a),9(e) | 28,782,793 | 29,113,735 |
| Prepaid expenses | | 39,743 | 10,953 |
| Interest receivable | | 332,747 | 368,677 |
| Cash and cash equivalents | 6, 9(d) | 350,766 | 279,036 |
| **Total assets** | | 29,506,049 | 29,772,401 |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Management fee payable | 9(a) | 17,920 | 17,554 |
| Trustee fee payable | 9(b) | 20,667 | 20,000 |
| Custodian fee payable | 9(c) | 620 | 627 |
| Distribution payable | 8 | 101,460 | 132,000 |
| Accrued expenses and other payable | | 176,263 | 170,078 |
| Tax payable | 10 | 8,766 | 8,766 |
| **Total liabilities** | | 325,696 | 349,025 |
| **EQUITY** | | | |
| Net assets attributable to unitholders | 7 | 29,180,353 | 29,423,376 |

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

| | |
|---|---|
| ……..…… | ……..…… |
| For and on behalf of<br>BOCI-Prudential Trustee Limited,<br>as the Trustee | For and on behalf of<br>CCB International Asset Management Limited,<br>as the Manager |

The accompanying on pages 10 to 44 are integral part of these financial statements.

**CCB INTERNATIONAL RMB FUND SERIES**
**- CCB INTERNATIONAL - RMB FIXED INCOME FUND**

## STATEMENT OF COMPREHENSIVE INCOME

**For the year ended 31 December 2024**

| | Notes | 2024<br>RMB | 2023<br>RMB |
|---|---|---|---|
| **INCOME** | | | |
| Interest from financial assets at fair value through profit or loss | | 883,021 | 938,861 |
| Interest from bank deposits | 9(d) | 1,381 | 908 |
| Net gains on financial assets at fair value through profit or loss | 5 | 102,640 | 189,505 |
| Net foreign exchange losses | | (6,692) | (2,215) |
| | | 980,350 | 1,127,059 |
| **EXPENSES** | | | |
| Management fee | 9(a) | (205,898) | (210,711) |
| Trustee fee | 9(b) | (240,000) | (240,000) |
| License fee | | (11,085) | (10,868) |
| Custodian fee | 9(c) | (11,942) | (9,286) |
| Auditor's remuneration | | (171,811) | (168,460) |
| Investment handling fee | 9(g), 11 | (2,750) | (2,200) |
| Professional fee | | (31,099) | - |
| Bank charges | 9(d) | (3,001) | (2,060) |
| Other expenses | | (9,388) | (7,192) |
| **Total expenses** | | (686,974) | (650,776) |
| **Profit before taxation** | | 293,376 | 476,283 |
| Tax expenses | 10 | - | - |
| **Total comprehensive income for the year** | | 293,376 | 476,283 |

The accompanying on pages 10 to 44 are integral part of these financial statements.

**CCB INTERNATIONAL RMB FUND SERIES**
**- CCB INTERNATIONAL - RMB FIXED INCOME FUND**

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

**For the year ended 31 December 2024**

| | Note | 2024 Units | 2024 RMB | 2023 Units | 2023 RMB |
|---|---|---|---|---|---|
| **Balance at beginning of 1 January** | | 293,333.53 | 29,423,376 | 301,938.22 | 30,079,112 |
| **Total comprehensive income for the year** | | - | 293,376 | - | 476,283 |
| Subscription of units | | 664.05 | 66,709 | 780.57 | 78,367 |
| Redemption of units | | (4,112.01) | (413,726) | (9,385.26) | (942,916) |
| Distribution to unitholders | 8 | - | (189,382) | - | (267,470) |
| **Total transactions with unitholders** | | (3,447.96) | (536,399) | (8,604.69) | (1,132,019) |
| **Balance at 31 December** | | 289,885.57 | 29,180,353 | 293,333.53 | 29,423,376 |

The accompanying on pages 10 to 44 are integral part of these financial statements.

**CCB INTERNATIONAL RMB FUND SERIES**
**- CCB INTERNATIONAL - RMB FIXED INCOME FUND**

## STATEMENT OF CASH FLOWS

**For the year ended 31 December 2024**

| | Note | 2024<br>RMB | 2023<br>RMB |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Profit before taxation | | 293,376 | 476,283 |
| Adjustments for: | | | |
| Interest from financial assets at fair value through profit or loss | | (883,021) | (938,861) |
| Interest from bank deposits | | (1,381) | (908) |
| Net decrease in financial assets at fair value through profit or loss | | 330,942 | 116,095 |
| Increase in prepaid expenses | | (28,790) | (270) |
| Increase/(decrease) in management fee payable | | 366 | (17,758) |
| Increase in trustee fee payable | | 667 | - |
| Decrease in custodian fee payable | | (7) | (14) |
| Increase in accrued expenses and other payables | | 6,185 | 4,084 |
| Cash used in operations | | (281,663) | (361,349) |
| Interest received | | 920,332 | 927,677 |
| **Net cash from operating activities** | | 638,669 | 566,328 |
| **Cash flows from financing activities** | | | |
| Proceeds from subscription of units | | 66,709 | 78,367 |
| Payments for redemption of units | | (413,726) | (942,916) |
| Distribution to unitholders | | (219,922) | (241,148) |
| **Net cash used in financing activities** | | (566,939) | (1,105,697) |
| **Net increase/(decrease) in cash and cash equivalents for the year** | | 71,730 | (539,369) |
| Cash and cash equivalents at beginning of year | | 279,036 | 818,405 |
| **Cash and cash equivalents at the end of year, representing cash at bank** | 6 | 350,766 | 279,036 |

The accompanying on pages 10 to 44 are integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**

**31 December 2024**

## 1. General information

CCB International RMB 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 29 December 2010 (the "Trust Deed") and the supplemental deed dated 6 November 2024 between CCB International Asset Management Limited (the "Manager") and BOCI-Prudential Trustee Limited (the "Trustee").

CCB International - RMB Fixed Income Fund (the "Sub-Fund") was constituted as a separate sub-fund of the Trust on 25 March 2011. The Sub-Fund is an open-ended unit trust and is authorised by the Securities and Futures Commission of Hong Kong (the "SFC") under Section 104(1) of the Securities and Futures Ordinance and is required to comply with the Code on Unit Trusts and Mutual Funds established by the SFC (the "SFC Code"). As at 31 December 2024 and 2023, no other sub-fund had been established by the Trust.

The investment objective of the Sub-Fund is to achieve long-term capital return while maintaining a steady flow of income through investment primarily in a diversified portfolio of debt instruments denominated in Renminbi ("RMB"). It may also invest in other RMB denominated deposits issued outside Mainland China, such as bank certificate of deposit, bank deposits and negotiated term deposits, commercial papers and short term bills and notes.

## 2. Summary of material accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the year presented, unless otherwise stated.

### (a) Basis of preparation

The financial statements of the Sub-Fund have been prepared in accordance with IFRS accounting standards issued by the International Accounting Standards Board ("IASB"), the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions specified in Appendix E of the SFC Code.

The financial statements have been prepared under the historical cost convention, except for financial assets classified as at fair value through profit or loss that have been measured at fair value. The financial statements are presented in RMB and all values are rounded to the nearest RMB except when otherwise indicated.

The preparation of financial statements in conformity with IFRS accounting standards requires the use of certain critical accounting estimates. It also requires the Manager of the Sub-Fund to exercise its judgement in the process of applying the Sub-Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3 to these financial statements.

## 2. Summary of material accounting policies (continued)

### (a) Basis of preparation (continued)

Standards and amendments to existing standards effective 1 January 2024

The Sub-Fund has applied the following standards and amendments 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 2023 and 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)

New standards, amendments and interpretations which are relevant to the Sub-Fund and effective for the financial year after 1 January 2025 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 Financia 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)

New standards, amendments and interpretations which are relevant to the Sub-Fund and effective for the financial year after 1 January 2025 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)

### (b) Foreign currency

(i) Functional and presentation currency

The Sub-Fund's functional currency is the RMB, which is the currency of the primary economic environment in which it operates. The Sub-Fund's performance is evaluated and its liquidity is managed in RMB. Therefore, the RMB is considered as the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions. The Sub-Fund's presentation currency is also the RMB.

(ii) Transactions and balances

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

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

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign currency transaction gains and losses on financial instruments classified as at fair value through profit or loss are included in profit or loss in the statement of comprehensive income as part of the 'Net gains or losses on financial assets at fair value through profit or loss'.

### (c) 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).

## 2. Summary of material accounting policies (continued)

### (c) Financial instruments (continued)

(i) Classification (continued)

**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 interest receivable and cash and cash equivalents.

*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:

- Debt instruments. 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.

## 2. Summary of material accounting policies (continued)

### (c) Financial instruments (continued)

(i) Classification (continued)

**Financial liabilities**

*Financial liabilities measured at amortised cost*

This category includes all financial liabilities, other than those measured at fair value through profit or loss. The Sub-Fund includes in this category short-term payables, including management fee payable, trustee fee payable, custodian fee payable, distribution payable and accrued expenses and other payable.

(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 at FVPL are recorded in the statement of financial position at fair value. All transaction costs for such instruments are recognised directly in profit or loss.

Financial assets and 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.

(iii) Subsequent measurement

After initial measurement, the Sub-Fund measures financial instruments which are classified as at fair value through profit or loss at fair value. Subsequent changes in the fair value of those financial instruments are recorded in ”Net gains or losses on financial assets at fair value through profit or loss”. Interest earned of such instruments is recorded separately in ‘Interest from financial assets at fair value through profit or loss’.

Loans and receivables 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.

## 2. Summary of material accounting policies (continued)

### (c) Financial instruments (continued)

(iii) Subsequent measurement (continued)

The effective interest method (EIR) 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.

(iv) 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.

The Sub-Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

(v) Fair value measurement

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.

## 2. Summary of material accounting policies (continued)

### (c) Financial instruments (continued)

(v) Fair value measurement (continued)

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

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.

## 2. Summary of material accounting policies (continued)

### (c) Financial instruments (continued)

(vi) 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 (ECLs) 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 short-term 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.

### (d) Income

*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 differences between an instrument's initial carrying amount and disposal amount

## 2. Summary of material accounting policies (continued)

### (e) Expenses

All expenses are accounted for on an accruals basis and are charged to the statement of comprehensive income.

### (f) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise 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.

### (g) 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.

Should the redeemable units' terms or conditions change such that they do not comply with the strict criteria contained in the amendment, the redeemable units would be reclassified to a financial liability from the date the instrument ceases to meet the criteria. The financial liability would be measured at the instrument's fair value at the date of reclassification. Any difference between the carrying value of the equity instrument and fair value of the liability on the date of reclassification would be recognised in equity.

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.

### (h) Proceeds and payments on issue and redemption of units

The net asset values of the Sub-Fund is computed daily. Prices for issues and redemptions are based on the latest available valuation. Proceeds and payments for units issued and redeemed are shown in the statement of changes in equity.

### (i) Accrued expenses and other payables

Accrued expenses are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

### (j) Distributions to unitholders

Distributions are at the discretion of the Manager. A distribution to the Sub-Fund's unitholders is included in statement of changes in net assets attributable to unitholders. A proposed distribution is recognised as a liability in the period in which it is approved by the Manager of the Sub-Fund.

## 2. Summary of material accounting policies (continued)

### (k) 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.

### (l) Taxes

In some jurisdiction, investment income and capital gains are subject to withholding tax deducted at the source of the income. The Sub-Fund presents the withholding tax separately from the gross investment income in profit or loss. For the purpose of the statement of cash flows, cash inflows from investments are presented net of withholding taxes, when applicable.

## 3. Critical accounting estimates and judgements

The preparation of the Sub-Fund's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Estimates and assumptions**
The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The Sub-Fund based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Sub-Fund. Such changes are reflected in the assumptions when they occur.

***Fair value measurement of quoted debt securities***
The Sub-Funds hold a number of quoted debt securities that are valued by reference to broker quotes. In determining the fair value of such investments, the Manager exercises judgements on the sources of brokers and the quantity and quality of quotes used. Such quotes adopted to fair value the investments may be indicative and not executable or legally binding. As such, broker quotes do not necessarily indicate the price at which the security could actually be traded as of the year end date. Actual transacted prices may differ from the quotes provided by the brokers. The Manager considers that in the absence of any other reliable market sources, the broker quotes available to them reflect the best estimate of fair value.

***People's Republic of China ("PRC") tax provision***
In preparing these financial statements, the Manager has made certain assumptions and used various estimates concerning the tax exposure which is dependent on what might happen in the future. The resulting accounting estimates may not equal the related actual results.

Under the general tax provision of PRC Corporate Income Tax Law ("PRC CIT Law"), the non-PRC residents with no place of effective management, establishment or place of business in the PRC may be subject to 10% PRC withholding income tax ("WIT") on the PRC-sourced income, unless exempt or reduced under current PRC tax laws and regulations or relevant tax treaties.

## 3. Critical accounting estimates and judgements (continued)

***People's Republic of China ("PRC") tax provision* (continued)**

In addition, the non-PRC residents with interest income derived from the debt securities will be subject to 10% WIT. Pursuant to the PRC CIT Law, debt securities issuers in the PRC are obligated to withhold the 10% PRC WIT on interest income for those foreign debt securities holders. However, interest income derived from government bonds issued by the State Council's finance departments and/or local government bonds approved by the State Council is exempt from PRC WIT under the PRC CIT Law.

Furthermore, according to the notice Caishui [2016] No.36 ("Circular 36"), Value-Added Tax ("VAT") at 6% shall be levied on the difference between the selling and buying prices of those marketable securities starting from 1 May 2016. The gains derived by Bond Connect investors and through the Bond Connect from trading of marketable securities are exempted from VAT in the PRC under Circular 36 and other prevailing VAT regulations. In addition, deposit interest income and interest received from government bonds and local government bonds are also exempt from VAT. However, the prevailing VAT regulations do not specifically exempt VAT on interest received by Bond Connect investors. Hence, gains derived by Bond Connect investor and interest income on non-government bonds (including corporate bonds) technically should be subject to 6% VAT. In addition, if VAT is applicable, local surtaxes including Urban and Construction Tax (currently at the rate ranging from 1% to 7%), Educational Surcharge (currently at the rate of 3%) and Local Educational Surcharge (currently at the rate of 2%) are imposed based on the VAT liabilities (the "VAT related taxes").

Exemption of PRC WIT and VAT effective from 7 November 2018

On 7 November 2018, the Ministry of Finance and the PRC State Administration of Taxation ("SAT") jointly issued a notice Caishui [2018] No.108 ("Circular 108") which stipulates that foreign institutional investors are temporarily exempted from PRC WIT and VAT in respect of bond interest income received from 7 November 2018 to 6 November 2021. On 22 November 2021, the Ministry of Finance ("MOF") and the SAT officially issued Public Notice [2021] No.34 to extend the CIT and VAT exemption treatment on the bond interest income for the foreign institutional investors investing in the domestic bond market from 6 November 2021 to 31 December 2025.

Hence, the Manager decides to change the tax provisioning policy of the Sub-Fund and cease to make provisions for PRC WIT and VAT (plus the VAT related taxes) on the interest income received from PRC non-government bonds from 7 November 2018 onwards.

***Capital gains on PRC debt securities ("PRC Investments")***

During the years ended 31 December 2024 and 2023, the Sub-Fund invests in PRC investments in PRC through Bond Connect. The Manager considers that the enforcement of PRC tax on gains derived from the PRC Investments is uncertain as at the date of approval of these financial statements.

## 3. Critical accounting estimates and judgements (continued)

***Capital gains on PRC debt securities ("PRC Investments")* (continued)**

Based on the current verbal interpretation of the SAT and the local PRC tax authorities, the authorities are of the view that capital gains derived by foreign investors from investment in PRC Investments would not be treated as PRC-sourced income and thus would not be subject to PRC WIT. However, there are no written tax regulations issued by the PRC tax authorities to confirm this interpretation. As a matter of practice, such 10% PRC WIT on capital gains realised by non-PRC tax resident enterprises from the trading of these PRC debt securities has not been strictly enforced by the PRC tax authorities. The Manager has considered the applicability of the arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion to the Sub-Fund and assessed that the probability of such tax being levied up to the approval date of the financial statements of the Sub-Fund is reasonably low. Based on all the aforementioned factors, the Manager has reassessed the provisioning approach and has continued not making PRC WIT provision on gains derived from the PRC Investments of the Sub-Fund.

The Manager estimates no gross realised gains for the year ended 31 December 2024 (2023: nil) and no gross unrealised gains of the Sub-Fund as at 31 December 2024 (2023: nil) which could be exposed to PRC WIT at the rate of 10%. There is [no] estimated potential capital gain tax exposure arising from realised capital gain and unrealised capital gain (2023: nil) of the net assets attributable to unitholders of the Sub-Fund as at 31 December 2024. The Manager considers that the PRC WIT on capital gains from PRC Investments is still uncertain and has not made the provision on the gross realised capital gains derived from PRC Investments in the Sub-Fund as at 31 December 2024 and 2023.

The Manager has exercised its judgment when assessing whether the Sub-Fund may be liable for PRC taxation on its gains, the amount of potential liability and the probability of such tax being levied up to the reporting date. However, significant uncertainties exist and estimation of the Manager may substantially differ from the actual events.

***Interest income on bonds issued by PRC tax residents ("PRC bonds")***

The Management considers that the PRC WIT treatment on accrued interest arising from PRC non-government bonds from 25 March 2011 (date of inception) to 6 November 2018 and the enforcement of VAT and the VAT related taxes from 1 May 2016 to 6 November 2018 is uncertain as at the date of approval of these financial statements. The Manager has exercised significant judgment in their assessment of the PRC withholding tax expense and the related tax provision.

PRC WIT

For the PRC bonds disposed of during the year ended 31 December 2024 and 2023, the Management has not made provision on the accrued interest income of PRC bonds and as at reporting date as they consider that:

(i) the issuers of PRC bonds are required to withhold 10% WIT at the coupon payment date before distributing the interest income to the bond holder; and
(ii) the Manager has sold the PRC bonds before the coupon payment dates or the maturity dates of the PRC bonds.

## 3. Critical accounting estimates and judgements (continued)

***Interest income on bonds issued by PRC tax residents ("PRC bonds")*** **(continued)**

PRC VAT and related taxes

As at 31 December 2024 and 2023, the Manager does not consider that the potential VAT exposure arising from the Sub-Fund's accumulated interest income received from PRC non-government bonds since 1 May 2016 to 6 November 2018 to be material.

## 4. Financial risk management

The Sub-Fund's activities expose it to a variety of financial risks: market risk (including market price, interest rate and currency), liquidity risk and credit risk and counterparty risk.

Investments of the Sub-Fund is subject to normal market fluctuations and other risks inherent in investing in securities and there can be no assurance that any appreciation in value will occur. The value of investments and the income from them fluctuate and therefore the value of the redeemable participating units can fall as well as rise.

| Sub-Fund | Investment objectives |
|---|---|
| CCB International – RMB Fixed Income Fund | To seek long-term capital return while maintaining a steady flow of income through investment primarily in a diversified portfolio of debt instruments denominated in RMB issued inside or outside mainland China. |

### (a) Market price risk

Market risk is the risk of loss arising from uncertainty concerning movements in market prices and rates, including observable variables such as interest rates, credit spreads, exchange rates, and others that may be only indirectly observable such as volatilities and correlations. Market risk includes such factors as changes in economic environment, consumption pattern and investors' expectation etc. which may have significant impact on the value of the investments. Market movement may therefore result in substantial fluctuation in the net asset value per unit of the Sub-Fund.

The Sub-Fund's market price risk is managed through diversification of the investment portfolio as well as investing in securities with strong fundamentals.

The following table shows the net market exposure the Sub-Fund has to various markets, incorporating the underlying market risk through all debt securities held by the Sub-Fund. Locations below represent where the debt securities were issued.

## 4. Financial risk management (continued)

### (a) Market price risk (continued)

| | As at 31 December 2024 | | As at 31 December 2023 | |
|---|---|---|---|---|
| | Fair value RMB | % of NAV | Fair value RMB | % of NAV |
| Listed debt securities: | | | | |
| Hong Kong | | | | |
| Communication | 1,193,868 | 4% | - | - |
| Consumer, Cyclical | 2,024,040 | 7% | - | - |
| Financials | 10,036,140 | 35% | 9,104,985 | 31% |
| Government | - | - | 1,996,520 | 7% |
| Industrial | 3,490,395 | 12% | - | - |
| London | | | | |
| Financials | 3,008,990 | 10% | 5,998,870 | 20% |
| Singapore | | | | |
| Consumer, Non-cyclical | 2,024,820 | 7% | - | - |
| Financials | 1,006,000 | 4% | 4,015,100 | 13% |
| Paris | | | | |
| Financials | - | - | 2,007,200 | 7% |
| Luxembourg | | | | |
| Financials | - | - | 1,982,080 | 7% |
| Dublin | | | | |
| Financials | 2,001,100 | 7% | 2,003,180 | 7% |
| | 24,785,353 | 86% | 27,107,935 | 92% |
| Unlisted debt securities: | | | | |
| Financials | 3,997,440 | 14% | 2,005,800 | 7% |
| | 3,997,440 | 14% | 2,005,800 | 7% |
| | 28,782,793 | 100% | 29,113,735 | 99% |

The Sub-Fund had no concentrations in individual investments exceeding 10% of the Sub-Fund's net asset value at 31 December 2024 and 2023.

Refer to note 4(b) for the sensitivity analysis performed on the Sub-Fund's investment portfolio.

## 4. Financial risk management (continued)

### (b) Interest rate risk

Interest rate risk arises from the effects of fluctuations in the prevailing levels of markets interest rates on the fair value of interest-bearing assets and future cash flow.

As the Sub-Fund has invested in debt securities whose values are driven significantly by changes in interest rates, the Sub-Fund is subject to interest rate risk. When interest rates rise, the value of previously acquired debt securities will normally fall because new debt securities acquired will pay a higher rate of interest. In contrast, if interest rates fall, then the value of the previously acquired debt securities will normally rise. The Manager regularly assesses the economic condition, monitors changes in interest rates outlook and takes appropriate measures accordingly to control the impact of interest rate risk. In a rising interest rate environment, the Sub-Fund will acquire debts with a shorter maturity profile to minimise the negative impact to the portfolio.

The majority of interest rate exposure arises on investments in debt securities. Most of the Sub-Fund's investments in debt securities carry fixed interest rates and mature within three years.

The following table analyses the Sub-Fund's interest rate risk exposure. The Sub-Fund's assets and liabilities are included at their carrying amount and categorised by the earlier of contractual re-pricing or maturity dates:

| | Maturity less than 1 month RMB | Maturity 1-3 months RMB | Maturity 4-12 months RMB | Maturity over 1 year RMB | Non-interest bearing RMB | Total RMB |
|---|---|---|---|---|---|---|
| **As at 31 December 2024** | | | | | | |
| **Financial Assets** | | | | | | |
| Financial assets at fair value through profit or loss | - | 2,986,630 | 6,010,040 | 19,786,123 | - | 28,782,793 |
| Interest receivable | - | - | - | - | 332,747 | 332,747 |
| Cash and cash equivalents | 350,766 | - | - | - | - | 350,766 |
| **Total assets** | 350,766 | 2,986,630 | 6,010,040 | 19,786,123 | 332,747 | 29,466,306 |
| **Financial Liabilities** | | | | | | |
| Management fee payable | - | - | - | - | 17,920 | 17,920 |
| Trustee fee payable | - | - | - | - | 20,667 | 20,667 |
| Custodian fee payable | - | - | - | - | 620 | 620 |
| Distribution payable | - | - | - | - | 101,460 | 101,460 |
| Accrued expenses and other payables | - | - | - | - | 176,263 | 176,263 |
| **Total liabilities** | - | - | - | - | 316,930 | 316,930 |

## 4. Financial risk management (continued)

### (b) Interest rate risk (continued)

| | Maturity less than 1 month RMB | Maturity 1-3 months RMB | Maturity 4-12 months RMB | Maturity over 1 year RMB | Non-interest bearing RMB | Total RMB |
|---|---|---|---|---|---|---|
| **As at 31 December 2023** | | | | | | |
| **Financial Assets** | | | | | | |
| Financial assets at fair value through profit or loss | - | 5,120,485 | 15,004,950 | 8,988,300 | - | 29,113,735 |
| Interest receivable | - | - | - | - | 368,677 | 368,677 |
| Cash and cash equivalents | 279,036 | - | - | - | - | 279,036 |
| **Total assets** | 279,036 | 5,120,485 | 15,004,950 | 8,988,300 | 368,677 | 29,761,448 |
| **Financial Liabilities** | | | | | | |
| Management fee payable | - | - | - | - | 17,554 | 17,544 |
| Trustee fee payable | - | - | - | - | 20,000 | 20,000 |
| Custodian fee payable | - | - | - | - | 627 | 627 |
| Distribution payable | - | - | - | - | 132,000 | 132,000 |
| Accrued expenses and other payables | - | - | - | - | 170,078 | 170,078 |
| **Total liabilities** | - | - | - | - | 340,259 | 340,259 |

The Sub-Fund holds debt securities that expose the Sub-Fund to fair value interest rate risk. Interest rate exposures are expressed in terms of rate of weighted average modified duration. The Manager monitors the interest rate risks by quantifying market exposure in duration terms. The following table demonstrated the sensitivity of the fair value of the Sub-Fund's debt securities to changes in interest rates, with all other variables held constant.

| | Carrying value of financial assets at fair value through profit or loss RMB | Total portfolio weighted average modified duration Years | Change in interest rate % | Impact in net asset value RMB -/+ |
|---|---|---|---|---|
| **As at 31 December 2024** | | | | |
| Debt securities | 28,782,793 | 2.06 | 0.25% | 147,985 |
| **As at 31 December 2023** | | | | |
| Debt securities | 29,113,735 | 0.91 | 0.25% | 66,274 |

## 4. Financial risk management (continued)

### (b) Interest rate risk (continued)

Other than debt securities disclosed above, the interest-bearing financial assets also include cash and cash equivalents. The Manager considers that the Sub-Fund is not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. As a result, no sensitivity analysis on interest rate movement is required.

### (c) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Sub-Fund is not exposed to significant currency risk arising from balances and transactions in foreign currencies as its assets and liabilities are mainly denominated in RMB, the Sub-Fund's functional and presentation currency. As a result, the Management does not present sensitivity analysis of currency risk.

### (d) Credit and counterparty risk

The Sub-Fund is exposed to credit risk, which is the risk that the counterparty will be unable to pay amounts in full when they fall due.

At the end of the reporting period, the Sub-Fund's maximum exposure to credit risk was the carrying amount of the financial assets as stated in the statement of financial position.

**Financial assets subject to IFRS 9's impairment requirements**
As at 31 December 2024 and 2023, the Sub-Fund's financial assets subject to the expected credit loss model within IFRS 9 are interest receivable 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.

As at 31 December 2024 and 2023, all the financial assets subject to IFRS 9's impairment requirements with general approach are based on 12-month ECLs as no significant increase in credit risk since initial recognition for these financial assets.

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 year.

## 4. Financial risk management (continued)

### (d) Credit and counterparty risk (continued)

**Financial assets not subject to IFRS 9's impairment requirements**
The Sub-Fund is exposed to credit risk on debt securities. These classes of financial assets are not subject to IFRS 9's impairment requirements as they are measured at FVTPL. The carrying value of these assets, under IFRS 9 represents the Sub-Fund's maximum exposure to credit risk on financial instruments not subject to the IFRS 9 impairment requirements on the respective reporting dates.

All transactions in securities are settled or paid for upon delivery using approved and reputable brokers. The risk of default is considered minimal, as delivery of securities sold is made only when the custodian has received payment. Payment is made on a purchase when the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

For credit risk, it primarily arises from the Sub-Fund's investments in debt securities. The Sub-Fund does not have explicit restrictions on the minimum credit ratings of securities it may hold. The Manager will actively manage the portfolio of the Sub-Fund. In case of credit rating downgrading, the Manager will adjust the positions in the portfolio using its credit analysis and rating systems that are designed to manage credit risks.

The table below summarises the credit quality of the Sub-Fund's debt portfolio by credit rating, which represents 98.64% (2023: 98.95%) of net asset value, as at 31 December 2024 and 2023.

The credit ratings of the debt instruments would be referenced to the published ratings by S&P/Moody's/Fitch which are a generally accepted barometer of credit risk. In cases where there are inconsistencies between S&P, Moody's and Fitch, the Sub-Fund will adopt the published credit ratings from Moody's.

| **Credit rating** | 2024<br>% of net asset value |
|---|---|
| AAA | 3.45% |
| AA+ | 5.14% |
| AA | 6.94% |
| AA- | 10.31% |
| A+ | 24.74% |
| A- | 6.82% |
| BBB+ | 10.30% |
| BBB | 10.36% |
| BBB- | 6.88% |
| Unrated | 13.70% |
| | 98.64% |

## 4. Financial risk management (continued)

### (d) Credit and counterparty risk (continued)

**Financial assets not subject to IFRS 9's impairment requirements** (continued)

| **Credit rating** | 2023<br>% of net asset value |
|---|---|
| AA | 6.79% |
| AA- | 16.99% |
| A+ | 41.31% |
| A | 6.74% |
| A- | 6.80% |
| BBB+ | 3.35% |
| BBB | 3.36% |
| Unrated | 13.61% |
| | 98.95% |

The Sub-Fund's portfolio includes bonds which are unrated. The Manager adopted the same discipline, bottom up approach, in offshore RMB bonds' selection with or without credit ratings as well as portfolio construction. Research and analysis are conducted on the individual issuers' credit quality and repayment capability, with particular focus on possible risk factors that are specific to the issuer and to the issuers' industry, sector, and country.

The Sub-Fund's financial assets which are potentially subject to concentrations of counterparty risk consist principally of bank deposits and assets held with the custodians. The table below summarises the credit rating of banks and custodians with which the Sub-Fund's assets are held as at 31 December 2024 and 2023.

The table below summarises the net exposure to the Sub-Fund's counterparty as at 31 December 2024 and 2023 together with its credit rating.

| **As at 31 December 2024** | RMB | Credit rating | Source of credit rating |
|---|---|---|---|
| **Bank** | | | |
| Bank of China (Hong Kong) Limited | 350,766 | A+ | S&P |
| **Custodian** | | | |
| Bank of China (Hong Kong) Limited | 28,782,793 | A+ | S&P |

## 4. Financial risk management (continued)

### (d) Credit and counterparty risk (continued)

**Financial assets not subject to IFRS 9's impairment requirements** (continued)

| **As at 31 December 2023** | RMB | Credit rating | Source of credit rating |
|---|---|---|---|
| **Bank** | | | |
| Bank of China (Hong Kong) Limited | 279,036 | A-1 | S&P |
| **Custodian** | | | |
| Bank of China (Hong Kong) Limited | 29,113,735 | A-1 | S&P |

The maximum exposure to credit risk as at 31 December 2024 and 2023 is the carrying amount of the financial assets as shown on the statement of financial position excluding financial assets at FVPL.

The Manager considers that none of these assets are impaired nor past due (2023: Nil).

### (e) Liquidity risk

Liquidity risk is the risk that the Sub-Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Sub-Fund is exposed to daily redemptions of units in the Sub-Fund. The Sub-Fund invests the majority of its assets in securities that are traded in over-the-counter market which can be readily disposed of.

## 4. Financial risk management (continued)

### (e) Liquidity risk (continued)

The table below analyses the Sub-Fund's non-derivative financial assets and financial liabilities into relevant groupings. The groupings for financial assets and that for financial liabilities are based on the remaining period at the reporting date to the expected receipt date and to the contractual maturity date respectively. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

| | On demand RMB | Less than 1 months RMB | More than 1 month but less 1 year RMB | Total |
|---|---|---|---|---|
| **As at 31 December 2024** | | | | |
| **Financial liabilities** | | | | |
| Management fee payable | - | 17,920 | - | 17,920 |
| Trustee fee payable | - | 20,667 | - | 20,667 |
| Custodian fee payable | - | 620 | - | 620 |
| Distribution payable | - | 101,460 | - | 101,460 |
| Accrued expenses and other payable | - | | 176,263 | 176,263 |
| | - | 140,667 | 176,263 | 316,930 |
| **As at 31 December 2023** | | | | |
| **Financial liabilities** | | | | |
| Management fee payable | - | 17,554 | - | 17,554 |
| Trustee fee payable | - | 20,000 | - | 20,000 |
| Custodian fee payable | - | 627 | - | 627 |
| Distribution payable | - | 132,000 | - | 132,000 |
| Accrued expenses and other payable | - | - | 170,078 | 170,078 |
| | - | 170,181 | 170,078 | 340,259 |

### (f) 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.

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.

## 4. Financial risk management (continued)

### (f) Fair value estimation (continued)

The fair value of financial assets and liabilities 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 include reference to quotes provided by independent third parties, 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.

The carrying value of receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Sub-Fund for similar financial instruments.

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

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

## 4. Financial risk management (continued)

### (f) Fair value estimation (continued)

The following tables analyse within the fair value hierarchy the Sub-Fund's financial assets at FVPL as at 31 December 2024 and 2023.

| | Level 2<br>RMB | Total<br>RMB |
|---|---|---|
| **As at 31 December 2024** | | |
| Debt securities | 28,782,793 | 28,782,793 |
| **As at 31 December 2023** | | |
| Debt securities | 29,113,735 | 29,113,735 |

RMB denominated bonds that trade in markets which are not considered to be active are valued based on quoted market prices and dealer quotations and classified within Level 2. Level 2 investments include positions that are not traded in active markets, which are generally based on available market information.

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 and their carrying values are a reasonable approximation of their fair values.

### (g) Capital risk management

The capital of the Sub-Fund is represented by the net assets attributable to holders of redeemable units. The amount of net asset attributable to holders 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.

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 trust deed of the Sub-Fund, which include the ability to restrict redemptions and require certain minimum holdings and subscriptions.

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

## 5. Net gains on financial assets at fair value through profit or loss

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| Net realised gains/losses on sale of investments | 48,486 | (117,261) |
| Changes in unrealised gains in values of investments | 54,154 | 306,766 |
| | 102,640 | 189,505 |

## 6. Cash and cash equivalents

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| Cash at bank | 350,766 | 279,036 |

The cash at bank of the Sub-Fund is being held in an interest bearing account with Bank of China (Hong Kong) Limited at normal commercial terms, an affiliate company of the Trustee.

## 7. Net asset value per unit and number of units in issue

The following is the number of units issued by the Sub-Fund as at the reporting date:

| | 2024<br>Number of units | 2023<br>Number of Units |
|---|---|---|
| **As at 31 December** | 289,885.57 | 293,333.53 |
| | RMB | RMB |
| **Net asset value per unit** | 100.66 | 100.31 |

The published net asset value per unit issued is calculated in accordance with the explanatory memorandum and Trust Deed while the net asset value per unit as reported in the statement of financial position included the adjustment for year-end distributions.

## 7. Net asset value per unit and number of units in issue (continued)

A reconciliation of the net assets attributable to unitholders as reported in the statement of financial position to the net assets attributable to unitholders as determined for the purposes of processing unit subscriptions and redemptions is provided below:

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| **Published net assets attributable to unitholders** | 29,281,813 | 29,554,020 |
| Adjustment on year-end distributions and accruals | (101,460) | (130,644) |
| **Net assets attributable to unitholders as per audited financial statements** | 29,180,353 | 29,423,376 |

## 8. Distribution

| | Note | 2024<br>RMB | 2023<br>RMB |
|---|---|---|---|
| Undistributed income at the beginning of the year | | - | - |
| Profit before distribution and after tax | | 293,376 | 476,283 |
| Add: change in unrealised gains in value of investments | 5 | (54,154) | (306,766) |
| Net distributable income | | 239,222 | 169,517 |
| Interim distributions to unitholders | | (87,922) | (135,470) |
| Final distributions to unitholders | | (101,460) | (132,000) |
| Undistributed income transferred from net assets attributable to unitholders | | (49,840) | 97,953 |
| Undistributed income at the end of the year | | - | - |

## 8. Distribution (continued)

During the years ended 31 December 2024 and 2023, distributions as follow:

| | Distribution RMB | Distribution per unit RMB |
|---|---|---|
| **Distribution for 2024** | | |
| Interim dividend distributed on 5 July 2024 | 87,922 | 0.30 |
| Final dividend distributed on 8 January 2025 | 101,460 | 0.35 |
| **Distribution for 2023** | | |
| Interim dividend distributed on 7 July 2023 | 135,470 | 0.45 |
| Final dividend distributed on 8 January 2024 | 132,000 | 0.45 |

The Manager approved and declared the final dividend on 13 December 2024. The final dividend was paid to unitholders on 8 January 2025.

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

Connected persons of the Manager, Trustee and Custodian are those as defined in the SFC Code. All transactions entered into during the year between the Sub-Fund and the 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 do not have any other transactions with connected persons except for those disclosed in note 4 to the financial statements and below.

### (a) Management fee

The Manager is entitled to receive, on an annual basis, a management fee from the Sub-Fund, at a rate of 0.7% per annum with respect to the net asset value of the Sub-Fund calculated and accrued on each dealing day and are paid monthly in arrears.

When the ongoing charges of the Sub-Fund exceed 3% of the average net asset value of the Sub-Fund over a 12-month period, the excess will be borne by the Manager.

The management fee for the year was RMB205,898 (2023: RMB210,711). As at 31 December 2024, management fee of RMB17,920 (2023: RMB17,554) was payable to the Manager.

### (b) Trustee fee

The Trustee is entitled to receive, on an annual basis, a trustee fee from the Sub-Fund, up to a rate of 0.175% per annum of the net asset value of the Sub-Fund calculated, and accrued on each dealing day and is paid monthly in arrears.

The trustee fee for the year was RMB240,000 (2023: RMB240,000). As at 31 December 2024, trustee fee of RMB20,667 (2023: RMB20,000) was payable to the Trustee.

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

### (c) Custodian fee

The Custodian is entitled to receive, on an annual basis, a custodian fee from the Sub-Fund, at a rate up to 0.025% per annum of the net asset value of the Sub-Fund calculated and accrued on each dealing day and is paid monthly in arrears. The Custodian is also entitled to receive transaction charges for each investment buy/sell transaction of the Sub-Fund.

The custodian fee for the year was RMB11,942 (2023: RMB9,286). As at 31 December 2024, custodian fee of RMB620 (2023: RMB627) was payable to the Custodian.

### (d) Cash and cash equivalents

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| Bank balances with: | | |
| Bank of China (Hong Kong) Limited | 350,766 | 279,036 |

Interest income amounted to RMB1,381 (2023: RMB908) was earned from these bank balances during the year. Bank charges of RMB3,001 (2023: RMB2,060) were paid during the year.

### (e) Financial assets at fair value through profit or loss

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| Investments, at cost | 28,788,670 | 29,173,766 |
| Net unrealized appreciation in value of investments | (5,877) | (60,031) |
| Investments, at market value | 28,782,793 | 29,113,735 |
| Debt securities held with: | | |
| Bank of China (Hong Kong) Limited | 28,782,793 | 29,113,735 |

During the years ended 31 December 2024 and 2023, the Sub-Fund held the debt security issued by the Bank of China Limited Macau Branch, a fellow subsidiary of the Trustee.

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

### (e) Financial assets at fair value through profit or loss (continued)

During the year ended 31 December 2024, the Sub-Fund held the debt security issued by the Bank of China Limited Macau Branch, who is the fellow subsidiary of the Trustee.

Debt security invested in:

BANK OF CHINA LTD/MACAU 0% A 19JUL2024

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| Nominal value brought forward | - | - |
| Additions | 2,000,000 | - |
| Matured | (2,000,000) | - |
| Nominal value as at 31 December | - | - |

No coupon interest was collected from the debt security during the year (2023: Nil). Gain of RMB18,410 was incurred from the debt security during the year (2023: Nil).

Debt security invested in:

BANK OF CHINA LTD/MACAU 2.85% A 30MAY2025

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| Nominal value brought forward | - | - |
| Additions | 2,000,000 | - |
| Nominal value as at 31 December | 2,000,000 | - |

Interest income amounted to RMB28,578.08 was earned from the debt security during the year (2023: Nil). No gains or losses were incurred from the debt security during the year (2023: Nil).

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

**(e) Financial assets at fair value through profit or loss (continued)**

Debt security invested in:

BANK OF CHINA LTD/MACAU 3.08% S/A 28APR2026

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| Nominal value brought forward | 2,000,000 | 2,000,000 |
| Disposal | (2,000,000) | - |
| Nominal value as at 31 December | - | 2,000,000 |

Interest income amounted to RMB29,027.95 was earned the debt security during the year (2023: RMB61,938). Loss of RMB11,200 was incurred from the debt security during the year (2023: Nil).

During the year ended 31 December 2024, the Sub-Fund held the debt security issued by the Bank of China Limited Hong Kong Branch, a the fellow subsidiary of the Trustee.

Debt security invested in:

BANK OF CHINA LTD/HONG KONG 2.80% 09 JUL 2023

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| Nominal value brought forward | - | 2,000,000 |
| Matured | - | (2,000,000) |
| Nominal value as at 31 December | - | - |

No interest income was earned from the debt security during the year (2023: RMB55,847). No gains or losses were incurred from the debt security during the year (2023: loss of RMB300).

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

### (e) Financial assets at fair value through profit or loss (continued)

During the years ended 31 December 2024 and 2023, the Sub-Fund held the debt security issued by the China Construction Bank (Asia) Corporation Limited, who is the fellow subsidiary of the Manager.

Debt security invested in:

CHINA CONSTRUCTION BANK CORP 4.08% S/A 18 NOV 2024

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| Nominal value brought forward | 1,000,000 | 1,000,000 |
| Matured | (1,000,000) | - |
| Nominal value as at 31 December | - | 1,000,000 |

Interest income amounted to RMB40,688 was earned from the debt security during the year (2023: RMB41,024). Net losses of RMB20,000 was incurred from the debt security during the year (2023: Nil).

## 9. Transactions with the Manager, Trustee and Custodian and their connected persons continued)

### (f) Holdings in the Sub-Fund

The Sub-Fund allow the Manager, Trustee, Custodian and there connected persons to subscribe for and redeem units in the Sub-Fund. As at 31 December 2024, 203,396.89 of Units (2023: 203,396.89 of Units) were held by the Manager's fellow subsidiary.

### (g) Investment handling fee

The Trustee is entitled to receive investment handling fee applicable to the Sub-Fund, on a per receipt or per delivery fee basis. RMB100 is charged per each settlement of securities and RMB50 is charged for dividend distribution to each unitholder.

| | 2024<br>RMB | 2023<br>RMB |
|---|---|---|
| Investment handling fee | 2,750 | 2,200 |

## 10. Taxation

No provision for Hong Kong profits tax has been made as the Sub-Fund were authorised as collective investment schemes under Section 104 of the Hong Kong Securities and Futures Ordinance and are therefore exempted from profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance ("IRD").

No Hong Kong Stamp Duty has been made as the Sub-Fund on an issue of Units, as well as on redemption of Units where the redemption is effected by extinguishing the Units.

Certain interest income received by the Sub-Fund is subject to withholding tax imposed in the PRC for interest earned. Refer to note 3 for details.

## 11. Transaction costs

The transaction costs pertain the fees incurred during the transactions of buy or sell financial assets through profit or loss paid to brokers or other service providers which including the handling fee charged by trustee and custodians per each buy or sell transaction of financial assets through profit or loss.

## 12. Soft commission arrangements

The Manager and its connected persons may enter into soft commission arrangements with brokers under which certain goods and services used to support investment decision making will be received. The Manager and its connected persons will not make direct payment for these services but will transact an agreed amount of business with the brokers on behalf of the Sub-Fund and commission will be paid on these transactions.

The goods and services must be of demonstrable benefit to the Sub-Fund and may include research and advisory services, economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis and data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment-related publications.

Since the inception of the Sub-Fund, the Manager had not participated in any soft dollar arrangements in respect of any transactions for the accounts of the Sub-Fund.

## 13. 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 RMB FUND SERIES**
**- CCB INTERNATIONAL - RMB FIXED INCOME FUND**

**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)**
**FOR THE YEAR ENDED 31 DECEMBER 2024**

| | | Movements in nominal value | | |
|---|---|---|---|---|
| | At 31 December 2023 RMB | Additions RMB | Disposal RMB | At 31 December 2024 RMB |
| **LISTED DEBT SECURITIES** | | | | |
| **DUBLIN** | | | | |
| BARCLAYS BANK PLC 4% A 24MAR2024 | 1,000,000 | - | (1,000,000) | - |
| BARCLAYS PLC 3.15% A 4JUN2027 | - | 2,000,000 | - | 2,000,000 |
| JPMORGAN CHASE & CO 3.55% A 21JUN2024 | 1,000,000 | - | (1,000,000) | - |
| **Hong Kong** | | | | |
| AGRICULTURAL BANK OF CHINA LTD/HONG KONG 2.9% S/A 01MAR2024 | 2,120,000 | - | (2,120,000) | - |
| ALIBABA GROUP HLDG LTD 2.65% S/A 28MAY2028 | - | 1,200,000 | - | 1,200,000 |
| BANK OF CHINA LTD/MACAU 2.85% A 30MAY2025 | - | 2,000,000 | - | 2,000,000 |
| BANK OF CHINA LTD/MACAU 3.08% S/A 28APR2026 | 2,000,000 | - | (2,000,000) | - |
| BANK OF COMMUNICATIONS CO LTD/HONG KONG 3.15% S/A 13DEC2024 | 2,000,000 | - | (2,000,000) | - |
| BOCOM LEASING MANAGEMENT HONG KONG CO LTD 3% A 14MAR2027 | - | 2,000,000 | - | 2,000,000 |
| CCCI TREASURE LTD 2.46% S/A 24OCT2027 | - | 2,000,000 | - | 2,000,000 |
| CHARTER STYLE INTL LTD 5.8% S/A 15SEP2024 | - | 2,000,000 | (2,000,000) | - |
| CHINA CONSTRUCTION BANK ASIA CORP LTD 4.8% S/A 18NOV2024 | 1,000,000 | - | (1,000,000) | - |
| CMS INTL GEMSTONE LTD 3.3% S/A 18SEP2026 | 1,000,000 | - | - | 1,000,000 |
| CSI MTN LTD 3.1% A 13JUL2026 | 1,000,000 | - | - | 1,000,000 |
| GANSU PROVINCIAL HIGHWAY AVIATION TOURISM INVESTMENT GROUP CO LTD 3.9% S/A 27SEP2026 | - | 2,000,000 | - | 2,000,000 |
| HAITONG INTL FINANCE HLDG LTD 3.3% S/A 1MAR2027 | - | 2,000,000 | - | 2,000,000 |
| HUAFA 2024 I CO LTD 6% S/A PERP | - | 2,000,000 | - | 2,000,000 |
| MTR CORP LTD 2.75% S/A 20SEP2034 | - | 1,500,000 | - | 1,500,000 |
| MUNICIPALITY OF SHENZHEN CHINA 2.7% S/A 19OCT2024 | 2,000,000 | - | (2,000,000) | - |
| PIONEER REWARD LTD 2.85% S/A 14SEP2025 | - | 2,000,000 | - | 2,000,000 |
| **London** | | | | |
| FIRST ABU DHABI BANK PJSC 3.4% 18AUG2025 | 2,000,000 | - | - | 2,000,000 |
| INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/DUBAI DIFC 3.2% S/A 01JUN2024 | 2,000,000 | - | (2,000,000) | - |
| QNB FINANCE LTD 3.50% A 22APR2024 | 1,000,000 | - | (1,000,000) | - |
| QNB FINANCE LTD 3.82% A 06FEB2025 | 1,000,000 | - | - | 1,000,000 |
| **Luxembourg** | | | | |
| GOLDMAN SACHS FINANCE CORP INTERNATIONAL LTD 1% A 30MAY2024 | 2,000,000 | - | (2,000,000) | - |

**CCB INTERNATIONAL RMB FUND SERIES**
**- CCB INTERNATIONAL - RMB FIXED INCOME FUND**

**STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)**
**FOR THE YEAR ENDED 31 DECEMBER 2024**

| | At 31 December 2023 RMB | Movements in nominal value Additions RMB | Disposal RMB | At 31 December 2024 RMB |
|---|---|---|---|---|
| **LISTED DEBT SECURITIES (continued)** | | | | |
| **Macau** | | | | |
| INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/MACAU 0% 20FEB2025 CD | - | 2,000,000 | - | 2,000,000 |
| **Paris** | | | | |
| SOCIETE GENERALE SA 4% A 19JUL2024 | 2,000,000 | - | (2,000,000) | - |
| **Singapore** | | | | |
| CHINA DEVELOPMENT BANK 3.23% S/A 27NOV2025 | 2,000,000 | - | (2,000,000) | - |
| CHINA EDUCATION GROUP HLDGS LTD 4% S/A 19APR2026 | - | 2,000,000 | - | 2,000,000 |
| HYUNDAI CAPITAL SERVICES INC 3.2% A 11AUG2024 | - | 1,750,000 | (1,750,000) | - |
| EXPORT-IMPORT BANK OF KOREA 2.8% A 03MAR2024 | 2,000,000 | - | (2,000,000) | - |
| TEMASEK FINANCIAL I LTD 2.75% S/A 28AUG2034 | - | 1,000,000 | - | 1,000,000 |
| **UNLISTED DEBT SECURITIES** | | | | |
| **Hong Kong** | | | | |
| AGRICULTURAL BANK OF CHINA LTD/HK 0% A 27SEP2024 CD | - | 2,000,000 | (2,000,000) | - |
| BANK OF CHINA LTD/MACAU 0% A 19JUL2024 | - | 2,000,000 | (2,000,000) | - |
| **Luxembourg** | | | | |
| CITIGROUP GLOBAL MARKETS HLDGS INC 4% A 28APR2024 | 2,000,000 | - | (2,000,000) | - |

**CCB INTERNATIONAL RMB FUND SERIES**
**- CCB INTERNATIONAL - RMB FIXED INCOME FUND**

**INVESTMENT PORTFOLIO (UNAUDITED)**
**FOR THE YEAR ENDED 31 DECEMBER 2024**

| | Nominal RMB | Fair value RMB | % of Net assets |
|---|---|---|---|
| **LISTED DEBT SECURITIES** | | | |
| **Dublin** | | | |
| BARCLAYS PLC 3.15% A 4JUN2027 | 2,000,000 | 2,001,100 | 6.86 |
| **Hong Kong** | | | |
| ALIBABA GROUP HLDG LTD 2.65% S/A 28MAY2028 | 1,200,000 | 1,193,868 | 4.09 |
| BANK OF CHINA LTD/MACAU 2.85% A 30MAY2025 | 2,000,000 | 1,999,240 | 6.85 |
| BOCOM LEASING MANAGEMENT HONG KONG CO LTD 3% A 14MAR2027 | 2,000,000 | 2,010,960 | 6.89 |
| CCCI TREASURE LTD 2.46% S/A 24OCT2027 | 2,000,000 | 1,991,460 | 6.82 |
| CMS INTL GEMSTONE LTD 3.3% S/A 18SEP2026 | 1,000,000 | 1,007,010 | 3.45 |
| CSI MTN LTD 3.1% A 13JUL2026 | 1,000,000 | 1,004,770 | 3.44 |
| GANSU PROVINCIAL HIGHWAY AVIATION TOURISM INVESTMENT GROUP CO LTD 3.9% S/A 27SEP2026 | 2,000,000 | 2,024,040 | 6.94 |
| HAITONG INTL FINANCE HLDG LTD 3.3% S/A 1MAR2027 | 2,000,000 | 2,016,240 | 6.91 |
| HUAFA 2024 I CO LTD 6% S/A PERP | 2,000,000 | 2,006,920 | 6.88 |
| MTR CORP LTD 2.75% S/A 20SEP2034 | 1,500,000 | 1,498,935 | 5.14 |
| PIONEER REWARD LTD 2.85% S/A 14SEP2025 | 2,000,000 | 2,001,960 | 6.86 |
| **London** | | | |
| FIRST ABU DHABI BANK PJSC 3.4% 18AUG2025 | 2,000,000 | 2,008,840 | 6.88 |
| QNB FINANCE LTD 3.82% A 06FEB2025 | 1,000,000 | 1,000,150 | 3.43 |
| **Macau** | | | |
| INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/MACAU 0% 20FEB2025 CD | 2,000,000 | 1,986,480 | 6.81 |
| **Singapore** | | | |
| CHINA EDUCATION GROUP HLDGS LTD 4% S/A 19APR2026 | 2,000,000 | 2,024,820 | 6.94 |
| TEMASEK FINANCIAL I LTD 2.75% S/A 28AUG2034 | 1,000,000 | 1,006,000 | 3.45 |
| **Total investment portfolio (Cost: RMB28,788,670)** | | 28,782,793 | 98.64 |
| **Other net assets** | | 397,560 | 1.36 |
| **Total net assets** | | 29,180,353 | 100.00 |

Note: Investments are accounted for on a trade-date basis.

**CCB INTERNATIONAL RMB FUND SERIES**
**- CCB INTERNATIONAL - RMB FIXED INCOME FUND**
**PERFORMANCE TABLE (UNAUDITED)**

## (a) Price record (Dealing NAV)

| Year/period ended 31 December | Highest RMB | Lowest RMB |
|---|---|---|
| 2024 | 101.17 | 100.32 |
| 2023 | 101.03 | 99.78 |
| 2022 | 100.53 | 99.57 |
| 2021 | 103.62 | 100.75 |
| 2020 | 104.72 | 102.63 |
| 2019 | 104.64 | 102.11 |
| 2018 | 103.11 | 100.05 |
| 2017 | 101.43 | 97.56 |
| 2016 | 100.20 | 96.04 |
| 2015 | 100.31 | 95.06 |
| 2014 | 100.96 | 98.93 |
| 2013 | 101.14 | 95.72 |
| 2012 | 99.91 | 97.51 |
| 2011 (since inception) | 100.41 | 98.01 |

## (b) Total net asset value

| | 2024 RMB | 2023 RMB | 2022 RMB | 2021 RMB | 2020 RMB | 2019 RMB | 2018 RMB |
|---|---|---|---|---|---|---|---|
| Total net asset value | 29,180,353 | 29,423,376 | 30,079,112 | 30,847,921 | 33,039,495 | 35,128,387 | 36,109,813 |

## (c) Net asset value per unit

| | 2024 RMB | 2023 RMB | 2022 RMB | 2021 RMB | 2020 RMB | 2019 RMB | 2018 RMB |
|---|---|---|---|---|---|---|---|
| Net asset value per unit | 100.66 | 100.30 | 99.62 | 100.17 | 102.78 | 103.12 | 101.88 |