

ANNUAL REPORT

CHINA UNIVERSAL INTERNATIONAL SERIES –  
CUAM CHINA-HONG KONG STRATEGY FUND

(A sub-fund of China Universal International Series, an  
umbrella unit trust established under the laws of Hong Kong)

31 December 2024

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
(A sub-fund of China Universal International Series)

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CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
(A sub-fund of China Universal International Series)

ADMINISTRATION AND MANAGEMENT

**MANAGER**

China Universal Asset Management (Hong Kong) Company  
Limited  
3710-11, Two International Finance Centre  
8 Finance Street  
Central  
Hong Kong

**TRUSTEE AND REGISTRAR**

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

**DIRECTORS OF THE MANAGER**

LI Wen  
ZHANG Hui  
DONG Liqing

**AUDITOR**

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

**SOLICITORS TO THE MANAGER**

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

**CUSTODIAN**

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

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
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REPORT OF THE MANAGER TO THE UNITHOLDERS

**Fund Performance<sup>1</sup>**

For the year ended 31 December 2024, the Class I HKD units of CUAM China-Hong Kong Strategy Fund (the "Sub-Fund") had an accumulated gain of 1.60%. The Class A HKD units had an accumulated gain of 1.10%. The Class I USD units had an accumulated gain of 2.16%. The Class A USD units had an accumulated gain of 1.64%. The Class A RMB units had an accumulated gain of 4.76%.

Since the inception on 16 November 2012, Class I HKD units of the Sub-Fund achieved an accumulative return of 180.28%. The Class A HKD units had an accumulated gain of 65.20% since its inception date on 17 April 2015. The Class I USD units had an accumulated gain of 22.70% since its inception date on 31 December 2019. The Class A USD units had an accumulated gain of 67.30% since its inception date on 18 May 2017. The Class A RMB units had an accumulated gain of 35.13% since its re-issuance date on 7 May 2019.

**Market Review**

In 2024, Hong Kong market turned positive returns and ended the negative returns in consecutive years. During the year, the southbound fund inflow kept robust and reached HK\$801 billion.

We regard that the distressed valuation and large corporates raising their total shareholders' return (cash dividend and buybacks) has helped Hong Kong market to recover. We have seen the re-rating across value stocks with attractive dividend yield and technology stocks with good earnings growth in year 2024.

Although China economy faces challenges under the change in the economic structure, we have seen the government to implement supportive economic policies and we believe that it should give the market confidence.

**Market Outlook**

Looking into year 2025, we are cautiously optimistic on Hong Kong stock market. We believe the rise of AI technological advancement would become the key investment theme and attract new fund flows from both overseas and southbound trading. Additionally, the domestic consumption is still lukewarm in overall but it showed promising growth in niche products and services, which may also bring investment opportunities.

China has been experiencing a structural economic change. We believe that the pro-active fiscal and monetary policies would improve the economy and corporate earnings. Furthermore, we expect a weakening USD and the federal funds rate at a pace of slow but gradual cut would also be a favourable factor to Hong Kong equity market.

We expect the long-term investment opportunities will continue in technology, new energy vehicles and selected consumption sub-sectors, while we prefer companies which could maintain competitive advantages and sound outlook for multiple years.

We remain concerned about the escalation of trade tariff and geo-political tensions. Moreover, the domestic consumer and corporate confidence are still weak. The macro economic uncertainty remains the overhang and consumption corporates may still struggle for the sluggish demand and price discount. Thus we adopt a dynamic approach in adjusting our portfolio under a highly volatile market environment while we stick on quality company names, of which we believe their fundamentals remain intact and valuations are bargain.

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<sup>1</sup> Investment involves risks. The unit price of the Sub-Fund may go down as well as up and the past performance of the Sub-Fund does not indicate future return.

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
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REPORT OF THE MANAGER TO THE UNITHOLDERS (continued)

For and on behalf of  
China Universal Asset Management (Hong Kong) Company Limited, the Manager

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29 April 2025

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
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REPORT OF THE TRUSTEE TO THE UNITHOLDERS

We hereby confirm that, in our opinion, the Manager, China Universal Asset Management (Hong Kong) Company Limited, has, in all material respects, managed China Universal International Series – CUAM China-Hong Kong Strategy Fund for the year ended 31 December 2024 in accordance with the provisions of the trust deed dated 29 December 2011 as amended and supplemented from time to time (the "Trust Deed").

On behalf of  
BOCI-Prudential Trustee Limited, the Trustee

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29 April 2025

## **Independent auditor's report**

To the unitholders of

**CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND**

(A sub-fund of China Universal International Series, an umbrella unit trust established under the laws of Hong Kong)

## **Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the financial statements of China Universal International Series – CUAM China-Hong Kong Strategy Fund (a sub-fund of China Universal International Series (the "Trust") and referred to as the "Sub-Fund") set out on pages 8 to 41, which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to unitholders and the 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 Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

### **Basis for opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the 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 *Code of Ethics for Professional Accountants* (the "Code") issued by the Hong Kong Institute of Certified Public Accountants, 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 the Annual Report, other than the financial statements and our auditor's report thereon.

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

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

**Independent auditor's report (continued)**

To the unitholders of

**CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND**  
(A sub-fund of China Universal International Series, an umbrella unit trust established under the laws of Hong Kong)

**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 HKFRSs issued by the HKICPA, and for such internal control as the Manager and the Trustee determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager and the Trustee of the Sub-Fund are responsible for assessing the Sub-Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager and the Trustee either intend to liquidate the Sub-Fund or to cease operations, or have no realistic alternative but to do so.

In addition, the Manager and the Trustee of the Sub-Fund are required to ensure that the financial statements have been properly prepared in accordance with the relevant disclosure provisions of the trust deed dated 29 December 2011, as amended by supplemental deeds (collectively, the "Trust Deed") and the relevant disclosure provisions of Appendix E of the Code on Unit Trusts and Mutual Funds ("the SFC Code") issued by the Hong Kong Securities and Futures Commission.

**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 is free from material misstatement, whether due to fraud or error, and to issue an 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 HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Sub-Fund have been properly prepared, in all material respects, in accordance with the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions of Appendix E of the SFC Code.

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



**Independent auditor's report (continued)**

To the unitholders of

**CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND**

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager and the Trustee.
- Conclude on the appropriateness of the Manager's 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 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

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

	Notes	2024 HK\$	2023 HK\$
<b>INCOME</b>			
Dividend income		14,712,692	12,426,068
Interest income	4	91,327	34,209
Foreign exchange differences		( 263,941)	( 114,857)
Net gains/(losses) on financial assets at fair value through profit or loss	8	<u>9,477,028</u>	<u>(210,837,998)</u>
		<u>24,017,106</u>	<u>(198,492,578)</u>
<b>EXPENSES</b>			
Management fee	4	( 9,046,520)	( 12,575,409)
Trustee fee	4	( 1,164,639)	( 1,591,302)
Custodian fee	4	( 328,732)	( 301,846)
Bank charges	4	( 3,780)	( 3,780)
Broker commission and investment transaction fee	6	(10,555,258)	( 3,192,669)
Legal and other professional fees		( 1,002)	( 75,792)
Other expenses		<u>( 6,000)</u>	<u>( 30,998)</u>
		<u>(21,105,931)</u>	<u>( 17,771,796)</u>
<b>PROFIT/(LOSS) BEFORE TAX</b>		2,911,175	(216,264,374)
Income tax	5	<u>( 1,017,838)</u>	<u>( 371,804)</u>
<b>INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u>1,893,337</u>	<u>(216,636,178)</u>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
(A sub-fund of China Universal International Series)

STATEMENT OF FINANCIAL POSITION

31 December 2024

	Notes	2024 HK\$	2023 HK\$
<b>ASSETS</b>			
Financial assets at fair value through profit or loss	8	720,414,618	908,376,732
Prepayment		6,000	6,000
Dividend receivables		161,829	1,102,178
Amount due from broker	9	-	9,051,547
Subscription proceeds receivable		137,628	652,679
Cash and bank balances	10	<u>8,970,699</u>	<u>16,829,645</u>
<b>TOTAL ASSETS</b>		<u><u>729,690,774</u></u>	<u><u>936,018,781</u></u>
<b>LIABILITIES</b>			
Management fee payable	4	755,981	890,401
Trustee fee payable	4	96,464	114,693
Amount due to broker	9	-	9,553,606
Other payables and accruals		2,000	2,500
Redemption proceeds payable		<u>5,447,242</u>	<u>3,025,777</u>
<b>TOTAL LIABILITIES EXCLUDING NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>		<u><u>6,301,687</u></u>	<u><u>13,586,977</u></u>
<b>NET ASSETS ATTRIBUTABLE TO UNITHOLDERS</b>	11	<u><u>723,389,087</u></u>	<u><u>922,431,804</u></u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><u>729,690,774</u></u>	<u><u>936,018,781</u></u>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

Year ended 31 December 2024

	Note	Number of units	HK\$
At 1 January 2023	11	68,318,765.994	1,206,412,104
Subscription of units			
- Class A (HKD) units		6,205,817.932	119,600,065
- Class I (HKD) units		1,137,661.357	39,410,000
- Class A (USD) units		2,903,463.692	46,045,344
- Class A (RMB) units		<u>170,023.715</u>	<u>3,213,131</u>
		10,416,966.696	208,268,540
Redemption of units			
- Class A (HKD) units		( 8,429,075.359)	( 160,551,463)
- Class I (HKD) units		( 976,486.431)	( 29,395,975)
- Class A (USD) units		( 5,539,631.636)	( 81,013,990)
- Class A (RMB) units		( 27,980.854)	( 496,613)
- Class I (USD) units		<u>( 423,853.288)</u>	<u>( 4,154,621)</u>
		( 15,397,027.568)	( 275,612,662)
Decrease in net assets attributable to unitholders during the year		<u>-</u>	<u>( 216,636,178)</u>
At 31 December 2023 and 1 January 2024	11	63,338,705.122	922,431,804
Subscription of units			
- Class A (HKD) units		2,023,955.410	33,367,933
- Class A (USD) units		1,939,068.105	26,782,438
- Class A (RMB) units		<u>347,434.792</u>	<u>6,195,040</u>
		4,310,458.307	66,345,411
Redemption of units			
- Class A (HKD) units		( 6,659,533.122)	(108,639,206)
- Class I (HKD) units		( 1,903,945.079)	( 52,590,839)
- Class A (USD) units		( 6,975,474.652)	( 86,227,142)
- Class A (RMB) units		( 685,965.904)	( 10,808,188)
- Class I (USD) units		<u>( 979,644.164)</u>	<u>( 9,016,090)</u>
		(17,204,562.921)	(267,281,465)
Increase in net assets attributable to unitholders during the year		<u>-</u>	<u>1,893,337</u>
At 31 December 2024	11	<u>50,444,600.508</u>	<u>723,389,087</u>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
(A sub-fund of China Universal International Series)

STATEMENT OF CASH FLOWS

Year ended 31 December 2024

	Note	2024 HK\$	2023 HK\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit/(loss) before tax		2,911,175	( 216,264,374)
Adjustments for:			
Interest income on bank deposits		( 91,327)	( 34,209)
Dividend income		( 14,712,692)	( 12,426,068)
		<u>( 11,892,844)</u>	<u>( 228,724,651)</u>
Decrease in financial assets at fair value through profit or loss		187,962,114	287,157,191
Decrease in amount due from broker		9,051,547	3,546,932
Decrease in prepayment		-	375
Decrease in amount due from the Manager		-	1,700
Decrease in management fee payable		( 134,420)	( 298,916)
Decrease in trustee fee payables		( 18,229)	( 34,018)
(Decrease)/increase in amount due to a broker		( 9,553,606)	4,257,079
Decrease in other payables and accruals		<u>( 500)</u>	<u>( 4,176)</u>
Cash generated from operations		175,414,062	65,901,516
Interest received		91,327	34,209
Dividend received, net of tax		<u>14,635,203</u>	<u>10,952,548</u>
Net cash flows from operating activities		<u>190,140,592</u>	<u>76,888,273</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of units		66,860,462	212,123,920
Payments on redemption of units		<u>(264,860,000)</u>	<u>( 289,117,120)</u>
Net cash flows used in financing activities		<u>(197,999,538)</u>	<u>( 76,993,200)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS		( 7,858,946)	( 104,927)
Cash and cash equivalents at beginning of year		<u>16,829,645</u>	<u>16,934,572</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR		<u><u>8,970,699</u></u>	<u><u>16,829,645</u></u>
<b>ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances	10	<u><u>8,970,699</u></u>	<u><u>16,829,645</u></u>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
(A sub-fund of China Universal International Series)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

1. THE SUB-FUND

China Universal International Series (the "Trust") was constituted as an open-ended unit trust established under the laws of Hong Kong pursuant to the trust deed dated 29 December 2011 as amended and supplemented from time to time (the "Trust Deed"). As at 31 December 2024, the Trust consists of five sub-funds namely CUAM RMB Bondplus Fund, CUAM China-Hong Kong Strategy Fund, CUAM Hong Kong Dollar Bond Fund, CUAM Select US Dollar Bond Fund and CUAM USD Money Market Fund.

CUAM China-Hong Kong Strategy Fund (the "Sub-Fund") was commenced as a separate sub-fund of the Trust on 16 November 2012. The Sub-Fund is an open-ended unit trust authorised by the Securities and Futures Commission of Hong Kong (the "SFC") under Section 104(1) of the Securities and Futures Ordinance (the "SFO") and is required to comply with the Code on Unit Trusts and Mutual Funds established by the SFC (the "SFC Code"). Authorisation by the SFC does not imply official approval or recommendation.

The Manager of the Sub-Fund is China Universal Asset Management (Hong Kong) Company Limited (the "Manager") and the Trustee is BOCI-Prudential Trustee Limited (the "Trustee"). The Custodian is Bank of China (Hong Kong) Limited (the "Custodian").

Two classes of units, namely Class A units and Class I units, are available for subscription for the Sub-Fund. Class A units and Class I units are subject to different management fee. For the year ended 31 December 2024, Class A units and Class I units were in issue.

The investment objective of the Sub-Fund seeks to achieve medium to long-term capital growth through investing primarily in securities of companies which are established in the People's Republic of China ("PRC"), Hong Kong, Macau and Taiwan ("Greater China") or having their income, revenue, assets, economic activities, business or operations associated with Greater China.

At least 70% of the Sub-Fund's net asset value will be invested in a portfolio of (a) equity securities (including but not limited to ordinary shares, preferred shares, American Depositary Receipts, Global Depositary Receipts) of companies which are established in mainland China or Hong Kong or having their income, revenue, assets, economic activities, business or operations associated with mainland China and/or Hong Kong ("China-Hong Kong Companies"); and (b) debt securities instruments (including but not limited to long-term bonds, medium-term notes, bills and convertible bonds) issued by China-Hong Kong Companies and governments, government agencies and supra-national issuers in mainland China or Hong Kong.

The Sub-Fund may invest:

- Up to 100% of the Sub-Fund's net asset value in equity securities of China-Hong Kong Companies;
- Not more than 30% of the Sub-Fund's net asset value in debt securities instruments issued by China-Hong Kong Companies and governments, government agencies and supra-national issuers in mainland China or Hong Kong.

In addition, the Sub-Fund may invest on an ancillary basis less than 30% of its net asset value in (1) equity securities of non-China-Hong Kong Companies, (2) debt securities instruments issued by non-China-Hong Kong Companies, and governments, government agencies and supra-national issuers outside-mainland China or Hong Kong, and (3) collective investment schemes.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the relevant disclosure provisions of the Trust Deed and the relevant disclosure provisions specified in Appendix E to the SFC Code.

The financial statements have been prepared under the historical cost basis, except for financial assets classified at fair value through profit or loss ("FVPL") that have been measured at fair value. The financial statements are presented in Hong Kong Dollar ("HK\$") and all values are rounded to the nearest HK\$ except where otherwise indicated.

### 2.2 CHANGE IN ACCOUNTING POLICIES AND DISCLOSURES

There are no change in accounting standards, up to date of issuance of the Sub-Fund's financial statements which, in the opinion of the Manager will clearly impact the Sub-Fund.

### 2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Sub-Fund has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> <sup>1</sup>
Annual Improvements to HKFRS Accounting Standards – Volume 11	<i>Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7</i> <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>2</sup> Effective for annual/reporting periods beginning on or after 1 January 2027

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS  
(continued)

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 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 HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Manager is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Sub-Fund's financial statements.

Amendments to HKFRS 9 and HKFRS 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.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS  
(continued)

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

- *HKFRS 7 Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 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 HKFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 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.
- *HKFRS 9 Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 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 HKFRS 9 and Appendix A of HKFRS 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.
- *HKAS 7 Statement of Cash Flows*: The amendments replace the term “cost method” with “at cost” in paragraph 37 of HKAS 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.

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2.4 MATERIAL ACCOUNTING POLICIES

Financial instruments

(i) **Classification**

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

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

- (a) It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- (b) On initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which, there is evidence of a recent actual pattern of short-term profit-taking; or
- (c) It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument)

**Financial assets**

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

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

NOTES TO THE FINANCIAL STATEMENTS

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2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) **Classification** (continued)

**Financial assets** (continued)

*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 short-term non-financing receivables including dividend receivables, amount due from broker, subscription proceeds receivable and cash and bank balances.

*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:

- Instruments held for trading. This category includes equity instruments which are acquired principally for the purpose of generating a profit from short-term fluctuations in price.

**Financial liabilities**

*Financial liabilities measured at fair value through profit or loss (FVPL)*

A financial liability is measured at FVPL if it meets the definition of held for trading. The Sub-Fund includes in this category includes its net assets attributable to unitholders and the Sub-Fund's accounting policy regarding the net assets attributable to unitholders is described in further part.

NOTES TO THE FINANCIAL STATEMENTS

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2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(i) **Classification** (continued)

**Financial liabilities** (continued)

*Financial liabilities measured at amortised cost*

This category includes all financial liabilities. The Sub-Fund includes in this category management fee payable, trustee fee payable, amount due to broker, other payables and accruals and redemption proceeds payable.

(ii) **Recognition**

The Sub-Fund recognises a financial asset or a financial liability when, and only 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 marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Sub-Fund commits to purchase or sell the financial asset.

(iii) **Initial measurement**

Financial assets at fair value through profit or loss 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.

(iv) **Subsequent measurement**

After initial measurement, the Sub-Fund measures financial instruments which are classified as 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". Dividend revenue elements of such instruments are recorded separately in "Dividend income".

Debt instruments, other than those classified as at FVPL, are measured 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.

NOTES TO THE FINANCIAL STATEMENTS

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2.4 MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

(iv) ***Subsequent measurement*** (continued)

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

The effective interest is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense 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 instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or 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 future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

(v) ***Derecognition***

A financial asset (or, where applicable a part of a financial asset or 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 either (a) the Sub-Fund has transferred substantially all the risks and rewards of the asset, or (b) the Sub-Fund has 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 rights 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.

## NOTES TO THE FINANCIAL STATEMENTS

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### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### Fair value measurement

The Sub-Fund measures financial instruments, such as, equities investments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability the principal or the most advantageous market must be accessible by 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, without any deduction for transaction costs. Securities defined in these accounts as ‘listed’ are traded in an active market.

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 - Based on quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Based on valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Based on 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 reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### Impairment of financial assets

The Sub-Fund recognises an allowance for expected credit losses (“ECLs”) all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Sub-Fund expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

NOTES TO THE FINANCIAL STATEMENTS

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2.4 MATERIAL ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

Foreign currency

These financial statements are presented in HK\$, which is the Sub-Fund's functional and presentation currency. Foreign currency transactions recorded by the Sub-Fund are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the reporting date. Differences arising on settlement or transaction of monetary items are recognised in profit or loss.

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

Foreign currency transaction gains and losses on financial instruments classified as at fair value through profit or loss are included in profit or loss as part of the 'net (losses)/gains on financial assets at fair value through profit or loss'.

Functional currency

The Sub-Fund's functional currency is HK\$, 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 HK\$. Therefore, the HK\$ 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 HK\$.

Net assets attributable to unitholders

The Sub-Fund issues redeemable units, namely Class A units and Class I units, which are redeemable at the unitholder's option and are classified as financial liabilities as they do not meet the conditions to be classified as equity.

The unitholders can redeem the units during the Hong Kong business days of each calendar month or such other day or days determined by the Manager and Trustee may agree from time to time for cash equal to a proportionate share of the Sub-Fund's net assets attributable to unitholders of the relevant classes.

Redeemable units are issued and redeemed at the holder's option at prices based on the Sub-Fund's net assets attributable to unitholders per unit at the time of issue or redemption. The Sub-Fund's net assets attributable to unitholders per unit is calculated by dividing the net assets attributable to unitholders by the number of units in issue.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2.4 MATERIAL ACCOUNTING POLICIES (continued)

Cash and bank balances

For the purpose of the statement of financial position, cash and bank balances comprise cash on hand, demand deposits, and short-term deposits in bank, with original maturities of three months or less.

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

Interest income

Interest income is recognised in profit or loss for all interest-bearing financial instruments as it accrues, using the effective interest method.

Dividend income

Dividend income is recognised when the Sub-Fund's right to receive the payment is established. Dividend income is presented gross of any non-recoverable withholding taxes, which are disclosed separately in profit or loss.

Net gains/(losses) on financial assets at fair value through profit or loss

This item includes changes in the fair value of financial assets as "at fair value through profit or loss" and excludes interest and dividend income.

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

Realised gains and losses on disposals of financial assets classified as "at fair value through profit or loss" are calculated using the weighted average method. They represent the difference between an instrument's average cost and disposal amount.

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



## NOTES TO THE FINANCIAL STATEMENTS

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### 2.4 MATERIAL ACCOUNTING POLICIES (continued)

#### Related parties (continued)

- (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.

#### Taxes

The Sub-Fund is exempt from all forms of taxation in Hong Kong, including income, capital gains and withholding taxes. However, in some jurisdictions, 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.

#### Distributions to unitholders

Distributions are at the discretion of the Manager. A distribution to the Sub-Fund's unitholders is included in profit or loss as the "finance costs". A proposed distribution is recognised as a liability in the year in which it is approved by the Manager of the Sub-Fund. The Manager does not intend to make any distribution of income in respect of the Sub-Fund.

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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. 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 the future periods.

#### Judgements

In the process of applying the Sub-Fund's accounting policies, management has not made any significant judgements which have the significant effect on the amounts recognised in the financial statements.

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty

No significant estimation uncertainty that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year exists at the end of the reporting period.

4. TRANSACTIONS WITH THE MANAGER AND ITS CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS

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

Holdings of the Sub-Fund

The Sub-Fund allows the Manager, its connected persons and other funds managed by the Manager to subscribe for, and redeem, units in the Sub-Fund.

The holdings of Class I (HKD) units of the Sub-Fund by the Manager as at 31 December 2024 and 2023 were as follows:

During the year ended 31 December 2024, the Manager had a redemption of HK\$3,833,899 of Class I (HKD).

At 31 December 2024

	Units outstanding at 31 December 2023	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2024
CUAM China-Hong Kong Strategy Fund – Class I (HKD)	<u>312,614.072</u>	<u>-</u>	<u>156,307.036</u>	<u>156,307.036</u>

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4. TRANSACTIONS WITH THE MANAGER AND ITS CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS (continued)

Holdings of the Sub-Fund (continued)

During the year ended 31 December 2023, the Manager had a subscription of HK\$10,910,000 of Class I (HKD).

At 31 December 2023

	Units outstanding at 31 December 2022	Units subscribed during the year	Units redeemed during the year	Units outstanding at 31 December 2023
CUAM China-Hong Kong Strategy Fund – Class I (HKD)	-	312,614.072	-	312,614.072

Brokerage commission

Bank of China (Hong Kong) Limited and BOCI Securities Limited, affiliates of the Trustee, rendered brokerage services for the Sub-Fund's purchases and sales of securities. During the year ended 31 December 2024, there was no purchases and sales of securities traded through Bank of China (Hong Kong) Limited, the transaction details through BOCI Securities Limited were as follows:

2024

	Aggregate value of purchases and sales of securities HK\$	Total commission paid HK\$	% of Sub-Fund's total transactions during the year %	Average commission rate %
BOCI Securities Limited	<u>314,830,882</u>	<u>314,831</u>	<u>4.18%</u>	<u>0.10%</u>

2023

	Aggregate value of purchases and sales of securities HK\$	Total commission paid HK\$	% of Sub-Fund's total transactions during the year %	Average commission rate %
BOCI Securities Limited	<u>31,557,315</u>	<u>31,557</u>	<u>2.10%</u>	<u>0.10%</u>

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4. TRANSACTIONS WITH THE MANAGER AND ITS CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS (continued)

Brokerage commission (continued)

Orient Securities (Hong Kong) Limited, the subsidiary of Orient Securities Company Limited which is a substantial shareholder of the Manager, rendered brokerage services for the Sub-Fund's purchases and sales of securities. During the year ended 31 December 2024 and 2023, the transaction details through Orient Securities (Hong Kong) Limited were as follows:

2024

	Aggregate value of purchases and sales of securities HK\$	Total commission paid HK\$	% of Sub-Fund's total transactions during the year %	Average commission rate %
Orient Securities (Hong Kong) Limited	<u>337,768,982</u>	<u>270,215</u>	<u>4.49%</u>	<u>0.08%</u>

2023

	Aggregate value of purchases and sales of securities HK\$	Total commission paid HK\$	% of Sub-Fund's total transactions during the year %	Average commission rate %
Orient Securities (Hong Kong) Limited	<u>65,141,773</u>	<u>52,113</u>	<u>4.33%</u>	<u>0.08%</u>

Bank deposits and investments held by the Trustee's affiliates

The Sub-Fund's bank deposits and investments were held by the Trustee's affiliates, Bank of China (Hong Kong) Limited. Further details of the bank balances held are described in note 10 to the financial statements. As at 31 December 2024, interest income on these bank balances was HK\$91,327 (2023: HK\$34,209).

Management fee

The Manager is entitled to receive, on an annual basis, a management fee from the Sub-Fund, at a rate of 1.25% for Class A units and 0.75% for Class I units per annum (up to maximum of 3% per annum in total by giving not less than one month's prior notice to the unitholders) with respect to the net assets attributable to holders of redeemable units of each class of the Sub-Fund calculated and accrued on each dealing day and are paid monthly in arrears. For the year ended 31 December 2024, the management fee was HK\$9,046,520 (2023: HK\$12,575,409).

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4. TRANSACTIONS WITH THE MANAGER AND ITS CONNECTED PERSONS AND RELATED PARTY TRANSACTIONS (continued)

Trustee fee

The Trustee is entitled to receive, on an annual basis, a trustee fee from the Sub-Fund, at the current rate being up to 0.15% per annum (up to maximum of 0.5% per annum by giving not less than one month's prior notice to the unitholders) of the net assets attributable to holders of redeemable units of the Sub-Fund calculated, subject to a minimum monthly fee of HK\$35,000, and accrued on each dealing day and is paid monthly in arrears. For the year ended 31 December 2024, the trustee fee was HK\$1,164,639 (2023: HK\$1,591,302).

Bank charges with a connected person of the Trustee

For the year ended 31 December 2024, the bank charges paid to Bank of China (Hong Kong) Limited, an affiliate company of the Trustee of the Sub-Fund was HK\$900 (2023: HK\$900).

Custodian fee

The Custodian is entitled to receive, on an annual basis, custodian fees from the Sub-Fund, at a rate up to 0.1% per annum of the net assets attributable to unitholders of the Sub-Fund calculated and is paid monthly in arrears. For the year ended 31 December 2024, the custodian fee was HK\$328,732 (2023: HK\$301,846).

Investment handling fee

The Sub-Fund pays investment handling fee of HK\$100 per transaction to the Trustee. For the year ended 31 December 2024, the investment handling fee was HK\$42,200 (2023: HK\$15,700).

Certain charges, fees and expenses borne by the Manager

Pursuant to the latest explanatory memorandum of the Sub-Fund, certain charges, fees and expenses, including auditors' remuneration and legal and other professional fees, etc., which are attributable to the Sub-Fund are borne by the Manager at its discretion starting from 1 January 2014 until a future date as notified by the Manager. For the year ended 31 December 2024, the Manager bore and paid a total sum of HK\$254,378 (2023: HK\$73,715) for the Sub-Fund, of which certain fees such as transaction fee, scrip fee paid to the Custodian were nil (2023: HK\$2,820) and these were borne by the Manager.

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5. INCOME TAX

Hong Kong

No provision for Hong Kong profits tax has been made for the Sub-Fund. The Sub-Fund is authorised by the SFC as a collective investment scheme pursuant to Section 104 of the SFO for offering to the retail public in Hong Kong. It is exempted from Hong Kong profits tax under Section 26A(1A) of the Hong Kong Inland Revenue Ordinance.

PRC

Under PRC laws and regulations, foreign investors (such as the Sub-Fund) may be subject to a 10% withholding tax on income (such as dividend/interest and capital gains) imposed on securities issued by PRC tax resident enterprises.

*Withholding tax*

A 10% PRC withholding tax is levied on dividend and interest derived by foreign investors from PRC companies which would have the obligation to withhold the tax on behalf of the foreign investors. As such, the issuers would have the obligation to withhold the tax on behalf of the Sub-Fund for the 10% withholding tax imposed on dividend and interest income. The withholding tax related to the dividend received/receivable from listed equity securities during the year ended 31 December 2024 was HK\$822,051 (2023: HK\$348,097).

6. BROKERAGE COMMISSION AND TRANSACTION FEE

Broker commission pertain to the broker commission for every transaction made through the broker at the average market rate of 0.07% (2023: 0.08%) based on the transaction value. Transaction fee pertain to fees such as trading fee and transaction levy for every transaction made on the stock exchange and stamp duty incurred for the transactions.

7. DISTRIBUTION

According to the distribution policy as stated in the explanatory memorandum of the Sub-Fund, the Manager does not intend to make any distribution of income in respect of the Sub-Fund.

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8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2024 HK\$	2023 HK\$
Listed equity securities	<u>720,414,618</u>	<u>908,376,732</u>
Net gains/(losses) recognised in relation to financial assets at fair value through profit or loss:		
Realised losses	(88,237,861)	( 137,387,675)
Net change in unrealised gains or losses	<u>97,714,889</u>	<u>( 73,450,323)</u>
Net gains/(losses)	<u>9,477,028</u>	<u>( 210,837,998)</u>

As at 31 December 2024 and 2023, all the listed equity securities were classified as financial assets at fair value through profit or loss as they were held for trading.

The fair value of financial assets traded in active markets is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Sub-Fund is the last traded price or closing market price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The following table shows an analysis of the Sub-Fund's financial assets measured at fair value at 31 December 2024 and 31 December 2023.

At 31 December 2024

	Quoted prices in active markets (Level 1) HK\$	Significant observable inputs (Level 2) HK\$	Significant unobservable inputs (Level 3) HK\$	Total HK\$
<u>Financial assets at fair value through profit or loss:</u>				
Listed equity securities	584,369,377	-	-	584,369,377
Listed depositary receipts	<u>136,045,241</u>	<u>-</u>	<u>-</u>	<u>136,045,241</u>
	<u>720,414,618</u>	<u>-</u>	<u>-</u>	<u>720,414,618</u>

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8. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

At 31 December 2023

	Quoted prices in active markets (Level 1) HK\$	Significant observable inputs (Level 2) HK\$	Significant unobservable inputs (Level 3) HK\$	Total HK\$
<u>Financial assets at fair value through profit or loss:</u>				
Listed equity securities	908,376,732	-	-	908,376,732
	<u>908,376,732</u>	<u>-</u>	<u>-</u>	<u>908,376,732</u>

There are no investments classified within Level 3 and no transfers of fair value measurements between Level 1 and Level 2 during the years ended 31 December 2024 and 31 December 2023.

Valuation techniques

*Listed equity securities and listed depositary receipts*

When fair values of listed equity securities and listed depositary receipts at the reporting date are based on quoted market prices or binding dealer price quotations, without any deduction for transaction costs, the instruments are included within Level 1 of the hierarchy. The Sub-Fund values these investments at last traded prices or closing market prices.

9. AMOUNT DUE FROM/TO BROKER

	2024 HK\$	2023 HK\$
Amount due from broker		
- receivables for securities sold but not yet settled	<u>-</u>	<u>9,051,547</u>
Amount due to broker		
- payables for securities purchased but not yet settled	<u>-</u>	<u>9,553,606</u>

The carrying amounts of amounts due from and to broker are approximate to their fair value.

10. CASH AND BANK BALANCES

The cash at banks held with the Custodian of the Sub-Fund, was placed into accounts bearing floating interest.



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11. DETAILS ON UNITS

The following is the number of units in issue and net assets attributable to unitholders per unit of the Sub-Fund as at 31 December 2024 and 2023:

	Class A (HKD) units	Class A (RMB) units	Class A (USD) units	Class I (HKD) units	Class I (USD) units
Number of units in issue					
At 31 December 2024	19,442,183.374	1,484,006.990	20,768,387.493	1,386,206.571	7,363,816.080
At 31 December 2023	24,077,761.086	1,822,538.102	25,804,794.040	3,290,151.650	8,343,460.244
Net assets attributable to unitholders per unit					
	HK\$	RMB	US\$	HK\$	US\$
At 31 December 2024	16.520	14.863	1.673	28.028	1.227
At 31 December 2023	16.340	14.186	1.646	27.585	1.201

Unitholders of the Sub-Fund who wish to redeem their redeemable participating units may do so on any dealing day, i.e. every Hong Kong business day of the calendar year or such other day or days as the Manager and the Trustee may agree from time to time, by submitting a realisation request to the Manager or authorised distributors before the dealing deadline, i.e. 4:00 p.m. (Hong Kong time) on the relevant dealing day. Unless otherwise stated in the explanatory memorandum of the Sub-Fund, realisation requests received after the dealing deadline will be carried forward and dealt with on the next dealing day.

The Manager may suspend the redemption or conversions of redeemable participating units or delay the payment of redemption proceeds during any periods in which the determination of the net asset value of the Sub-Fund is suspended under certain conditions as set out in the explanatory memorandum of the Sub-Fund.

With a view to protecting the interests of unitholders, the Manager is entitled, after consultation with the Trustee, to limit the number of units of any Sub-Fund redeemed on any dealing day to 10% of the total number of units of the relevant Sub-Fund in issue. In this event, the limitation will apply pro rata so that all unitholders of the Sub-Fund who have validly requested to redeem units of the Sub-Fund on that dealing day will redeem the same proportion of such units of the Sub-Fund provided that any holdings so requested to be realised being in aggregate of not more than 1% of the total number of units of any Sub-Fund in issue may be realised in full if in the opinion of the Manager after consultation with the Trustee, the application of such limitation would be unduly onerous or unfair to the unitholder or unitholders concerned. Any units not realised (but which would otherwise have been realised) will be carried forward for realisation, subject to the same limitation, and will have priority on the next succeeding dealing day and all following dealing days (in relation to which the Manager has the same power) until the original request has been satisfied in full.

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12. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES

Risk management

Risk is inherent in the Sub-Fund's activities, but it is managed through a process of ongoing identification, measurement and monitoring. The Manager is responsible for identifying and controlling risks. In perspective of risk management, the Sub-Fund's objective is to create and protect value for unitholders.

The Sub-Fund is exposed to market risk (which includes equity price risk, interest rate risk and foreign exchange risk), credit and counterparty risk and liquidity risk arising from the financial instruments it holds.

***Market 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 assets attributable to unitholders per unit of the Sub-Fund.

The maximum credit risk resulting from financial instruments approximate their carrying amounts.

The Sub-Fund assumes market risk in trading activities. The Sub-Fund distinguishes market risk as follows:

- Equity price risk
- Interest rate risk
- Foreign exchange risk

NOTES TO THE FINANCIAL STATEMENTS

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12. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

**Market risk** (continued)

Equity price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, either caused by factors specific to the individual instrument or factors affecting all instruments in the market. The Sub-Fund is exposed to equity price risk as changes in prices of equity instruments of its investments will affect its net asset value. Equity price risk can be mitigated by constructing a diversified portfolio of investment across different issuers, different sectors or traded on different markets by the investment strategies of investment manager.

Management's estimation of the effect on changes in net assets attributable to unitholders for the period due to a reasonably possible change in in the applicable equity index, MSCI China Index<sup>1</sup>, which is an internally predetermined reference for equity investment of the Sub-Fund, with all other variables held constant, is indicated in the table below. In practice, the actual trading results may differ from the sensitivity analysis below and the difference could be material.

	Change in equity prices	Effect on net assets attributable to unitholders and on changes in net assets attributable to unitholders for the year HK\$/Unit
At 31 December 2024		
MSCI China Index <sup>1</sup>	±5%	±1.3956
At 31 December 2023		
MSCI China Index <sup>1</sup>	±5%	±1.3582

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or future cash flows will fluctuate due to changes in market interest rates.

The Manager considers that the Sub-Fund is not subject to significant risk due to fluctuations in the prevailing level of market interest rate. As the Sub-Fund does not hold any interest bearing financial assets through profit or loss other than cash as at 31 December 2024, the Manager considers that changes in the fair value of the investment portfolio of the Sub-Fund in the event of a change in market interest rates will not be material. Therefore, no sensitivity analysis of the investment portfolio of the Sub-Fund is presented.

<sup>1</sup> The index is for reference only, not for benchmark

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12. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

**Market risk** (continued)

Foreign exchange risk

Foreign exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The Sub-Fund's assets and liabilities are predominantly denominated in HK\$, United States dollars ("US\$") and Renminbi. The table below summarises the Sub-Fund's assets and liabilities, which are exposed to foreign exchange risk except for the currency in US\$ which HK\$ is pegged to the US\$, as at the end of the reporting period:

	<b>2024</b>	<b>2023</b>
	HK\$	HK\$
Renminbi	65,991,184	90,111,099

The table below presents the change in net asset value of the Sub-Fund due to a reasonably possible change by 5% in key exchange rates, with all other variables held constant. The Manager has used its view of what would be a reasonable possible shift in the exchange rates to estimate the change in this sensitivity analysis. However, this does not represent a prediction of the future movement in the markets. Changes below are shown in absolute terms, and the impacts could be positive or negative: Possible changes in interest rate are revised annually depending on the Manager's current view of market volatility and other relevant factors

	Possible reasonable shift +/-	2024 HK\$ +/-	2023 HK\$ +/-
Renminbi	5%	3,299,559	4,505,555

**Liquidity risk**

Liquidity risk is defined as the risk that the Sub-Fund will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Exposure to liquidity risk arises because of the possibility that the Sub-Fund could be required to pay its liabilities or redeem its units earlier than expected. The Sub-Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the holder's option based on the Sub-Fund's net asset value per unit at the time of redemption, calculated in accordance with the Sub-Fund's Trust Deed. It is the Sub-Fund's policy that the Manager monitors the Sub-Fund's liquidity position on a daily basis.

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12. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

***Liquidity risk*** (continued)

The table below summarises the maturity profile of Sub-Fund's financial liabilities at the end of the reporting period based on contractual undiscounted cash flows. The table also analyses the maturity profile of the Sub-Fund's financial assets (undiscounted where appropriate) in order to provide a complete view of the Sub-Fund's contractual commitments and liquidity.

Financial liabilities

The maturity grouping is based on the remaining period from the end of the reporting period to the contractual maturity date. When counterparty has a choice of when the amount is paid, the liability is allocated to the earliest period in which the Sub-Fund can be required to pay.

Financial assets

Analysis of equity securities at fair value through profit or loss into maturity groupings is based on the expected date on which these assets will be realised. For other assets, the analysis into maturity groupings is based on the remaining period from the end of the reporting period to the contractual maturity date or, if earlier, the expected date on which the assets will be realised.

At 31 December 2024

	On demand HK\$	Less than 3 months HK\$	Others* HK\$	Total HK\$
<u>Financial assets</u>				
Financial assets at fair value				
through profit or loss	-	720,414,618	-	720,414,618
Dividend receivables	-	161,829	-	161,829
Subscription proceeds receivable	-	137,628	-	137,628
Cash and bank balances	8,970,699	-	-	8,970,699
	<u>8,970,699</u>	<u>720,714,075</u>	<u>-</u>	<u>729,684,774</u>
Total financial assets	<u>8,970,699</u>	<u>720,714,075</u>	<u>-</u>	<u>729,684,774</u>

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12. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

***Liquidity risk*** (continued)

At 31 December 2024

	On demand HK\$	Less than 3 months HK\$	Others* HK\$	Total HK\$
<u>Financial liabilities</u>				
Management fee payable	-	755,981	-	755,981
Trustee fee payable	-	96,464	-	96,464
Other payables and accruals	-	2,000	-	2,000
Redemption proceeds payable	-	5,447,242	-	5,447,242
Net assets attributable to unitholders*	-	-	723,389,087	723,389,087
Total financial liabilities	-	6,301,687	723,389,087	729,690,774

\* As detailed in the explanatory memorandum of the Sub-Fund, the redeemable participating units might be subject to redemption restrictions.

At 31 December 2023

Financial assets

Financial assets at fair value through profit or loss	-	908,376,732	-	908,376,732
Dividend receivables	-	1,102,178	-	1,102,178
Amount due from broker	-	9,051,547	-	9,051,547
Subscription proceeds receivable	-	652,679	-	652,679
Cash and bank balances	16,829,645	-	-	16,829,645
Total financial assets	16,829,645	919,183,136	-	936,012,781

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31 December 2024

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

***Liquidity risk*** (continued)

At 31 December 2023

	On demand HK\$	Less than 3 months HK\$	Others* HK\$	Total HK\$
<u>Financial liabilities</u>				
Management fee payable	-	890,401	-	890,401
Trustee fee payable	-	114,693	-	114,693
Amount due to broker	-	9,553,606	-	9,553,606
Other payables and accruals	-	2,500	-	2,500
Redemption proceeds payable	-	3,025,777	-	3,025,777
Net assets attributable to unitholders*	-	-	922,431,804	922,431,804
Total financial liabilities	-	13,586,977	922,431,804	936,018,781

\* As detailed in the explanatory memorandum of the Sub-Fund, the redeemable participating units might be subject to redemption restrictions.

***Credit and counterparty risk***

The Sub-Fund is exposed to credit risk, which is the risk that the counterparty to a financial instrument will cause a financial loss for the Sub-Fund by failing to discharge an obligation.

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

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 custodian. The table below summarises the Sub-Fund's assets placed with banks and the custodian and their related credit ratings from Standard & Poor's ("S&P"):

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31 December 2024

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

***Credit and counterparty risk*** (continued)

At 31 December 2024

	HK\$	Credit rating	Source of credit rating
Bank			
Bank of China (Hong Kong) Limited	8,970,699	A+	S&P
Custodian			
Bank of China (Hong Kong) Limited	720,414,618	A+	S&P

At 31 December 2023

	HK\$	Credit rating	Source of credit rating
Bank			
Bank of China (Hong Kong) Limited	16,829,645	A+	S&P
Custodian			
Bank of China (Hong Kong) Limited	908,376,732	A+	S&P

The Sub-Fund's maximum exposure to credit risk at the end of the reporting period is the carrying amount of total assets as shown on the statement of financial position.

The Manager considers that none of these assets are impaired nor past due as at 31 December 2024 and 31 December 2023.

Credit risk disclosures are segmented into two sections based on whether the underlying financial instrument is subject to HKFRS 9's impairment disclosure or not.

**Financial assets subject to expected credit loss**

The Sub-Fund's financial assets subject to the expected credit loss model within HKFRS 9 are only dividend receivables, amount due from broker, subscription proceeds receivables and cash and bank balances. As at 31 December 2024, the total of dividend receivables, amount due from broker, subscription proceeds receivables and cash and bank balances was HK\$9,270,156 (2023: HK\$27,636,049) on which no loss allowance had been provided. No amount (2023: Nil) was considered credit impaired at the end of the reporting period.



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12. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

***Credit and counterparty risk*** (continued)

**Financial assets subject to expected credit loss** (continued)

In calculating the loss allowance, a provision matrix has been used based on historical observed loss rates over the expected life of the receivables adjusted for forward-looking estimates. Items have been grouped by their nature into the following categories: dividend receivables, amount due from broker, subscription proceeds receivables and cash and bank balances. All the Sub-Fund's cash and bank balances are held in major financial institutions located in Hong Kong, which the Manager believes are of high credit quality. The Manager considers the Sub-Fund is not exposed to significant credit risk and no loss allowance (2023: Nil) has been made.

*Maximum exposure and year-end staging as at 31 December 2024*

The table below shows the credit quality and the maximum exposure to credit risk based on the Sub-Fund's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2024.

	12-month expected <u>credit losses</u>	Lifetime expected <u>credit losses</u>		Simplified approach	Total
	Stage 1 HK\$	Stage 2 HK\$	Stage 3 HK\$	approach HK\$	HK\$
Financial assets					
Dividend receivables					
- Not yet past due	161,829	-	-	-	161,829
Subscription proceeds receivable					
- Not yet past due	137,628	-	-	-	137,628
Cash and bank balances					
- Not yet past due	<u>8,970,699</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,970,699</u>
Total	<u>9,270,156</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,270,156</u>

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

12. FINANCIAL RISK AND MANAGEMENT OBJECTIVES AND POLICIES (continued)

Risk management (continued)

***Credit and counterparty risk*** (continued)

**Financial assets subject to expected credit loss** (continued)

*Maximum exposure and year-end staging as at 31 December 2023*

The table below shows the credit quality and the maximum exposure to credit risk based on the Sub-Fund's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2023.

	<u>12-month expected credit losses</u>	<u>Lifetime expected credit losses</u>		<u>Simplified approach</u>	<u>Total</u>
	<u>Stage 1 HK\$</u>	<u>Stage 2 HK\$</u>	<u>Stage 3 HK\$</u>	<u>HK\$</u>	<u>HK\$</u>
Financial assets					
Dividend receivables					
- Not yet past due	1,102,178	-	-	-	1,102,178
Amount due from broker					
- Not yet past due	9,051,547	-	-	-	9,051,547
Subscription proceeds receivable					
- Not yet past due	652,679	-	-	-	652,679
Cash and bank balances					
- Not yet past due	<u>16,829,645</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,829,645</u>
Total	<u>27,636,049</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,636,049</u>

**Financial assets not subject to expected credit loss**

The Sub-Fund is exposed to credit risk on equity securities. This class of financial assets are not subject to HKFRS 9's impairment requirements as these are measured at FVPL. The carrying value of these assets, under HKFRS 9 impairment requirements on the respective reporting dates. Hence, no separate maximum exposure to credit risk disclosure is provided for these instruments.

Capital management

The Sub-Fund's objectives for managing capital are to invest the capital in investments in order to achieve its investment objective while maintaining sufficient liquidity to meet the expenses of the Sub-Fund, and to meet redemption requests as they arise.

NOTES TO THE FINANCIAL STATEMENTS

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13. 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, computer hardware associated with specialised software or research services and performance insurance.

During the year ended 31 December 2024, no commission rebates was received by the Manager (2023: Nil).

14. EVENTS AFTER THE REPORTING PERIOD

During the period from 1 January 2025 to 29 April 2025, the Sub-Fund has received a total subsequent subscription of US\$659,406, HK\$6,982,088 and RMB1,068,373 and redemption of US\$6,948,521, HK\$40,774,700 and RMB8,479,515 respectively.

15. APPROVAL OF THE FINANCIAL STATEMENTS

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

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UNAUDITED INVESTMENT PORTFOLIO

31 December 2024

<b><u>LISTED/QUOTED INVESTMENTS</u></b>		Fair Value	% of net
<b><u>EQUITY SECURITIES</u></b>	Holdings	HK\$	assets
<b>Mainland China</b>			
<b>Denominated in RMB</b>			
KWEICHOW MOUTAI CO LTD-A	40,200	64,837,337	8.96
MIDEA GROUP CO LTD-A	93	7,403	0.00
<b>Hong Kong</b>			
<b>Denominated in HK\$</b>			
ALIBABA GROUP HLDG LTD	760,000	62,624,000	8.66
BYD CO LTD-H	141,000	37,590,600	5.20
CHINA CONSTRUCTION BANK CORP-H	7,500,000	48,600,000	6.72
HONG KONG EXCHANGES & CLEARING LTD	100,000	29,480,000	4.08
HSBC HLDGS PLC	970,000	73,526,000	10.16
ORIENT OVERSEAS INTL LTD	130,000	14,963,000	2.07
SEMICONDUCTOR MANUFACTURING INTL CORP	1,250,000	39,750,000	5.49
TENCENT HLDGS LTD	176,000	73,392,000	10.15
TONG REN TANG TECHNOLOGIES CO LTD-H	100,000	519,000	0.07
XPENG INC	240,000	11,196,000	1.55
YUM CHINA HLDGS INC	20,000	7,484,000	1.03
ZHAOJIN MINING INDUSTRY CO LTD-H	700,000	7,672,000	1.06
<b>United States</b>			
<b>Denominated in US\$</b>			
NVIDIA CORP	56,000	58,400,645	8.07
SALESFORCE INC	8,000	20,770,707	2.87
TESLA INC	10,700	33,556,685	4.64
<b>DEPOSITORY RECEIPTS</b>			
<b>United States</b>			
<b>Denominated in US\$</b>			
JD.COM INC-ADR	130,000	35,001,216	4.84
SUPER HI INTERNATIONAL HOLDING LTD-ADR	50,000	11,206,043	1.55
TAL EDUCATION GROUP-ADR	200,000	15,562,654	2.15
TRIP.COM GROUP LTD-ADR	30,000	15,995,985	2.21

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UNAUDITED INVESTMENT PORTFOLIO (continued)

31 December 2024

<b><u>LISTED/QUOTED INVESTMENTS</u></b> (continued)		Fair Value	% of net
<b>DEPOSITORY RECEIPTS</b> (continued)	Holdings	HK\$	assets
<b>Taiwan</b>			
<b>Denominated in TWD</b>			
TAIWAN SEMICONDUCTOR MANUFACTURING CO-ADR	38,000	58,279,343	8.06
<b>TOTAL LISTED/QUOTED INVESTMENTS</b>		<b>720,414,618</b>	<b>99.59</b>
<b>TOTAL INVESTMENTS, AT COST</b>		<b>698,390,643</b>	
<b><u>TOTAL NET ASSETS</u></b>			
Total investment		720,414,618	99.59
Other net assets		2,974,469	0.41
Total net assets		<b>723,389,087</b>	<b>100.00</b>

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
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UNAUDITED STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS

31 December 2024

Listed/ Quoted Investments	Movements				
	Holdings At 1 January 2024	Additions	Corporate Action	Disposals	Holdings At 31 December 2024
<b>EQUITY SECURITIES</b>					
<b>Mainland China</b>					
<b>Denominated in RMB</b>					
KWEICHOW MOUTAI CO LTD-A	47,600	-	-	(7,400)	40,200
MIDEA GROUP CO LTD-A	93	-	-	-	93
<b>Hong Kong</b>					
<b>Denominated in HK\$</b>					
AIA GROUP LTD	850,000	580,000	-	(1,430,000)	-
AKESO INC	-	345,000	-	(345,000)	-
ALIBABA GROUP HLDG LTD	1,021,900	1,747,400	-	(2,009,300)	760,000
BEIGENE LTD	85,000	58,000	-	(143,000)	-
BILIBILI INC-CL Z	-	100,000	-	(100,000)	-
BYD CO LTD-H	85,000	573,000	-	(517,000)	141,000
BYD ELECTRONIC (INTL) CO LTD	530,000	-	-	(530,000)	-
CGN POWER CO LTD-H	-	2,300,000	-	(2,300,000)	-
CHINA CONSTRUCTION BANK CORP-H	-	36,300,000	-	(28,800,000)	7,500,000
CHINA INTL CAPITAL CORP LTD-H	-	1,000,000	-	(1,000,000)	-
CHINA MERCHANTS BANK CO LTD-H	-	1,900,000	-	(1,900,000)	-
CHINA MOBILE LTD	-	3,966,500	-	(3,966,500)	-
CHINA OVERSEAS PROPERTY HLDGS LTD	700,000	1,600,000	-	(2,300,000)	-
CHINA RESOURCES BEER (HLDGS) CO LTD	-	450,000	-	(450,000)	-
CHINA RESOURCES LAND LTD	300,000	1,750,000	-	(2,050,000)	-
CHINA RESOURCES MIXC LIFESTYLE SERVICES LTD	650,000	-	-	(650,000)	-
CHINA SHENHUA ENERGY CO LTD-H	-	1,550,000	-	(1,550,000)	-
CHINA VANKE CO LTD-H	-	4,600,000	-	(4,600,000)	-
CMOC GROUP LTD-H	-	999,000	-	(999,000)	-
CNOOC LTD	-	1,970,000	-	(1,970,000)	-
COSCO SHIPPING HLDGS CO LTD-H	-	1,200,000	-	(1,200,000)	-
CSPC PHARMACEUTICAL GROUP LTD	-	1,300,000	-	(1,300,000)	-
GALAXY ENTERTAINMENT GROUP LTD	800,000	-	-	(800,000)	-

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UNAUDITED STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (continued)

31 December 2024

Listed/ Quoted Investments (continued)	Movements				
	Holdings At 1 January 2024	Additions	Corporate Action	Disposals	Holdings At 31 December 2024
<b>EQUITY SECURITIES (continued)</b>					
<b>Hong Kong (continued)</b>					
<b>Denominated in HK\$</b>					
GEELY AUTOMOBILE HLDGS LTD	-	2,000,000	-	(2,000,000)	-
GREENTOWN CHINA HLDGS LTD	-	700,000	-	(700,000)	-
HAIDILAO INTL HLDG LTD	1,000,000	1,000,000	-	(2,000,000)	-
HANSOH PHARMACEUTICAL GROUP CO LTD	-	1,300,000	-	(1,300,000)	-
HONG KONG EXCHANGES & CLEARING LTD	268,800	712,000	-	(880,800)	100,000
HSBC HLDGS PLC	-	1,220,000	-	(250,000)	970,000
KEYMED BIOSCIENCES INC	-	250,000	-	(250,000)	-
KINGDEE INTL SOFTWARE GROUP CO LTD	450,000	-	-	(450,000)	-
KUAISHOU TECHNOLOGY	600,000	1,430,000	-	(2,030,000)	-
LAOPU GOLD CO LTD	-	15,500	-	(15,500)	-
LENOVO GROUP LTD	900,000	2,900,000	-	(3,800,000)	-
LI AUTO INC-CL A	130,000	630,000	-	(760,000)	-
MEITUAN-CLASS B	288,720	1,490,000	-	(1,778,720)	-
MIDEA GROUP CO LTD	-	62,800	-	(62,800)	-
MONGOLIAN MINING CORP	-	498,000	-	(498,000)	-
NETEASE INC	140,000	110,000	-	(250,000)	-
NEW ORIENTAL EDUCATION & TECHNOLOGY GROUP INC	-	510,000	-	(510,000)	-
ORIENT OVERSEAS INTL LTD	-	130,000	-	-	130,000
PING AN INSURANCE GROUP CO OF CHINA LTD-H	-	1,950,000	-	(1,950,000)	-
REMEGEN CO LTD-H	-	350,000	-	(350,000)	-
SANDS CHINA LTD	1,250,000	-	-	(1,250,000)	-
SEMICONDUCTOR MANUFACTURING INTL CORP	-	1,250,000	-	-	1,250,000
SINOPEC ENGINEERING (GROUP) CO LTD-H	100,000	3,900,000	-	(4,000,000)	-
SUN HUNG KAI PROPERTIES LTD	-	200,000	-	(200,000)	-
SUPER HI INTERNATIONAL HOLDING LTD	700,000	-	-	(700,000)	-

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
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UNAUDITED STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (continued)

31 December 2024

Listed/ Quoted Investments (continued)	Movements				Holdings At 31 December 2024
	Holdings At 1 January 2024	Additions	Corporate Action	Disposals	
<b>EQUITY SECURITIES (continued)</b>					
<b>Hong Kong (continued)</b>					
<b>Denominated in HK\$</b>					
TECHTRONIC INDUSTRIES CO LTD	-	90,000	-	(90,000)	-
TENCENT HLDGS LTD	285,200	210,000	-	(319,200)	176,000
TONG REN TANG TECHNOLOGIES CO LTD-H	100,000	-	-	-	100,000
TRIP.COM GROUP LTD	-	52,000	-	(52,000)	-
WUXI APTEC CO LTD-H	220,000	-	-	(220,000)	-
WUXI BIOLOGICS (CAYMAN) INC	800,000	1,900,000	-	(2,700,000)	-
XIAOMI CORP-CLASS B SHARE	1,200,000	3,500,000	-	(4,700,000)	-
XPENG INC	-	240,000	-	-	240,000
YUEXIU PROPERTY CO LTD	-	2,200,000	-	(2,200,000)	-
YUM CHINA HLDGS INC	78,000	20,000	-	(78,000)	20,000
ZHAOJIN MINING INDUSTRY CO LTD-H	1,000,000	1,000,000	-	(1,300,000)	700,000
ZHONGSHENG GROUP HLDGS LTD	-	500,000	-	(500,000)	-
ZIJIN MINING GROUP CO LTD-H	2,100,000	80,000	-	(2,180,000)	-
<b>United States</b>					
<b>Denominated in US\$</b>					
APPLE INC	-	15,300	-	(15,300)	-
META PLATFORMS INC-CL A	-	16,000	-	(16,000)	-
MICROSOFT CORP	-	26,800	-	(26,800)	-
NVIDIA CORP	-	90,400	50,400	(84,800)	56,000
SALESFORCE INC	-	8,000	-	-	8,000
TESLA INC	-	10,700	-	-	10,700
<b>MUTUAL FUND/ UT</b>					
<b>Hong Kong (continued)</b>					
<b>Denominated in HK\$</b>					
LINK REAL ESTATE INVESTMENT TRUST	-	850,000	-	(850,000)	-



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UNAUDITED STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (continued)

31 December 2024

Listed/ Quoted Investments (continued)	Movements				
	Holdings At 1 January 2024	Additions	Corporate Action	Disposals	Holdings At 31 December 2024
<b>DEPOSITORY RECEIPTS</b>					
<b>United States</b>					
<b>Denominated in US\$</b>					
ALIBABA GROUP HLDG LTD- SPONSORED ADR	-	221,300	-	(221,300)	-
FUTU HLDGS LTD-SPONSORED ADR	80,000	208,500	-	(288,500)	-
GAOTU TECHEDU INC-SPONSORED ADR	-	130,000	-	(130,000)	-
JD.COM INC-ADR	-	290,000	-	(160,000)	130,000
NEW ORIENTAL EDUCATION & TECHNOLOGY GROUP INC-ADR	-	80,000	-	(80,000)	-
PINDUODUO INC-SPONSORED ADR	77,000	208,000	-	(285,000)	-
SUPER HI INTERNATIONAL HOLDING LTD-ADR	-	50,000	-	-	50,000
TAL EDUCATION GROUP-ADR	100,000	200,000	-	(100,000)	200,000
TENCENT MUSIC ENTERTAINMENT GROUP-ADR	-	160,000	-	(160,000)	-
TRIP.COM GROUP LTD-ADR	-	36,000	-	(6,000)	30,000
XPENG INC-SPONSORED ADR	-	123,000	-	(123,000)	-
<b>Taiwan</b>					
<b>Denominated in TWD</b>					
TAIWAN SEMICONDUCTOR MANUFACTURING CO-ADR	-	159,000	-	(121,000)	38,000

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
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UNAUDITED PERFORMANCE TABLE

31 December 2024

**1. NET ASSET VALUE**

	Net assets value per unit			Total net asset value		
	HK\$	US\$	RMB	HK\$	US\$	RMB
As at 31 December 2024						
- Class A (HKD) units	16.520	-	-	321,178,799	-	-
- Class A (RMB) units	-	-	14.863	-	-	22,056,558
- Class A (USD) units	-	1.673	-	-	34,749,640	-
- Class I (HKD) units	28.028	-	-	38,852,726	-	-
- Class I (USD) units	-	1.227	-	-	9,034,004	-
As at 31 December 2023						
- Class A (HKD) units	16.340	-	-	393,430,690	-	-
- Class A (RMB) units	-	-	14.186	-	-	25,854,909
- Class A (USD) units	-	1.646	-	-	42,463,809	-
- Class I (HKD) units	27.585	-	-	90,758,807	-	-
- Class I (USD) units	-	1.201	-	-	10,016,662	-
As at 31 December 2022						
- Class A (HKD) units	19.929	-	-	524,159,219	-	-
- Class A (RMB) units	-	-	16.846	-	-	28,309,436
- Class A (USD) units	-	2.011	-	-	57,184,241	-
- Class I (HKD) units	33.478	-	-	104,752,515	-	-
- Class I (USD) units	-	1.460	-	-	12,796,634	-

**2. HIGHEST ISSUE AND LOWEST REDEMPTION PRICES PER UNIT**

	Highest subscription unit price			Lowest redemption unit price		
	HK\$	US\$	RMB	HK\$	US\$	RMB
During the year ended 31 December 2024						
- Class A (HKD) units	19.970	-	-	13.892	-	-
- Class A (RMB) units	-	-	17.307	-	-	12.087
- Class A (USD) units	-	2.022	-	-	1.401	-
- Class I (HKD) units	33.843	-	-	23.533	-	-
- Class I (USD) units	-	1.481	-	-	1.026	-
During the year ended 31 December 2023						
- Class A (HKD) units	22.892	-	-	15.638	-	-
- Class A (RMB) units	-	-	18.795	-	-	13.607
- Class A (USD) units	-	2.300	-	-	1.574	-
- Class I (HKD) units	38.470	-	-	26.392	-	-
- Class I (USD) units	-	1.670	-	-	1.148	-

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
(A sub-fund of China Universal International Series)

UNAUDITED PERFORMANCE TABLE (continued)

31 December 2024

**2. HIGHEST ISSUE AND LOWEST REDEMPTION PRICES PER UNIT** (continued)

	Highest subscription unit price			Lowest redemption unit price		
	HK\$	US\$	RMB	HK\$	US\$	RMB
During the year ended 31 December 2022						
- Class A (HKD) units	22.783	-	-	13.583	-	-
- Class A (RMB) units	-	-	18.493	-	-	12.069
- Class A (USD) units	-	2.290	-	-	1.361	-
- Class I (HKD) units	38.176	-	-	22.799	-	-
- Class I (USD) units	-	1.655	-	-	0.987	-
During the year ended 31 December 2021						
- Class A (HKD) units	30.157	-	-	21.250	-	-
- Class A (RMB) units	-	-	23.862	-	-	16.614
- Class A (USD) units	-	3.060	-	-	2.146	-
- Class I (HKD) units	50.193	-	-	35.496	-	-
- Class I (USD) units	-	2.201	-	-	1.549	-
During the year ended 31 December 2020						
- Class A (HKD) units	24.897	-	-	11.836	-	-
- Class A (RMB) units	-	-	19.902	-	-	10.390
- Class A (USD) units	-	2.526	-	-	1.200	-
- Class I (HKD) units	41.411	-	-	19.611	-	-
- Class I (USD) units	-	1.816	-	-	0.859	-
During the year ended 31 December 2019						
- Class A (HKD) units	13.953	-	-	10.730	-	-
- Class A (RMB) units	-	-	11.915	-	-	8.837
- Class A (USD) units	-	1.410	-	-	1.078	-
- Class I (HKD) units	23.093	-	-	17.671	-	-
- Class I (USD) units	-	1.000	-	-	1.000	-
During the year ended 31 December 2018						
- Class A (HKD) units	14.740	-	-	10.619	-	-
- Class A (RMB) units	-	-	11.228	-	-	8.830
- Class A (USD) units	-	1.483	-	-	1.065	-
- Class I (HKD) units	24.162	-	-	17.473	-	-

CHINA UNIVERSAL INTERNATIONAL SERIES – CUAM CHINA-HONG KONG STRATEGY FUND  
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UNAUDITED PERFORMANCE TABLE (continued)

31 December 2024

**2. HIGHEST ISSUE AND LOWEST REDEMPTION PRICES PER UNIT** (continued)

	Highest subscription unit price			Lowest redemption unit price		
	HK\$	US\$	RMB	HK\$	US\$	RMB
During the year ended 31 December 2017						
- Class A (HKD) units	13.387	-	-	7.906	-	-
- Class A (RMB) units	-	-	10.000	-	-	10.000
- Class A (USD) units	-	1.349	-	-	1.000	-
- Class I (HKD) units	21.925	-	-	12.892	-	-
During the year ended 31 December 2016						
- Class A (HKD) units	8.544	-	-	5.849	-	-
- Class A (RMB) units	-	-	-	-	-	-
- Class A (USD) units	-	-	-	-	-	-
- Class I (HKD) units	13.914	-	-	9.495	-	-
During the year ended 31 December 2015						
- Class A (HKD) units	10.331	-	-	6.670	-	-
- Class A (RMB) units	-	-	-	-	-	-
- Class A (USD) units	-	-	-	-	-	-
- Class I (HKD) units	16.712	-	-	10.803	-	-